

# Copyright Owners Take Note — Registration Means Registration

## *Fourth Estate Public Benefit Corp. v. Wall-Street.com, LLC*

By Douglas G. Verge

Under current United States copyright law, registration of the copyright in a work is not necessary to create the copyright itself. To the contrary, copyright is created in a work the moment the work is fixed in a tangible format (such as on a piece of paper, on a compact disc, or even on a computer hard drive). But that does not mean that there is no good reason to register the copyright in the work.

Two of the most important reasons to timely register a copyright in a work are (1) to be able to institute a copyright infringement action, and (2) to be able to recover statutory damages and attorneys' fees. Under United States copyright law, registration is a prerequisite to bringing a lawsuit, and if an unpublished work is not registered prior to the infringement, or if a published work is not registered within three months of the date of first publication of the work, the applicant will not be entitled to recover statutory damages or attorneys' fees.

This latter point is particularly significant because often it is difficult to prove actual damages in a case of copyright infringement. Statutory damages entitle a plaintiff to recover damages for infringement of a work in an amount between \$750 - \$30,000, and where infringement is willful, enhanced damages up to \$150,000.

The difficulty for many copyright infringement plaintiffs has been the timing of obtaining registration for the copyright. Imagine that you just distributed your self-published book and within a month find out that someone has infringed your copyright by copying and displaying on the internet large portions of your book. So you hurry up and file your copyright application along with the required fee and deposit of your work. At that point you are all set, right?



Prior to March 4, 2019, the answer largely depended on which court you brought the lawsuit in. Some courts took the position that because the date of registration relates back to the date the application was filed along with the fee and deposit, the copyright was “registered” as of the filing date. Other courts took the position that registration did not occur until after the copyright office examined the application and issued a registration certificate.

In *Fourth Estate Public Benefit Corp. v. Wall-Street.com, LLC* (No. 17–571), decided on March 4, 2019, the United States Supreme Court finally put an end to this long-standing dispute, holding that registration means registration — a work is not registered until the Copyright Office examines the work and issues a certificate of registration. The Court’s decision has significant ramifications for copyright plaintiffs. One of the most significant aspects relates to the timing in which copyright infringement actions may be instituted. It typically takes at least seven months for the Copyright Office to examine a copyright application and issue a registration certificate.

In practical terms, this means a copyright plaintiff would usually have to wait at least seven months before being able to bring a lawsuit to seek an injunction and recover damages.

There is an option, however, for copyright applicants to seek expedited handling of their copyright applications. Rather than the minimal \$35 fee applicable in many cases to register a work online, an applicant can pay the Copyright Office \$800 and the Copyright Office will typically (but no guarantee) process the application within five working days from the date of filing the application. Even with the expedited handling, if the registration certificate is not obtained prior to the infringement with regard to unpublished works, or within three months of the date of first publication for published works, the applicant will not be entitled to recover statutory damages or attorneys’ fees. Accordingly, the expedited handling would only help if the registration certificate is received before any infringement occurs, or, if the work is published, if the expedited certificate is received within a period of three months after the date of first publication.

The word “publication” has a very specific meaning under the copyright law. The copyright statute defines publication to mean “the *distribution* of copies or phonorecords of a work to the *public* by sale or other transfer of ownership, or by rental, lease, or lending.” While there is a difference of opinion among authorities on whether posting material on a website is publication, the better view seems to be that such posting would only be considered a display, not publication, unless visitors to the website clearly have the right to download the work posted on the website. Therefore, arguably the three-month publication grace period would not apply to works posted on a website.

So what does this mean for copyright owners? In an ideal world it would mean that copyright owners should obtain copyright registrations before they disclose their works to the public if they want to try to maximize the opportunity to recover statutory damages and attorneys’ fees. However, that is not a very realistic scenario in most cases.

Alternatively, the copyright owner could routinely request expedited handling before making a work public. If there are many works, however, the \$800 could add up quickly, making that option unrealistic as well. Ultimately, prioritizing is key. If a work is very important, then copyright owners should consider paying the \$800 and seeking expedited handling before disclosing the work to the public.

*Douglas G. Verge is a shareholder of Sheehan Phinney Bass & Green and is a member of the firm’s Intellectual Property Law Practice Group. He assists clients ranging from start-ups to those with a national/international presence, in the areas of trademark, copyright and trade secret protection, intellectual property, technology and internet agreements, and privacy and data security.*