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A Fair Use to Remember: Restoring Application of the Fair Use Doctrine to Strengthen Copyright Law and Disarm Abusive Copyright Litigation

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A FAIR USE TO REMEMBER: RESTORING APPLICATION OF THE FAIR USE DOCTRINE TO STRENGTHEN COPYRIGHT LAW AND DISARM ABUSIVE COPYRIGHT LITIGATION

Lauren Gorab*

The primary goal of copyright law is to benefit the public. By rewarding authors with exclusive rights, such as the power to enforce copyright infringement, copyright protection is the means through which copyright law accomplishes this goal. Another way that copyright law pursues its goal is through the fair use doctrine—an invaluable utilitarian limit on copyright protection. However, fair use is, among other things, vague. The current application of fair use as an affirmative defense magnifies the doctrine’s problems and makes copyright law hospitable to abusive copyright litigation.

Current proposals in this area of reform target either fair use or abusive copyright litigation. This Note targets both problems with a single solution: applying fair use as a right. Applying fair use as a right alleviates some of the doctrine’s inherent problems and is the best long-term solution for eliminating abusive litigation from copyright law. As a right, fair use protects copyright’s core values and goals, alleviates the burden on courts, and cultivates creation. A review of the motivation behind fair use reveals that as a right, fair use is best able to serve the purpose for which it was designed.

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INTRODUCTION

Copyright law’s raison d’être is to promote the creation of new works to benefit the public because creative activity “is vital to the well-being of society.”1 To secure the benefit of creative works for the public and incentivize future creation, copyright protection provides authors2 with limited monopoly rights over their creations.3 Copyright law also pursues its goal through the fair use doctrine, which states that certain secondary uses4 qualifying as “fair use” are not copyright infringement.5

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2. This Note uses the terms “author” or “creator” to describe the original maker of a copyrightable work.
3. See U.S. Const. art. I, § 8, cl. 8; Niva Elkin-Koren, The New Frontiers of User Rights, 32 Am. U. Int’l L. Rev. 1, 16 (2016); see also Leval, supra note 1, at 1109 (calling copyright protection “a pragmatic measure”).
4. A “secondary use” is an unauthorized use of part or whole of a copyrighted work. For example, a news article quoting from a published book is a secondary use of the copyrighted work. A modern-art collage including a reproduction of a famous painting still under copyright is also a secondary use.
Fair use limits the exclusive rights of copyright owners. It embodies the balance between private ownership and public access, and it applies across copyright law. Currently, the application of fair use as an affirmative defense magnifies the doctrine’s inherent problems and makes copyright law hospitable to abusive copyright litigation. The prevalence of abusive copyright litigation also illuminates weaknesses in copyright law. Abusive copyright litigation exploits the courts, frustrates copyright protection, weakens copyright law, and chills free speech.

Commentators have offered proposals targeting either the fair use doctrine or abusive copyright litigation, but these solutions approach the problems separately. This Note argues that the problems are connected and therefore proposes a single solution: applying fair use as a right. This proposal simply changes the procedural application of fair use. Applying fair use as a right will fix some of the problems within the doctrine itself and is also the best long-term solution for mitigating abusive copyright litigation. In addition, when compared to other proposals, this proposal requires the least change by the fewest parties. As a right, fair use protects copyright’s fundamental values and goals, alleviates the burden on courts, and cultivates creation.

Applying fair use as an affirmative defense misplaces the burden on the defendant and makes copyright law legally and procedurally hospitable to abusive copyright litigation. Instead, fair use should be applied as a right held by users making fair use of a copyrighted work. Thus, fair use must be considered during pleading, when the initial determination of copyright infringement is made. Applying fair use as a right is the best approach to the problems caused by the inherent uncertainty in the fair use doctrine and by abusive copyright litigation because this solution reduces the potential for abuse in copyright enforcement.

7. See Elkin-Koren, supra note 3, at 16; Leval, supra note 1, at 1127 (describing fair use as a “judge-made utilitarian limit” on statutory copyright); Gideon Parchomovsky & Kevin A. Goldman, Fair Use Harbors, 93 VA. L. REV. 1483, 1495 (2007) (calling fair use “perhaps the most crucial policy tool for maintaining copyright’s intended balance”); see also Suntrust Bank v. Houghton Mifflin Co., 268 F.3d 1257, 1261 (11th Cir. 2001) (“[T]he fair use right was codified to maintain the constitutionally mandated balance to ensure that the public has access to knowledge.”).
12. See infra Part I.D.3 (explaining how abusive copyright litigation capitalizes on the vagueness of fair use).
I. COPYRIGHT LAW: PAST, PRESENT, AND THE PLACE OF THE FAIR USE DOCTRINE

The goal of copyright law is to provide the public with intellectual and artistic creation. Copyright protection incentivizes creation by granting authors limited monopoly rights over their work. The fair use doctrine is also essential to the copyright mechanism because it increases access to copyrighted works and limits the scope of copyright protection. Yet weaknesses in these two features of the copyright design—the copyright monopoly and the fair use doctrine—allow disingenuous copyright owners to exploit copyright law.

A. The Copyright Design

In 1790, the constitutional framers canonized the principle of copyright protection in the Copyright Clause of the U.S. Constitution. The Clause’s statement of purpose communicates copyright’s primary goals: “To promote the Progress of Science and useful Arts.” This statement of purpose embodies the idea that public benefits are generated “through the creation and publication of free expression.” The Clause then grants Congress the power to achieve this goal “by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries.” Providing authors with copyright protection, and thus economic rights, is an incentive to create and produce, which in turn generates activity and progress in the arts and sciences for the public’s intellectual enrichment.

The economic philosophy underlying copyright law is that the “best way to advance public welfare through the talents of authors and inventors in ‘Science and useful Arts’” is by encouraging individual creation through personal gain. Therefore, copyright law protects authors to incentivize future creation, which then benefits the public. The U.S. Supreme Court has consistently stated that copyright’s fundamental goal is securing public benefit. Accordingly, copyright protection is neither an individual nor a natural right; it derives solely from statutes and applies only when certain

14. Leval, supra note 1, at 1110.
15. See infra Parts I.C–D.
17. Id.
20. Leval, supra note 1, at 1107.
Copyright’s immediate impact is rewarding authors for their creative labor, but copyright’s ultimate goal, through the reward-incentive, is to encourage “[the creation of useful works] for the general public good.” Id. (alteration in original) (quoting Twentieth Century Music Corp. v. Aiken, 422 U.S. 151, 156 (1975)).
23. See, e.g., Aiken, 422 U.S. at 156.
conditions are met. Moreover, copyright protection is limited; an author’s control over his work is not absolute or perpetual.

B. Modern Copyright Law: Protection, Rights, Remedies

The modern copyright statute is the Copyright Act of 1976 (the “1976 Act”). The 1976 Act changed several aspects of copyright law and added § 107, which codified the fair use doctrine. To be eligible for copyright protection, a work must be original. Neither facts nor ideas are eligible for copyright protection. Once a work receives copyright protection, the owner has a bundle of exclusive rights concerning the work. An owner can also sell or license these exclusive rights individually or collectively.

With rights come remedies, and copyright law provides owners with remedies for infringement of their copyrights. Owners may bring infringement actions against anyone who violates any of their exclusive rights. The Act provides two damages remedies: actual damages and statutory damages. If an owner establishes that their copyright was willfully infringed, the court may award additional statutory damages of up

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24. See Leval, supra note 1, at 1108.
26. See Leval, supra note 1, at 1107.
30. See id. § 102(b). The idea-expression distinction—expressions of ideas are copyrightable while ideas themselves are not—respects the First Amendment and copyright law by allowing facts to be freely communicated “while still protecting an author’s expression.” Harper & Row, 471 U.S. at 556.
31. See Sonmez, supra note 10, at 139. The bundle includes the right to publish, reproduce, adapt, distribute, display, or perform the work. 17 U.S.C. § 106.
32. See id. §§ 106, 201(d)(2). The divisibility of the bundle confers standing on any owner or licensee of a right, allowing them to enforce infringement of that right. See id. “Standing” or “standing to sue” under federal law means that a party has the “right to make a legal claim or seek judicial enforcement of a duty or right.” Standing, BLACK’S LAW DICTIONARY (10th ed. 2014). Standing requires a plaintiff to show: “(1) that the challenged conduct has caused [him] actual injury, and (2) that the interest sought to be protected is within the zone of interests meant to be regulated by the statutory or constitutional guarantee in question.” Id. Here, standing means the right to bring copyright infringement claims.
34. See id.
35. Id. § 504(b). Actual damages are any damages the copyright owner incurs due to the infringement plus any profits the infringer earned. See Curran, supra note 11, at 174–75.
36. 17 U.S.C. § 504(c)(1). An owner can seek statutory damages between $750 and $30,000 per infringed work. Id.
Copyright owners may also seek injunctions or request the impounding and destruction of infringing works. Because authors can sell any of their exclusive rights, it is common that the party alleging copyright infringement—enforcing infringement of an exclusive right and seeking a remedy—is not the original author of the work. An owner’s motivation for enforcing infringement of their right does not matter. What does matter is that the owner’s rights “extend only to the limits of the copyright.”

C. The Fair Use Doctrine

The fair use doctrine limits the exclusive rights of copyright holders by exempting users from copyright infringement if the user can show that their unauthorized use of a copyrighted work is sufficiently fair to avoid liability. Technically, a secondary user making “fair use” of a copyrighted work need not obtain the owner’s permission to use the work. Limiting authors’ exclusive rights ensures that secondary users have access to copyrighted materials. Access to copyrighted materials furthers copyright’s fundamental goal of public enrichment by allowing users to “exercise their rights to freedom of expression, education, and cultural participation.” Fair use is intentionally flexible and highly case specific, which allows it to adapt to a variety of copyright cases.

37. Id. § 504(c)(2). But the court also has discretion to reduce a statutory damages award if the infringer proves that he was not aware nor had any reason to believe that his conduct was copyright infringement. See id.
38. Id. § 502.
39. Id. § 503.
40. See Sonmez, supra note 10, at 139–40.
41. Leval, supra note 1, at 1128 (“[T]he copyright owner may sue to protect what he owns, regardless of his motivation.”).
42. Id.
43. 17 U.S.C. § 107; see Leval, supra note 1, at 1128 (“As fair use is not an infringement, [the owner] has no power over it.”).
44. See Haochen Sun, Fair Use as a Collective User Right, 90 N.C. L. Rev. 125, 144 (2011).
46. See Elkin-Koren, supra note 3, at 6; Sun, supra note 44, at 144.
47. Sun, supra note 44, at 144.
1. History and Doctrine

Although the fair use doctrine was not codified until 1976, it was first introduced into American copyright law in 1841. In *Folsom v. Marsh*, Justice Joseph Story explained that certain secondary uses of copyrighted materials displayed such independent creation that they did not constitute infringement. To evaluate this type of use, Justice Story articulated an oft-cited approach to questions of fair use: “[W]e must often . . . look to the nature and objects of the selections made, the quantity and value of the materials used, and the degree in which the use may prejudice the sale, or diminish the profits, or supersede the objects, of the original work.” The fair use doctrine continued as exclusively judge-made law until the Copyright Act of 1976. Both the House and Senate reports stated that § 107 was designed to track the preexisting judge-created fair use doctrine, “not to change, narrow, or enlarge [fair use] in any way.” In *Harper & Row, Publishers, Inc. v. Nation Enterprises*, the Supreme Court cited Professor Alan Latman’s commentary of common-law fair use to help explain the analysis, which asks, “would the reasonable copyright owner have consented to the use?”

The fair use doctrine is critically important to copyright law. Fair use is a fundamental policy of copyright law because it represents copyright’s central balance between monopoly protection and public benefit.

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50. 9 F. Cas. 342 (C.C.D. Mass. 1841) (No. 4,901).

51. *Id.* at 345.

52. *Id.*


56. *Id.* at 550 (citing ALAN LATMAN, STUDY NO. 14 FAIR USE OF COPYRIGHTED WORKS (March 1958), in SUBCOMM. ON PATENTS, TRADEMARKS & COPYRIGHTS, 86TH CONG., COPYRIGHT LAW REVISION 1, 15 (Comm. Print 1960)).

57. Scholars unanimously agree. See, e.g., Shahshahani, supra note 5, at 273 (calling fair use “possibly the most important doctrine in all of copyright”); Sun, supra note 44, at 127 (“Fair use is of vital importance in a free and just society.”); see also Michael J. Madison, *Rewriting Fair Use and the Future of Copyright Reform*, 23 Cardozo Arts & Ent. L.J. 391, 392 (2005) (“The world is a better place in some small measure because fair use enables it to be so.”).

58. See Leval, supra note 1, at 1135–36; see also Madison, supra note 57, at 392 (explaining that “fair use matters to copyright law” because it prevents copyright protection from becoming limitless).
doctrine protects overbroad grants of monopoly rights,59 safeguards access to knowledge,60 has “built-in First Amendment accommodations,”61 and is highly adaptable.62


Fair use’s flexibility is a well-recognized strength.63 First, § 107 labels fair use as a limitation on exclusive rights.64 It then explains that fair use of a copyrighted work can be made for “criticism, comment, news reporting, teaching . . . , scholarship, or research.”65 Each fair use analysis is highly case specific and is determined by evaluating the four factors listed in § 107.66 These four enumerated factors require courts to look at fair use from all relevant angles and ask whether a finding of fair use furthers copyright’s goals.67 Each factor represents a different consideration pertaining to the determination of fairness, and the factors collectively help determine whether the secondary use at issue constitutes infringement.68 The factors represent the common-law principles that judges established to evaluate necessary limitations on copyright infringement.69 No single factor is dispositive, and the factors need not be weighted equally.70

59. See Leval, supra note 1, at 1109. Excessive copyright protections are problematic because they strangle the creative process, impede referential analysis, and stifle the development of new ideas from old ideas. See id.
60. Elkin-Koren, supra note 3, at 16–17; see, e.g., Authors Guild, Inc. v. HathiTrust, 755 F.3d 87, 95, 101 (2d Cir. 2014).
61. Eldred v. Ashcroft, 537 U.S. 186, 219 (2003); see Sun, supra note 44, at 127. Fair use “accommodates [and] encourages a wide range of freedom-promoting activities that involve using copyrighted works for purposes such as news reporting, criticism, teaching, and research.” Sun, supra note 44, at 127.
62. See id. at 202 (“History [shows] that fair use is a highly dynamic legal tool.”). Fair use has evolved over time by adapting to changing technologies and social conditions. See Dan L. Burk & Julie E. Cohen, Fair Use Infrastructure for Rights Management Systems, 15 HARV. J.L. & TECH. 41, 46–47 (2001); Sun, supra note 44, at 202 (“No matter how fair use changes, what remains unchanged is its capacity to generate active responses and adaptations to new public needs.”).
64. See 17 U.S.C. § 107 (2012); see also id. § 106 (“Exclusive rights in copyrighted works.”).
65. Id. § 107.
67. Leval, supra note 1, at 1110–11.
68. 17 U.S.C. § 107 (“[T]he fair use of a copyrighted work . . . is not an infringement of copyright.”); see Snow, supra note 45, at 4 (explaining that the fair use doctrine “follows general principles that guide the analysis of determining fairness”). The statutory factors reflect Justice Story’s articulation. Compare Folsom v. Marsh, 9 F. Cas. 342, 348 (C.C.D. Mass. 1841) (No. 4,901), with 17 U.S.C. § 107. For further discussion, see Leval, supra note 1, at 1110–25 (comparing § 107 to Folsom).
69. Snow, supra note 45, at 4 (stating that the factors represent fair use principles developed over two hundred years).
70. See Harper & Row, 417 U.S. at 560; see also Snow, supra note 45, at 4.
“Factor One is the soul of fair use.”71 This first factor examines “the purpose and character of the [secondary] use”: the degree to which the secondary use transforms the original work, the justification for the use, and whether the secondary use is for a commercial purpose or a nonprofit educational purpose.72 A finding of fair use turns, in part, on the degree to which the secondary use is “transformative,”73 how productive the use is, and whether it uses the copyrighted material in a different way or for a different purpose than the original.74 Compared to a nonprofit purpose, a commercial secondary use is more likely to weigh against a finding of fair use, although a commercial purpose alone does not defeat fair use.75

Factor two examines the nature of the copyrighted work.76 This factor reviews the purpose of the original work and aims to protect “the incentives of authorship” by suggesting “that certain types of copyrighted material are more amenable to fair use than others.”77 The fair use analysis differentiates between creative works intended for publication and private documents never intended for publication.78 Factor two protects reasonable expectations of creators and authors of the type of works that “copyright seeks to encourage.”79 Thus, works intended for publication are more deserving of protection against a finding of fair use than works intended only for private purposes.80

The third factor examines “the amount and substantiality of the portion [of the work] used in relation to the copyrighted work as a whole.”81 Factor three bears directly on the analysis under factor one because the portion used must correspond to the proffered justification; the means (the selection and quantity) must match the ends (the transformative justification).82 First, the portion used must correspond to the justification articulated under factor one; the means (the selection and quantity) must match the ends (the

71. Leval, supra note 1, at 1116.
72. 17 U.S.C. § 107(1); see Snow, supra note 45, at 4.
73. Judge Pierre N. Leval of the Second Circuit Court of Appeals developed the “transformative” requirement, finding support in early judicial opinions. See Leval, supra note 1, at 1111 (discussing Gyles v. Wilcox and Folsom v. Marsh). Judge Leval’s contribution to the fair use analysis was a critical development in fair use jurisprudence. See, e.g., Campbell v. Auff-Rose Music, Inc., 510 U.S. 569, 579 (1994) (endorsing Judge Leval’s position and emphasizing the importance of “transformativeness”).
74. Leval, supra note 1, at 1111. Examples of transformative uses include parody, symbolism, and criticism. Id.
77. Leval, supra note 1, at 1116; see Snow, supra note 45, at 4.
78. Leval, supra note 1, at 1116–17.
79. Id. at 1122.
80. Id.
82. Leval, supra note 1, at 1123.
In addition, factor three can help determine the secondary use’s market impact under factor four. The amount of the copyrighted work used aids in determining market impact because as the amount of the copyrighted work taken increases, so too does the likely impact on the owner’s market. Judge Pierre Leval has urged courts to determine the importance of factor three by considering copyright’s goals by asking: What is the use’s justification, and will it negatively impact the benefits of authorship?

Finally, factor four examines whether the secondary use impacts the potential market for, or the actual value of, the original work. Factor four protects the benefits of authorship in order to incentivize future creation. A secondary use that materially interferes with the market for the original work weighs strongly against fair use. However, a secondary use that does not substantially impact the original work’s market does not automatically favor fair use. Market impact must weigh against the secondary user when it considerably weakens the incentive to create works for publication. Above all else, a secondary use must be justified.

In sum, the secondary use must stimulate productive thought and public education without impairing the incentives for future creation. Most importantly, analysis of each factor, and additional questions relevant to the fair use inquiry, must be answered by reference to the central principles of copyright law.

3. Applying the Fair Use Factors

The application of fair use is a highly fact-specific process. Analyzing fair use requires identifying the evidentiary facts, applying the four factors to...
those facts, producing inferences weighing for or against the fairness of the secondary use, and weighing the inferences to determine whether the use is fair. Consequently, no weighing of inferences in any two fair use cases will be alike. Each fair use analysis is fact dependent. For example, in 2008 a video designer photographed *Scream Icon*, a street-art drawing, and used a slightly altered version in a video backdrop at several concerts for the band Green Day. The court rejected the artist’s infringement claims, holding that the video backdrop was fair use because it was transformative and did not impact the value of *Scream Icon* or the artist’s work in general.

Currently, courts apply fair use as an affirmative defense, as dictated by Supreme Court precedent. The Court first labeled fair use an affirmative defense in 1985, reaffirmed the label in 1994, and solidified its position in 2003. In 1992, when Congress amended § 107, it adopted the Court’s 1985 opinion by calling fair use an affirmative defense and adding that defendants always bear the burden of proving fair use. Some scholars argue that the application of fair use as an affirmative defense has profoundly impacted how the § 107 factors are applied in practice.

Fair use operates as an affirmative defense as follows: First, the plaintiff must plead a prima facie case of copyright infringement, which only requires the plaintiff to show that he owns a valid copyright and that the defendant exercised one of the plaintiff’s exclusive rights. The current federal pleading standard was articulated in *Bell Atlantic Corp. v. Twombly* and *Ashcroft v. Iqbal*, which heightened the pleading burden on plaintiffs who

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95. Snow, supra note 45, at 4–5.
96. Id. at 6.
98. Id. at 1177–79.
99. See Sun, supra note 44, at 141.
104. See Sun, supra note 44, at 136–37.
must now show that their claims are “plausible.” Next, the defendant must prove, as an affirmative defense, that his use was fair use. Under *Twombly* and *Iqbal*, defendants, who are already required to raise and plead fair use in their answers, must raise fair use in their answers and allege sufficient facts to make fair use plausible. Failing to do so may cause the court to grant a motion to strike the fair use defense. Judges can (and do) decide fair use as a matter of law, which ends the case before trial. Allowing judges to decide fair use as a matter of law comports with the fact that judges invented and developed fair use.

4. Problems in Fair Use

Because the fair use doctrine is a highly fact-specific factor test, it is primarily criticized for offering little to no guidance in practical application. Due to this lack of guidance, fair use is also criticized for producing varied outcomes across cases. Another niche line of criticism identifies the problems specifically caused by applying fair use as an affirmative defense.

The fair use doctrine’s flexibility is both a strength and a weakness. The primary criticism of fair use is that it is too vague and, therefore, that the

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109. A party must raise any claims or affirmative defenses in a responsive pleading (e.g., complaints, answers, or amended versions thereof), *Fed. R. Civ. P.* 8(c)(1), 12(b).

110. See Loren, supra note 108, at 706; see also Ned Snow, *Proving Fair Use: Burden of Proof as Burden of Speech*, 31 *CARDOZO L. REV.* 1781, 1784 (2010) (“Establishing the answers [to the fair use inquiries] requires the fair user both to produce the necessary evidence (even where the inquiry is speculative) and to persuade the court that her interpretation of the evidence reflects fact (even where the inquiry is subjective.”).


113. See supra Part I.C.1 (discussing fair use’s common-law roots).


115. See Jason Mazzone, *Administering Fair Use*, 51 *WM. & MARY L. REV.* 395, 400 (2009) (calling § 107 “notoriously vague”), Shahshahani, supra note 5, at 277. Section 107 is flexible (or vague) by design. See 17 U.S.C. § 107 (2012); see also Sun, supra note 44, at 136 (explaining the legislative intent that courts were not to apply § 107 as a bright-line rule).
factors offer little guidance in practice. This vagueness manifests in a disconnect between fair use in theory and in practice. Accordingly, fair use has earned some unflattering epithets: “disarray,” “in bad shape,” “notoriously vague,” “nobody knows,” “great white whale of American copyright law,” “protean,” “difficult—some say impossible—to define,” “confusion,” “guess and pray,” “mysterious,” “disorderly basket of exceptions,” “precarious,” “nearly impossible to predict,” “as vague as possible,” “more fickle than fair,” and “astonishingly bad.”

The doctrine’s unpredictability and uncertainty potentially chill creativity because, without guidance, potential secondary users contemplating using copyrighted works are unable to assess their liability. Previous fair use cases also offer no reliable guidance to secondary users. The doctrine’s ambiguity also causes risk aversion among copiers, who would prefer to license, settle, or refrain from using a work at all to avoid litigation. Because of the prohibitive costs and uncertain outcomes, potential secondary users are vulnerable to their own self-censorship. In essence, potential secondary users might refrain from creating at all, rather than risk liability.

Commentators argue that the doctrine’s unpredictability and uncertainty are anathema to copyright’s purpose, which is to promote the progress of

116. See, e.g., Madison, supra note 57, at 391 (“Generations of scholars, judges, and lawyers have struggled since [1939] to make sense of fair use, with little success.”); Mazzone, supra note 115, at 395 (“Fair use is not working.”).

117. See Carroll, supra note 105, at 1122 (calling fair use critical “in brokering expressive freedoms among first-generation authors and their successors,” but undermined in practice by its uncertainty because “those who produce works for public consumption” are unwilling to rely on fair use due to the high costs of “interpreting standards and the financial risks associated with relying on fair use”); see also Parchomovsky & Goldman, supra note 7, at 1485 (arguing that, in theory, fair use should significantly limit authors’ rights because fair use “sanctions private takings of intellectual property without requiring the payment of compensation,” but that, in reality, fair use is “more bark than bite” because its “ability to shield unauthorized users is greatly undermined by the uncertainty that has become the hallmark of the doctrine”).

118. Sun, supra note 44, at 136. The U.S. Copyright Office has an online fair use index: a searchable database of court opinions which attempts to make the principles and applications of fair use more accessible and comprehensible. See U.S. Copyright Office Fair Use Index, COPYRIGHT.GOV, https://www.copyright.gov/fair-use/ [https://perma.cc/P9TE-AGTC] (last updated July 2018).

119. Shahshahani, supra note 5, at 278–79 (footnotes omitted) (collecting quotations from scholarship); see David Nimmer, “Fairest of Them All” and Other Fairy Tales of Fair Use, 66 LAW & CONTEMP. PROBS. 263, 280 (2003) (suggesting that Congress could have “legislated a dartboard rather than” the § 107 factors and the result would be the same).

120. See Balganes, supra note 9, at 742–43; Carroll, supra note 105, at 1106; Shahshahani, supra note 5, at 277–78.

121. See Carroll, supra note 105, at 1102.

122. Balganes, supra note 9, at 743.

123. Sun, supra note 44, at 156. Self-censorship means that users give up their right to fair use. Id.

124. Shahshahani, supra note 5, at 278. The costs and burdens associated with the uncertainty in defending fair use are demonstrated in the story of documentary filmmaker John Else. See infra Part I.D.2.
knowledge, because uncertainty chills creative activity. Consequently, many scholars offer proposals to combat fair use’s vagueness and uncertainty; these proposals attempt to add guidance to the doctrine by either adjusting the fair use analysis or through more drastic changes like taking the doctrine away from the courts.

Another category of fair use criticism takes issue with the doctrine’s treatment as an affirmative defense. For example, Professor Lydia Pallas Loren argues that the placement of the burden to prove or disprove fair use may greatly impact the outcome of litigation at various stages and that it is misguided to place the burden of production on the defendant. For example, even the Supreme Court, in *Campbell v. Acuff-Rose Music, Inc.*, noted that a party raising fair use would have difficulty meeting its burden without evidence about relevant markets. Because it is more difficult to prove the absence of something than it is to prove the presence of the same thing, the plaintiff is generally better positioned to supply relevant evidence of market harm. Moreover, when raised as an affirmative defense, fair use deters and chills free speech and expression. Finally, which party bears the burden of proving or disproving fair use impacts the parties’ settlement positions and the behavior of other potential users even before the threat of litigation. The uncertainty in fair use exaggerates a defendant’s burden of proof to the point of “ultimately dictating that the defendant loses.”

**D. Understanding Abusive Copyright Litigation**

This Note examines two types of copyright-infringement enforcement, defined together as “abusive copyright litigation.” The first type of abusive enforcement behavior comes from “nonproducing entities,” while the second type comes from “producing entities.” Both of these harm users, the courts, and copyright law through their abusive enforcement of copyright infringement. These entities are not Professor Latman’s “reasonable copyright owner[s]” because both nonproducing and producing entities have

126. See *infra* Part II.A (reviewing proposals to reform fair use).
129. *Id.* at 590; see Loren, *supra* note 108, at 707.
131. *Id.* at 709–10 (arguing that the burden to prove fair use, and knowledge of the burden to prove the defense, might “deter speech that would otherwise occur if the burden were allocated differently”); see Snow, *supra* note 110, at 1791–92 (arguing that fair use chills speech when treated as an affirmative defense). Furthermore, when a secondary use involves speech, fair use essentially requires the speaker to prove he has a right to speak. See Loren, *supra* note 108, at 709 (“Many fair uses involve speech activities.”); see also Snow, *supra* note 110, at 1793–95.
134. This Note examines the two types of abusive copyright litigation together because they have similar relationships to the fair use doctrine and because they cause similar harms.
the capability and means to enforce copyrights that the “reasonable copyright owner” might not.136

1. Nonproducing Entities

The first type of abusive copyright litigation comes from nonproducing entities.137 Nonproducing entities can afford to unreasonably enforce copyright infringement because it is their sole source of revenue. Nonproducing entities intentionally abuse copyright’s enforcement mechanisms by acquiring copyright ownership solely to enforce infringement and threaten litigation to extract damages or force settlement.138 These entities are “nonproducing” because they do not produce copyrightable content.139 For example, Righthaven LLC, an “enforcement firm,” partnered with newspapers to enforce copyrights against online users, usually “unsophisticated individuals and nonprofits,” who either fully or partially copied news articles or photos.140 Righthaven threatened litigation but offered to settle with infringers for an amount between $1,000 and $5,000.141

Nonproducing entities are increasingly problematic.142 Their strategies are technically legal under the current law, but they seek damages for copyright infringement to generate revenue, not to deter future infringement.143 By simply filing an action in federal court, nonproducing

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136. See supra note 56 and accompanying text; see also Latman, supra note 56, at 15.
137. Nonproducing entities are also called nonpracticing or nonperforming entities. See Balganesh, supra note 9, at 732. Colloquially, they are usually called “copyright trolls.” See Copyright Troll, BLACK’S LAW DICTIONARY (10th ed. 2014) (defining “copyright troll” as “[a] person, usu[ally] an entity, that acquires . . . the right to sue infringers of [a copyright]). The term copyright troll follows from patent law, where “nonpracticing entity” refers to “patent trolls.” See Nonpracticing Entity, BLACK’S LAW DICTIONARY (10th ed. 2014) (“A person or company that acquires patents with no intent to use, further develop, produce, or market the patented invention. When a nonpracticing entity focuses on aggressively or opportunistically enforcing the patent against alleged infringers, it is also termed (pejoratively) a patent troll.”). This Note only discusses “nonproducing entities” in copyright.
138. See Greenberg, supra note 53, at 58–59. A nonproducing entity either threatens “litigation to force a large monetary settlement or instead proceeds to litigate its rights with the sole objective of obtaining damages from a defendant.” Balganesh, supra note 9, at 732.
139. Nonproducing entities do not create, distribute, or use creative expression (i.e., copyrightable material). See id.
140. See Greenberg, supra note 53, at 55–56.
141. Id. at 56. Scholars have investigated the potential benefits of nonproducing entities. See, e.g., id. at 71–72, 75 (concluding, however, that the costs of the nonproducing-entity business model will outweigh any potential benefits).
142. See Brad A. Greenberg, Copyright Trolls and the Common Law, 100 IOWA L. REV. BULL. 77, 77 (2015); Matthew Sag, Copyright Trolling, an Empirical Study, 100 IOWA L. REV. 1105, 1145 (2015). But abusive copyright litigation from nonproducing entities is also not a new problem. In the 1870s, Thomas Wall, the world’s “first copyright troll,” obtained power of attorney, often for deceased composers, and extracted the statutory penalty of two pounds by threatening infringement actions for unauthorized performances of songs. Greenberg, supra note 53, at 63.
143. See Balganesh, supra note 9, at 732; Sonmez, supra note 10, at 140. Enforcing copyright infringement solely to extract damages is diametrically antithetical to the purpose of copyright protection. See supra Part I.A.
entities can force internet service providers to reveal the names and addresses of alleged infringers. The nonproducing entities then send letters threatening to pursue statutory damages or offering to settle.144 Even defendants with strong fair use defenses are wise to settle given the time, cost, and uncertainty of litigation and of defending fair use.145

2. Producing Entities

The second type of abusive copyright litigation comes from producing entities.146 Producing entities can afford to unreasonably enforce copyright infringement because they are wealthy, smart, and influential.147 Producing entities are very different from nonproducing entities because they create, produce, or obtain copyrighted content for purposes other than extorting litigation settlements.148 Producing entities aggressively enforce copyright infringement and chill free speech by claiming excessive protection and threatening liability.149 These entities are legitimate copyright owners, such as record labels, mass-media companies, and television networks, with reputations for aggressively monitoring, threatening, and enforcing both

144. Greenberg, supra note 142, at 78 (“The letter includes, or is followed with, an offer to settle the dispute for somewhere between $1,000 and $5,000, with a frequently used $4,000 figure ‘calculated to be just below the cost of a bare-bones defense.’” (quoting Ingenuity 13 LLC v. John Doe, No. 2:12-CV-8333-ODW (JCx), 2013 WL 1898633, at *1 (C.D. Cal. May 6, 2013)); Curran, supra note 11, at 180.
145. Greenberg, supra note 53, at 56.
146. This Note refers to “producing entities” as entities that actually produce, create, or distribute copyrightable content. In other words, the exact opposite of nonproducing entities. See supra note 139 and accompanying text. Some commentators call this type of copyright enforcement “aggressive copyright claims.” See Alfred C. Yen, Eldred, the First Amendment, and Aggressive Copyright Claims, 40 Hous. L. Rev. 673, 677 (2003) (explaining that these claims “aggressively test the boundaries of copyright” by pursuing claims premised on interpreting copyright law to stretch copyright protection beyond the central goal of prohibiting reproductions of copyrighted works and that, as a result, these claims are often brought against secondary users who added meaningfully to the copyrighted work because “[a]t their most extreme, aggressive copyright claims assert that almost any borrowing from a copyrighted work constitutes actionable infringement”).
147. See Sherwin, supra note 112, at 826–31; see also Sun, supra note 44, at 160 (arguing that copyright law is meant to “promote and protect the public welfare;” but that the legislature is able to alter copyright law from the “public Welfare-oriented” approach “into a copyright holder-centric lawmaking process,” offering the recent expansion in copyright protection—which catered to corporate interests by increasing control over knowledge and information—as an example of the heavy influence of “copyright-based conglomerates”). Thus, Haochen Sun argues that “the public at large has failed to have its concerns voiced in the copyright legislative process or to have them seriously scrutinized by legislators,” partially because legislatures focus on individual interests of copyright holders and “pay little attention to the need for defending the public’s collective interests in knowledge and information contained in copyrighted works.” Sun, supra note 44, at 160.
148. See Sherwin, supra note 112, at 832; see also Greenberg, supra note 53, at 59.
149. See Joseph P. Liu, Copyright and Breathing Space, 30 Colum. J.L. & Arts 429, 434 (2007) (describing the chilling effect on fair use expression as “well-documented” and “exacerbated by the tendency of copyright owners to take advantage of the uncertainty to pursue aggressive copyright claims”).
legitimate and nominal copyright infringement. Producing entities frequently demand large payments “for conduct that either constitutes fair use or, even if infringing, does no harm to (and in many cases benefits) the value of” the producing entity’s copyrights. Producing entities use litigation or the threat of litigation to “snuff out . . . fair use.” This type of abusive copyright litigation harms successful operation of the fair use doctrine because even clear fair uses (and therefore future creations) are discouraged by threat of heavy enforcement by big companies.

For example, in 1990, documentary filmmaker John Else shot a scene backstage at the San Francisco Opera, which included a four-and-a-half-second clip of *The Simpsons* playing on a television in the corner. When Else requested approval to include the scene in his film, Fox, the parent company, sought a $10,000 licensing fee to use *The Simpsons* clip. Else could not afford the fee and replaced the clip in his film. But why did Else not assert fair use? Else consulted a lawyer who told him that his use was fair use but advised him that asserting fair use was futile because Fox would “depose and litigate [him] within an inch of [his] life.”

3. The Causes and Effects of Abusive Copyright Litigation

Several weaknesses in copyright law facilitate both types of abusive copyright litigation. First, the divisibility of exclusive rights under the
Copyright Act of 1976 confers standing to enforce infringement on any owner or licensee. Second, exploitative revenue-driven copyright enforcement is possible because copyright law functions on economic incentives. Nonproducing entities take advantage of the monopoly but are not incentivized to create—in fact, they do not create at all. Finally, abusive copyright litigation is possible in part because of the uncertainty in the fair use doctrine. The inherent uncertainty causes many would-be users—unable to determine whether their use would qualify as fair use—to refrain from creating at all. Thus, fair use’s vagueness facilitates abusive litigation strategies from entities who are aware of the impact of this vagueness on risk-averse users. These strategies harm copyright law.

Abusive copyright litigation contravenes copyright’s central goals, deters future creation, chills free speech, and burdens courts. Many users decide to not make fair use of copyrighted works because of the “visible coercion” that a copyright owner might enforce infringement against them, which is, in part, the result of many copyright owners who exaggerate the scope of their rights to prevent users from making fair uses of their works. When the costs attending the incentive to create are detached from the costs to enforce against infringement, copyright’s balance is disrupted. This coercion also extends to the public at large.

159. Balganesh, supra note 9, at 726–27 (explaining that the Act recognized multiple ownersonships of a single work, which allows “each owner to hold a narrowly defined and limited set of rights”).
160. Sonmez, supra note 10, at 138.
161. See Curran, supra note 11, at 175–76. In addition, the sheer volume of copyrights lacking any commercial value, and the fact that statutory damages for infringement can overcompensate owners of valueless copyrights, further exacerbates the potential for abuse. See Greenberg, supra note 53, at 62.
162. See Sun, supra note 44, at 158.
163. See id. (“Users become afraid of being sued because of the significant time, energy, and financial cost of litigation.”).
164. See Balganesh, supra note 9, at 742 (illustrating how the fair use doctrine was useless to defendants sued by Righthaven, and how the doctrine facilitated Righthaven’s strategy); see also Sun, supra note 44, at 157 (explaining the opportunity for abusive litigation strategy because copyright holders take “advantage of the user’s burden to prove fair use” and often bring claims against users with strong fair use defenses).
165. See Greenberg, supra note 53, at 55 (explaining that abusive copyright litigation “threatens to impose heavy costs on society, particularly by chilling speech and discouraging innovation”); Sonmez, supra note 10, at 149–50. Nonproducing entities disrupt the copyright mechanism by exploiting the incentives for authorship without actually “contributing to the creative works market.” Greenberg, supra note 53, at 57 n.15. This practice also discourages future creators. See id.
166. See Sun, supra note 44, at 157–59 (explaining that publishers often do this through notices in books, or by stating that users may only use a certain limited number of lines, and that publishers “have turned a blind eye to the fair use doctrine”).
167. Sonmez, supra note 10, at 140 (“[W]hen the incentive and the cost to create a work are separated from the right to prosecute infringement of the work, there is no counterbalance to whether a copyright holder should prosecute the infringement. If exacting statutory penalties for infringement comes with little cost . . . then prosecuting every instance of infringement, even every potential infringement, becomes highly rewarding for the entity that holds the right to sue for it.”); see also supra note 151 and accompanying text.
II. Isolated Solutions to Connected Problems: Reforms Target Either Fair Use or Abusive Copyright Litigation

This Note highlights two distinct but connected problems facing modern copyright law: the fair use doctrine and abusive copyright litigation. Thus far, proposals for reform separately target one or the other. A review of these proposals reveals that both approaches recommend significant changes or involve new parties. This Part first discusses a variety of proposed reforms to fair use and then explains some of the proposed approaches to dealing with abusive copyright litigation.

A. The Current State of Fair Use Reform

In 1939, the Second Circuit called the fair use doctrine “the most troublesome in the whole law of copyright.” Current scholarship suggests that fair use is not any less troublesome today. The wealth of scholarship targeted at strengthening the doctrine is unsurprising given the importance of fair use to copyright law. A common trend among reform proposals is the disconnect between fair use in theory and in practice. The first category of fair use reform focuses on reform through judges and the courts by targeting the way judges apply the doctrine. This category is standards driven. The second category focuses on reform in the legislative or administrative realm. This category is rules driven. There is also a third category of reform which argues that the problem is the characterization of fair use as an affirmative defense.

Proponents of judge- and court-focused reform argue that the courts “are the most natural venue for fair use reform” because judges created and developed fair use. One commentator says, put simply, that fair use is safer in judges’ hands because they are most likely to guard it. Judge- and court-focused proposals also argue that the federal courts are the best place

170. See Sun, supra note 44, at 136.
171. See Samuelson, supra note 63, at 2540 (noting the common criticisms of fair use, including the unpredictability accompanying the “fact-intensive, case-by-case nature” of the analysis and the lack of consensus among judges on fair use’s underlying principles).
172. See LESSIG, supra note 8, at 99. Professor Lessig argues that fair use “has the right aim” but that “practice has defeated the aim” because fair use cannot function properly. Id. The theory—“fair use means you need no permission”—supports free culture and insulates against a permission culture.” Id. The practice—a combination of fair use’s “fuzzy lines” and “the extraordinary liability if [the] lines are crossed”—“means that the effective fair use for many types of creators is slight.” Id.
173. See Shahshahani, supra note 5, at 280–82.
174. See id. at 282. However, Michael Carroll’s proposal to create a “Fair Use Board” is an exception to the rule-driven categorization because Carroll rejects a “rule-like” approach to fair use. Carroll, supra note 105, at 1090–92.
175. Shahshahani, supra note 5, at 322 (noting that judges “gave us fair use in the first place”); see supra Part I.C.1 (discussing fair use’s common-law history).
176. Shahshahani, supra note 5, at 341 (“At the very least, [judges] will not do any worse than Congress.”).
to reform copyright law. They note that courts are a better place to reform fair use because legislative reform through Congress is unrealistic. Judicial proposals to reform fair use include using “policy-relevant clusters” to supplement the four-factor analysis; applying a double standard of review and one-sided application on summary judgment favoring defendants; and encouraging courts to consider additional factors beyond the four listed in § 107.

The second set of reforms require congressional action. These proposals argue that rules and administrative agencies can better guide secondary users. They also argue that courts are slow to change whereas Congress can make changes in response to specific problems. Legislative and administrative proposals include rewriting § 107; creating a new administrative agency to handle fair use; establishing fair use harbors; and rewriting § 107 to address its “emptiness”.

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177. See, e.g., Sony Corp. of Am. v. Universal City Studios, Inc., 464 U.S. 417 (1984) (interpreting copyright law to accomplish copyright reform); Pamela Samuelson, Is Copyright Reform Possible?, 126 HARV. L. REV. 740, 766 (2013) (book review) (explaining that copyright reform is possible without congressional input and that fair use reform “would involve judicial interpretation of rules that the copyright statute either does not address or that Congress has seemingly chosen to leave to common law interpretation”); Shahshahani, supra note 5, at 274 (“If federal courts are more hospitable than Congress to pro-user fair use reform, and that doctrinal scholarship is more fruitful than proposing ideal-type legislation.”).

178. Shahshahani, supra note 5, at 319 (analyzing the political economy of copyright legislation and calling proposals requiring congressional action to limit copyright owners’ power “unrealistic”; see id. at 312–13 (arguing that recent fair use legislation demonstrates that “Congress is in no way inclined to support legislation that would strengthen fair use or otherwise improve the position of users and second-generation creators vis-à-vis content owners”).

179. Id. at 319 (arguing that evidence shows “that if Congress acts at all, it would likely be to increase the power of copyrightholders vis-à-vis users and second-generation creators,” and that any congressional reform of fair use would be “either nonexistent or counterproductive”).

180. See Samuelson, supra note 63, at 2541–43 (proposing to complement the fair use analysis with common patterns in fair use case law which will help predict whether a particular use is likely to be fair use).

181. See Snow, supra note 45, at 2–3, 46 (urging courts to construe fair use as a question of fact for the jury, to grant fair use as a matter of law in limited circumstances, and to grant summary judgment only in favor of fair users).

182. See Samuelson, supra note 63, at 2540–41 (listing proposed additional factors, such as “the likelihood of market failure, the plaintiff’s rationale for insisting [on a license], chilling effects on free speech, chilling effects on innovation, the impact of network effects, whether the defendant’s use was reasonable and customary in her field of endeavor, [the age of the work], distributive values, and even the fairness of the use” (footnotes omitted)).

183. See Shahshahani, supra note 5, at 274.

184. See id. at 274, 280.

185. See Madison, supra note 57, at 395.

186. See id. at 396–97 (proposing to rewrite § 107 to address its “emptiness”).

187. See Mazzone, supra note 115, at 399, 412–37 (proposing to regulate fair use through an administrative agency which would enforce legislation, issue regulations, bring enforcement actions, and adjudicate fair use disputes through administrative law judges).

188. See Parchomovsky & Goldman, supra note 7, at 1488, 1508–18 (proposing the replacement of the fair use standard with rules called “fair use harbors,” which declare certain uses presumptively legal, providing users with certainty). For example, any literary work containing more than one hundred words could be copied without permission. Id. at 1511.
and creating a “Fair Use Board” within the U.S. Copyright Office and granting it the power to declare a particular use fair use.189

The third category of fair use reform proposes removing fair use’s affirmative defense label. This category argues that fair use should neither be labeled nor applied as an affirmative defense. Instead, these proposals argue that fair use should be considered either a mere defense,190 or as an individual,191 user,192 or collective user right.193

In support, proponents of this approach argue that treating fair use as an affirmative defense “reduces users’ right to fair use to ‘the right to hire a lawyer to defend [one's] right to create.’”194 First, because the plaintiff’s initial burden is minimal, fair use as an affirmative defense prematurely shifts the burden to the defendant.195 Second, the application of fair use as an affirmative defense increases the costs “for the public to exercise its fair use right.”196 Third, the modern pleading standard intensifies defendants’ burden, making a fair use defense procedurally and financially prohibitive, easily costing six figures in attorney’s fees.197 Because of the uncertainty, costs, and time needed to defend fair use, many defendants, even those with strong fair use claims, are essentially forced to settle.198 This reality calls into question “whether a user’s fair use right can still be adequately protected.”199 Finally, the heightened First Amendment concerns associated with treating fair use as an affirmative defense further support “treat[ing] fair use as part of the inquiry into infringement [and] not as a separate inquiry to be undertaken after the plaintiff has demonstrated more than de minimis copying.”200

189. See Carroll, supra note 105, at 1090–91, 1123, 1148 (proposing a Fair Use Board within the U.S. Copyright Office to decide fair use petitions).
190. See Loren, supra note 108, at 688, 699 (advocating for fair use as “a mere defense that shapes the scope of a copyright owner’s rights” and advising the Supreme Court to reconsider and reject treating fair use as an affirmative defense). Under this approach, the pleading requirement disappears, “an omission of the defense from the answer would not preclude consideration of the doctrine by the court,” and, most significantly, the four factors in § 107 “would become part of the analysis of whether or not the defendant’s actions constitute[d] an infringement.” Id. at 711.
191. See generally Snow, supra note 45 (advocating fair use as a right).
192. See Elkin-Koren, supra note 3, at 4, 36–39 (following examples in Israel and Canada and advocating a user-rights approach to fair use).
193. See Sun, supra note 44, at 130 (defining fair use as a “collective right held by the public to facilitate and enhance participation in communicative actions”).
194. Id. at 156 (alteration in original) (footnote omitted) (quoting LESSIG, supra note 8, at 187).
195. See Loren, supra note 108, at 688 (explaining that the burden shifts to the defendant “with little needed from the plaintiff to demonstrate a prima facie case of infringement, thus opening the door to the wide range of remedies permissible under the Copyright Act”).
196. Sun, supra note 44, at 156.
197. Loren, supra note 108, at 688; Sun, supra note 44, at 155.
198. See Sun, supra note 44, at 156; see also LESSIG, supra note 8, at 187.
199. Sun, supra note 44, at 156.
200. Loren, supra note 108, at 710; see Snow, supra note 8, at 137 (tracing the history of fair use “from a speech right that defined the contours of copyright to an exception that excuses infringement”); Sun, supra note 44, at 156.
Advocates of considering fair use as a right, or as a mere, nonaffirmative defense, offer several sources of support. First, scholars argue that this conception is supported by fair use’s history and that fair use has long been used to protect the rights of fair users.201 Second, they highlight the interaction between § 107 and § 106 (which sets forth the exclusive rights of copyright owners) to suggest that fair use should not operate as an affirmative defense; § 106 explains that a copyright owner’s rights are subject to § 107 and § 107 specifies that it applies notwithstanding § 106.202 Furthermore, reading fair use as a right also makes sense procedurally both from a historical perspective (as this reflects how judges applied fair use203) and currently because the party seeking relief typically bears the burden of persuasion.204 Third, the legislative history of the 1976 Act did not label fair use as an affirmative defense and did not intend to place the burden of proving fair use on the defendant.205 Commentators argue that the Campbell Court was wrong to cite the House report on the 1992 amendments to the Copyright Act to support labeling fair use an affirmative defense because the report is not authoritative with respect to the 1976 Act.206 Finally, there is procedural support against treating fair use as an affirmative defense.207

Judges have also opined on the proper treatment of fair use. For example, in 2001 the Eleventh Circuit began a fair use analysis by arguing in a footnote that fair use should be considered an affirmative right under the 1976 Act, and not a mere affirmative defense, pointing out that this view comported with the Act’s definition of fair use because fair use is “not a violation of copyright.”208 In 2004, Judge Dennis Jacobs on the Second Circuit explained

201. Snow, supra note 8, at 137, 169 (“Treating fair use as an affirmative defense, courts require fair users to demonstrate that their use should be protected. ... Compared to its past status as a right, fair use has weakened significantly.” (footnotes omitted)); Sun, supra note 44, at 156.


203. See Snow, supra note 8, at 142–55.

204. See Loren, supra note 108, at 691, 697, 705–09; see also Snow, supra note 8, at 164.

205. See Loren, supra note 108, at 688, 699–702, 711; see also id. at 685 (“[T]he legislative history cuts against viewing fair use as an affirmative defense, and the legislative history explicitly confirms what the statute clearly states: Congress did not intend fair use to be an affirmative defense.”); Snow, supra note 8, at 162, 165–66.

206. See, e.g., Loren, supra note 108, at 703–04, 711 (arguing that the legislative history intended fair use to evolve to “address new uses on a case-by-case basis,” and that it did not permit the Court to “fundamentally alter the nature” of the fair use doctrine because it was improper to treat fair use as “requiring the defendant [to] bear the burden of proof concerning important factors that inform” fair use (i.e., the evaluation of whether the defendant’s conduct was unlawful)).

207. See Snow, supra note 8, at 165–66 (arguing that, because it is easier for the copyright holder to satisfy the burden of production, that burden should lie with the plaintiff and not the defendant); see also Loren, supra note 108, at 691 (“Given that the prima facie case of infringement already requires the plaintiff demonstrate that the copying by the defendant was ‘improper,’ it seems that whether a use is fair or not would constitute a necessary or extrinsic element of the plaintiff’s cause of action. Further, ... the copyright owner often has better access to relevant evidence on the fair use factors.”).

208. Suntrust Bank v. Houghton Mifflin Co., 268 F.3d 1257, 1260 n.3 (11th Cir. 2001) (citing Bateman v. Mnemonics, Inc., 79 F.3d 1532, 1542 n.22 (11th Cir. 1996)).
that fair use does not exist by tolerance; instead it is “a right—codified in § 107 and recognized since shortly after the Statute of Anne [of 1709].”

B. Solutions to Abusive Copyright Litigation

To combat abusive copyright litigation, scholars and judges have offered solutions to thwart the “disingenuous efforts of various trolls by promoting accountability in copyright enforcement while restoring the framers’ original intent to the Copyright Act.” Like proposals to reform fair use, proposals to quell abusive copyright litigation focus on either judicial solutions or legislative solutions.

Proponents of targeting abusive copyright litigation through legislation argue that Congress is best positioned for a long-term solution and that congressional action provides uniform and systematic legal change to wholly disrupt the nonproducing entity business model. These proposals also note that Congress has other constitutional powers regarding copyright and that the Supreme Court is deferential to Congress’s copyright decisions. Two common approaches are limiting statutory damages and denying joinder.

In the courts, one popular procedural tactic against abusive copyright litigation is Rule 11 sanctions. Defendants and courts can use sanctions to threaten nonproducing entities and ensure that they only file claims against actual infringement, or not at all. Because litigation is a nonproducing entity’s sole source of revenue, the threat and use of sanctions is likely to have a meaningful impact on nonproducing entities. Increasing the use of sanctions can also deter other copyright owners from using abusive tactics. Courts are increasingly open to punishing nonproducing entities’ litigation.

Judge Stanley Birch stated that, in his opinion, fair use is better and more logically viewed as a right granted by the 1976 Act because under the Act fair use is never infringement, so it need not be excused. 79 F.3d at 1542 n.22.


211. Most proposals target copyright “trolling.” See supra note 137 and accompanying text.

212. Sonmez, supra note 10, at 156–57 (“[C]ourts should not be responsible for tracking and managing trolling’s future incarnations.”).

213. See U.S. CONST. art. I, § 8, cl. 8 (“The Congress shall have Power . . . To promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries.”.


215. See, e.g., Balganesh, supra note 9, at 736–39.

216. See, e.g., id. at 733; Sag, supra note 142, at 1141; Curran, supra note 11, at 201.


218. See Sonmez, supra note 10, at 155–56.

219. See id.

tactics. For example, the court in *Malibu Media, LLC v. John Does 1–16*,222 warned that if the plaintiff could not sustain their claims, the defendants would have adequate remedies to recover their litigation expenses or damages like Rule 11 sanctions. Importantly, the Supreme Court has upheld Rule 11 sanctions in a copyright infringement case. In *Business Guides, Inc. v. Chromatic Communications Enterprises*,225 the Court upheld the district court’s award of sanctions against the plaintiff and its attorney, whose claim lacked any evidentiary support of copyright infringement.226 In upholding the sanctions, the Court held that “Rule 11 imposes an objective standard of reasonable inquiry on represented parties who sign papers or pleadings.”227

The several examples of judges crafting their own solutions to abusive copyright litigation further support targeting the problem through courts. In 2010, a Nevada district court granted a Rule 12(b)(6) motion to dismiss—alleging fair use—against Righthaven.228 After analyzing the fair use factors, the court concluded that the defendant’s use was fair use because it was informational, used “only the first eight sentences of a thirty sentence news article,” and that the use was unlikely to impact the market for the original work.229 In 2011, thanks again to the District of Nevada, Righthaven was ordered to show cause why it should not be sanctioned for its flagrant misrepresentation to the court.230

### III. KILL TWO COPYWRONGS WITH ONE RIGHT

Thus far, scholars have separately targeted the two problems outlined in Part II—the fair use doctrine’s uncertainty and abusive copyright litigation. This Note argues, however, that the problems are connected and should be solved together. John Else’s story demonstrates why. Despite knowing that his clip was likely fair use, Else also knew he could not actually rely on the fair use doctrine to quickly excuse him from liability.231 Thus, Else’s story demonstrates how even secondary users who are confident that their use is fair use are still deterred from creating because of the uncertainty of asserting the affirmative defense. Moreover, Fox’s ability to request a $10,000 licensing fee for the clip is related to the fair use burden because if Else needed the scene or had $10,000 to spare, the abusive outcome in his story

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221. See COPYRIGHT LITIGATION HANDBOOK § 3:15 (2d ed. 2017) (“[C]ourts are losing patience with ‘copyright trolls.’”).
223. Id. at 702–03.
225. 498 U.S. 533.
226. Id. at 554.
227. Id.
229. Id. at *2.
231. LESSIG, supra note 8, at 98–99; see supra note 157 and accompanying text.
would have been an extracted settlement rather than what it was—the chilling and discouraging of creative activity.

Fair use reform has a long history but no conclusive solution. Instead of targeting the analysis, a solution should focus on the application. This proposal substantially and positively impacts defendants and fair users and minimally impacts legitimate copyright owners. Placing a higher burden on bringing infringement actions decreases the incentive to litigate abusively. There are several benefits of this proposal. First, it requires less change than other proposals and primarily impacts the party first pleading fair use. Other solutions propose drastic change or require government and congressional action, or ask judges to modify their approach to fair use.232 Second, this proposal still allows other proposals to be tested within the fair use analysis. This Note’s proposal does not fix every problem, and although other solutions may still be necessary, this proposal targets the problem at its core while still enabling other proposals to be tested simultaneously.

This Note suggests that the best way to kill two “copywrongs”—the fair use doctrine and abusive copyright litigation—is with the one “right” of fair use. Applying fair use as a right will alleviate some of the doctrine’s problems and mitigate abusive litigation all while simultaneously protecting the courts and users by eliminating many of the major legal and procedural barriers. Under this proposal, abusive copyright litigation will decline and hopefully cease. Part III.A explains the historical and practical feasibility of this solution. Then Part III.B discusses the practical impact of the solution and why applying fair use as a right can have the specific and desirable impact of decreasing abusive copyright litigation.

A. Fair Use Is, and Must Be, a Right

Treating fair use as a right is the best way to limit using the doctrine for abusive copyright litigation. Several of the criticisms and problems currently attributed to fair use are minimized or eliminated by treating fair use as a right. So far, fair use is the best way to carry out copyright’s goals, which is why the doctrine itself should not be changed. In other words, this proposal seeks to merely change fair use’s label from “affirmative defense” to “right.”

Treating fair use as a right is supported both historically and conceptually.233 The legislative history, text of § 107, and actual practice point to conceptualizing fair use as a right or, at the very least, not an affirmative defense.234 Unlike other proposals, this Note offers a solution that requires the least change and preserves judges’ control over fair use. This proposal also maintains fair use’s flexibility and applicability across copyright cases. Fair use should remain in the hands of judges because judges invented, developed, and know how to apply the doctrine.235 This proposal does not increase judges’ tasks, and they might even appreciate
analyzing fair use in fewer cases. Many of the common criticisms of and problems with the fair use doctrine are minimized or eliminated by treating fair use as a right: it offers users and defendants more certainty and thus chills free speech less often; the burden is on the party in the better position to plead; and there will be fewer forced settlements. In addition, other proposals, for example judicial solutions to abusive copyright litigation, solve only one aspect of what is clearly a connected problem.

This proposal cannot eliminate every inherent uncertainty accompanying fair use, but it can provide secondary users and defendants with more certainty because plaintiffs must plead that the use was not fair, which gives defendants an idea of their liability. Potential secondary users will be less deterred when deciding to create given the increased certainty of not being found liable if they have a strong fair use case, because plaintiffs’ minimal burden will deter filing claims against strong cases of fair use. The current conception of fair use makes it too difficult for defendants asserting fair use to successfully defend it or, more specifically, to show fair use early in the litigation process. By its very nature, fair use necessitates a fact-intensive inquiry. Yet not every case deserves the time required to apply fair use. Under this proposal, part of the time and expense pleading fair use is now transferred to the party bringing the claim. Defendants with stronger fair use claims have greater certainty that the case will not be brought or can be dismissed earlier, so defendants will not be forced to incur the costs of litigation and will not be forced to settle or be deterred from creating.

B. Litigating—or Hopefully Not—the Right of Fair Use

Fair use should be considered and decided as early as possible in litigation and should not be used as a catalyst for abusive copyright litigation. This section will demonstrate the positive impact and lack of downsides of this proposal. First, it is worth noting the different desired outcomes for nonproducing and producing entities. This proposal seeks to eliminate claims brought by nonproducing entities entirely because they are wholly antithetical to copyright law. But eliminating claims brought by producing entities would be neither a realistic nor a desirable outcome. Producing entities are essential to copyright law; they often protect authors who could not create commercially or distribute without the assistance of a large producing entity. For example, the Recording Industry Association of America (RIAA) can still protect artists by helping them monitor and enforce

236. See supra Part II.A.
237. See Snow, supra note 110, at 1798 (arguing that placing the burden of proving fair use on the defendant makes no legal sense, especially compared with the strong interest in protecting speech).
238. See id.
239. See supra Part I.C.4.
240. See supra Part II.B.
241. See supra Part II.A.
This proposal seeks only to remove or decrease the incentive for producing entities to file abusive copyright litigation by slightly increasing their burden. The impact on producing entities should be minimal because infringement actions against strong fair use cases should almost never be brought. More importantly, would-be secondary users should neither be deterred from creating nor fear the overly litigious power of producing entities.

Treating fair use as a right will minimize abusive copyright litigation at several stages. First, abusive copyright litigation will decrease at the pleading stage. Second, treating fair use as a right makes other procedural devices available during litigation, like Rule 11 sanctions, and summary judgment. Finally, even before a case is filed, treating fair use as a right removes the incentive to file cases where the alleged infringement has a strong fair use argument. Taken together, treating fair use as a right will help foster a culture where would-be secondary users are not deterred from creating by uncertain fears of liability or the threat of abusive enforcement.

1. Pleading Fair Use

This proposal positively impacts three main aspects of pleading fair use: the party who must plead the fair use analysis, the standard by which they must plead it, and the consequences for failing to state a claim. Even minimal burdens deter abusive copyright litigation. For example, a complaint cannot use boilerplate language. If fair use is a right, then the burden to plead that a secondary use is not fair use should fall on the plaintiff bringing the alleged infringement claim. To plead a plausible infringement claim, the plaintiff must show that the defendant’s use is plausibly not fair use. Thus, fair use is treated as part of the initial inquiry into infringement because it is an aspect of the overall consideration of whether the defendant infringed the plaintiff’s copyright. For example, the threat of a potential infringement action by Fox would not have had the same deterrent effect on John Else, because Fox, not Else, would have borne the initial burden of plausibly pleading that there was not fair use to state its claim of infringement.

This proposal does not prohibit legitimate copyright owners from enforcing infringement of their work because the owner need only plausibly plead that the infringing work is not fair use. The stakes for not considering fair use at the pleading stage will hopefully be high enough to deter abusive claims because the risks of failing to do so include sanctions and a loss of

243. See supra notes 106–08 and accompanying text.
244. See supra note 157 and accompanying text.
credibility with the judge. It is in the claimant’s and his lawyer’s best interests to make a good-faith showing of the fair use factors.245 Because pleading copyright infringement was already a low bar, Twombly and Iqbal’s heightened pleading standard currently puts an increased burden on defendants asserting fair use, while the rationale for the pleading standard does not have the same positive impact on plaintiffs in copyright infringement cases.246 This is especially true in fair use cases because the burden to plead prima facie copyright infringement is low.247 However, by applying fair use as a right, the heightened pleading standard can function fairly. The plaintiff must still make a prima facie showing of copyright infringement and must plausibly plead that the defendant’s alleged infringement is not fair use; the plaintiff is already in the best position to make the initial showing that a defendant’s use is not fair.248 And even if an abusive copyright litigation case is filed, it will still be easier to dismiss earlier using a Rule 12(b)(6) motion.249 Motions to dismiss for failure to state a copyright infringement claim—for failure to plausibly plead that defendant’s use was not fair use—would not unduly burden legitimate plaintiffs.250

2. Rule 11 Sanctions

Under the conception of fair use as a right, when an attorney must affirm that he has filed a legitimate claim, he can only do so after considering whether the use was fair use. Courts and defendants should use Rule 11 sanctions to threaten known nonproducing entities because sanctions will be most effective against the nonproducing-entity business model.251 Because nonproducing entities derive revenue solely from litigation or threatening litigation, the risk of Rule 11 sanctions for failure to disprove fair use would

245. For an example of a judge barring any cases from being filed, see Ernesto, Judge Threatens to Bar ‘Copyright Troll’ Cases over Lacking IP-Location Evidence, TORRENT FREAK (May 12, 2017), https://torrentfreak.com/judge-threatens-to-bar-copyright-troll-cases-over-lacking-ip-location-evidence-170212/ [https://perma.cc/WPG4-GZT7].

246. See supra notes 107–10 and accompanying text.

247. See supra Part I.C.3.

248. See Loren, supra note 108, at 705–06 (arguing that there could be more “pre-answer dismissals in cases of clear fair use” if it were not treated as an affirmative defense because the plaintiff’s claim would not be plausible).

249. See David M. Jacobson, The Plausibility Standard Under Twombly and Ashcroft, DORSEY & WHITNEY LLP (Summer 2009), http://files.dorsey.com/files/upload/jacobson_wdtl_article.pdf [https://perma.cc/PWN6-H9J4] (“District courts now have significant tools for enforcing Rule 12(b)(6), and defense counsel have a basis to litigate motions to dismiss more aggressively.”).

250. When assessing a 12(b)(6) motion to dismiss for failure to state a claim, that is, “[i]n evaluating whether a claim has facial plausibility,” district court judges must still “construe the complaint in the light most favorable to the plaintiff, accept its allegations as true, and draw all reasonable inferences in favor of the plaintiff.” Weiler v. Draper Chevrolet Co., No. 12-12402, 2013 WL 388585, at *1 (E.D. Mich. Jan. 31, 2013) (quoting Bassett v. NCAA, 528 F.3d 426, 430 (6th Cir. 2008)).

251. See Sonmez, supra note 10, at 156.
neutralize the nonproducing entity’s one-sided economic incentive. Moreover, increasing the use and threat of Rule 11 sanctions would also deter producing entities and individual owners from using nonproducing-entity-like tactics.

3. Before Litigation

Under this proposal, potential secondary users will become aware of the burdens facing plaintiffs who wish to bring infringement actions. Secondary users with stronger fair use arguments will be less deterred by the threat of liability because frivolous infringement actions will become less common. For example, someone like John Else would actually be able to rely on fair use. A culture which embraces fair use, and rejects enforcement in the face of strong fair use, will cultivate more secondary uses. Finally, because the initial fair use pleading burden would fall on producing and nonproducing entities, such entities would be deterred from filing claims in cases with stronger fair use arguments. Both types of entities should decide, when faced with strong cases of fair use, that pursuing an enforcement action is not worth it. Would-be secondary users should no longer have to choose between creation or liability.

CONCLUSION

This proposal neither attempts nor desires to change the analysis under the fair use doctrine. This Note agrees with those who believe that the fair use factors are the best way to produce determinations which are as close as possible to an outcome based on the fairness contemplated by § 107. To ensure that the fair use doctrine lives up to its full potential and purpose, it should be applied as a right. Applying fair use as a right is also a long-term solution to abusive copyright litigation. Under this proposal, stronger cases of fair secondary uses can be decided earlier or never brought at all. As the barriers to abusive copyright litigation increase, the incentives for abusive copyright litigation will decrease.

252. See supra Part II.B.
253. See Sonmez, supra note 10, at 156.
254. See LESSIG, supra note 8, at 98. Else said he “never had any doubt that it was ‘clearly fair use’ in an absolute legal sense.” Id.
255. The public would no longer be faced with “the visible coercion that the copyright holder may exert against them.” Sun, supra note 44, at 157–58.