

Axinn IP Update: U.S. Supreme Court Holds That Copyright Office Must Grant Copyright Registration Before Infringement Suit Can Be Filed

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Axinn Update

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On March 4, 2019, the United States Supreme Court held that, barring limited statutory exceptions, exhaustion of the registration requirement of 17 U.S.C. § 411(a) is a prerequisite to maintaining an action for copyright infringement. *Fourth Estate Public Benefit Corp. v. Wall-Street.com, LLC*, No. 17-571, 586 U.S. ___, (Mar. 4, 2019). In so doing, the Court resolved a split in authority among various circuits.

The Copyright Act grants "exclusive rights" to "original works of authorship" that are "fixed in any tangible medium of expression." 17 U.S.C. § 102(a). These exclusive rights arise immediately upon the works' creation, and afford the copyright owner the right to pursue a civil action for infringement of those rights. *Id.* at § 501(b).

In *Fourth Estate*, the copyright owner filed suit for infringement after the alleged infringer failed to remove licensed content from its website following cancellation of a license agreement. Slip op. at 1-2. At the time suit was filed, the copyright owner had submitted its application for copyright registration with the U.S. Copyright Office, but the Copyright Office had not yet acted on the application. *Id.* at 2.

Delivering the opinion for the Court, Justice Ginsburg wrote that, absent limited statutory exceptions allowing pre-registration infringement actions to proceed, merely applying for a copyright is not enough to maintain an action for infringement. Rather, to meet the administrative requirements of Section 411(a), which permits an action to proceed only after "registration . . . has been made," the Copyright Office must actually have registered the copyright. This, according to the Court, is the only proper reading of Section 411(a)'s language focusing on the action by the Copyright Office. *Id.* at 4-6.

The Court was clear, however, that its decision in no way impacts a copyright owner's ability to recover for infringement once an action is properly instituted. "Upon registration of the copyright, . . . a copyright owner can recover for infringement that occurred both before and after registration." *Id.* at 1.

The Court's decision, instead, serves as a reminder to copyright owners not to wait to file applications for copyright registration. Although the current average processing time for copyright registrations is only seven months, as the Court notes, a copyright owner could still be barred from recovering for infringement of their exclusive rights if they wait too long to apply for copyright registration. Indeed, the Copyright Act expressly provides for a three-year statute of limitations. 17 U.S.C. § 507(b). Thus, based on the Court's ruling, to recover for infringement of their exclusive rights, a copyright owner must file an action for infringement within three years of when their claim accrues, **and** have a granted copyright registration in hand when they do so.

