

Fordham Intellectual Property, Media and Entertainment Law Journal

Volume 24 *Volume XXIV*
Number 3 *Volume XXIV Book 3*

Article 7

2014

“You Never Got Me Down, Delay”: Petrella v. Metro-Goldwyn-Mayer, Inc. and the Availability of Laches in Copyright Infringement Claims Brought Within the Statute of Limitations

Daniel Sheerin
Fordham University School of Law

Follow this and additional works at: <https://ir.lawnet.fordham.edu/iplj>



Part of the [Intellectual Property Law Commons](#)

Recommended Citation

Daniel Sheerin, *“You Never Got Me Down, Delay”: Petrella v. Metro-Goldwyn-Mayer, Inc. and the Availability of Laches in Copyright Infringement Claims Brought Within the Statute of Limitations*, 24 Fordham Intell. Prop. Media & Ent. L.J. 851 (2015).

Available at: <https://ir.lawnet.fordham.edu/iplj/vol24/iss3/7>

This Note is brought to you for free and open access by FLASH: The Fordham Law Archive of Scholarship and History. It has been accepted for inclusion in Fordham Intellectual Property, Media and Entertainment Law Journal by an authorized editor of FLASH: The Fordham Law Archive of Scholarship and History. For more information, please contact tmelnick@law.fordham.edu.

“You Never Got Me Down, Delay”: Petrella v. Metro-Goldwyn-Mayer, Inc. and the Availability of Laches in Copyright Infringement Claims Brought Within the Statute of Limitations

Cover Page Footnote

J.D. Candidate, Fordham University School of Law, 2015; B.A., Tufts University, 2002. Thank you to Professor Hugh Hansen for his guidance and inspiration, and to the IPLJ Volume XXIV editorial board and staff for their diligence and dedication. Thank you to Brooke Woosley for her boundless patience and to my family for their love and support, especially Margaret Sheerin, my lifelong teacher.

“You Never Got Me Down, Delay”:
Petrella v. Metro-Goldwyn-Mayer, Inc.
and the Availability of Laches in
Copyright Infringement Claims
Brought Within the Statute of
Limitations

Daniel Sheerin*

INTRODUCTION	853
I. THE EQUITABLE DOCTRINE OF LACHES IN COPYRIGHT LAW BEFORE <i>PETRELLA V. METRO- GOLDWYN-MAYER</i>	856
A. <i>The Elements of Laches</i>	856
B. <i>The Application of Laches in Copyright Infringement Cases</i>	858
C. <i>The Statute of Limitations in Copyright Infringement Cases</i>	861
1. The Copyright Act’s Statute of Limitations	861
2. The Continuing Wrong Doctrine, the Rolling Statute of Limitations, and the Re- Releases Issue.....	862
D. <i>The Circuit Split Over the Availability of Laches in Copyright Infringement Claims Brought Within the Statute of Limitations</i>	865
1. The Fourth Circuit: Statute of Limitations is	

* J.D. Candidate, Fordham University School of Law, 2015; B.A., Tufts University, 2002. Thank you to Professor Hugh Hansen for his guidance and inspiration, and to the IPLJ Volume XXIV editorial board and staff for their diligence and dedication. Thank you to Brooke Woosley for her boundless patience and to my family for their love and support, especially Margaret Sheerin, my lifelong teacher.

the “End of the Matter”	865
2. The Eleventh Circuit: Laches Available “Only in the Most Extraordinary Circumstances”	867
3. The Tenth Circuit: Laches Available in Rare Cases	869
4. The Sixth Circuit: Laches Available in the Most Compelling of Cases	871
5. The Second Circuit: Laches Bars only Injunctive Relief	875
6. The Ninth Circuit: A Presumption in Favor of Laches	877
II. SEPARATION OF POWERS CONFLICTS OVER THE AVAILABILITY OF LACHES IN THE PRESENCE OF A CONGRESSIONALLY CREATED STATUTE OF LIMITATIONS	884
A. <i>Supreme Court Reasoning on the Availability of Judicially Created Doctrines in Cases with Controlling Federal Statutes</i>	886
1. Beyond the Province and Duty of the Judiciary: Against the Availability of Equitable Doctrines	886
2. “When Equity So Requires”: In Favor of the Availability of Equitable Doctrines	887
B. <i>The Availability of Laches in Copyright Infringement Cases Before Petrella v. Metro- Goldwyn-Mayer</i>	890
1. Weighing the Remedial Purpose of the Copyright Act Against the Particular Purpose of the Statute of Limitations	890
2. The Differential Treatment of Discrete Acts of Infringement and Continuing Acts of Infringement	891
3. Challenges in Balancing the Role of Equity and the Aims of the Law in Copyright	894
III. RESOLVING THE SPLIT OVER THE AVAILABILITY OF LACHES ACROSS THE CIRCUITS BY DISTINGUISHING BETWEEN TYPES OF INFRINGEMENT CLAIMS	895
A. <i>Claims Involving Discrete Acts of Infringement</i>	895

<i>B. Claims Arising from Continuing Acts of Infringement</i>	896
<i>C. The Supreme Court’s Holding in Petrella v. Metro-Goldwyn-Mayer, Inc.</i>	897
CONCLUSION.....	903

INTRODUCTION

The equitable doctrine of laches can bar the infringement claim¹ of a copyright owner who “acquiesces in a transaction and sleeps upon his rights,”² a derivation of the ancient maxim, “equity aids the vigilant, not those who sleep on their rights.”³ To assert a successful laches defense, a “defendant must prove both an unreasonable delay by the plaintiff and prejudice to itself.”⁴ The viability of a laches defense hinges on a “mixed question of law and fact.”⁵ While it is not a “purely factual question requiring no knowledge of law to answer,” courts assess laches based on the facts surrounding a claim.⁶ Before 1957, defendants invoked laches in copyright infringement claims brought against them within the applicable state statute of limitations provisions when plaintiffs delayed in bringing an action.⁷ In 1957, Congress enacted a three-year statute of limitations for civil copyright

¹ 17 U.S.C.A. § 501 (2012).

² *S. Pac. Co. v. Bogert*, 250 U.S. 483, 500 (1919) (McReynolds, J., dissenting) (citing *Hayward v. Eliot Nat’l Bank*, 96 U.S. 611 (1877)).

³ *Lyons P’ship, L.P. v. Morris Costumes, Inc.*, 243 F.3d 789, 797–98 (4th Cir. 2001) (citing *Ivani Contracting Corp. v. City of New York*, 103 F.3d 257, 259 (2d Cir. 1997)).

⁴ *Couveau v. Am. Airlines, Inc.*, 218 F.3d 1078, 1083 (9th Cir. 2000).

⁵ *Petrella v. Metro-Goldwyn-Mayer, Inc.*, 695 F.3d 946, 951 (9th Cir. 2012), *cert. granted*, 134 S. Ct. 50 (2013) (citing *Piper Aircraft Corp. v. Wag-Aero, Inc.*, 741 F.2d 925, 937 (7th Cir. 1984)).

⁶ *Id.*

⁷ *See, e.g.*, *Callaghan v. Myers*, 128 U.S. 617 (1888); *Machaty v. Astra Pictures*, 197 F.2d 138 (2d Cir. 1952); *Harold Lloyd Corp. v. Witwer*, 65 F.2d 1 (9th Cir. 1933); *Werner Co. v. Encyclopedia Britannica Co.*, 134 F. 831 (3d Cir. 1905); *Greenbie v. Noble*, 151 F. Supp. 45 (S.D.N.Y. 1957); *Edward B Marks Music Corp v. Wonnell*, 61 F. Supp. 722 (S.D.N.Y. 1945); *W. Pub. Co. v. Edward Thompson Co.*, 169 F. 833 (C.C.E.D.N.Y. 1909).

claims⁸ to establish “highly desirable” national uniformity.⁹ Several circuits consider the application of the judicially created doctrine of laches “in tension with Congress[ional] intent.”¹⁰

Since 2001, a severe split has existed across the circuits over the availability of laches in infringement claims initiated within the Copyright Act’s statute of limitations.¹¹ The Ninth Circuit permitted laches.¹² The Fourth Circuit did not.¹³ The Second Circuit allowed equitable defenses to bar some remedies detailed in the Copyright Act, but not others.¹⁴ The Sixth, Tenth, and Eleventh Circuits deferred to the federal statute of limitations, except in certain “compelling,”¹⁵ “extraordinary,”¹⁶ or “rare”¹⁷ cases. The Supreme Court granted certiorari to *Petrella v. Metro-Goldwyn-Mayer, Inc.*, a Ninth Circuit case in which Metro-Goldwyn-Mayer Studios asserted a laches defense against Paula Petrella’s infringement claim over the book and two screenplays that served as the basis for the film *Raging Bull*.¹⁸ The Court reversed the Ninth Circuit’s decision and remanded the case to the District Court.¹⁹ In a majority opinion by Justice Ginsburg, the Court held that laches cannot preclude a claim for legal relief brought within the statute of limitations, but may bar equitable relief in “extraordinary circumstances.”²⁰ The recent *Petrella* decision effectively resolves the circuit split over the availability of

⁸ See Act of Sept. 7, 1957, Pub. L. No. 85-313, 71 Stat. 633 (reenacted without alteration in the Copyright Act of 1976, Pub. L. No. 94-553, 90 Stat. 2586 (codified at 17 U.S.C. § 507(b))).

⁹ S. REP. NO. 85-1014, at 2 (1957), reprinted in 1957 U.S.C.C.A.N. 1961, 1962.

¹⁰ *Petrella*, 695 F.3d at 958.

¹¹ See, e.g., *id.*; *Peter Letterese & Assocs., Inc. v. World Inst. of Scientology Enters. Int’l*, 533 F.3d 1287 (11th Cir. 2008); *Chirco v. Crosswinds Cmtys., Inc.*, 474 F.3d 227 (6th Cir. 2007); *Jacobsen v. Deseret Book Co.*, 287 F.3d 936 (10th Cir. 2002); *Lyons P’ship, L.P. v. Morris Costumes, Inc.*, 243 F.3d 789 (4th Cir. 2001); *New Era Publ’ns Int’l v. Henry Holt & Co.*, 873 F.2d 576 (2d Cir. 1989).

¹² See *Danjaq L.L.C. v. Sony Corp.*, 263 F.3d 942, 956 (9th Cir. 2001).

¹³ See *Lyons P’ship*, 243 F.3d at 806.

¹⁴ See *New Era Publ’ns Int’l*, 873 F.2d at 584–85.

¹⁵ *Chirco*, 474 F.3d at 233.

¹⁶ *Peter Letterese & Assocs.*, 533 F.3d at 1320.

¹⁷ *Jacobsen*, 287 F.3d at 951.

¹⁸ *Petrella v. Metro-Goldwyn-Mayer, Inc.*, 695 F.3d 946, 958 (9th Cir. 2012).

¹⁹ *Petrella v. Metro-Goldwyn-Mayer, Inc.*, No. 12-1315, 2014 WL 2011574 (U.S. May 19, 2014).

²⁰ *Id.* at *4.

laches, while delineating when defendants may invoke the equitable defense.

Part I evaluates the availability of laches in copyright infringement claims brought within the Copyright Act's statute of limitations before the *Petrella* decision. Part I examines how courts determine if a defendant sufficiently evidences the elements of laches to assert a viable defense. To provide context, Part I traces the application of laches both before and after the 1957 adoption of the statute of limitations. Acknowledging the tension between a judicially created doctrine and a congressionally created statute, Part I explains how courts decide the availability of laches in a copyright case, given the statute of limitations. Finally, Part I addresses the severe circuit split in the United States court of appeals system over the availability of laches.

Part II elucidates the underlying reasons for the conflicts over the availability of laches. Supreme Court decisions applying equitable doctrines in cases involving federally codified statutes provide reasoning for both those in favor of the availability of laches in copyright claims and those opposed. Translating this reasoning into Copyright law, Part II analyzes the tension arising from the interpretations among the circuits of the availability of laches, given the remedial purpose of the Copyright Act and Congress's particular purpose of creating a national uniformity in amending the Act to include a statute of limitations. Part II distinguishes the conflicts surrounding the availability of laches in copyright cases involving discrete acts of infringement from the conflicts in claims arising from continuing acts of infringement. Finally, Part II presents the conflicts over addressing equitable considerations in cases guided by the bright-line law of statutory provisions.

Part III offers an alternative resolution to the conflict in the United States court of appeals system over the availability of laches in copyright infringement claims brought within the statute of limitations. Part III draws on the reasoning in *National Railroad Passenger Corp. v. Morgan*, which differentiated the availability of equitable defenses for discrimination claims based on discrete acts from hostile work environment claims based on repeated conduct, to suggest a framework by which the Court may

proceed. Specifically, Part III suggests that the Supreme Court, in deciding *Petrella*, should have distinguished between cases involving discrete acts of infringement from those arising from continuing acts of infringement to resolve the conflict between the various circuits restricting laches, which commonly address discrete acts of infringement, and the presumption in favor of laches in the Ninth Circuit, which more frequently encounters continuing acts of infringement.

I. THE EQUITABLE DOCTRINE OF LACHES IN COPYRIGHT LAW BEFORE *PETRELLA V. METRO-GOLDWYN-MAYER*

A. *The Elements of Laches*

For a defendant to assert a viable laches defense, the plaintiff must delay in filing suit.²¹ Courts measure the period of delay from “the time that the plaintiff knew or should have known about the potential claim at issue,”²² until a plaintiff initiates litigation.²³ A plaintiff’s knowledge of “the existence of the rights” is necessary, “for there can be no laches in failing to assert rights of which a party is wholly ignorant, and whose existence he had no reason to apprehend.”²⁴ Actual notice or when a plaintiff “would have reasonably been expected to inquire about the subject matter” starts the delay period.²⁵ The starting point for laches will, at times, differ from the starting point for the statute of limitations, which states that “[n]o civil action shall be maintained . . . unless it is commenced within three years after the claim accrued.”²⁶ The statute of limitations is triggered only by the accrual of actual infringements, while the delay period in laches “may be triggered when a plaintiff knows or has reason to know about an impending infringement.”²⁷ The delay sufficient to constitute laches begins

²¹ See *Danjaq L.L.C. v. Sony Corp.*, 263 F.3d 942, 952 (9th Cir. 2001).

²² *Id.* (citing *Kling v. Hallmark Cards, Inc.*, 225 F.3d 1030, 1036 (9th Cir. 2000)).

²³ See *Danjaq*, 263 F.3d at 952 (citing *Jackson v. Axton*, 25 F.3d 884, 889 (9th Cir. 1994)).

²⁴ *Kling*, 225 F.3d at 1036 (citing *Halstead v. Grinnan*, 152 U.S. 412, 417 (1894)).

²⁵ See *id.* at 1036 (citing *Advanced Cardiovascular Sys., Inc. v. SciMed Life Sys., Inc.*, 988 F.2d 1157, 1161 (Fed. Cir. 1993)).

²⁶ 17 U.S.C. § 507(b) (2012).

²⁷ *Kling*, 225 F.3d at 1038.

when a plaintiff knows or has reason to know of an actual or intended infringing act.

The delay must be unreasonable to constitute laches.²⁸ Courts look to the cause of the delay to determine if it is unreasonable.²⁹ Delay is reasonable when it is necessitated by “the exhaustion of remedies through the administrative process;”³⁰ when its purpose is “to evaluate and prepare a complicated claim;”³¹ and when it is used “to determine whether the scope of proposed infringement will justify the cost of litigation.”³² Courts consider delay unreasonable when the plaintiff intends on “capitaliz[ing] on the value of the alleged infringer’s labor, by determining whether the infringing conduct will be profitable.”³³ Courts do not tether the reasonableness of delay to the actual time elapsed, though time is often one significant factor. The Second Circuit in *Haas v. Leo Feist* held “[a] few weeks’ delay in the case of a song so ephemeral . . . may have the same effect as 16 years, when the publication is a legal encyclopedia in 30 volumes.”³⁴ The reasonableness of a delay depends on its cause, as well as the time elapsed.

The unreasonable delay must result in prejudice to the defendant.³⁵ Courts recognize both evidentiary prejudice and expectations-based prejudice in laches.³⁶ Evidentiary prejudice encompasses “lost, stale, or degraded evidence” and “witnesses whose memories have faded or who have died.”³⁷ Expectations-based prejudice requires a defendant to show that it “took actions

²⁸ See *Danjaq*, 263 F.3d at 954.

²⁹ See *id.*

³⁰ *Id.* (citing *Couveau v. Am. Airlines, Inc.*, 218 F.3d 1078, 1083–84 (9th Cir. 2000)).

³¹ *Danjaq*, 263 F.3d at 954 (citing *Lotus Dev. Corp. v. Borland Int’l, Inc.*, 831 F. Supp. 202, 219 (D. Mass. 1993), *rev’d on other grounds*, 49 F.3d 807 (1st Cir.1995), *aff’d*, 516 U.S. 233 (1996)).

³² *Id.* at 954.

³³ *Id.* (citing *Haas v. Leo Feist, Inc.*, 234 F. 105, 108 (S.D.N.Y. 1916)).

³⁴ *Haas*, 234 F. at 108; see discussion *infra* Part I.B.

³⁵ See *Hoste v. Radio Corp. of Am.*, 654 F.2d 11, 12 (6th Cir. 1981).

³⁶ See *Danjaq*, 263 F.3d at 955.

³⁷ *Id.* (citing *Jackson v. Axton*, 25 F.3d 884, 889–90 (9th Cir. 1994)); see also *Trs. for Alaska Laborers–Constr. Indus. Health & Sec. Fund v. Ferrell*, 812 F.2d 512, 518 (9th Cir. 1987); *Lotus Dev. Corp. v. Borland Int’l, Inc.*, 831 F. Supp. 202, 220 (D. Mass. 1993), *rev’d on other grounds*, 49 F.3d 807 (1st Cir.1995), *aff’d*, 516 U.S. 233 (1996).

or suffered consequences” it may have avoided, had the plaintiff initiated litigation without unreasonable delay.³⁸

Courts determine expectations-based prejudice by balancing the effects of the delay in light of the circumstances surrounding a claim:

If only a short period of time has elapsed since the accrual of the claim, the magnitude of the prejudice required before the suit should be barred is great, whereas if the delay is lengthy, prejudice is more likely to have occurred and less proof of prejudice will be required.³⁹

A defendant can establish expectations-based prejudice by showing that, for example, “during the delay, it invested money to expand its business or entered into business transactions based on [its] presumed rights.”⁴⁰ Prejudice can result from the “coming into existence of business plans and relationships based on reliance on the state of affairs challenged by the claims of the litigation.”⁴¹ Though reliance is typically associated with equitable estoppel,⁴² the potential economic effect of a plaintiff’s unreasonable delay on a defendant’s business concerns satisfies the prejudice element of laches.

B. The Application of Laches in Copyright Infringement Cases

Courts have applied laches in copyright cases in several circuits, both before and after the 1957 adoption of the Copyright Act’s statute of limitations. In *Gilmore v. Anderson*, the court

³⁸ See *Danjaq*, 263 F.3d at 955 (citing *Jackson*, 25 F.3d at 889); *Russell v. Price*, 612 F.2d 1123, 1126 (9th Cir. 1979); *Lotus*, 831 F. Supp. at 220.

³⁹ *Petrella v. Metro-Goldwyn-Mayer, Inc.*, 695 F.3d 946, 953 (9th Cir. 2012), *cert. granted*, 134 S. Ct. 50 (2013) (citing *Miller v. Glenn Miller Prods., Inc.*, 454 F.3d 975, 1000 (9th Cir. 2006)).

⁴⁰ *Id.* (citing *Miller*, 454 F.3d at 999).

⁴¹ *Id.* (citing HOWARD B. ABRAMS, LAW OF COPYRIGHT § 13:48 (2011)).

⁴² See *Lego A/S v. Best-Lock Const. Toys, Inc.*, 874 F. Supp. 2d 75, 81 (D. Conn. 2012) (“A copyright defendant invoking equitable estoppel must show that (1) the plaintiff had knowledge of the defendant’s infringing acts, (2) the plaintiff either intended that the defendant rely on his acts or omissions or failed to act in such a manner that the defendant had a right to believe that it was intended to rely on the plaintiff’s conduct, (3) the defendant was ignorant of the true facts, and (4) the defendant relied on the plaintiff’s conduct to its detriment.” (citation omitted)).

considered the effects of delay in assessing if equity should bar the claim.⁴³ The suit concerned the copyright of *The Life of James A. Garfield*, written by James R. Gilmore under the name of Edmund Kirke and alleged infringement by *From Canal-Boy to President*, written by defendant Horatio Alger, and published by defendant John R. Anderson.⁴⁴ Harper & Bros. acquired the book's copyright in 1880.⁴⁵ Anderson published the book in 1881.⁴⁶ Harper & Bros. assigned the copyright to Laura E. Gilmore in 1886.⁴⁷ Though the defendants did not claim that a statute of limitations barred recovery, "the lapse of time is said to meet the equity, if any, of the [plaintiff's] case."⁴⁸ The court found the "conduct of the defendants has not been induced, nor their liability varied, by anything done or omitted to be done by those interested in the copyright" and thus "[n]othing is apparent adequate to cut off any right accrued."⁴⁹ Delay absent prejudice does not bar a claim.

Judge Learned Hand provided an oft-cited justification for the application of equitable doctrines to copyright claims in the *Haas* opinion.⁵⁰ Harry Haas brought the case against Leo Feist, Inc. over infringement of a copyrighted song, "You Will Never Know How Much I Really Cared."⁵¹ Composed in the spring of 1914, the song was a failure upon its release, selling only 1,000 copies.⁵² William Cahalin, a co-author of "You Will Never Know How Much I Really Cared," heard a song composed by Al Piantadosi entitled, "I Didn't Raise My Boy To Be A Soldier" in December of 1914 and "at once was struck with the similarity between the chorus of Piantadosi's song and Haas's, but said nothing at the time."⁵³ Later that month, Feist began the publicity campaign for "I Didn't

⁴³ Gilmore v. Anderson, 38 F. 846, 848 (C.C.S.D.N.Y. 1889).

⁴⁴ *Id.* at 847.

⁴⁵ *Id.*

⁴⁶ *Id.*

⁴⁷ *Id.*

⁴⁸ *Id.* at 848.

⁴⁹ *Id.* (citing *Menendez v. Holt*, 128 U.S. 514 (1888)) (discussing the application of laches in a trademark case).

⁵⁰ 234 F. 105, 108 (S.D.N.Y. 1916).

⁵¹ *Id.* at 106.

⁵² *Id.*

⁵³ *Id.*

Raise My Boy To Be A Soldier,” placing advertisements in newspapers all over the country.⁵⁴ Haas first heard the song in January of 1915 and he recognized the similarity between the choruses.⁵⁵ Haas did nothing until March, when he consulted a lawyer, who brought suit on January 28, 1916, when the song “had long since run its course.”⁵⁶ The court precluded the plaintiffs from recovering profits accrued after the date on which they had knowledge of the infringement.⁵⁷ The court’s reasoning appears in the holdings for applying equitable defenses to copyright infringement claims in several jurisdictions:⁵⁸

It must be obvious to every one familiar with equitable principles that it is inequitable for the owner of a copyright, with full notice of an intended infringement, to stand inactive while the proposed infringer spends large sums of money in its exploitation, and to intervene only when his speculation has proved a success. Delay under such circumstances allows the owner to speculate without risk with the other’s money; he cannot possibly lose, and he may win.⁵⁹

The concurring opinion in the Ninth Circuit’s *Petrella* decision identified this passage as “a classic invocation of equitable estoppel, which is distinct from its equitable cousin, laches.”⁶⁰ However, the unreasonable delay and resulting expectations-based prejudice correspond to the elements of laches, which are easier to satisfy than the elements of equitable estoppel.⁶¹

⁵⁴ *Id.*

⁵⁵ *Id.*

⁵⁶ *Id.*

⁵⁷ *Id.* at 108.

⁵⁸ *See, e.g.,* Peter Letterese & Assocs., Inc. v. World Inst. of Scientology Enters., Int’l, 533 F.3d 1287, 1320 (11th Cir. 2008); Chirco v. Crosswinds Cmty., Inc., 474 F.3d 227, 232 (6th Cir. 2007); Danjaq L.L.C. v. Sony Corp., 263 F.3d 942, 951 (9th Cir. 2001).

⁵⁹ Haas v. Leo Feist, Inc., 234 F. 105, 108 (S.D.N.Y. 1916).

⁶⁰ *Petrella v. Metro-Goldwyn-Mayer, Inc.*, 695 F.3d 946, 959 (9th Cir. 2012) (Fletcher, J., concurring) *cert. granted*, 134 S. Ct. 50 (2013).

⁶¹ *See id.*

C. *The Statute of Limitations in Copyright Infringement Cases*

1. The Copyright Act's Statute of Limitations

Prior to 1957, the Copyright Act “prescribe[d] no limitation on the commencement of an action for infringement.”⁶² In “the absence of any Federal statute of limitations,” an action was “limited by the limitation existing for the class of actions to which it belongs, in the state where the action was brought.”⁶³ Amongst the courts it was “settled that the applicable state statute of limitations governs.”⁶⁴

In 1957, Congress amended the 1909 Copyright Act to include a three-year statute of limitations for civil copyright claims.⁶⁵ Congress determined it “highly desirable to provide a uniform (limitations) period throughout the United States” that would deter forum shopping.⁶⁶ The Senate Report accompanying the amendment addressed these forum shopping concerns, stating “[n]aturally the makers of motion pictures and the publishers of songs and books and other works of arts are interested in obtaining a short statutory period while persons who might have their copyrights infringed are interested in a longer period.”⁶⁷ Congress feared localized statutes of limitations providing disparate treatment of copyright cases could breed forum shopping among claimants.⁶⁸ The Senate Report specified that California had adopted a relatively short statute of limitations “due to the centralization of the movie industry.”⁶⁹ The Senate Report noted that states “applied longer periods for the commencement of actions” “[w]here the incident of copyright actions is low.”⁷⁰ The possible forum shopping for copyright claims brought in different

⁶² *Carew v. Melrose Music*, 92 F. Supp. 971 (S.D.N.Y. 1950).

⁶³ *Brady v. Daly*, 175 U.S. 148, 158 (1899).

⁶⁴ *Carew*, 92 F. Supp. at 971.

⁶⁵ See Act of Sept. 7, 1957, Pub. L. No. 85-313, 71 Stat. 633 (reenacted without alteration in the Copyright Act of 1976, Pub. L. No. 94-553, 90 Stat. 2541 (codified at 17 U.S.C. § 507(b))).

⁶⁶ S. REP. NO. 85-1014, at 2 (1957), *reprinted in* 1957 U.S.C.C.A.N. 1961, 1962.

⁶⁷ *Id.*

⁶⁸ See *Id.*

⁶⁹ *Id.*

⁷⁰ *Id.*

regions led Congress to amend the Copyright Act to include a statute of limitations.

The Senate Report addressed “various equitable situations on which the statute of limitations is generally suspended” that federal district courts would likely take into account.⁷¹ The Senate Report cited the House Report in identifying some equitable considerations, including cases “where there exist the disabilities or [sic] insanity of [sic] infancy, absence of the defendant from the jurisdiction, fraudulent concealment, etc.”⁷² Mentions of laches or equitable estoppel were absent from this list of anticipated equitable considerations applicable in copyright cases. The Senate Report noted that the adoption of a federal limitations period would extinguish equitable defenses, such as laches.⁷³ The Senate Report cited the House Report, which stated, “courts generally do not permit the intervention of equitable defenses or estoppel where there is a [statute of] limitation[s].”⁷⁴ The circuit split surrounding the availability of laches largely focuses on whether, given the amendment in 1957, Congress intended to preclude the application of equitable doctrines in copyright claims brought within the statute of limitations. From the Senate Report and the House Report, the inferred Congressional intent in amending the Copyright Act to include the statute of limitations aimed to establish uniformity and predictability and to preclude the availability of equitable defenses, including laches.

2. The Continuing Wrong Doctrine, the Rolling Statute of Limitations, and the Re-Releases Issue

Two approaches predominate for measuring infringement that occurs over an extended period of time: the continuing wrong doctrine and the rolling statute of limitations. The continuing wrong doctrine, put forth in *Taylor v. Meirick*, holds that in a series of infringing acts, only the last such act need occur within the

⁷¹ *Id.* at 3 (citing H. REP. NO. 85-150); S. REP. NO. 85-1014, reprinted in 1957 U.S.C.C.A.N. 1961, 1963).

⁷² S. REP. NO. 85-1014, at 2 (1957), reprinted in 1957 U.S.C.C.A.N. 1961, 1962 (citing H. REP. NO. 85-150); S. REP. NO. 85-1014, reprinted in 1957 U.S.C.C.A.N. 1961, 1963.

⁷³ See *Petrella v. Metro-Goldwyn-Mayer, Inc.*, 695 F.3d 946, 958 (9th Cir. 2012), cert. granted, 134 S. Ct. 50 (2013).

⁷⁴ H. REP. NO. 85-150; S. REP. NO. 85-1014.

three-year statutory period in order for liability to attach to all acts of infringement.⁷⁵ The initial infringing act, Meirick's copying of Taylor's fishing maps of Illinois lakes, and the sales of the resulting copies amounted to a "continuing wrong."⁷⁶ The Ninth Circuit, in *Roley v. New World Pictures, Ltd.*,⁷⁷ rejected the holding in *Taylor*.⁷⁸ Under *Roley*, damages for infringement claims take into account only the three years prior to filing.⁷⁹ Sutton Roley wrote a screenplay entitled *Sleep Tight Little Sister*, which he gave to Walter Coblenz of New World Entertainment Limited in hopes he would produce it.⁸⁰ Coblenz declined, but two years later, in August 1987, he invited Roley to the screening of his new movie *Sister, Sister*, which Roley claimed was a production of his screenplay.⁸¹ Roley alleged infringement after first viewing the screening of *Sister, Sister* in August 1987, and argued that if any allegedly infringing conduct occurred within the three years preceding the filing of the action, he may reach back and sue for damages or other relief for all allegedly infringing acts.⁸² The Ninth Circuit rejected this assertion.⁸³ If Roley provided evidence of continuing copyright infringements, "an action [could] be brought for all acts that accrued within the three years preceding the filing of the suit."⁸⁴ Claims older than three years would be barred by the statute of limitations under the rolling statute of limitations.⁸⁵ Unreasonable delay is more likely to be present in claims brought in courts applying the continuing wrongs approach, as "party could, theoretically, delay filing suit indefinitely."⁸⁶

⁷⁵ *Taylor v. Meirick*, 712 F.2d 1112 (7th Cir. 1983).

⁷⁶ *Id.*

⁷⁷ *Roley v. New World Pictures, Ltd.*, 19 F.3d 479, 481 (9th Cir. 1994).

⁷⁸ *Id.*

⁷⁹ *Id.*; see also *Bruce v. Weekly World News, Inc.*, 310 F.3d 25, 27 n.1 (1st Cir. 2002).

⁸⁰ *Roley*, 19 F.3d at 480.

⁸¹ *Id.*

⁸² *Id.* at 481.

⁸³ *Id.*

⁸⁴ *Id.* (citing *Baxter v. Curtis Indus., Inc.*, 201 F. Supp. 100, 101 (N.D. Ohio 1962)); see also *Kalem Co. v. Harper Bros.*, 222 U.S. 55, 61–62 (1911); *Hampton v. Paramount Pictures Corp.*, 279 F.2d 100, 105 (9th Cir. 1960); *Universal Pictures Co. v. Harold Lloyd Corp.*, 162 F.2d 354, 365 (9th Cir. 1947); *Cain v. Universal Pictures Co.*, 47 F. Supp. 1013, 1017–18 (S.D. Cal. 1942).

⁸⁵ See *Roley*, 19 F.3d at 481.

⁸⁶ *Hot Wax, Inc. v. Turtle Wax, Inc.*, 191 F.3d 813, 821 (7th Cir. 1999).

Unreasonable delay is less likely to be present in claims brought in courts that adopt the rolling statute of limitations theory, because of the three-year window. A court's decision to adopt either the continuing wrongs or rolling statute of limitations approach potentially affects the application of laches.

The Ninth Circuit addressed the statute of limitations issue concerning re-releases in the *Danjaq L.L.C. v. Sony Corp.* decision.⁸⁷ The theatrical release of the films in question occurred decades before the plaintiff brought the claim, but the defendant began to exploit the films on DVD at a much later date. The court posed the question, "how can it fairly be said that a lawsuit filed in 1998, relating to a DVD released in 1997 was 'delayed'?"⁸⁸ The court held that "[w]here, as here, the allegedly infringing aspect of the DVD is identical to the alleged infringements contained in the underlying movie, then the two should be treated identically for purposes of laches."⁸⁹ The court found the "perfect overlap" between the films as originally released and as offered decades later on DVD tied the infringement claim over a re-release to laches regarding the original work.⁹⁰ However, the Ninth Circuit concluded, "[t]his is not to say that every re-release must always be treated like the original."⁹¹ The "perfect overlap" appeared to be the exception, not the rule: "when old works are transferred to new media, they often are modified or adorned with new material," including "[c]ompact discs" with "bonus tracks" and "DVDs" with "bonus materials" such as alternate audio commentary."⁹² Additional materials accompanying re-releases "may be separately protectable for intellectual property purposes" and "might be treated differently" than the underlying work "for purposes of laches."⁹³ Though in *Danjaq* it was unnecessary to examine the effect of additional materials in re-releases on the delay element of laches, the Ninth Circuit recognized the issue as a common

⁸⁷ 263 F.3d 942 (9th Cir. 2001).

⁸⁸ *Id.* at 953.

⁸⁹ *Id.* at 954.

⁹⁰ *Id.*

⁹¹ *Id.*

⁹² *Id.*

⁹³ *Id.*

occurrence in future copyright infringement claims involving re-releases and potential continuing acts of infringement.

D. The Circuit Split Over the Availability of Laches in Copyright Infringement Claims Brought Within the Statute of Limitations

1. The Fourth Circuit: Statute of Limitations is the “End of the Matter”⁹⁴

The Fourth Circuit does not allow laches for copyright infringement claims brought within the statute of limitations.⁹⁵ In *Lyons Partnership, L.P. v Morris Costumes, Inc.*, Lyons Partnership owned all of the intellectual property rights to the character “Barney.”⁹⁶ Morris Costumes operated a retail costume rental establishment.⁹⁷ The complaint alleged that the defendants rented three different forms of the costume to the public, each of which infringed on the plaintiff’s Barney copyrights.⁹⁸ Though the district court found that two of the three costumes infringed Lyons’ copyrights, it denied Lyons a remedy because the claims were barred by the statute of limitations and by the doctrine of laches.⁹⁹ The district court held that the four-year lapse between the time when Lyons first became aware of Morris’ acts of infringement and the commencement date of the lawsuit amounted to an “inexcusable” delay.¹⁰⁰ The Fourth Circuit Court of Appeals reversed the district court’s ruling that all of the claims were barred by the statute of limitations and reversed the ruling that any claims were barred by laches.¹⁰¹

Concerns about separation of powers frame the Fourth Circuit’s approach to laches in federal claims. “In deference to the doctrine of separation of powers, the [Supreme] Court has been

⁹⁴ *Holmberg v. Armbrrecht*, 327 U.S. 392, 395 (1946) (*see discussion infra* Part II.A.1).

⁹⁵ *See Lyons P’ship, L.P. v Morris Costumes, Inc.*, 243 F.3d 789, 796 (4th Cir. 2001).

⁹⁶ *Id.* at 795–96. (“Barney,” the title character of the “Barney & Friends” children’s television show, is a fat, purple stuffed animal, “ostensibly a dinosaur.” James Gorman, *TELEVISION VIEW: Of Dinosaurs Why Must This One Thrive?*, N.Y. TIMES, Apr. 11, 1993.).

⁹⁷ *See id.*

⁹⁸ *Id.*

⁹⁹ *Id.*

¹⁰⁰ *Id.*

¹⁰¹ *Id.* at 806.

circumspect in adopting principles of equity in the context of enforcing federal statutes.”¹⁰² Citing *Holmberg v. Armbrecht*, the Fourth Circuit posited, “[i]f Congress explicitly puts a limit upon the time for enforcing a right which it created, there is an end of the matter. The Congressional statute of limitation is definitive.”¹⁰³ The Fourth Circuit defers to statutory provisions in completely restricting the availability of laches. The Fourth Circuit cited other circuits to support their separation of powers issues. The court in *Lyons Partnership* invoked the Second Circuit in considering the application of laches an attempt to “overrule the legislature’s judgment as to the appropriate time limit to apply for actions brought under the statute.”¹⁰⁴ The court cited to the Ninth Circuit for “separation of powers principles” precluding the application of laches to bar a federal statutory claim timely filed under an express statute of limitations.¹⁰⁵ The Fourth Circuit concluded that when Congress creates a cause of action for traditional equitable remedies and specifies a statute of limitations for that action, the federal statute for that cause of action should govern.¹⁰⁶

The Fourth Circuit applied the statutory deference found in other areas of law to the Copyright Act. In the Copyright Act, Congress created a civil cause of action by which plaintiffs may seek both damages and injunctive relief.¹⁰⁷ The statute of limitations provision states “[n]o civil action shall be maintained under the provisions of this Title unless it is commenced within three years after the claim accrued.”¹⁰⁸ In *Lyons Partnership*, the court held that when a provision presents an explicit time limitation, a court is not free to shorten that period, even when a plaintiff seeks equitable relief.¹⁰⁹ The Fourth Circuit held that the

¹⁰² *Id.* at 798 (citing *Oneida Cnty., N.Y. v. Oneida Indian Nation of New York State*, 470 U.S. 226, 262 n.12 (1985)).

¹⁰³ 327 U.S. 392, 395 (1946).

¹⁰⁴ *Ivani Contracting Corp. v. City of New York*, 103 F.3d 257, 260 (2d Cir. 1997).

¹⁰⁵ *See Miller v. Maxwell’s Int’l, Inc.*, 991 F.2d 583, 586 (9th Cir. 1993).

¹⁰⁶ *Lyons P’ship*, 243 F.3d at 798.

¹⁰⁷ *See* 17 U.S.C.A. §§ 502, 504 (2002).

¹⁰⁸ U.S.C.A. § 507(b) (2002).

¹⁰⁹ *Lyons P’ship*, 243 F.3d at 798.

Copyright Act's statute of limitations controls and the laches defense is unavailable.

2. The Eleventh Circuit: Laches Available “Only in the Most Extraordinary Circumstances”

The Eleventh Circuit recognizes laches “only in the most extraordinary circumstances.”¹¹⁰ In *Peter Letterese & Associates, Inc. v. World Institute of Scientology Enterprises*, the Eleventh Circuit demarcated the availability of laches in copyright infringement claims brought within the statute of limitations.¹¹¹ This case involved a dispute over copyright protection in a book about sales techniques authored by Leslie Achilles “Les” Dane called *Big League Sales Closing Techniques*.¹¹² Peter Letterese & Associates, Inc. (“PL&A”), the exclusive licensee of the copyright in Dane’s book, claimed that three Church of Scientology affiliates infringed its copyright by incorporating portions of the book into their instructional course materials.¹¹³ PL&A sought declaratory and injunctive relief.¹¹⁴ Dane knew of and participated in the use of his book since the mid-1980s when the Church hired him to travel to Scientology churches in the United States and abroad to deliver seminars.¹¹⁵ The seminars focused on sales techniques found in his book that were included in the Church’s sales drills.¹¹⁶ The district court accepted that the infringement occurred as alleged, but ruled for defendants, holding that Scientology’s incorporation of the text fell under the fair use doctrine and that PL&A’s suit was barred by laches.¹¹⁷ The Court of Appeals for the Eleventh Circuit affirmed the district court’s decision in three claims, but vacated and remanded the court’s application of the fair use doctrine and the laches defense in the remaining claim.¹¹⁸

¹¹⁰ *Peter Letterese & Assocs., Inc. v. World Inst. of Scientology Enters. Int’l*, 533 F.3d 1287, 1320 (11th Cir. 2008).

¹¹¹ *Id.*

¹¹² *Id.* at 1293.

¹¹³ *Id.*

¹¹⁴ *Id.*

¹¹⁵ *Id.* at 1294.

¹¹⁶ *Id.*

¹¹⁷ *Id.* at 1298.

¹¹⁸ *Id.* at 1293.

The Eleventh Circuit based its presumption of availability of laches on the Fifth Circuit's views on the equitable doctrines in copyright claims.¹¹⁹ The Fifth Circuit restricted the availability of equitable defenses to counteract the problem of forum shopping through a general deference to the "uniform federal period of limitations."¹²⁰ "In deciding that the equitable doctrine of tolling¹²¹ nonetheless applied to a copyright infringement claim," the former Fifth Circuit observed, "the intent of the drafters was that the limitations period would affect the remedy only, not the substantive right, and that equitable considerations would therefore apply to suspend the running of the statute."¹²² *Prather v. Neva Paperbacks, Inc.* held that courts "must look to general equitable principles to determine the proper disposition" of a plaintiff's cause of action.¹²³ In allowing tolling in copyright claims, the Fifth Circuit created a presumption that equitable doctrines, including laches, could apply in cases with a statute of limitations.

In constricting the availability of laches, the Eleventh Circuit looked to the principles invoked by the Fourth Circuit in barring equitable doctrines. While stating it "cannot agree with the conclusion of the Fourth Circuit, which is an unqualified 'no,'" the Eleventh Circuit acknowledged the Fourth Circuit's "invocation of separation of powers principles," which counsel against the use of "the judicially created doctrine of laches to bar a federal statutory claim that has been timely filed under an express statute of limitations."¹²⁴ The Eleventh Circuit maintains a "strong presumption that a plaintiff's suit is timely if it is filed before the

¹¹⁹ Prior to its creation, the districts comprising the Eleventh Circuit were in the Fifth Circuit. Fifth Circuit decisions before October 1, 1981 are binding precedent in the Eleventh Circuit. See *Peter Letterese & Assocs., Inc.*, 533 F.3d 1287, 1293 (citing *Bonner v. City of Pritchard*, 661 F.2d 1206, 1209 (11th Cir. 1981)).

¹²⁰ *Id.* at 1320 (citing *Prather v. Neva Paperbacks, Inc.*, 446 F.2d 338, 339 (5th Cir. 1971)).

¹²¹ "Plaintiff's ignorance of the claim as a result of defendant's fraudulent concealment and plaintiff's due diligence can constitute equitable tolling." 1-12 MELVILLE B. NIMMER & DAVID NIMMER, *NIMMER ON COPYRIGHT* § 12.05 (Matthew Bender & Co. 2012) (citing *Price v. Fox Entm't Group, Inc.*, 473 Supp. 2d 446, 458-59 (S.D.N.Y. 2007)).

¹²² *Peter Letterese & Assocs.*, 533 F.3d at 1320 (citing *Prather*, 446 F.2d at 340).

¹²³ *Id.*

¹²⁴ *Lyons P'ship, L.P. v. Morris Costumes, Inc.*, 243 F.3d 789, 798 (4th Cir. 2001).

statute of limitations has run.”¹²⁵ Factoring in the basis for the Fourth Circuit’s bar, the Eleventh Circuit answers “a presumptive ‘no’” to the availability of laches in copyright claims.¹²⁶

While there is a strong presumption against the availability of laches in the Eleventh Circuit, the doctrine will be recognized as a defense in a copyright claim, but “only in the most extraordinary circumstances” of uncertainty.¹²⁷ In assessing the factors affecting the delay elements of laches, the Eleventh Circuit acknowledged that an owner “cannot be fully cognizant of all infringements that occur throughout the length and breadth of this country.”¹²⁸ This proposition, introduced in a patent case, but also applicable in copyright claims, stated that defenses against infringement claims “present mixed questions of fact and law concerning which there is necessarily some doubt and uncertainty.”¹²⁹ “Even where such extraordinary circumstances exist . . . laches serves as a bar only to the recovery of retrospective damages, not to prospective relief.”¹³⁰ The Eleventh Circuit reasoned that “permitting laches to operate as a bar on post-filing damages or injunctive relief would encourage copyright owners to initiate much needless litigation in order to prevent others from obtaining effective immunity from suits with respect to future infringements.”¹³¹ The Eleventh Circuit allows laches in “the most extraordinary of circumstances” and in those circumstances, laches bars only past damages, not prospective relief.¹³²

3. The Tenth Circuit: Laches Available in Rare Cases

The Tenth Circuit holds that courts should generally defer to the Copyright Act’s three-year statute of limitations, restricting

¹²⁵ *Peter Letterese & Assocs.*, 533 F.3d at 1320.

¹²⁶ *Id.*

¹²⁷ *Id.* (The *Letterese* opinion cited to the Tenth Circuit’s decision in *Jacobsen* (see discussion *infra* Part I.D.3) and the Sixth Circuit’s decision in *Chirco* (see discussion *infra* Part I.D.4.) to offer additional examples of “extraordinary circumstances.”)

¹²⁸ *Id.* at 1321 (citing *A.C. Aukerman Co. v. R.L. Chaides Constr. Co.*, 960 F.2d 1020, 1040–41 (Fed.Cir.1992)).

¹²⁹ *Id.* at 1321.

¹³⁰ *Id.* at 1321 (citing *A.C. Aukerman Co.*, 960 F.2d at 1040–41).

¹³¹ *Peter Letterese & Assocs.*, 533 F.3d at 1321–22.

¹³² *See id.* at 1320.

laches defenses to “rare cases.”¹³³ In *Jacobsen v. Deseret Book Co.*, Dr. Gene S. Jacobsen, a prisoner of war in the Philippines and Japan during World War II, wrote his personal memoir, entitled *Who Refused to Die*.¹³⁴ Deseret Book Company published a book written by Dr. Dean Hughes entitled *Children of the Promise*, a fictional work written primarily for an audience comprised of members of the Church of Jesus Christ of Latter-day Saints.¹³⁵ *Children of the Promise* portrayed a Latter-day Saint family’s life during World War II and, in the book, the narrative of one of the family’s sons, closely resembled Dr. Jacobsen’s experience, as related in *Who Refused to Die*.¹³⁶ In granting Dr. Hughes’ summary judgment motion on the grounds that laches barred Dr. Jacobsen’s claims, the district court found “Jacobsen had knowledge of the material used by Hughes as early as 1994, and no later than 1996,” and “had ample opportunity to let Hughes know of his disapproval as early as 1996.”¹³⁷ His delay in bringing a claim until 1999 caused “extreme prejudice to Hughes.”¹³⁸ The Court of Appeals reversed the district court’s grant of summary judgment on the laches defense.¹³⁹

In determining the availability of laches in *Jacobsen*, the Tenth Circuit looked to *United States v. Rodriguez-Aguirre*, which held, “it has been observed that in deference to the doctrine of the separation of powers, the Supreme Court has been circumspect in adopting principles of equity in the context of enforcing federal statutes.”¹⁴⁰ *Rodriguez-Aguirre*, who had been convicted of money laundering, drug, and other offenses, sought the return of personal property that was seized by the federal government.¹⁴¹ The Tenth Circuit held that “motions for return of seized property are governed by six-year statute of limitations, which generally

¹³³ *Jacobsen v. Deseret Book Co.*, 287 F.3d 936, 950–51 (10th Cir. 2002).

¹³⁴ *Id.* at 940.

¹³⁵ *Id.*

¹³⁶ *Id.*

¹³⁷ *Id.*

¹³⁸ *Id.* at 949.

¹³⁹ *Id.* at 955.

¹⁴⁰ *Id.* at 950–51 (citing *United States v. Rodriguez-Aguirre*, 264 F.3d 1195, 1207–08 (10th Cir. 2001)).

¹⁴¹ *Id.*

may not be shortened by laches” and that “laches was in any event inapplicable, as the government did not show that it suffered material prejudice due to delay.”¹⁴² “[W]hen a limitation on the period for bringing suit has been set by statute, laches will generally not be invoked to shorten the statutory period,” although “it is possible, in rare cases, that a statute of limitations can be cut short by the doctrine of laches.”¹⁴³ *Rodriguez-Aguirre* established the availability of laches in “rare” cases and *Jacobsen* applied this standard to copyrights.

The Tenth Circuit also opened the door for laches by delineating why the statute of limitations suffices in *Jacobsen*. The defendant invoked *Jackson v. Axton* to support the availability of laches.¹⁴⁴ The Tenth Circuit distinguished *Jacobsen* from *Jackson*.¹⁴⁵ In doing so, the court established the possibility of a laches defense arising from distinguishable facts in another case.¹⁴⁶ If laches were completely unavailable, an examination of the facts of the delay elements in *Jackson* and in *Jacobsen* would have been irrelevant.

4. The Sixth Circuit: Laches Available in the Most Compelling of Cases

The Sixth Circuit allows laches in “the most compelling of cases.”¹⁴⁷ In *Chirco v. Crosswinds Communities, Inc.*, Detroit-area real estate developers Michael Chirco and Dominic Mocerri brought a copyright infringement suit against Crosswinds Communities and its principal shareholder, Bernard Glieberman, alleging that the defendants copied the plaintiffs’ architectural design for a “twelve-plex” condominium building.¹⁴⁸ The plaintiffs obtained copyrights on November 28, 1997 for the architectural plans.¹⁴⁹ On December 31, 2000, Glieberman began building the Heritage Condominium development in Waterford

¹⁴² *Id.*

¹⁴³ *Id.*

¹⁴⁴ *See id.* (citing *Jackson v. Axton*, 25 F.3d 884, 888 (9th Cir. 1994)).

¹⁴⁵ *See id.*

¹⁴⁶ *See id.*

¹⁴⁷ *Chirco v. Crosswinds Cmtys., Inc.*, 474 F.3d 227, 233 (6th Cir. 2007).

¹⁴⁸ *Id.* at 229.

¹⁴⁹ *Id.* at 230.

Township, Michigan, allegedly according to plans based directly upon or copied from the copyrighted plans.¹⁵⁰ On April 1, 2001, the plaintiffs filed suit against Gliberman in federal district court, alleging copyright infringement and seeking injunctive and monetary relief. During that suit's discovery period,¹⁵¹ the plaintiffs learned of Gliberman's plans to build Jonathan's Landing, another development, from those copyrighted designs.¹⁵² On October 16, 2001, plaintiffs made a request for the Jonathan's Landing plans and received them a week later.¹⁵³ Plaintiffs took no action—even after development began for the 252-unit building in May of 2002—until November 14, 2003, when they filed a second federal law suit against Gliberman.¹⁵⁴ By that time, 168 of the planned 252 units had been constructed, 141 of them sold, and 109 were already occupied by the buyers.¹⁵⁵ The district court granted the defendants' motion for summary judgment, ruling that laches barred the plaintiffs' infringement claims.¹⁵⁶ The Court of Appeals "reemphasize[d]" the availability of laches in the Sixth Circuit.¹⁵⁷ The plaintiffs' failure to initiate "readily-available actions to abate the alleged harm" and the undue prejudice this inaction caused to the defendants and innocent third parties led the court to dismiss the plaintiffs' efforts to mandate the destruction of the Jonathan's Landing project.¹⁵⁸

The court in *Chirco* cited to the Fourth Circuit's standard to establish a separate of powers concerns over the application of laches.¹⁵⁹ "[W]hen considering the timeliness of a cause of action brought pursuant to a statute for which Congress has provided a limitations period, a court should not apply laches to overrule the legislature's judgment as to the appropriate time limit to apply for actions brought under the statute."¹⁶⁰ In connection with copyright

¹⁵⁰ *Id.*

¹⁵¹ *Id.* (referring to the *Chirco v. Charter Oak Homes, Inc.* (No. 01-71403) lawsuit.).

¹⁵² *Chirco*, 474 F.3d at 230.

¹⁵³ *Id.*

¹⁵⁴ *Id.*

¹⁵⁵ *Id.*

¹⁵⁶ *Id.* at 231.

¹⁵⁷ *Id.* at 236.

¹⁵⁸ *Id.*

¹⁵⁹ *See Lyons P'ship, L.P. v. Morris Costumes, Inc.*, 243 F.3d 789, 797 (4th Cir. 2001).

¹⁶⁰ *Chirco*, 474 F.3d at 232 (citing *Lyons P'ship*, 243 F.3d at 798).

claims, separation of powers principles place the application of timeliness rule adopted by courts in deference to the legislatively prescribed statute of limitations.¹⁶¹

The Sixth Circuit sought further support in assessing the appropriate level of deference to the statute of limitations.¹⁶² The Tenth Circuit ruled that “[r]ather than deciding cases on the issue of laches, courts should generally defer to the three-year statute of limitations, 17 U.S.C. § 507(b), provided by the Copyright Act.”¹⁶³ In rare cases, the Tenth Circuit did acknowledge that “a court can apply laches in a copyright case.”¹⁶⁴ The Sixth Circuit adopted the Tenth Circuit’s presumptive deference to the statute of limitations, while allowing laches in outlying cases.¹⁶⁵

Like the Tenth Circuit, the Sixth Circuit introduced the Ninth Circuit’s application of laches to assess availability in these outlying cases.¹⁶⁶ *Jackson v. Axton*,¹⁶⁷ *Kling v. Hallmark Cards, Inc.*,¹⁶⁸ and *Danjaq L.L.C.*¹⁶⁹ comprise the Ninth Circuit’s presumption in favor of the availability of laches. The court’s inclusion of the Ninth Circuit’s standards evidenced the Sixth Circuit’s willingness to apply laches in certain circumstances, situating its approach between the Ninth Circuit and the Fourth Circuit.

The Sixth Circuit identified the “middle ground” on which it stands, between the Fourth Circuit’s strict bar on laches in cases with an explicit limitations provision and the more lenient application of the doctrine by the Ninth Circuit.¹⁷⁰ In *Tandy Corp. v. Malone & Hyde, Inc.*,¹⁷¹ the Sixth Circuit explained its near-exclusive preference for the statute of limitations:

¹⁶¹ See *Chirco*, 474 F.3d at 231–32.

¹⁶² See generally *Chirco*, 474 F.3d 227.

¹⁶³ *Id.* at 232 (citing *Jacobsen v. Deseret Book Co.*, 287 F.3d 936, 950 (10th Cir. 2002)).

¹⁶⁴ See *Chirco*, 474 F.3d at 232 (citing *Jacobsen*, 287 F.3d at 951).

¹⁶⁵ See generally *Chirco*, 474 F.3d 227.

¹⁶⁶ *Id.* at 232.

¹⁶⁷ 25 F.3d 884, 888 (9th Cir. 1994).

¹⁶⁸ 225 F.3d 1030, 1036–42 (9th Cir. 2000).

¹⁶⁹ 263 F.3d 942, 951 (9th Cir. 2001).

¹⁷⁰ *Chirco*, 474 F.3d 227, 232 (6th Cir. 2007).

¹⁷¹ 769 F.2d 362 (6th Cir. 1985).

It enhances the stability and clarity of the law by applying neutral rules and principles in an evenhanded fashion rather than making the question purely discretionary . . . requires courts to make clear distinctions between threshold or special defenses or pleas in bar and the merits of the case . . . [and] enhances the rationality and objectivity of the process by preventing courts from short circuiting difficult issues on the merits by confusing or conflating the merits of an action with other defenses.¹⁷²

The court strongly restricted laches when an applicable statute referenced an explicit limitations period, but this was not an absolute bar. In *Hoste v. Radio Corp. of America*,¹⁷³ the Sixth Circuit reversed a district court ruling that barred recovery for the plaintiff by application of laches within the statute of limitations period, but it did so without ruling that the laches doctrine was always inapplicable in such a situation.¹⁷⁴ In *Broadcast Music, Inc. v. Roger Miller Music, Inc.*,¹⁷⁵ the court noted, “[a]lthough circuits are split as to whether laches is available as a defense under the Copyright Act, laches is available as an affirmative defense in a copyright action in the Sixth Circuit.”¹⁷⁶ Although the Sixth Circuit sought to restrict the availability of laches to the most compelling copyright infringement cases, it explicitly recognizes that the defense is available.¹⁷⁷

The Sixth Circuit concluded that it allows laches in “what can best be described as unusual circumstances.”¹⁷⁸ Claims brought within the limitations period provided by the Copyright Act will be allowed to proceed.¹⁷⁹ However, “when the relief sought will work an unjust hardship upon the defendants or upon innocent third parties,” the courts “must ensure that judgments never envisioned

¹⁷² *Id.* at 365.

¹⁷³ 654 F.2d 11 (6th Cir.1981).

¹⁷⁴ *Id.* at 12; *see also Chirco*, 474 F.3d at 233.

¹⁷⁵ 396 F.3d 762 (6th Cir. 2005).

¹⁷⁶ *Id.* at 783–84; *see also Chirco*, 474 F.3d at 233.

¹⁷⁷ *Broadcast Music, Inc.*, 396 F.3d at 783–84.

¹⁷⁸ *Chirco*, 474 F.3d at 234.

¹⁷⁹ *Id.* at 236.

by the legislative drafters are not allowed to stand.”¹⁸⁰ When relief will cause “unjust hardship,”¹⁸¹ the Sixth Circuit allows laches.

5. The Second Circuit: Laches Bars only Injunctive Relief

In the Second Circuit, laches bars injunctive remedies, but not legal remedies in copyright claims brought within the statute of limitations. In *New Era Publications International, ApS v. Henry Holt & Co., Inc.*, a fair use copyright case over the inclusion of various published and unpublished writings of L. Ron Hubbard in a biography, laches barred the plaintiff’s injunctive relief.¹⁸² The biography, written by Russell Miller, is entitled *Bare-Faced Messiah: The True Story of L. Ron Hubbard*.¹⁸³ New Era Publications International, ApS (“New Era”) held by license certain copyrights bequeathed to the Church of Scientology by Hubbard, upon his death in 1986.¹⁸⁴ Henry Holt and Company, Inc. (“Henry Holt”) published *Bare-Faced Messiah*.¹⁸⁵ New Era claimed the reproduction of Hubbard’s published and unpublished writings in *Bare-Faced Messiah* infringed on its copyrights.¹⁸⁶

Henry Holt asserted that New Era’s inaction barred its claims. The Second Circuit stated “equitable considerations [that] dictate denial of injunctive relief in this action” framed the possibilities of recovery for the infringement.¹⁸⁷ New Era’s inaction occurred in spite of its knowledge of the book’s publication in the United States, and its knowledge of lawsuits commenced in 1987 to enjoin publication in England, Canada and Australia.¹⁸⁸ New Era “failed to compare Holt’s book with the books published abroad; failed to inquire of Holt as to the planned date of publication in this country; and failed to take any steps to enjoin publication of the book until it sought a restraining order in May of 1988.”¹⁸⁹ At the time New

¹⁸⁰ *Id.*

¹⁸¹ *Id.* at 236.

¹⁸² 873 F.2d 576, 577 (2d Cir. 1989).

¹⁸³ *Id.*

¹⁸⁴ *Id.*

¹⁸⁵ *Id.*

¹⁸⁶ *Id.*

¹⁸⁷ *Id.* at 584.

¹⁸⁸ *Id.*

¹⁸⁹ *Id.*

Era requested an injunction, “12,000 copies of the book already had been printed, packed and (except for 3,000 copies left on a loading dock) shipped.”¹⁹⁰ The district court declined an injunction and limited the plaintiff to damages. The Court of Appeals affirmed, concluding laches barred an injunctive relief.¹⁹¹

In invoking laches, Holt pointed to New Era’s unreasonable delay in bringing the action and the resulting expectations-based prejudice it caused the defendant.¹⁹² New Era’s delay prevented the alteration of the book at a minimal cost in a timely manner.¹⁹³ If New Era had promptly sought an adjudication of its rights, the book might have been changed at minimal cost while there still was an opportunity to do so.¹⁹⁴ Given the delay, a permanent injunction would amount to the “total destruction of the work,” since it would not have been economically feasible to reprint the book after deletion of the infringing material.¹⁹⁵ New Era’s delay and the prejudice resulting from that delay constituted laches and compelled the denial of the injunction and constraint of New Era to recovering damages.¹⁹⁶

The Second Circuit limits laches to bar a claim filed within the statute of limitations to rare occasions.¹⁹⁷ When the laches defense is available, it can bar only equitable relief, not legal relief. “The prevailing rule [in the Second Circuit is] that when a plaintiff brings a federal statutory claim seeking legal relief, laches cannot bar that claim, at least where the statute contains an express limitations period within which the action is timely.”¹⁹⁸ The Second Circuit found that the judge in the district court did not abuse his discretion in declining an injunction against the publication of *Bare-Faced Messiah*, while “leaving New Era a

¹⁹⁰ *Id.* at 584.

¹⁹¹ *Id.* at 577.

¹⁹² *Id.* at 584 (citing *Goodman v. McDonnell Douglas Corp.*, 606 F.2d 800, 804 (8th Cir. 1979)).

¹⁹³ *New Era Publ’ns Int’l*, 873 F.2d at 577 (citing *New Era Publ’ns Int’l, ApS v. Henry Holt & Co.*, 695 F. Supp. 1493, 1528 (S.D.N.Y.1988)).

¹⁹⁴ *New Era Publ’ns Int’l*, 873 F.2d at 577

¹⁹⁵ *Id.*

¹⁹⁶ *Id.*

¹⁹⁷ *Ikeliowu v. United States*, 150 F.3d 233, 238 (2d Cir. 1998).

¹⁹⁸ *Ivani Contracting Corp. v. City of New York*, 103 F.3d 257, 260 (2d Cir. 1997).

damages claim as to the very little, insignificant material unfairly used.”¹⁹⁹ In Second Circuit copyright claims, laches can bar injunctive relief, while allowing a plaintiff to pursue a claim seeking damages.

6. The Ninth Circuit: A Presumption in Favor of Laches

The Ninth Circuit has adopted a presumption in favor of laches for copyright claims brought within the statute of limitations. *Danjaq L.L.C. v. Sony Corp.* followed in a lineage of Ninth Circuit cases²⁰⁰ in holding that laches may bar a statutorily timely claim, when appropriate.²⁰¹ *Danjaq L.L.C.* and other entities (collectively, “*Danjaq*”) involved in the production and distribution of the James Bond films maintained that Ian Fleming created the James Bond character and that Fleming, along with producers Harry Saltzman and Albert “Cubby” Broccoli assigned the rights to them.²⁰² Kevin O’Donovan McClory and Spectre Associates, Inc. (“*McClory*”) contended that McClory transformed Fleming’s cantankerous and unlikeable character into the now widely-recognized debonair Bond and that they have a “significant stake” in the Bond franchise stemming from work on the *Thunderball* screenplay.²⁰³

McClory’s period of delay in *Danjaq* satisfied the delay element in the Ninth Circuit and elsewhere.²⁰⁴ McClory’s alleged delay in this case spanned from the time of the Bond films’ initial release.²⁰⁵ From 1962’s *Dr. No* and 1977’s *The Spy Who Loved Me*, through his filing of a counterclaim in this suit in 1998, McClory took no legal action regarding the alleged infringements.²⁰⁶ According to McClory’s calculations, “various

¹⁹⁹ *New Era Publ’ns Int’l*, 873 F.2d at 597–98.

²⁰⁰ See, e.g., *Kling v. Hallmark Cards, Inc.*, 225 F.3d 1030, 1039 (9th Cir. 2000); *Jackson v. Axton*, 25 F.3d 884, 888 (9th Cir. 1994).

²⁰¹ *Danjaq L.L.C. v. Sony Corp.*, 263 F.3d 942, 954 (9th Cir. 2001).

²⁰² *Id.* at 947.

²⁰³ *Id.*

²⁰⁴ *Id.* at 952; see also *New Era Publ’ns Int’l v. Henry Holt & Co.*, 873 F.2d 576, 585 (2d Cir. 1989) (holding that two year delay, combined with “severe prejudice,” supports laches); *Jackson*, 25 F.3d at 889 (holding that a delay of at least nineteen years is sufficient).

²⁰⁵ *Danjaq*, 263 F.3d at 947.

²⁰⁶ *Id.* at 952–53.

actions on his part should stop the clock on laches.”²⁰⁷ He identified his 1961 lawsuit against Fleming as one such action, but the court excluded the effect of this suit, as it was not against Danjaq.²⁰⁸ McClory also sought to “stop the clock” in a 1976 claim by McClory and Sean Connery that *The Spy Who Loved Me* infringed upon their script for *James Bond of the Secret Service*, an action in which they sought to enjoin Danjaq from infringing upon McClory’s rights in *Thunderball*. The court held that litigation, brought and dismissed in 1976, stopped the clock on laches “only momentarily” and the twenty-two years since amounted to unreasonable delay.²⁰⁹ The district court concluded that McClory had knowledge of the alleged infringement since at least 1961 and that his only action to enforce any rights against Danjaq was the 1976 litigation involving a claim unrelated to the case before them. The delay of either 21 or 36 years between McClory’s knowledge of the potential claims and the initiation of present litigation resulted in “overwhelming and uncontroverted evidence of substantial prejudice.”²¹⁰ The Court of Appeals affirmed the district court’s conclusion that Danjaq provided sufficient evidence of laches and that laches barred all of McClory’s claims.²¹¹

Laches can bar all relief in the Ninth Circuit.²¹² The potential adversity this poses for plaintiffs is well-recognized. Judge Fletcher, in the concurring opinion to *Petrella v. Metro-Goldwyn-Mayer, Inc.*, stated “[o]ur circuit is the most hostile to copyright owners of all the circuits.”²¹³ Courts have observed the Ninth Circuit’s hostility to copyright owners as benefiting parties exploiting underlying works, such as motion picture studios: “[f]or better or worse, we are the Court of Appeals for the Hollywood Circuit.”²¹⁴ As noted in the Senate Report accompanying the Copyright Act’s statute of limitations, prior to the 1957, California

²⁰⁷ *Id.* at 953.

²⁰⁸ *Id.*

²⁰⁹ *Id.*

²¹⁰ *Danjaq*, 263 F.3d at 950.

²¹¹ *Id.* at 963.

²¹² *Id.*

²¹³ *Petrella v. Metro-Goldwyn-Mayer, Inc.*, 695 F.3d 946, 958 (9th Cir. 2012), *cert. granted*, 134 S. Ct. 50 (2013).

²¹⁴ *White v. Samsung Electronics America, Inc.*, 989 F.2d 1512, 1521 (9th Cir. 2000).

adopted a short statute of limitations in copyright claims to protect its movie industry.²¹⁵ If the defendant in an infringement claim is not a “deliberate pirate”²¹⁶ or a “willful infringer,”²¹⁷ the Ninth Circuit presumes the availability of laches to bar both legal and equitable remedies.

The Ninth Circuit recognized that prejudice to a defendant caused by a plaintiff’s delay is typically sufficiently distanced from a defendant’s continuing behavior that “threatens future harm.”²¹⁸ Laches rarely affects prospective injunctive relief, given the separation in temporal concerns each doctrine addresses.²¹⁹ The court in *Danjaq* cited to the Fourth Circuit to address this concept: “a prospective injunction is entered only on the basis of current, ongoing conduct that threatens future harm. Inherently, such conduct cannot be so remote in time as to justify the application of the doctrine of laches.”²²⁰ On appeal in *Danjaq*, McClory challenged the district court’s holding that laches barred “all of counterclaimants’ claims based on the rights at issue.”²²¹ McClory argued that even if laches applies, it does not bar a prospective injunction against future infringement.²²² The court affirmed the general propriety of this principle, but stated the rule is not absolute and, in the present case, “the feared future infringements are subject to the same prejudice that bars retrospective relief.”²²³ McClory sought to establish an “original sin”: Richard Maibaum’s alleged access to the *Thunderball* script materials from which each

²¹⁵ S. REP. NO. 85-1014, at 2 (1957), *reprinted in* 1957 U.S.C.C.A.N. 1961, 1962; *see also* Brief for Petitioner at 14, *Petrella v. Metro-Goldwyn-Mayer, Inc.*, 134 S. Ct. 50 (2013) (No. 12-1315) 2013 U.S. S. Ct. Briefs LEXIS 2155.

²¹⁶ *Peter Letterese & Assocs., Inc. v. World Inst. of Scientology Enters. Int’l*, 533 F.3d 1287, 1320 (11th Cir. 2008); *Chirco v. Crosswinds Cmtys., Inc.*, 474 F.3d 227, 232 (6th Cir. 2007); *Danjaq*, 263 F.3d at 951.

²¹⁷ *Danjaq*, 263 F.3d at 956–59.

²¹⁸ *Id.*

²¹⁹ *See also* 3 NIMMER, *supra* note 121, § 12.06 (“[E]ven if laches constitutes a bar to an action for past infringements of the same work, if the plaintiff acted without undue delay with respect to the particular infringement in issue, the defense of laches may not be raised as to such infringement.” (citing *Danjaq*, 263 F.3d at 960; *Hampton v. Paramount Pictures Corp.*, 279 F.2d 100 (9th Cir.1960))).

²²⁰ *Lyons P’ship, L.P. v. Morris Costumes, Inc.*, 243 F.3d 789, 799 (4th Cir. 2001).

²²¹ *Danjaq*, 263 F.3d at 959.

²²² *Id.*

²²³ *Id.*

infringement, James Bond movies past, present, and future, stemmed.²²⁴ “In a situation like this one,” the court held, “laches may bar prospective injunctive relief,” as “we already know that prospective claims will suffer from the very same evidentiary defects that bar older claims.”²²⁵ The court limited this holding to instances where “a special case that arises only when we know in advance that the defendant will be substantially prejudiced in its ability to defend future claimed infringements in just the same way that it was prejudiced with regard to prior alleged infringements.”²²⁶ *Danjaq* served to define a class of cases where laches could bar prospective injunctive relief.

Petrella involves the application of laches to bar an infringement claim brought within the Copyright Act’s statute of limitations.²²⁷ Boxer Jake LaMotta (“LaMotta”) and writer Frank Peter Petrella (“F. Petrella”) collaborated on a book, *Raging Bull* (“the book”), and two screenplays (the “1963 screenplay” and the “1973 screenplay”) about LaMotta’s life and career, which allegedly became the basis for the movie *Raging Bull* (“the film”) released in 1980.²²⁸ In 1976, F. Petrella and LaMotta assigned all of their respective copyright rights in the book and “in and to those certain screenplays based on [the book] which were written in 1963 and 1973” to Chartoff-Winkler Productions, Inc., “exclusively and forever, including all periods of copyright and renewals and extensions thereof.”²²⁹ In 1978, United Artists Corporation, a wholly owned subsidiary of Metro-Goldwyn-Mayer Studios, Inc., acquired the motion picture rights to *Raging Bull* pursuant to a written assignment from Chartoff-Winkler Productions, Inc.²³⁰ United Artists registered a copyright in the film in 1980.²³¹ In 1981, during the original 28-year term of the copyrights for the book and the two screenplays, F. Petrella died,

²²⁴ *Id.*

²²⁵ *Id.* at 960.

²²⁶ *Id.*

²²⁷ See *Petrella v. Metro-Goldwyn-Mayer, Inc.*, 695 F.3d 946, 951 (9th Cir. 2012), *cert. granted*, 134 S. Ct. 50 (2013).

²²⁸ *Id.* at 949.

²²⁹ *Id.* at 950.

²³⁰ *Id.*

²³¹ *Id.*

and his renewal rights in the works passed to his heirs.²³² In 1990, F. Petrella's daughter, Paula Petrella, learned of the Supreme Court's decision in *Stewart v. Abend*²³³ and engaged an attorney to advise and assist her regarding her renewal rights.²³⁴ She alleged she is the sole owner of the F. Petrella interest in the book and the two screenplays.²³⁵ The attorney filed a renewal application for the 1963 screenplay on her behalf in 1991.²³⁶ Following intermittent correspondence with Metro-Goldwyn-Mayer in the interceding years, Petrella initiated her claim in 2009.²³⁷

The district court noted that Petrella's lawsuit presents "an interesting variation on the problems that might arise from the fact that a derivative work cannot be exploited after the expiration of the original copyright term in the underlying work without the consent of the copyright owner in the renewal term."²³⁸ The district court held that defendants established each element of laches and granted their motion for summary judgment.²³⁹

The Ninth Circuit in *Petrella* cited to *Miller v. Glenn Miller Prods., Inc.*²⁴⁰ and *Jarrow Formulas, Inc. v. Nutrition Now, Inc.*,²⁴¹ both trademark cases, to establish a presumption of laches. "If a plaintiff files suit within the applicable period of limitations for his claim, there is a strong presumption that laches does not bar the claims. Conversely, if any part of the alleged wrongful conduct occurred outside of the limitations period, courts presume that the

²³² *Id.*

²³³ 495 U.S. 207 (1990). In *Stewart v. Abend*, the Court held that "when an author dies before a renewal period arrives, his statutory successors are entitled to renewal rights, even though the author has previously assigned the renewal rights to another party," *id.* at 219, and "[t]he owner of a derivative work does not retain [the] right to exploit that work when the death of the author causes the renewal rights in the preexisting work to revert to the statutory successors." *Id.* at 207.

²³⁴ *Petrella*, 695 F.3d at 950.

²³⁵ *Id.*

²³⁶ *Id.*

²³⁷ *Id.*

²³⁸ *Petrella v. Metro-Goldwyn-Mayer, Inc.*, No. CV 09-72 (MANx) (C.D. Cal. Feb. 3, 2010) at 83.

²³⁹ *Id.* at 83–84.

²⁴⁰ 454 F.3d 975 (9th Cir. 2006).

²⁴¹ 304 F.3d 829 (9th Cir. 2002).

plaintiff's claims are barred by laches."²⁴² The Lanham Act, the federal trademark statute, contains no statute of limitations for infringement claims.²⁴³ The Ninth Circuit relied on the holdings in trademark cases as authorities to support the availability of laches in a copyright case.

The court in *Petrella* determined that the plaintiff's various considerations influencing her inaction were unreasonable. The court assessed the delay element of laches as "the period from when the plaintiff knew—or should have known—of the allegedly infringing conduct, until the initiation of the lawsuit in which the defendant seeks to counterpose the laches defense."²⁴⁴ The district court found that it was "undisputed plaintiff was aware of her potential claims (as was MGM) since 1991," when her attorney filed her renewal application for the 1963 screenplay.²⁴⁵ *Petrella* did not file her lawsuit until 18 years later, in January 2009.²⁴⁶ *Petrella* testified that she did not contact the defendants to make them aware of any claims during this eighteen-year period because "the film was deeply in debt and in the red and would probably never recoup" and she "did not know there was a time limit to making such claims."²⁴⁷ In the Ninth Circuit, delay in bringing a claim "to determine whether the scope of proposed infringement will justify the cost of litigation" may be reasonable.²⁴⁸ However, the court considers "delay for the purpose of capitalizing "on the value of the alleged infringer's labor, by determining whether the infringing conduct will be profitable" unreasonable."²⁴⁹ The Court of Appeals found that the district court did not err in finding

²⁴² *Miller v. Glenn Miller Prods., Inc.*, 454 F.3d 975, 997 (9th Cir. 2006) (citing *Jarrow Formulas, Inc. v. Nutrition Now, Inc.*, 304 F.3d 829, 835–37 (9th Cir. 2002) (citations omitted).

²⁴³ Pub. L. 79-489, 60 Stat. 427, enacted July 6, 1946 (codified at 15 U.S.C. § 1051 et seq. (2012)).

²⁴⁴ *Petrella v. Metro-Goldwyn-Mayer, Inc.*, 695 F.3d 946, 952 (9th Cir. 2012), *cert. granted*, 134 S. Ct. 50 (2013).

²⁴⁵ *Id.*

²⁴⁶ *Id.*

²⁴⁷ *Id.*

²⁴⁸ *Danjaq L.L.C. v. Sony Corp.*, 263 F.3d 942, 954 (9th Cir. 2001).

²⁴⁹ *Id.* (citing *Haas v. Leo Feist, Inc.*, 234 F. 105, 108 (S.D.N.Y. 1916)).

Petrella's delays in notification and in filing suit—nineteen years, combined—were unreasonable.²⁵⁰

Petrella's delay resulted in evidentiary prejudice that affects a key factual discrepancy in this claim. The evaluation of evidentiary prejudice in the district court stated that the 1963 screenplay's designation of F. Petrella as writing "in collaboration" with LaMotta is "not inconsistent" with Petrella's claim of sole authorship, unless it can be shown that LaMotta made "some [*de minimis*] creative contribution to the screenplay."²⁵¹ In analyzing the effect Petrella's delay had on resolving these factual disputes, the district court noted, "LaMotta is 88-years-old (now 92-years-old) and has suffered myriad blows to his head as a fighter years ago," severely limiting his capabilities as a reliable witness.²⁵² Petrella's delay of over twenty years diminished the effectiveness of a witness central to the determination of material facts in her claim.

Defendants in *Petrella* submitted extensive evidence of expectations-based prejudice to support a laches defense. Edward J. Slizewski, Senior Vice President for Participations & Residuals for Metro-Goldwyn-Mayer Studios, Inc., testified that since 1991, when Petrella knew of alleged infringement, the defendants "distributed the Film on a continuous basis in the United States and abroad, and . . . expended substantial financial and other resources as a part of this effort," including "costs relating to marketing, advertising, distributing and otherwise promoting the Film in various media."²⁵³ Slizewski calculated that these costs totaled nearly \$8.5 million in the United States alone.²⁵⁴ "These activities and expenditures were made based on the understanding and belief that the [defendants] have complete ownership and control of the Film."²⁵⁵ Petrella's hypothetical timely action—filing suit in 1991—would have given defendants an opportunity to litigate this

²⁵⁰ *Petrella*, 695 F.3d at 952.

²⁵¹ *Petrella v. Metro-Goldwyn-Mayer, Inc.*, No. CV 09-72 (MANx) (C.D. Cal. Feb. 3, 2010) at 84.

²⁵² *Id.* at 104–05.

²⁵³ *Id.* at 64.

²⁵⁴ *Petrella*, 695 F.3d at 953–54.

²⁵⁵ *Id.* at 954.

claim before making these significant investments in the Film.²⁵⁶ Petrella's delay deprived the defendants of this opportunity.²⁵⁷ Slizewski stated that the defendants had, since 1991, entered into numerous agreements to license the Film, including various agreements authorizing television networks to broadcast *Raging Bull* through 2015.²⁵⁸ Petrella argued that the defendants earned a substantial profit as a result of the delay and would not have done anything different, or been in any better position, had she filed suit sooner.²⁵⁹ In *Jackson*, an ownership dispute over the song "Joy to the World," the court found prejudice after a delay of eighteen to twenty-two years sufficient to support a laches defense, despite the defendant's profit from the delay, and without any assertion that he would have acted differently had the suit been filed sooner.²⁶⁰ During those 18 to 22 years, the defendant had "arranged his business affairs around the song, promoted the song as his own, licensed the song many times to third parties, and sold the song . . . numerous business transactions had been made in reliance on the defendant's sole ownership of the song."²⁶¹ Petrella's assertions that the defendants prospered her delay and that the defendants would not have conducted their business surrounding the licensing, distribution, and re-releases of *Raging Bull* any differently if she had initiated litigation in 1991 are irrelevant. Metro-Goldwyn-Mayer, Inc. based its actions in part on Petrella's failure to assert her rights in the Film and these actions amounted to expectations-based prejudice.

II. SEPARATION OF POWERS CONFLICTS OVER THE AVAILABILITY OF LACHES IN THE PRESENCE OF A CONGRESSIONALLY CREATED STATUTE OF LIMITATIONS

The primary conflict across the circuits over the availability of laches stems from separation of powers concerns. These concerns

²⁵⁶ *Id.*

²⁵⁷ *Id.*

²⁵⁸ *Id.*

²⁵⁹ *Id.*

²⁶⁰ 25 F.3d 884 (9th Cir. 1994), *overruled on other grounds by* *Fogerty v. Fantasy, Inc.*, 510 U.S. 517 (1994).

²⁶¹ *Id.* at 889–90.

arise over the availability of the judicially created²⁶² doctrine for claims brought within the congressionally codified statute of limitations.²⁶³ The Supreme Court, in certain cases, limits the role of the judiciary in prescribing actions in tension with congressionally created statutes or explicit statutes of limitations provisions. More recently, the Supreme Court has allowed equitable doctrines, including laches, in cases with explicit filing requirements. In determining the availability of equitable doctrines in federal statutory claims, the Supreme Court weighs the remedial purpose of the statute against the particular purpose of the filing requirement. The application of laches in the various circuits corresponds to the weight the circuits accord to these factors.

The circuit split over the availability of laches is a split over applying the equitable doctrine to claims involving discrete acts of infringement and those arising from continuing acts of infringement. The Fourth Circuit's definitive bar on laches and the Eleventh, Tenth, Sixth, and Second Circuit's relegation of laches to rare cases generally applies to discrete acts of infringement. The Ninth Circuit's presumption in favor of laches occurs in frequently addressing continuing acts of infringement. Additionally, an inconsistency appears in the remedies laches bars across the circuits. The central conflict exists over the Ninth Circuit's presumed availability of laches in claims arising from continuing acts of infringement and the remaining circuits deference to the federal statute of limitations for claims involving discrete acts of infringement. This inconsistency across the circuits perpetuates the unpredictability the Copyright Act's statute of limitations aimed to eliminate.

²⁶² *Petrella v. Metro-Goldwyn-Mayer, Inc.*, 695 F.3d 946, 958 (9th Cir. 2012), *cert. granted*, 134 S. Ct. 50 (2013).

²⁶³ *Id.*

A. *Supreme Court Reasoning on the Availability of Judicially Created Doctrines in Cases with Controlling Federal Statutes*

1. *Beyond the Province and Duty of the Judiciary: Against the Availability of Equitable Doctrines*

A line of reasoning in Supreme Court decisions maintains that equitable defenses, including laches, should not be available in federal statutory claims with express statutory provisions. The Supreme Court delineated one approach in *Tennessee Valley Authority v. Hill*.²⁶⁴ In navigating the “irreconcilable conflict between operation of the Tellico Dam and the explicit provisions of § 7 of the Endangered Species Act,” the Court acknowledged that under the ruling of *Hecht Co. v. Bowles*,²⁶⁵ a federal judge “is not mechanically obligated to grant an injunction for every violation of law.”²⁶⁶ However, the Court asserted that the “individual appraisal of the wisdom or unwisdom of a particular course consciously selected by the Congress is to be put aside in the process of interpreting a statute.”²⁶⁷ The role of the judiciary is to discern the “meaning of an enactment” and decide if the statute comports with the Constitution.²⁶⁸ Once these determinations are made, “the judicial process comes to an end.”²⁶⁹ *Tennessee Valley Authority* circumscribed the “province and duty of the judicial department” to interpreting meaning and assessing a statute’s constitutionality.²⁷⁰

The Supreme Court specifically dealt with the availability of laches in a federal statutory claim in the presence of an explicit statute of limitations in *Holmberg*.²⁷¹ The suit was brought on behalf of creditors of the Southern Minnesota Joint Stock Land Bank of Minneapolis to enforce the liability imposed upon shareholders of the Bank by § 16 of the Federal Farm Loan Act

²⁶⁴ 437 U.S. 153, 193 (1978).

²⁶⁵ 321 U.S. 321, 329 (1944).

²⁶⁶ *Tenn. Valley Auth.*, 437 U.S. at 193.

²⁶⁷ *Id.* at 194.

²⁶⁸ *Id.*

²⁶⁹ *Id.*

²⁷⁰ *Marbury v. Madison*, 1 Cranch 137, 177 (1803).

²⁷¹ *Holmberg v. Armbrecht*, 327 U.S. 392 (1946).

after the bank closed in May 1932.²⁷² Petitioners did not learn until 1942 that Jules S. Bache hid his ownership stake in the bank under the name Charles Armbrrecht and thus they did not bring an action until November 1943.²⁷³ Respondents' first defense stated that under New York Civil Practice Act § 53, the statute of limitations barred such an action after ten years.²⁷⁴ Respondents' second defense claimed laches based on undue delay in the commencement of the action.²⁷⁵ The district court ruled against the respondents.²⁷⁶ The court of appeals reversed, reasoning that the New York statute of limitations was controlling and that the mere lapse of ten years barred the action.²⁷⁷ As this predominance of the statute of limitations over equitable doctrines is of "considerable importance in enforcing liability under federal equitable enactments," the Supreme Court reviewed the holding.²⁷⁸ The Supreme Court held, "[i]f Congress explicitly puts a limit upon the time for enforcing a right which it created, there is an end of the matter."²⁷⁹ Adhering to the "definitive" nature of the statute of limitations, the Supreme Court ruled against the availability of a laches defense.²⁸⁰ Notable for the purposes of exploring the current availability of laches in claims brought under the Copyright Act, the statute of limitations in *Holmberg* was state, not federal.

2. "When Equity So Requires": In Favor of the Availability of Equitable Doctrines

The presence of a statute of limitations in federal statutory claims has not precluded the Supreme Court from considering the applicability of laches. In *National Railroad Passenger Corp.*, the Court held that while an actionable offense must occur within the statutory time period, the "application of equitable doctrines . . . may either limit or toll the time period" when a petitioner may file

²⁷² *Id.* at 393.

²⁷³ *Id.*

²⁷⁴ *Id.*

²⁷⁵ *Id.* at 393–94.

²⁷⁶ *Id.* at 394.

²⁷⁷ *Id.*

²⁷⁸ *Id.*

²⁷⁹ *Id.* at 395.

²⁸⁰ *Id.*

a claim.²⁸¹ In *National Railroad Passenger Corp.*, Abner Morgan, Jr. sued National Railroad Passenger Corporation (Amtrak) under Title VII of the Civil Rights Act of 1964,²⁸² alleging discrete discriminatory and retaliatory acts and the presence of a racially hostile work environment throughout his employment.²⁸³ Under Title VII,²⁸⁴ a plaintiff must file a claim with the Equal Employment Opportunity Commission (EEOC) either 180 or 300 days after the alleged unlawful employment practice occurred. The Court considered “whether, and under what circumstances” a plaintiff may bring charges on a practice occurring “outside this statutory time period,” establishing that absolute adherence to the statute of limitations proved unnecessary.²⁸⁵

In addressing hostile work environment claims, the Court included “behavior alleged outside the statutory time period” to assess a claim, “so long as an act contributing to that hostile environment takes place within the statutory time period.”²⁸⁶ Equitable doctrines, including laches, may limit or extend the time period within which a plaintiff may bring a claim.²⁸⁷ The question of when an unlawful employment practice has occurred predominated in this case for both discrete discriminatory acts and hostile work environment claims.²⁸⁸ The Court distinguished between “[d]iscrete acts such as termination, failure to promote, denial of transfer, or refusal to hire,” which “are easy to identify,” and “hostile environment claims,” the very nature of which “involves repeated conduct.”²⁸⁹

For discrete acts, “[c]ourts may evaluate whether it would be proper to apply such doctrines, although they are to be applied sparingly.”²⁹⁰ The court bases the application of equitable

²⁸¹ *Nat'l R.R. Passenger Corp. v. Morgan*, 536 U.S. 101, 105 (2002).

²⁸² 42 U.S.C. § 2000e (2012).

²⁸³ *Nat'l R.R. Passenger Corp.*, 536 U.S. at 104.

²⁸⁴ 42 U.S.C. § 2000e-5(e)(1) (2009).

²⁸⁵ *Nat'l R.R. Passenger Corp.*, 536 U.S. at 105.

²⁸⁶ *Id.* at 105.

²⁸⁷ *Id.*

²⁸⁸ *Id.* at 109–10.

²⁸⁹ *Id.* at 114–15; see also 1 B. LINDEMANN & P. GROSSMAN, EMPLOYMENT DISCRIMINATION LAW 348–49 (3d ed. 1996).

²⁹⁰ *Id.* at 113–14.

doctrines on the facts of the case, as “[p]rocedural requirements established by Congress for gaining access to the federal courts are not to be disregarded by courts out of a vague sympathy for particular litigants.”²⁹¹ Courts make fact-based determinations as to the application of equitable doctrines in cases involving discrete acts, with the general presumption favoring adherence to the statute of limitations.

The unlawful employment practices involved in hostile work environment claims can span years and a single offensive act within a pattern of hostility may not rise to the level of an actionable offense.²⁹² The Court allows a plaintiff to base a suit on individual acts that occurred outside the statute of limitations, if those acts support the single unlawful employment practice of a hostile work environment.²⁹³ “The statute does not separate individual acts that are part of the hostile environment claim from the whole for the purposes of timely filing and liability.”²⁹⁴ In cases arising from repeated conduct, courts are not as strictly bound to the period delineated by the statute of limitations as in cases involving discrete acts, but rather may allow equitable doctrines, including laches, to evaluate conduct over an extended span of time.

The Court concluded that though the statutory filing period applies more strictly to plaintiffs raising claims of discrete discriminatory or retaliatory acts than to those alleging a hostile work environment, in neither case are courts precluded from applying equitable doctrines that affect the time period in which a plaintiff may bring a claim.²⁹⁵ The statutory filing period is not a strict prerequisite in bringing a federal claim, but rather, it is a requirement subject to waiver, estoppel, equitable tolling, and laches, “when equity so requires.”²⁹⁶ In *National Railroad Passenger Corp.*, these equitable doctrines, including laches, promoted the remedial purpose of Title VII of the Civil Rights Act

²⁹¹ *Baldwin Cnty. Welcome Center v. Brown*, 466 U.S. 147, 152 (1984).

²⁹² *Nat’l R.R. Passenger Corp.*, 536 U.S. at 115.

²⁹³ *Id.* at 117–18.

²⁹⁴ *Id.* at 118.

²⁹⁵ *Id.* at 122.

²⁹⁶ *Id.* at 121 (citing *Zipes v. Trans World Airlines, Inc.*, 455 U.S. 385, 398 (1982)).

of 1964, “without negating the particular purpose of the filing requirement, to give prompt notice to the employer.”²⁹⁷ The stricter application of the statutory filing period for discrete discriminatory acts and higher availability of equitable doctrines in hostile work environment claims involving repeated conduct translates into the Copyright law.

B. The Availability of Laches in Copyright Infringement Cases Before Petrella v. Metro-Goldwyn-Mayer

1. Weighing the Remedial Purpose of the Copyright Act Against the Particular Purpose of the Statute of Limitations

The Supreme Court addressed the availability of equitable doctrines, including laches, in claims filed within Title VII’s statute of limitations in *National Railroad Passenger Corp.* If applying an equitable doctrine promotes the remedial purpose of the statute “without negating the particular purpose of the filing requirement,” the Court deems the use acceptable.²⁹⁸ The remedial purpose of the Copyright Act allows “[t]he legal or beneficial owner of an exclusive right under a copyright . . . to institute an action for any infringement of that particular right committed while he or she is the owner of it.”²⁹⁹ The Copyright Act outlines specific remedies in § 502 to § 505, including “injunctions,” “impounding and disposition of infringing articles,” “damages and profits,” and “costs and attorney’s fees.”³⁰⁰ Congress determined it “highly desirable to provide a uniform (limitations) period throughout the United States” that would deter forum shopping in copyright claims and enacted a statute of limitations in 1957.³⁰¹ The disagreement across the circuits of the availability of laches negates the “particular purpose” of the filing requirement, as it encourages forum shopping.³⁰² The availability of laches in certain circuits and not others in comparable cases undermines the aim of

²⁹⁷ *Id.*

²⁹⁸ *Id.* (in *Nat’l R.R. Passenger Corp.*, it was Title VII of the Civil Rights Act of 1964).

²⁹⁹ 17 U.S.C. § 501(b) (2012).

³⁰⁰ 17 U.S.C. §§ 502–05 (2012).

³⁰¹ S. REP. NO. 85-1014, at 2 (1957), reprinted in 1957 U.S.C.C.A.N. 1961, 1962.

³⁰² *Nat’l R.R. Passenger Corp.*, 536 U.S. at 121.

the statute of limitations to create a national uniformity, as regional differences remain.

Congressional materials accompanying the addition of the statute of limitations to the Copyright Act illuminate the intent of the 1957 amendment to the Copyright Act. The Senate Report addressed the differences in state law for areas with a high number of copyright cases and those with few.³⁰³ Specifically, the Senate Report addressed the favoritism California showed to the film industry, a trend continued to this day with the Ninth Circuit's presumption in favor of laches.³⁰⁴ Laches allows studios to bar infringement claims brought by copyright owners whose works achieved financial success after a significant period of time.³⁰⁵ One interpretation of *National Railroad Passenger Corp.* focuses on the purpose of the statute in deciding the availability of laches. While several circuits cite separation of powers concerns that laches works against the particular purpose of the Copyright Act's statute of limitations, circumstances arise in copyright cases when the strict application of the statute of limitations does not result in a fair outcome.

2. The Differential Treatment of Discrete Acts of Infringement and Continuing Acts of Infringement

In *National Railroad Passenger Corp.*, the Court stated that “[t]he statutory filing period is not a strict prerequisite”³⁰⁶ in bringing a federal claim, but rather, it is a requirement subject to waiver, estoppel, equitable tolling, and laches, “when equity so requires.”³⁰⁷ In considering appropriate standards for applying equitable doctrines, the Court distinguished between “[d]iscrete acts such as termination, failure to promote, denial of transfer, or refusal to hire” which “are easy to identify” and “hostile environment claims” the very nature of which “involves repeated conduct.”³⁰⁸ A second interpretation of *National Railroad*

³⁰³ S. REP. NO. 85-1014, at 2.

³⁰⁴ *Id.*

³⁰⁵ *Id.*

³⁰⁶ *Nat'l R.R. Passenger Corp. v. Morgan*, 536 U.S. 101, 103 (2002) (citing *Zipes v. Trans World Airlines, Inc.*, 455 U.S. 385, 398 (1982)).

³⁰⁷ *Id.*

³⁰⁸ *Id.* at 114–15; *see also* 1 B. LINDEMANN & P. GROSSMAN, *supra* note 289, at 348–49.

Passenger Corp. allows for a spectrum of availability based on the type of conduct, as the Supreme Court differentiates between discrete acts and repeated conduct in their assessing the application of equitable doctrines. The Court allows a plaintiff to base a suit on individual acts that occurred outside the statute of limitations, if those acts support the single unlawful employment practice of a hostile work environment.³⁰⁹

In the leading cases across several circuits, the courts address copyright claims analogous to discrete acts, “easy to identify” infringements that do not stem from the licensing of underlying works, and the production, distribution, release, and re-release of derivative works, often continuing over a period of many years and involving repeated infringing acts.³¹⁰ The availability of laches in copyright claims analogous to discrete acts of discrimination is subject to varying restrictions across the circuits. The Fourth Circuit does not allow laches for copyright infringement claims brought within the statute of limitations³¹¹ in deference to the “definitive” aims of the federal statute.³¹² The Eleventh Circuit recognizes laches “only in the most extraordinary circumstances”³¹³ and holds a “strong presumption that a plaintiff’s suit is timely if it is filed before the statute of limitations has run.”³¹⁴ These “extraordinary circumstances”³¹⁵ include claims in which an owner “cannot be fully cognizant of all infringements that occur throughout the length and breadth of this country.”³¹⁶ In those claims, “laches serves as a bar only to the recovery of retrospective damages, not to prospective relief.”³¹⁷ Similarly, the

³⁰⁹ *Nat’l R.R. Passenger Corp.*, 536 U.S. at 117–18.

³¹⁰ *Id.*; see, e.g., *Peter Letterese & Assocs., Inc. v. World Inst. of Scientology Enters. Int’l*, 533 F.3d 1287 (11th Cir. 2008); *Chirco v. Crosswinds Cmty., Inc.*, 474 F.3d 227 (6th Cir. 2007); *Jacobsen v. Deseret Book Co.*, 287 F.3d 936 (10th Cir. 2002); *Lyons P’ship, L.P. v. Morris Costumes, Inc.*, 243 F.3d 789 (4th Cir. 2001); *New Era Publ’ns Int’l v. Henry Holt & Co.*, 873 F.2d 576 (2d Cir. 1989).

³¹¹ *Lyons P’ship*, 243 F.3d at 796.

³¹² *Holmberg v. Armbrrecht*, 327 U.S. 392, 395 (1946).

³¹³ *Peter Letterese & Assocs.*, 533 F.3d at 1320.

³¹⁴ *Id.*

³¹⁵ *Id.*

³¹⁶ *Id.* at 1321; see *A.C. Aukerman Co. v. R.L. Chaides Constr. Co.*, 960 F.2d 1020, 1040–41 (Fed. Cir. 1992).

³¹⁷ *Peter Letterese & Assocs.*, 533 F.3d at 1321.

Tenth Circuit reserves laches for “rare cases.”³¹⁸ The Sixth Circuit generally reserves the defense for only “the most compelling of cases.”³¹⁹ While holding a presumptive deference to the statute of limitations, outside of the Fourth Circuit’s strict bar, several circuits do allow laches in “what can best be described as unusual circumstances.”³²⁰ The inconsistent availability of laches across the circuits in cases involving discrete infringing acts represents one significant conflict. This inconsistency diminishes Congress’s aim of establishing uniformity in copyright cases through the statute of limitations.

The Ninth Circuit’s leading cases deal with continuing acts of infringements subject to the “separate accrual rule.”³²¹ Under the separate accrual rule, the three-year period specified by the statute of limitations³²² accrues separately for each infringing act, even if the violation is one in a series of continuing acts of infringement.³²³ These claims are analogous to hostile work environment claims in that they involve repeated conduct, evaluated in its totality in determining the validity of a claim.³²⁴

A conflict exists between the circuits over the remedies laches bars in copyright claims brought within the statute of limitations. In the Second Circuit, laches bars injunctive relief, while allowing a plaintiff to pursue a claim for monetary damages.³²⁵ In the Eleventh Circuit, “laches serves as a bar only to the recovery of

³¹⁸ *Jacobsen v. Deseret Book Co.*, 287 F.3d 936, 950–51 (10th Cir. 2002).

³¹⁹ *Chirco v. Crosswinds Cmtys., Inc.*, 474 F.3d 227, 233 (6th Cir. 2007).

³²⁰ *Id.* at 234.

³²¹ See 3 NIMMER, *supra* note 121, § 12.05[B][1][b] (“If infringement occurred within three years prior to filing, the action will not be barred even if prior infringements by the same party as to the same work are barred because they occurred more than three years previously.”); Brief for Petitioner at 23, *Petrella v. Metro-Goldwyn-Mayer, Inc.*, 134 S. Ct. 50 (2013) (No. 12-1315) (“No court has required a copyright action seeking relief for an infringement within the past three years to be brought within three years of the initial act of infringement.” (citing 6 WILLIAM F. PATRY, PATRY ON COPYRIGHT § 20:23 (West. 2013))).

³²² See 17 U.S.C. § 507(b) (2012).

³²³ See *Petrella v. Metro-Goldwyn-Mayer, Inc.*, No. CV 09-72 (MANx) (C.D. Cal. Feb. 3, 2010) at 14.

³²⁴ See generally *Danjaq L.L.C. v. Sony Corp.*, 263 F.3d 942 (9th Cir. 2001); *Petrella v. Metro-Goldwyn-Mayer, Inc.*, No. 10-55834 (9th Cir. Aug. 29, 2012).

³²⁵ See *New Era Publ’ns Int’l v. Henry Holt & Co.*, 873 F.2d 576, 584–85 (2d Cir. 1989).

retrospective damages, not to prospective relief.”³²⁶ Laches in the Sixth Circuit bars injunctive relief that causes “unjust hardship,” not necessarily injunctive relief generally, or damages.³²⁷ In the Ninth Circuit, laches can bar claims for damages and injunctive relief.³²⁸ The discrepancy over the remedies laches bars exacerbates the forum shopping concerns resulting from the circuit split over availability.

3. Challenges in Balancing the Role of Equity and the Aims of the Law in Copyright

While “[t]here is nothing in the copyright statute or its history to indicate that laches is a proper defense to a suit brought under the Act,”³²⁹ the role of equity begins where the effectiveness of statutory provisions ends. The circuits restricting the availability of laches do so in deference to the law, as codified in the Copyright Act’s statute of limitations. Laches, a determination made by the district courts based on the facts in each case, creates an element of unpredictability in Copyright law. The purpose of updating the Copyright Act to include the statute of limitations, an amendment Congress accepted using language identical to the 1957 amendment into the 1976 Copyright Act,³³⁰ was to create a national uniformity for copyright claims. This uniformity aimed to avoid the unpredictability and forum shopping created by using state statute of limitations in copyright cases.

The Ninth Circuit presumes the availability of laches, as it supports commercial morality in conflicts between copyright owners and parties exploiting copyrights, who often invest significant resources into the production and distribution of works. To achieve equitable results, the Ninth Circuit borrows rules that function in Trademark law without creating separation of powers issues and applies them to Copyright law, where their availability creates a tension with congressionally enacted statutes.

³²⁶ *Peter Letterese & Assoc., Inc. v. World Inst. of Scientology Enter. Int’l*, 533 F.3d 1287, 1321 (11th Cir. 2008).

³²⁷ *See Chirco v. Crosswinds Cmty., Inc.*, 474 F.3d 227, 236 (6th Cir. 2007).

³²⁸ *See Danjaq L.L.C. v. Sony Corp.*, 263 F.3d 942, 960 (9th Cir. 2001).

³²⁹ *Petrella v. Metro-Goldwyn-Mayer, Inc.*, 695 F.3d 946, 958 (9th Cir. 2012), *cert. granted*, 134 S. Ct. 50 (2013).

³³⁰ *See id.* (citing to Pub. L. No. 94-553, § 507(b), 90 Stat. 2541, 2586).

Additionally, the Ninth Circuit selects elements of the continuing wrongs approach and the rolling statute of limitations and applies them when advantageous. In so heavily favoring equity, the Ninth Circuit developed a schism with the other circuits in applying laches. The conflicts among the circuits over the availability of laches returned Copyright law to this unpredictability.

III. RESOLVING THE SPLIT OVER THE AVAILABILITY OF LACHES ACROSS THE CIRCUITS BY DISTINGUISHING BETWEEN TYPES OF INFRINGEMENT CLAIMS

To resolve the circuit split over the availability of laches in civil copyright claims brought within the Copyright Act's statute of limitations, the Supreme Court, in deciding *Petrella*, should have distinguished between claims involving discrete infringing acts and claims arising out of continuing acts of infringement. In *National Railroad Passenger Corp.*, the Court stated that equitable doctrines should be more readily available in claims with repeated discriminatory conduct than those involving discrete acts of discrimination. Discrete acts of infringement, like discrete acts of discrimination, should be evaluated with stricter adherence to the Copyright Act's statute of limitations, restricting the availability of equitable doctrines, including laches, to rare cases. The Court should have held that the availability of laches in *Petrella* to bar equitable relief, a case arising from continuing acts of infringement, should be treated with the same leniency afforded the availability of equitable doctrines in discrimination claims involving repeated conduct.

A. Claims Involving Discrete Acts of Infringement

The availability of laches should be restricted in copyright cases involving discrete acts of infringement. The stricter adherence to statutory provisions in applying equitable doctrines in discrimination claims based on discrete acts translates into copyright. In claims addressing discrete acts of infringement, laches should only be available in rare circumstances. Rare

circumstances could involve decades of delay,³³¹ “extreme prejudice,”³³² or when injunctive relief would cause “unjust hardship.”³³³ For discrete acts of infringement, the reasonable standard for the availability of laches falls somewhere between the Fourth Circuit’s absolute bar³³⁴ and the Ninth Circuit’s presumptive yes.³³⁵ “Rather than deciding cases on the issue of laches, courts should generally defer to the three-year statute of limitations, 17 U.S.C. § 507(b), provided by the Copyright Act.”³³⁶ Beyond this general deference, the Sixth, Tenth, and Eleventh Circuits determine if the laches defense is available based on the effects of the plaintiffs’ delay in relation to the remedy sought.³³⁷ Laches should be available as a bar to equitable remedies, with claimants free to pursue legal relief, if circumstances permit.³³⁸ As laches is a fact-based case-by-case determination, it is sufficient framework to suggest that the presumption in favor of the statute of limitations is a guiding principle and courts are left to decide the rare exceptions of availability relying on the facts of the infringing acts and the laches elements.

B. Claims Arising from Continuing Acts of Infringement

Laches should be presumed available in copyright cases arising from continuing acts of infringement. The leniency in applying equitable doctrines afforded discrimination claims of repeated conduct translates into copyright. “[T]he special circumstance of

³³¹ See *Peter Letterese & Assocs.*, 533 F.3d at 1321; see also discussion *supra* Part I.D.2.

³³² *Jacobsen v. Deseret Book Co.*, 287 F.3d 936, 949 (10th Cir. 2002); see discussion *supra* Part I.D.3.

³³³ *Chirco v. Crosswinds Cmty., Inc.*, 474 F.3d 227, 236 (6th Cir. 2007); see also discussion *supra* Part I.D.4.

³³⁴ See *Lyons P’ship, L.P. v. Morris Costumes, Inc.*, 243 F.3d 789 (4th Cir. 2001); see also discussion *supra* Part I.D.1.

³³⁵ See *Danjaq L.L.C. v. Sony Corp.*, 263 F.3d 942, 951 (9th Cir. 2001); *Kling v. Hallmark Cards, Inc.*, 225 F.3d 1030, 1036–42 (9th Cir. 2000); *Jackson v. Axton*, 25 F.3d 884, 888 (9th Cir. 1994); see also discussion *supra* Part I.D.6.

³³⁶ *Jacobsen*, 287 F.3d at 950; *Chirco*, 474 F.3d at 232.

³³⁷ See *Chirco*, 474 F.3d at 227; *Peter Letterese & Assocs., Inc. v. World Inst. of Scientology Enters. Int’l*, 533 F.3d 1287 (11th Cir. 2008); *Jacobsen*, 287 F.3d at 936; *New Era Publ’ns Int’l v. Henry Holt & Co.*, 873 F.2d 576 (2d Cir. 1989).

³³⁸ See discussion *supra* Part II.B.2.

re-releases”³³⁹ and analogous repeated conduct, common in the Ninth Circuit, but relatively rare in other circuits,³⁴⁰ requires standards different from discrete acts of copyright infringement. Laches should be available to allow a defendant to conduct business without being subject to prejudice as a result of a plaintiff’s unreasonable delay in bringing a claim. Without this allowance, the use of copyrighted material, even if properly licensed at the time of transfer, would cause trepidation for parties aiming to exploit copyrighted works. As each infringement starts the statute of limitations running anew and without the availability of laches, copyright owners could delay initiating claims indefinitely. Laches should be available as a bar to equitable remedies, while allowing plaintiffs to pursue legal remedies. The availability of laches in copyright cases arising from continuing acts of infringement would likely promote fairness and increase predictability for parties transacting in copyrighted material. Without laches, parties seeking declaratory judgments would abound and cause an undue burden to courts in the Ninth Circuit, Second Circuit, and beyond.

C. The Supreme Court’s Holding in Petrella v. Metro-Goldwyn-Mayer, Inc.

The Supreme Court reversed the Ninth Circuit’s decision, holding that laches cannot bar a claim for damages, but can preclude a claim for equitable relief in extraordinary circumstances.³⁴¹ The decision remands the case to the district court and offers that “a plaintiff’s delay can always be brought to bear at the remedial stage, in determining appropriate injunctive relief, and in assessing the ‘profits of the infringer [] attributable to the infringement.’”³⁴² To illustrate these extraordinary circumstances, the Court relies on cases that effectively render laches largely obsolete.³⁴³ The *Petrella* decision relegates a

³³⁹ *Danjaq*, 263 F.3d at 954; see discussion *supra* Part I.C.2.

³⁴⁰ See S. REP. NO. 85-1014, at 2 (1957), reprinted in 1957 U.S.C.C.A.N. 1961, 1962; see also discussion *supra* Part I.C.2.

³⁴¹ *Petrella v. Metro-Goldwyn-Mayer, Inc.*, No. 12-1315, 2014 WL 2011574, at *4 (U.S. May 19, 2014).

³⁴² *Id.* (quoting 17 U.S.C. § 504(b) (2012)).

³⁴³ *Id.* at *12.

plaintiff's extensive delay in bringing suit to one of many factors taken into account at the district court level.³⁴⁴ Alternately, the Court tasks the defendant with satisfying the "more exacting" and "differently oriented" test for estoppel to present an equitable defense against a copyright claim brought within the statute of limitations.³⁴⁵

The Court adopts the Second Circuit's approach, as applied in *New Era Publications International, ApS v. Henry Holt & Co.*,³⁴⁶ which distinguishes between the availability of laches to bar equitable relief, but not legal relief. This case contributes to the definition of "extraordinary" as circumstances that would result in the "total destruction of the work."³⁴⁷ The Court clarifies these extraordinary circumstances by citing *Chirco v. Crosswinds Communities, Inc.*, a case which limits the availability of laches to injunctive relief that would "'work an unjust hardship' upon defendants and third parties."³⁴⁸ By defining extraordinary circumstances exclusively through these two cases, the Court appears to circumscribe the application of laches to bar injunctive relief that would manifest physically, an unreasonable standard for copyright claims.

Assessing laches for claims brought within the statute of limitations requires determining when the statute of limitations begins running and from what point a court measures the plaintiff's delay. The Court states "[a] copyright claim thus arises or 'accrue[s]' when an infringing act occurs."³⁴⁹ This statement is incorrect in the vast majority of circuits, including the Ninth Circuit³⁵⁰ and Second Circuit,³⁵¹ where the "discovery rule"³⁵² —

³⁴⁴ *Id.* at *13.

³⁴⁵ *Id.* at *11–12.

³⁴⁶ 873 F.2d 576 (2d Cir. 1989).

³⁴⁷ *Petrella*, 2014 WL 2011574, at *12–13 (citing *New Era Publ'ns Int'l v. Henry Holt & Co.*, 873 F.2d 576, 584–85 (2d Cir. 1989)).

³⁴⁸ *Id.* at *12 (citing *Chirco v. Crosswinds Comtys., Inc.*, 474 F.3d 227, 236 (6th Cir. 2007)).

³⁴⁹ *Id.* at *5.

³⁵⁰ *Kling v. Hallmark Cards, Inc.*, 225 F.3d 1030, 1036 (9th Cir. 2000).

³⁵¹ Anandashankar Mazumdar, 'Discovery' Rule Applies to Copyright Statute of Limitations in Second Circuit, BLOOMBERG BNA (Apr. 9, 2014), <http://www.bna.com/discovery-rule-applies-n17179889472>.

³⁵² *William A. Graham Co. v. Haughey*, 568 F.3d 425, 433 (3d Cir. 2009).

when a defendant knew or should have known about the alleged infringing act at issue—applies.³⁵³ The Court departs from previous methods for measuring the end of a plaintiff’s delay without offering clarification beyond the assumption that a plaintiff notifying a defendant of a potential claim suffices.³⁵⁴ In minimizing the consequences of Petrella’s delay, the Court states she “notified MGM of her copyright claims *before* MGM invested millions of dollars in creating a new edition of *Raging Bull*.”³⁵⁵ Previously, a plaintiff needed to file a claim to end delay, and even then, claims regarding the same work, but against parties the court considered too attenuated to the present action, did not “stop the clock” on laches.³⁵⁶ The Court may favor the injury rule for infringement accrual or intend to modify the action necessary to signal the end of a plaintiff’s delay. However, it is possible the decision marginalizes the application of laches to a point where these issues will rarely arise.

The Court minimizes the potential harm of allowing a plaintiff to proceed absent the threat of threshold dismissal for delay, citing that under the separate accrual rule, the statute of limitations allows a plaintiff to reach back only three years and “the infringer is insulated from liability for earlier infringements of the same work.”³⁵⁷ The Court notes, “when a defendant has engaged (or is alleged to have engaged) in a series of discrete infringing acts, the copyright holder’s suit ordinarily will be timely under § 507 (b) with respect to more recent acts of infringement . . . but untimely with respect to prior acts of the same or similar kind.”³⁵⁸ The Court distinguishes between separately accruing harm and harm from past violations that are continuing,³⁵⁹ noting that “each new act must cause ‘harm [to the plaintiff] over and above the harm that the earlier acts caused,’”³⁶⁰ while in continuing harm cases, “a

³⁵³ *Kling*, 225 F.3d at 1036.

³⁵⁴ *Petrella v. Metro-Goldwyn-Mayer, Inc.*, No. 12-1315, 2014 WL 2011574, at *13 (U.S. May 19, 2014).

³⁵⁵ *Id.*

³⁵⁶ *Danjaq LLC v. Sony Corp.*, 263 F.3d 942, 953 (9th Cir. 2001).

³⁵⁷ *Petrella*, 2014 WL 2011574, at *6.

³⁵⁸ *Id.*

³⁵⁹ *Id.* at *6 n.6.

³⁶⁰ *Id.* (quoting *Klehr v. A.O. Smith Corp.*, U.S. 179, 190 (U.S. 1997)).

plaintiff [] challenges [] an unlawful practice that continues into the limitations period.”³⁶¹ The Court maintains that a defendant engaging in a continuing series of infringing acts of the same or similar kind commits “discrete acts independently actionable.”³⁶² An initial infringing act, followed by continuing acts of the same or similar kind will not constitute conduct cumulative in effect, the Court’s description of the hostile environment claims pursued under Title VII in *National Railroad Passenger Corp. v. Morgan*.³⁶³ Previously, the Ninth Circuit included knowledge of “impending copyright infringements” along with “knowledge of actual infringement” to determine when the period to measure delay for laches begins.³⁶⁴ The Court declines to distinguish between delay in bringing suit over infringing acts occurring only once and those persisting over decades (and thus continually impending). By minimizing the potential harm resulting from allowing a plaintiff’s delayed claim to proceed, the Court incentivizes copyright owners to withhold filing their claims, encouraging increased delay in the assertion of rights in a work, and engendering a climate of unpredictability.

The circumstances of Petrella’s delay in bringing suit fit those of the hypothetical “inequitable” copyright owner imagined by Judge Hand in *Haas*.³⁶⁵ Petrella, “the owner of a copyright, with full notice of an intended infringement” since 1991, delayed initiating litigation without reasonable cause until 2010.³⁶⁶ Petrella owns one of the possible underlying *Raging Bull* copyrights as a result of the *Stewart v. Abend* decision, which held that when an author dies before the renewal period begins, his successors are entitled to the renewal rights, even if the author assigned the renewal rights to another party.³⁶⁷ Petrella stood “inactive” during

³⁶¹ *Id.* (quoting *Havens Realty Corp. v. Coleman*, 455 U.S. 363, 380–81 (1982)).

³⁶² *Id.* at *6 n.7 (quoting *Nat’l R.R. Passenger Corp. v. Morgan*, 536 U.S. 101, 114–21 (2002)).

³⁶³ *Nat’l R.R. Passenger Corp.*, 536 U.S. at 115.

³⁶⁴ *Kling v. Hallmark Cards Inc.*, 225 F.3d 1030, 1038 (9th Cir. 2000).

³⁶⁵ *See Haas v. Leo Feist, Inc.*, 234 F. 105, 108 (S.D.N.Y. 1916).

³⁶⁶ *Petrella v. Metro-Goldwyn-Mayer, Inc.*, No. CV 09-72-GW (MANx), at 45a (C.D. Cal. Feb. 3, 2010) (citing *Danjaq, LLC v. Sony Corp.*, 263 F.3d 942, 951 (9th Cir. 2001)).

³⁶⁷ *Stewart v. Abend*, 495 U.S. 207 (1990).

this extended period of delay while Metro-Goldwyn-Mayer, the “proposed infringer,” spent “large sums of money” on the exploitation of Petrella’s father’s work.³⁶⁸ Petrella, “intervene[d] only when [her] speculation . . . proved a success.”³⁶⁹ In fact, Petrella “testified that she refrained from filing suit at that time [1991] because [*Raging Bull*] was not yet profitable.”³⁷⁰ Petrella’s inaction evokes the plaintiff who “sleeps upon [her] rights,”³⁷¹ gauging profitability instead of promptly asserting her interest in the work. The Court concludes that “there is nothing untoward about waiting to see whether an infringer’s exploitation undercuts the value of the copyrighted work, has no effect on the original work, or even complements it.”³⁷²

Because Metro-Goldwyn-Mayer, Inc. continues to exploit *Raging Bull* and, arguably, the underlying works created by her father, without laches, Petrella could have conceivably delayed for years longer in initiating litigation. The Academy-Award winning film³⁷³ at the center of this controversy, widely considered by critics as one of the greatest of all-time,³⁷⁴ remains popular to date. The Film is held in high-regard in the motion picture industry and is considered a significant work in American culture, deemed “culturally, historically, and aesthetically significant” by the United States Library of Congress.³⁷⁵ The Film continues to prove

³⁶⁸ *Id.*

³⁶⁹ *Haas*, 234 F. at 108.

³⁷⁰ *Petrella*, No. CV 09-72 (MANx).

³⁷¹ *S. Pac. Co. v. Bogert*, 250 U.S. 483, 500 (1919) (McReynolds, J., dissenting) (quoting *Hayward v. Eliot Nat’l Bank*, 96 U.S. 611 (1877)).

³⁷² *Petrella v. Metro-Goldwyn-Mayer, Inc.*, No. 12-1315, 2014 WL 2011574, at *10 (U.S. May 19, 2014).

³⁷³ *Raging Bull* was nominated for eight Academy Awards and won two, including a Best Actor award for Robert De Niro (in the role of Jake LaMotta) and Best Editor award for Thelma Schoonmaker. See *The 53rd Academy Awards (1981) Nominees and Winners*, THE OSCARS, <http://www.oscars.org/awards/academyawards/legacy/ceremony/53rd.html> (last visited Jan. 21, 2014).

³⁷⁴ *Raging Bull* is ranked fourth on the 100 greatest movies of all-time, by a jury of 1,500 film artists, critics and historians. *AFI’s 100 Years...100 Movies – 10th Anniversary Edition*, AFI.COM <http://www.afi.com/100years/movies10.aspx> (last visited Jan. 21, 2014).

³⁷⁵ Barbara Gamarekian, *Library of Congress Adds 25 Titles to National Film Registry*, N.Y. TIMES, October 19, 1990, <http://www.nytimes.com/1990/10/19/movies/library-of-congress-adds-25-titles-to-national-film-registry.html>.

marketable to audiences.³⁷⁶ Without laches, Petrella can delay until she determines the most financially beneficial time to assert her rights, filing “precisely when net revenues turned positive.”³⁷⁷ A copyright owner, free to delay legal action without consequence, could put off negotiating a license until the alleged infringing party “invests time, effort, and resources into making the derivative product,” at which point the copyright owner will be in a position of strength to “obtain favorable licensing terms through settlement.”³⁷⁸ Though the Court posits that, “[i]f the rule were . . . ‘sue soon, or forever hold your peace,’ copyright owners would have to mount a federal case fast to stop seemingly innocuous infringements,”³⁷⁹ opening the door for unchecked delay promotes an uncertain and needlessly hostile market where entities that create and promote works would need to seek battery of declaratory judgments before investing in the development of a copyrighted work.

The Court finds that the “consequences of [Petrella’s] delay in commencing suit” were not of “sufficient magnitude to warrant, at the very outset of the litigation, curtailment of the relief equitably awardable.”³⁸⁰ The Court, failing to identify harm analogous to the “total destruction of the work” of *New Era Publications International*³⁸¹ or injunctive relief that would “‘work an unjust hardship’ upon defendants and third parties” like that in *Chirco v. Crosswinds Communities, Inc.*,³⁸² holds that the circumstances “are not sufficiently extraordinary to justify threshold dismissal.”³⁸³ As the case was remanded, the Court notes, “should Petrella ultimately prevail on the merits, the district court, in determining

³⁷⁶ The film has been re-released in 25th Anniversary and 30th Anniversary special edition DVDs. See *Raging Bull 25th Anniversary Special Edition*, THE DIGITAL FIX FILM (Feb. 25, 2005, 2:00 PM), <http://film.thedigitalfix.com/content/id/56279/raging-bull-25th-anniversary-special-edition.html>.

³⁷⁷ *Petrella*, 2014 WL 2011574, at *16.

³⁷⁸ *Id.*

³⁷⁹ *Id.* at *10.

³⁸⁰ *Id.* at *12.

³⁸¹ *Id.* at *12–13 (citing *New Era Publ’ns Int’l v. Henry Holt & Co.*, 873 F.2d 576, 584–85 (2d Cir. 1989)).

³⁸² *Id.* at *12 (quoting *Chirco v. Crosswinds Cmty., Inc.*, 474 F.3d 227, 236 (6th Cir. 2007)).

³⁸³ *Id.* at *13.

appropriate injunctive relief and assessing profits, may take into account her delay in commencing suit.”³⁸⁴ The opinion states that the district court “should closely examine MGM’s alleged reliance on Petrella’s delay.”³⁸⁵ As the defendant’s reliance on the plaintiff’s conduct to its detriment is an element of estoppel,³⁸⁶ this statement suggests that defendants aiming to invoke a defense against the inequities previously addressed by laches must now rely on equitable estoppel. In the dissenting opinion, Justice Breyer notes, “[w]here due to the passage of time, evidence favorable to the defense has disappeared or the defendant has continued to invest in a derivative work, what misleading representation by the plaintiff is there to stop?”³⁸⁷ Short of construing a plaintiff’s failure to file a claim with knowledge of infringing acts as a misleading representation that he will never file, this element appears absent in cases where the defendant would have invoked laches. In carving out the “little place” for laches in copyright claims, the Court, thinking another equitable doctrine might fit, measured too small.³⁸⁸

CONCLUSION

The conflicts over the availability of laches come down to conflicts over law and equity. The bright-line law of the statute of limitations states the three-year time limit in which to bring a civil claim of copyright infringement. The accompanying congressional materials clearly set out the issues the statute of limitations intended to resolve and the amendment’s purpose of establishing national uniformity. Closer examination of the effects of this uniformity when applied to continuing acts of infringement make clear the need for the availability of laches. Because the statute of limitations could effectively run forever on continuing

³⁸⁴ *Id.*

³⁸⁵ *Id.*

³⁸⁶ *See* *Lego A/S v. Best-Lock Const. Toys, Inc.*, 874 F. Supp. 2d 75, 81 (D. Conn. 2012).

³⁸⁷ *Petrella*, 2014 WL 2011574, at *20.

³⁸⁸ *Id.* at *12 (citing 1 DAN B. DOBBS, DOBBS’ LAW OF REMEDIES: DAMAGES – EQUITY - RESTITUTION §2.6(1) (2d ed. 1993)).

infringements, the equitable doctrine of laches is beneficial to mitigate the negative effects of a plaintiff's delay.

The *Petrella* decision restricts the availability of laches to extraordinary circumstances. The Court narrowly defines these circumstances, nearly eliminating laches from copyright entirely. The Court states that “[a]llowing *Petrella*’s suit to go forward . . . will work no unjust hardship on innocent third parties, such as consumers who have purchased copies of *Raging Bull*.”³⁸⁹ The troubling notion arises that the Court requires that sufficient harm occur to the physical embodiments of the copyrighted expression at issue for the extraordinary circumstances to exist. Injunctions to pulp copies of the *Bare-Faced Messiah* book, tear down occupied condominiums, or, Justice Ginsburg’s hypothetical seizure of consumers’ copies of *Raging Bull*, comprise the total destruction of work or unjust hardship of extraordinary circumstances. Given the evolution of technology compelling copyrighted expression away from physical copies, the Court’s holding renders a defendant vulnerable to opportunistic plaintiffs in myriad scenarios already easily imaginable. If, given *Petrella*’s lengthy delay and Metro-Goldwyn-Mayer’s substantial investment, injunctive relief would not work the unjust hardship upon defendants and third parties necessary to constitute extraordinary circumstances, it is foreseeable that this decision’s extraordinary circumstances standard aims to effectively eliminate defenses against inequitable delay altogether.

Fairness dictates that laches should be more widely available than this decision allows. Without laches, potential claimants can delay initiating litigation, waiting for an opportune time to capitalize on another’s toil. The adverse effect this delay could have on those parties investing resources in copyrighted works is substantial. The motions for declaratory judgments and defenses against long-incubating claims will abound. This increase in litigation can only offer limited certainty. Without any assurance over an indefinite period of time that an infringement claim will not appear, parties who would traditionally license and exploit copyrighted works may hesitate in doing so out of fear that a

³⁸⁹ *Id.* at *13.

potential claimant could attempt to assert rights in a profitable work at any future point. A decrease in the use of copyrighted material would negatively affect parties producing, distributing, and exploiting copyrighted works, who may find themselves limited to using economically advantageous alternatives, and creators, who may find themselves out of work. The *Petrella* decision will likely have a detrimental effect on the promotion of the progress of authors' works in the future, working an unjust hardship on the potential defendants involved in the development of copyrightable works and third-party consumers left with diminished options. Non-existence of works of the same caliber as *Raging Bull* nets the same result as total destruction.