

No. 20-915

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IN THE  
**Supreme Court of the United States**

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UNICOLORS, INC.,  
*Petitioner,*

v.

H&M HENNES & MAURITZ, L.P., *ET AL.*,  
*Respondents.*

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**On Petition For Writ Of Certiorari  
To The United States Court Of Appeals  
For The Ninth Circuit**

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**PETITION FOR A WRIT OF CERTIORARI**

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SCOTT ALAN BURROUGHS  
*Counsel of Record*  
STEPHEN M. DONIGER  
TREVOR W. BARRETT  
FRANK GREGORY CASELLA  
DONIGER / BURROUGHS  
603 Rose Avenue  
Venice, California 90291  
(310) 590-1820  
scott@donigerlawfirm.com

*Counsel for Petitioner*

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## I. QUESTIONS PRESENTED

1. Did the Ninth Circuit err in breaking with its own prior precedent and the findings of other circuits and the Copyright Office in holding that 17 U.S.C. § 411 requires referral to the Copyright Office where there is no indicia of fraud or material error as to the work at issue in the subject copyright registration?

2. Did the Ninth Circuit misapply the publication standard by both applying Copyright Office requirements that were not in place at the time of registration and analyzing publication as of the date of registration as opposed to the later registration application date, and, if so, did the evidence support referral to the Copyright Office?

## **II. PARTIES TO THE PROCEEDINGS**

Petitioner Unicolors, Inc., was the plaintiff and the Appellee in the proceedings below.

Respondent H&M Hennes & Mauritz, L.P., et al. was Defendant and Appellant in the proceedings below.

## **III. CORPORATE DISCLOSURE STATEMENT**

Unicolors, Inc. has no parent corporation, and no publicly held company owns 10% or more of its stock.

## **IV. RELATED CASES**

- *Unicolors, Inc. v. H & M Hennes & Mauritz, L.P.; et al.*, No. 2:16-cv-02322-AB-SK, U.S. District Court for the Central District of California. Judgment entered Oct. 22, 2018.
- *Unicolors, Inc. v. H & M Hennes & Mauritz, L.P.*, Nos. 18-56253 and 18-56548, U.S. Court of Appeals for the Ninth Circuit. Judgment entered May 29, 2020. Petition for Rehearing and Rehearing En Banc denied August 7, 2020.

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## VII. OPINIONS BELOW

The operative district court judgment giving rise to the appeal is *Unicolors, Inc. v. H&M Hennes & Mauritz L.P.*, No. 16-CV-02322-AB (SKX), at U.S.D.C. *Dkt.* No. 289 (C.D. Cal. Aug. 1, 2018) (unreported), *as amended on denial of reh'g and reh'g en banc*, 959 F.3d 1194 (9th Cir. 2020).

The decision by the Ninth Circuit Court of Appeals granting H&M's appeal and remanding the case is reported at *Unicolors, Inc. v. H&M Hennes & Mauritz, L.P.*, 959 F.3d 1194 (9th Cir. 2020). The decision denying Unicolors' petition for rehearing *en banc* issued on August 7, 2020 and is unreported.

## VIII. JURISDICTION

The Court of Appeals for the Ninth Circuit issued its opinion on May 29, 2020. The jurisdiction of this Court is invoked under 28 U.S.C. § 1254(1).

## IX. STATUTORY PROVISIONS INVOLVED

The following statutes are at issue in this petition:

17 U.S.C. § 411(b), which states:

(1) A certificate of registration satisfies the requirements of this section and section 412, regardless of whether the certificate contains any inaccurate information, unless –

(A) the inaccurate information was included on the application for copyright registration with knowledge that it was inaccurate; and

(B) the inaccuracy of the information, if known, would have caused the Register of Copyrights to refuse registration.

(2) In any case in which inaccurate information described under paragraph (1) is alleged, the court shall request the Register of Copyrights to advise the court whether the inaccurate information, if known, would have caused the Register of Copyrights to refuse registration.

(3) Nothing in this subsection shall affect any rights, obligations, or requirements of a person related to information contained in a registration certificate, except for the institution of and remedies in infringement actions under this section and section 412.

37 C.F.R. § 202.3(b)(4)(i)(A),<sup>1</sup> which states:

For the purpose of registration on a single application and upon payment of a single registration fee, the following shall be considered a single work:

(A) In the case of published works: all copyrightable elements that are otherwise recognizable as self-contained works, that are included in a single unit of publication, and in which the copyright claimant is the same[.]

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<sup>1</sup> Referring to the version effective January 24, 2011, which is the operative version in this case.

“Publication” under the Copyright Act is defined as the initial “distribution” or “offering to distribute” the “work to the public by sale or other transfer of ownership, or by rental, lease, or lending.” 17 U.S.C. § 101.

## **X. INTRODUCTION AND STATEMENT OF THE CASE**

This case is ripe for review because it is a matter of first impression for this Court and involves a clear intra-circuit conflict in the application of a federal statute.

The facts are straightforward and relatively undisputed: Plaintiff, Unicolors, Inc. (“Unicolors”), is a Los Angeles fabric designer that created an original two-dimensional fabric design (“Subject Design”).<sup>2</sup> *Unicolors, Inc. v. H&M Hennes & Mauritz, L.P.*, 959 F.3d 1194, 1195-96 (9th Cir. 2020).

The Subject Design was created by Unicolors’ designer in January 2011. *Id.* Unicolors extensively sampled and sold fabric bearing the Subject Design and later discovered that Defendant, H&M Hennes & Mauritz, L.P. (“H&M”), was selling garments bearing a copy of the Subject Design (“Infringing Garments”). *Id.* H&M began selling the Infringing Garments in 2015

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<sup>2</sup> The Subject Design was registered with the Copyright Office on February 14, 2011 under registration no. VA 1-770-400, as part of a published collection. *Unicolors, Inc. v. H&M*, 959 F.3d at 1196.

and continued to sell said product after notice of Unicolors' infringement claims. *See id.*

The jury found H&M liable for willful infringement and awarded damages in the amount of \$846,720.00. H&M then filed for a Motion for Judgment as a Matter of Law, or in the Alternative, for New Trial.

Before the verdict, H&M failed to move the district court to refer the matter to the Register of Copyrights under 17 U.S.C. § 411(b)(2), but instead asked the district court to find the registration invalid – which is *prohibited* by that statute. Nevertheless, the district court considered the prerequisites for a Copyright Office referral, found that H&M failed to provide evidence that the registration's works were first published separately, *or* that Unicolors knew the registration contained knowingly false information at the time of application, and denied the Motion for Judgment as a Matter of Law, or in the Alternative, for New Trial in all respects other than as to the amount of damages.

On appeal by H&M, the Ninth Circuit Court of Appeals reversed and remanded, holding that the district court was required to refer the matter to the Copyright Office and that courts may not consider in the first instance whether the purported inclusion of known inaccuracies in a registration application provide a sufficient basis for the Register of Copyrights to potentially have refused registration. *Unicolors, Inc. v. H&M*, 959 F.3d at 1200-01. The panel further held that

the district court erred in imposing an intent-to-defraud or “knowing falsehood” requirement for registration invalidation per the PRO-IP Act and in finding that the registration for the Subject Design did not contain knowing inaccuracies. *Id.* at 1198-99.

Without citation to evidence, imposing the incorrect set of Copyright Office guidance, and despite H&M’s failure to file a referral motion, the Ninth Circuit found that Unicolors’ registration should have been referred to the Copyright Office because it included a knowing inaccuracy; *viz.*, that the 31 textile designs covered by Unicolors’ registration were not first published “in a single, bundled collection.” *Id.* But, no Circuit, including the Ninth, had ever before acknowledged a “bundling” requirement, and there was no evidence that the group of works was not first offered for sale concurrently on the listed publication date, and therefore properly published together.

Unicolors’ registration indicated that the 31 designs in the group were first published on January 15, 2011, the date on which the group was placed in Unicolors’ showroom for customer viewing. *A month after* this date of publication, on February 14, 2011, when Unicolors applied to register the group of designs, nine of those designs were *at that point in time* designated as “confined,” i.e., given exclusively to a single customer for a limited period of time. Crucially, there is no evidence in the record that *any* of the designs were “confined,” or otherwise not published with the rest of the group, on January 15, 2011.

Despite a lack of *any* evidence as to *when* or *how* those nine designs became confined, the panel concluded that “[t]he confined designs . . . were not placed in the showroom for sale at the same time.” *Id.* This was error, as there was no evidence in the record to rebut the presumption that the CEH designs had *first* been offered for sale with the other EH designs *before* they were confined, in conformity with Unicolors’ general business practice.<sup>3</sup>

\* \* \*

The Ninth Circuit panel’s ruling was erroneous. The panel’s ruling concerning the timeline of putative publication of the works in the Subject Design’s registration was flawed because there was no evidence supporting the panel’s conclusion that the designs were separately published before certain designs were categorized as confined in Unicolors’ registration certificate. There was thus insufficient evidence to deduce any sort of error that would require referral to the Copyright Office under 17 U.S.C. § 411(b).

The panel’s ruling concerning applicability of 17 U.S.C. § 411(b) was also flawed because, *inter alia*, many courts, legislative and administrative authorities, and the leading copyright treatise have uniformly

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<sup>3</sup> Unicolors’ registration covered 22 designs identified with titles including the prefix “EH,” such as EH101 (the design at issue), and nine identified with names starting with the prefix “CEH,” indicating that they may have been made exclusive to a certain customer for a short period a time.



interpreted the Prioritizing Resources and Organization for Intellectual Property Act of 2008, PL 110–403, October 13, 2008, 122 Stat. 4256 (“PRO-IP Act”) to codify the doctrine of fraud on the Copyright Office and thus to allow invalidation under section 411(b) only when the registrant is shown to have acted in bad faith or intended to defraud the Copyright Office.

The PRO-IP Act was enacted to stop courts from invalidating copyright registrations based on immaterial registration errors. But, the panel here did the opposite, ruling that the PRO-IP Act did not require the long-applied fraud or bad faith standard and consequently made it *easier* for courts to invalidate copyright owner’s registrations.

This Court has yet to review section 411(b) of the PRO-IP Act and the lack of uniformity in its interpretation requires review. As it stands today, copyrighted works have different values in different circuits given the varying scrutiny that each gives to registrations for those copyrighted works. Indeed, there is currently a circuit split between at least the Eleventh and Ninth Circuits on whether the PRO-IP Act codifies the doctrine of fraud on the Copyright Office that must be reconciled by this Court.

Unicolors respectfully petitions this Court to issue a *writ of certiorari* to resolve the circuit division and to provide clarity as to the application of the PRO-IP Act.

## XI. REASONS FOR GRANTING THE PETITION

### 1. **The Ninth Circuit’s misinterpretation of 17 U.S.C. § 411(b) contravenes legislative and administrative guidance and has widened a circuit division.**

The panel reversed and remanded for referral to the Copyright Office on the basis of perceived knowing misstatements in the Subject Design’s registration application. *Unicolors, Inc. v. H&M*, 959 F.3d at 1198-1200. Notably, however, the panel did not find that there was evidence of any fraud on the Copyright Office, holding instead that Unicolors’ registration should have been referred to the Copyright Office because it included a knowing inaccuracy; *viz.*, that the 31 textile designs covered by Unicolors’ registration were not first published “in a single, bundled collection.” *Id.* at 1200. But, there was no evidence that Unicolors “knew” that it was making an error when registering its group of designs, as required by the PRO-IP Act.

The Ninth Circuit, though, misinterpreted 17 U.S.C. § 411(b)(1) of the PRO-IP Act, which amended the Copyright Act to establish that a “certificate of registration satisfies the [registration requirement of § 411(a)], regardless of whether the certificate contains any inaccurate information,” unless: (1) “the inaccurate information was included on the application for copyright registration with knowledge that it was inaccurate,” and (2) “the inaccuracy of the information, if known, would have caused the Register of Copyrights to refuse registration.” 17 U.S.C. § 411(b)(1)(A)-(B).

Courts across the nation – including the Ninth Circuit until very recently<sup>4</sup> – have rightly interpreted this language to require proof of fraud or bad faith. The decision has thus caused a critical circuit split, as set forth below. And this departure from the “fraud on the Copyright Office” standard also runs counter to the established legislative and administrative guidance accompanying the drafting and promulgation of the PRO-IP Act.

As a result of the Ninth Circuit’s departure from this fraud standard, a bright-line rule of whether or not § 411(b)(1) codifies the doctrine of fraud on the Copyright Office is necessary to clarify application standards to

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<sup>4</sup> In *Gold Value Int’l Textile, Inc. v. Sanctuary Clothing, LLC*, 925 F.3d 1140, 1142 (9th Cir. 2019), *cert. denied*, 140 S. Ct. 1294, 206 L. Ed. 2d 375 (2020) (referred to herein as “*Sanctuary*”), the Ninth Circuit effectively overturned its prior binding precedent without *en banc* review: since the passage of the PRO-IP Act, no fewer than *four* Ninth Circuit panels reaffirmed that fraud or bad-faith is required to invalidate a registration. See *Jules Jordan Video, Inc. v. 144942 Canada Inc.*, 617 F.3d 1146, 1156 (9th Cir. 2010) (finding that mistake of listing incorrect author did not rise to level of fraud, and thus did not constitute a basis to invalidate the copyright); *United Fabrics Int’l, Inc. v. C&J Wear, Inc.*, 630 F.3d 1255, 1259 (9th Cir. 2011) (“[b]ecause [defendant] has not shown fraud on the Copyright Office, its argument [for invalidation] fails.”); *L.A. Printex Indus., Inc. v. Aeropostale, Inc.*, 676 F.3d 841, 853 (9th Cir. 2012), *as amended on denial of reh’g and reh’g en banc* (June 13, 2012) (holding invalidation under § 411(b) requires showing that “claimant intended to defraud the Copyright Office by making the misstatement.”) (citations omitted); and *Unicolors, Inc. v. Urban Outfitters, Inc.*, 853 F.3d 980, 991 (9th Cir. 2017) (“[g]ood faith mistakes in copyright applications do not preclude an infringement action.”).

copyright claimants and to mend the crucial circuit-split interpreting section 411(b).

**A. The relevant administrative and legislative bodies, as well as the leading copyright treatise, correctly interpret the PRO-IP Act as codifying the doctrine of fraud on the Copyright Office.**

The PRO-IP Act was enacted by Congress to address the growing problem of courts applying different rules to determine when putative errors in registrations could invalidate those registrations. “The legislative history for the PRO IP Act explains that the amendment aims to close the loophole whereby ‘intellectual property thieves’ argue ‘that a mistake in the registration documents, such as checking the wrong box on the registration form, renders a registration invalid and thus forecloses the availability of statutory damages.’” *Kaseberg v. Conaco, LLC*, 360 F. Supp. 3d 1026, 1034 (S.D. Cal. 2018), quoting 2 MELVILLE NIMMER AND DAVID NIMMER, NIMMER ON COPYRIGHT § 7.20 (2018).

The Copyright Office itself further stated that passage of the PRO IP Act “strengthens the intellectual property laws of the United States” and specifically, “it amends section 411 of the copyright law to **codify the doctrine of fraud on the Copyright Office** in the registration process.” U.S. Copyright Office, *Annual Report of the Register of Copyrights, Fiscal Year Ending*

*September 30, 2008* 12–13 (2008) (emphasis added).<sup>5</sup> A second report from the Copyright Office further clarified that subsection (b) was added to section 411 “to create a new procedure for infringement actions [ . . . ] on issues that may **involve fraud on the Copyright Office.**” U.S. Copyright Office, Annual Report of the Register of Copyrights, at 9 (2009) (emphasis added).

The legislative history of the PRO-IP Act and the Copyright Office construction of that statute compel the conclusion that it be read to codify the fraud requirement. “The longstanding administrative construction of [a] statute should ‘not be disturbed except for cogent reasons.’” *Alaska Stock, LLC v. Houghton Mifflin Harcourt Pub. Co.*, 747 F.3d 673, 686 (9th Cir. 2014). The relevant administrative and legislative constructions concerning § 411(b) reflect that the PRO-IP amendments codify the doctrine of fraud on the Copyright Office, and Unicolors respectfully submits that the panel’s opinion to the contrary is thus erroneous.

As Professor Nimmer teaches in his leading treatise, *Nimmer on Copyright*, “[t]he legislative history for the PRO IP Act explains that the amendment aims to close the loophole<sup>6</sup> whereby ‘intellectual property

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<sup>5</sup> Available at: <https://www.copyright.gov/reports/annual/2008/ar2008.pdf>.

<sup>6</sup> See H.R. Rep. 110-617, at 24 (2008) (“[t]o prevent intellectual property thieves from exploiting this potential loophole, the Act makes clear that a registration containing inaccuracies will satisfy the registration requirements of the Copyright Act unless the mistake was knowingly made and the inaccuracy, if known, would have caused the Register of Copyrights to refuse registration.”).

thieves’ argue ‘that a mistake in the registration documents, such as checking the wrong box on the registration form, renders a registration invalid and thus forecloses the availability of statutory damages.’” *Kaseberg v. Conaco, LLC*, 360 F. Supp. 3d 1026, 1034 (S.D. Cal. 2018), quoting 2 MELVILLE NIMMER AND DAVID NIMMER, NIMMER ON COPYRIGHT § 7.20 (2018). And in applying the Act, “the function of the courts in evaluating the propriety of the issuance of a certificate is **limited to questions of fraud on the Copyright Office.**” 3-12 MELVILLE NIMMER AND DAVID NIMMER, NIMMER ON COPYRIGHT § 12.11[A][2] (internal citations omitted) (emphasis added).<sup>7</sup> Thus, the PRO-IP Act represents the application of the court-made standards previously used to address allegations of putative mistakes in registrations directly into the Copyright Act:

When it enacted the Prioritizing Resources and Organization for Intellectual Property Act of 2008, Congress for the first time took the court-made standards underlying the previous discussion and articulated the applicable standards directly in the Copyright Act.

2 MELVILLE NIMMER AND DAVID NIMMER, NIMMER ON COPYRIGHT § 7.20[B][2] (Rev. ed. 2019) (footnotes omitted).

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<sup>7</sup> “Generally speaking, ‘a misstatement or clerical error in the registration application, **if unaccompanied by fraud**, should neither invalidate the copyright nor render the registration certificate incapable of supporting an infringement action.’ 2 MELVILLE NIMMER AND DAVID NIMMER, NIMMER ON COPYRIGHT § 7.20[B][1] (emphasis added).

Congress' application of prior court-made standards reflects that the PRO-IP Act was intended to codify the doctrine of fraud on the Copyright Office. These court-made standards from before enactment of the PRO-IP Act nearly uniformly stood for the proposition that one cannot seek to invalidate a registration absent a showing of fraud. *See, e.g., Advisers, Inc. v. Wiesen-Hart, Inc.*, 238 F.2d 706, 708 (6th Cir. 1956) (“an innocent misstatement [ . . . ] unaccompanied by fraud [ . . . ], does not invalidate the copyright, nor is it thereby rendered incapable of supporting an infringement action.”); *Whimsicality, Inc. v. Rubie's Costume Co.*, 891 F.2d 452, 455 (2d Cir. 1989) (finding invalidation proper only if applicant's conduct “constituted fraud on the Copyright Office.”); *Urantia Found. v. Maaherra*, 114 F.3d 955, 963 (9th Cir. 1997) (“inadvertent mistakes on registration certificates do not invalidate a copyright and thus do not bar infringement actions, unless the alleged infringer has relied to its detriment on the mistake, or the claimant intended to defraud the Copyright Office by making the misstatement.”); *S.O.S., Inc. v. Payday, Inc.*, 886 F.2d 1081, 1086 (9th Cir. 1989) (same); *Harris v. Emus Records Corp.*, 734 F.2d 1329, 1335 (9th Cir. 1984) (same); *One Treasure Ltd., Inc. v. Richardson*, 202 F. App'x 658, 661 (5th Cir. 2006) (holding misstatements do not invalidate a registration without fraudulent intent); and *Advisers, Inc. v. Wiesen-Hart, Inc.*, 238 F.2d 706, 708 (6th Cir. 1956) (“innocent misstatement . . . in the affidavit and certificate of registration, unaccompanied by fraud” does not invalidate copyright).

Because the administrative and legislative history, as well as the leading copyright treatise, all reflect that the PRO-IP Act codifies the doctrine of fraud on the Copyright Office, the Ninth Circuit's departure from the fraud requirement necessitates reversal by the Court. This Petition should be granted.

**B. The Ninth Circuit's misinterpretation of section 411(b) widened a dire circuit division that must be addressed.**

In dispensing with its previously established fraud standard in *Sanctuary* and applying the same rationale in this case, the Ninth Circuit has exacerbated a conflict with the Eleventh Circuit and others as to the correct application of 17 U.S.C. § 411(b)(1). Given that this Petition concerns the interpretation of the Copyright Act, a federal statute, the Petition is especially ripe to be granted. *See Silvers v. Sony Pictures Entm't, Inc.*, 402 F.3d 881, 890 (9th Cir. 2005) (“the creation of a circuit split would be particularly troublesome in the realm of copyright.”).

The Eleventh Circuit held in *Roberts v. Gordy* that § 411(b)(1) requires a showing of “intentional or purposeful concealment of relevant information” to render a registration invalid. 877 F.3d 1024, 1029 (11th Cir. 2017) (citation omitted). The Eleventh Circuit in *Gordy* noted that the promulgation of the PRO-IP Act “amends section 411 of the Copyright Act to **codify the doctrine of fraud on the Copyright Office** in the registration process.” *Gordy*, 877 F.3d at 1029, *fn.*



5 (emphasis added, citation omitted).<sup>8</sup> The *Gordy* court further found that “the scienter necessary for invalidating a registration is also clear and well settled[,]” concluding that the “failure of the first registration to correctly assert a published work on the basis of promotional phonorecords provided to disc jockeys – as opposed to an unpublished work that was still awaiting album publication – lacks any sort of deceptive intent, especially since there is nothing to indicate that the registration would not have been approved as a published work.” *Id.* at 1030. The Eleventh Circuit thus reached the opposite conclusion as the *H&M* panel. *Unicolors, Inc. v. H&M*, 959 F.3d at 1198.

The panel here has deepened this Circuit split<sup>9</sup> by holding that § 411(b)(1) does not codify the doctrine of

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<sup>8</sup> While the *Gordy* court relied on its prior precedent in reaching this decision, it expressly stated that such prior precedent “directly cites to the post-2008 amendment statutory language and reaffirmed [ . . . ] that the **intentional or purposeful concealment of relevant information is required to invalidate a copyright registration.**” *Gordy*, 877 F.3d at 1029 (11th Cir. 2017) (emphasis added, quotations omitted).

<sup>9</sup> The Third Circuit also requires an “intentional omission” of a material fact to invalidate, noting that “mere inadvertence,” is “insufficient.” *Mon Cheri Bridals, Inc. v. Wen Wu*, 383 F. App’x 228, 232 (3d Cir. 2010) (citations omitted). Additionally, the Seventh Circuit has indicated, though not explicitly held, that § 411(b)(1) requires a showing of fraud as well. *See DeliverMed Holdings, LLC v. Schaltenbrand*, 734 F.3d 616, 625, *fn.3* (7th Cir. 2013) (analyzing applicability of § 411(b)(1) as “the fraud on the Copyright Office inquiry” and weighing facts to determine if there was a knowing misrepresentation sufficient to seek to invalidate).

fraud on the Copyright Office,<sup>10</sup> but rather that scienter or fraud on the Copyright Office is not required for invalidating a copyright registration on the basis of misstatements in the registration certificate. *Unicolors, Inc. v. H&M*, 959 F.3d at 1198. Recently, relying on the new Ninth Circuit rule from *Sanctuary* and applied by the panel here, the Federal Circuit created a further split in *Bruhn NewTech, Inc. v. United States*, No. 16-783C, 2019 WL 4656218, at \*41 (Fed. Cl. Aug. 23, 2019) (agreeing with Ninth Circuit standard and noting that the Ninth Circuit “concluded that a showing of fraud or intentional concealment is not required under the current version of 17 U.S.C. § 411(b).”).

\* \* \*

The Court’s guidance is necessary to conclusively establish if the PRO-IP Act codifies the doctrine of fraud on the Copyright Office. The Court should grant this petition because the Ninth Circuit’s misinterpretation of 17 U.S.C. § 411(b) contravenes legislative and administrative guidance, runs counter to historical court-established standards, and has widened a vast circuit division concerning requiring a showing of fraud in order to seek invalidation per the PRO-IP Act.

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<sup>10</sup> The Panel stated: “[t]o be sure, several opinions from this Court have implied that there is an intent-to-defraud requirement for registration invalidation [ . . . ] [b]ut we recently clarified that there is no such intent-to-defraud requirement.” *Unicolors, Inc. v. H&M*, 959 F.3d at 1198 (collecting cases).

**D. The Ninth Circuit erred in applying the incorrect publication standard.**

The issue of publication has been hotly contested throughout the history of the Copyright Act and its different iterations. Over time, the Copyright Office has taken different positions with regard to how a work's publication status affects what registration certificate an applicant may seek. The Office has also changed its views as to what conduct even constitutes publication. The Office publishes the Compendium of United States Copyright Office Practices ("Compendium") periodically to provide guidance to applicants and practitioners as to how to navigate Copyright Office procedures.

The most recent Compendium, its 3rd edition, ("Compendium III") was published in 2017. The immediately preceding 2nd edition of the Compendium ("Compendium II") was published in 1988. Notably, one of the changes between Compendium II and Compendium III was how the Office handled "group publication" for the purposes of copyright registration.

Compendium II stated the Office's practices for a group registration of published works as a single unit: "Works that are otherwise recognizable as self-contained may be registered on a single application and upon payment of a single fee, if they are first published in a single unit of publication and the copyright claimant of all works in the unit is the same."<sup>11</sup> This

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<sup>11</sup> U.S. COPYRIGHT OFFICE, COMPENDIUM OF U.S. COPYRIGHT OFFICE PRACTICES § 607.01 (2d ed. 1988). The relevant portion of Compendium II may be found on the

standard controlled from 1988 through 2017, when Compendium III was published.

Compendium III, chapter 1100 was revised to state that a claimant may only register a group of published works on one registration to the extent its constituent works “were physically packaged or bundled together as a single unit by the claimant.”<sup>12</sup> This new “bundling” requirement effectively narrowed the types of works that were susceptible to group registration on a single application for a single fee, and no analogous requirement existed before 2017.

The ‘400 Registration was received before 2017. Yet, the Ninth Circuit incorrectly applied the Compendium III “bundling” standard for determining the applicability of group publication. Any such “bundling” requirement did not exist until the publication of Compendium III – and while such a requirement may guide how copyright applications are presently handled, administrative changes cannot retroactively be applied to pre-existing registrations. To do so would expose thousands of copyright registrations to cancellation or invalidity even when they complied with the rules at the time of their application.

Here, the Ninth Circuit held that Unicolors’ registration was inaccurate because the works were not first published as a “bundled collection.” Since works

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Copyright Office’s official website: <https://copyright.gov/history/comp/compendium-ch600-1998.pdf>.

<sup>12</sup> U.S. COPYRIGHT OFFICE, COMPENDIUM OF U.S. COPYRIGHT OFFICE PRACTICES § 1104.3 (3d ed. 2017).

are “published” when they are first sold *or offered for sale*, a “single unit of publication” has always included a group of self-contained works that is first offered for sale concurrently, as was the case with Unicolors’ group of designs.

The Ninth Circuit, according with the guidance in Compendium II, has never required that a group of works be offered for sale as part of a “bundled collection,” and instead has routinely held only that the works be first “sold, distributed or offered for sale concurrently.” *United Fabrics*, 630 F.3d at 1259.

By positing a new “bundling” requirement to the registration at issue, the Ninth Circuit has erroneously retroactively applied Compendium III’s standard, which did not exist at the time of the ‘400 Registration’s application. “[T]he presumption against retroactive legislation is deeply rooted in our jurisprudence, and embodies a legal doctrine centuries older than our Republic. Elementary considerations of fairness dictate that individuals should have an opportunity to know what the law is and to conform their conduct accordingly; settled expectations should not be lightly disrupted.” *Landgraf v. USI Film Prod.*, 511 U.S. 244, 265, 114 S. Ct. 1483, 1497, 128 L. Ed. 2d 229 (1994).

The Ninth Circuit panel indicated that “the collection of works identified in the ‘400 Registration were not first sold together and at the same time.” However, “publication” under the Copyright Act is different from

a “sale.”<sup>13</sup> Copyrighted works can therefore first be *published* together without *ever* being sold. *Am. Vitagraph, Inc. v. Levy*, 659 F.2d 1023, 1027 (9th Cir. 1981) (publication occurs when works are offered for sale “even if a sale or other such disposition does not in fact occur.”). Further, a work may be publicly performed, and therefore “published,” without ever having been sold.

In an earlier case, the Ninth Circuit itself rejects the argument that “separate sales” of designs after the initial publication date evidence an error in the registration. It held that subsequent sales are “not inconsistent with [plaintiff’s] concurrent offering for sale” of the group and do not “establish that [plaintiff] did not first publish [the subject design] and the other twelve designs together before that date, by offering samples for sale to its customers.” *L.A. Printex Indus., Inc. v. Aeropostale, Inc.*, 466 F. App’x 590, 592 (9th Cir. 2012).

The Ninth Circuit’s opinion is irreconcilable with the Copyright Office’s position in Compendium II that a single-unit registration requires no more than that the works were *first* offered for sale together. *See, e.g., Yurman Studio, Inc. v. Castaneda*, 591 F. Supp. 2d 471, 492 (S.D.N.Y. 2008) (“letters from the copyright office

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<sup>13</sup> The Copyright Act defines “publication” as “the distribution of copies . . . of a work to the public by sale or other transfer of ownership, or by rental, lease, or lending. The offering to distribute copies or phonorecords to a group of persons for purposes of further distribution, public performance, or public display, constitutes publication. A public performance or display of a work does not of itself constitute publication.” 17 U.S.C. § 101.

to both companies affirm that the registrations cover “a collection of individual works which were apparently published as a single unit.”); *Design Ideas, Ltd. v. Things Remembered, Inc.*, No. 07-3077, 2009 WL 426218, at \*3 (C.D. Ill. Feb. 20, 2009) (“self-contained works” were properly part of a single unit of publication).

Because the Ninth Circuit improperly applied Compendium III’s more exacting standard as to what qualifies as publication rather than Compendium II’s standard – the one that controlled at the time of the ‘400 Registration’s application – this Court should take up the case to provide clarity not only for the benefit of the applicant, but also for the thousands of similarly situated holders of pre-2017 copyright registrations.

## **XII. CONCLUSION**

The Ninth Circuit, in vacating a substantial judgment against a willful copyright infringer based on an immaterial and good-faith technical error in its copyright registration, contravened established law as well

as the spirit and letter of the PRO-IP Act. It is respectfully submitted that this petition for a *writ of certiorari* should be granted to address this injustice.

Respectfully submitted,  
on January 4, 2021,

SCOTT ALAN BURROUGHS  
*Counsel of Record*  
STEPHEN M. DONIGER  
TREVOR W. BARRETT  
FRANK GREGORY CASELLA  
DONIGER / BURROUGHS  
603 Rose Avenue  
Venice, California 90291  
(310) 590-1820  
scott@donigerlawfirm.com  
*Counsel for Petitioner*