

No. 20-915

In the **Supreme Court of the United States**

UNICOLORS, INC., A CALIFORNIA CORPORATION,
Petitioner,

v.

H & M HENNES & MAURITZ LP, A NEW YORK LIMITED
PARTNERSHIP,
Respondent.

**On Petition for a Writ of Certiorari to
the United States Court of Appeals
for the Ninth Circuit**

BRIEF IN OPPOSITION

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QUESTIONS PRESENTED

1. Did the Court of Appeals recognize correctly that where a registrant submits a copyright application containing inaccurate material information, the test for invalidation is whether the registrant had “knowledge that it was inaccurate,” as set forth in 17 U.S.C. § 411(b)(1)?
2. Where thirty-one designs are included in a single copyright application, do the designs constitute a “single unit of publication” where, as here, twenty-two of the designs were first published on January 15, 2011, and nine designs were first published on a different day?

LIST OF PARTIES

Petitioner Unicolors, Inc. (“Unicolors”) was the Plaintiff and Appellee in the proceedings below.

Respondent H&M Hennes & Mauritz LP, a New York limited partnership (“H&M NY”) was the Defendant and Appellant in the proceedings below.

RULE 29.6 DISCLOSURE STATEMENT

H&M NY is a privately held company, has no corporate parent, and no publicly held company has an ownership interest of more than ten percent of its outstanding stock.

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STATEMENT OF THE CASE

This case arises out of a group Copyright Application that Petitioner Unicolors submitted to the U.S. Copyright Office on February 14, 2011 (Registration no. No. VA 1-770-400, hereinafter “the ‘400 Registration”). Pursuant to that application, Unicolors purported to register thirty-one separate designs, including EH101, the design that is the subject of this lawsuit. There was a problem with this multiple works application. Although Unicolors represented to the Copyright Office that all thirty-one designs were concurrently first published as a collection on January 15, 2011, Unicolors knew that this was not true. In fact, nine of the designs were designated as “confined” (*i.e.*, exclusive to one requesting customer), and were not first published with the other designs on January 15.

In late fall 2015, H&M NY retail stores in the United States began selling garments made from fabric which bore an arguably similar design (the “Xue Xu design”).

On April 5, 2016, Unicolors brought suit against H&M NY in the U.S. District Court for the Central District of California, alleging that H&M NY had infringed upon Unicolors’ copyrighted EH101 design by selling garments bearing the Xue Xu design.

This copyright infringement claim was tried to a jury over three days in December 2017. As is explained more fully below, the evidence at trial established that Unicolors *knowingly* mixed so-called “confined” designs and unconfined designs in the same group copyright

application, *falsely* representing that all thirty-one designs were first published together as a group on January 15. The testimony at trial demonstrated that the confined designs were segregated from the other designs and embargoed. Unicolors was aware of these facts, and thus *knowingly* included inaccurate information on the application it submitted to the Copyright Office.

After deliberating, the jury returned a verdict which concluded that H&M NY had infringed on Unicolors' copyright by selling garments bearing a modified copy of EH101. The jury awarded Unicolors disgorgement damages and lost profits in the aggregate amount of \$846,720.

On April 10, 2018, H&M NY filed a Renewed Motion for Judgment as A Matter of Law, or, In The Alternative, For New Trial (hereinafter the "JMOL Motion"). Ninth Cir. Case No. 18-56253, Dkt. 8-4, at 80-118.¹ The JMOL Motion requested, *inter alia*, that the court reduce the damages award to \$98,395.

The JMOL Motion also argued that Unicolors' '400 Registration covering the EH101 work was invalid as a matter of law because Unicolors had secured the registration by including known inaccuracies in its application. Specifically, testimony at trial had established that nine of the designs included in the group '400 Registration had not been first published or placed for sale at the same time as the others, thereby

¹ All docket-related page numbers referenced in this brief are ECF page numbers, not the page numbers of the filed documents themselves.

invalidating the ‘400 Registration. In the alternative,² H&M NY’s papers suggested that the district court should send an inquiry to the Register of Copyrights in accordance with 17 U.S.C. § 411(b)(2):

[n] [A]s H&M [NY] has previously proposed, this Court can ask the Register of Copyrights, pursuant to 17 U.S.C. § 411(b)(2), whether it would have registered the copyright if it had known of Unicolors’ fraud. [n] 17 U.S.C. § 411(b)(2), provides that “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.”

² Unicolors’ petition mentions H&M NY’s alleged “failure to file a referral motion,” suggesting, without directly stating, a district court is somehow excused from complying with the mandatory language of section 411(b)(2) unless a party requests compliance in a separate, formal motion. Petition at 5. Unsurprisingly, Unicolors cites no authority for the notion that a formal motion is required. To the contrary, section 411(b)(2) clearly states that the obligation to issue an inquiry to the Copyright Office is triggered whenever “inaccurate information described under paragraph (1) is alleged.” It is notable that in *Gold Value v. Sanctuary Clothing*, 925 F.3d 1140 (9th Cir. 2019), *cert. denied*, 140 S. Ct. 1294 U.S. LEXIS 1620 (U.S., Mar. 9, 2020), the district court appropriately sent the mandatory inquiry to the Copyright Register, even though neither party had requested that it do so. *See* CDCA Case No. 2:17-cv-03726, Dkts. 72, 93, 99, 115 at 12-13; 114.

Ninth Cir. Case No. 18-56253, Dkt. 8-4, at 103, n.11; *Id.*, Ninth Cir. Case No. 18-56253, Dkt. 8-3 at 268, n.8. (emphases added).

In its Opposition papers, Unicolors advanced a tortured interpretation of section 411(b)(2), arguing that the statute only required the district court to inquire of the Copyright Office before *invalidating* a challenged copyright, but not before *upholding* such a copyright. *Id.*, Dkt. 8-3, at 298. Unicolors provided no authority for this interpretation, which is contrary to the explicit language of section 411(b)(2). *Id.*

On August 1, 2018, the district granted H&M NY's JMOL Motion in part, and denied it in part. Specifically, the district court found that the jury's damage award was excessive, and conditionally granted the JMOL Motion on the issue of damages, subject to Unicolors accepting a remittitur of \$266,209 (which Unicolors would later accept). In all other respects, the district court denied the JMOL Motion.

In denying the JMOL Motion, the district court rejected H&M NY's challenge to the validity of the group copyright for two reasons. First, the district court speculated that "even if the Register of Copyrights had known that the works listed in the '400 Registration were published on a date other than January 15, 2011, it *would not necessarily* have refused the registration." *Id.*, Dkt. 8-1, at 25. (emphasis added.) The district court did not explain why it was engaging in this speculative exercise, rather than simply referring the question to the Register of Copyrights, pursuant to 17 U.S.C. § 411(b)(2), as H&M NY had twice suggested in writing. *Id.*, Dkt. 8-3, at

268, n.8; *Id.*, Dkt. 8-4, at 103, n.11. The district court’s disposition left unresolved the question of what the Register of Copyrights would have done had it known that Unicolors knowingly included inaccurate information in the application.

Second, the district court stated, incorrectly, that there was “no evidence that Unicolors knew the ‘400 Registration contained false information.” *Id.*, Dkt. 8-1, at 25. From this incorrect premise, the district court, applying the since discredited intent-to-defraud standard, concluded that there had been no “showing that Unicolors “intended to defraud the Copyright Office.” *Id.*

On August 13, 2018, Unicolors accepted the district court’s remittitur.

Thereafter, Unicolors filed a motion for attorney’s fees and costs, which the district court granted. The district court then entered judgment in favor of Unicolors in the total amount of \$780,774, including attorney’s fees and costs in the aggregate amount of \$514,565.

H&M NY filed a timely appeal.

On June 4, 2019, while the appeal was pending, the court of appeals issued an important decision that would directly impact the course of this appeal. *Gold Value v. Sanctuary Clothing*, 925 F.3d 1140 (9th Cir. 2019), *cert. denied*, 140 S. Ct. 1294 (Mar. 9, 2020). In *Gold Value*, the court of appeals: (1) held that section 411(b)(1) does not incorporate an intent-to-defraud standard, expressly disapproving prior *dicta* which had suggested otherwise, and (2) assessed the impact of the

letter from the Register of Copyrights in that action which stated that the agency “would have refused registration” had it known of misstatements in the application. *Id.* at 1143, 1147. Notably, Unicolors’ counsel in this action also represented the unsuccessful plaintiff in *Gold Value*.

In light of the *Gold Value* decision, resolution of this appeal would now turn on two issues: (1) whether the district court erred in applying the intent-to-defraud standard, and (2) whether the district court was required to inquire of the Copyright Register in accordance with 17 U.S.C. § 411(b)(2).

On May 29, 2020, the court of appeals reversed the judgment of the district court, directing it to submit an inquiry to the Register of Copyrights to ascertain whether the inaccurate information contained in the ‘400 Registration application, if known to the Register of Copyrights, would have caused it to refuse registration. *Unicolors, Inc. v. H&M Hennes & Mauritz, L.P.* (“*Unicolors*”), 959 F.3d 1194 (9th Cir. 2020). The court of appeals also found that the district court’s reasoning for denying H&M NY’s JMOL Motion was “flawed,” because, *inter alia*, there is no intent-to-defraud requirement under section 411(b)(1). *Unicolors*, 959 F.3d at 1198.

On September 4, 2020, the district court, as directed, sent an inquiry to the Register of Copyrights, requesting that it answer the following question:

If the Register of Copyrights had been aware of the known inaccuracies contained in Unicolors, Inc.’s Registration application No. VA 1-770-400,

as described in the Ninth Circuit’s decision in *Unicolors, Inc. v. H&M Hennes & Mauritz, LP*, 959 F.3d 1194 (9th Cir. 2020), would those inaccuracies have caused it to refuse copyright registration? Why or why not?

The district court requested a response not later than March 5, 2021.

As this brief went to print, the Register of Copyrights had not responded to the district court’s inquiry.

REASONS FOR DENYING PETITION

The questions presented by the petition do not satisfy this Court’s criteria for granting review.

First, Unicolors is incorrect in asserting that the court of appeals committed error in 2019 when it held, in *Gold Value*, that a showing of intent-to-defraud is not required to invalidate a copyright registration under 17 U.S.C. § 411(b)(1). 925 F.3d at 1147. The holding of *Gold Value* is based squarely on the unambiguous language of section 411(b)(1), which authorizes invalidation in those cases where “inaccurate information was included on the application for copyright registration with *knowledge that it was inaccurate*[.]” *Id.* (emphasis added.) The court of appeals correctly applied the *Gold Value* holding to this action. Because *Gold Value* was correctly decided, this Court acted prudently when it denied *certiorari* in *Gold Value* last year.

Moreover, even if this Court were inclined to revive the now-discredited intent-to-defraud test, this case

would be a poor vehicle for such an exercise. The application of an intent-to-defraud test would not change the outcome in this case, as Unicors knowingly misrepresented that all thirty-one designs, including EH101, were published together, in an admitted effort to avoid payment of registration fees applicable to individual registrations. All of the elements of fraud are present.

Furthermore, there is no meaningful split among the circuits regarding the continued viability of the now discredited intent-to-defraud standard. Unicors relies primarily on *Roberts v. Gordy*, 877 F.3d at 1024 (11th Cir. 2017) as arguably creating a circuit-split, but, as is demonstrated below, *Roberts* is an outlier case, and a consensus is now coalescing around the *Gold Value* holding that section 411(b)(1) should be applied as written. The petition for *certiorari* presented in *Gold Value* was largely based on a purported conflict between the Ninth Circuit and the Eleventh Circuit, as is asserted in the instant petition. SCOTUS Case No. 19-708, Petition (Nov. 27, 2019). As noted above, this Court denied *certiorari* in *Gold Value* in March 2020, and nothing has occurred in the intervening twelve months to warrant review now.

The court of appeals also recognized that Unicors' copyright application did not qualify as a group registration because it did not constitute a "single unit of publication" under 37 C.F.R. § 202.3(b)(4)(i)(A). Unicors strains to distract this Court with a misleading argument that the "bundling" requirement applied by the Ninth Circuit was not based on the language of the applicable regulation; however, the

opinion explicitly bases its assessment on a careful analysis of the language of section 202.3(b)(4)(i)(A). Moreover, even if the “bundling” standard applied by the court of appeals were deemed incorrect, that would not change the outcome in this case, as it is clear that Unicolors cannot satisfy the “single unit of publication” test under any interpretation.

Finally, review of the issues presented by this petition is premature, as the issues are continuing to percolate through the district courts and courts of appeal, and it appears unlikely that intervention by this Court will ever be warranted.³

³ Amici American Society of Media Photographers, Inc. and California Society of Entertainment Lawyers (“Amici”) assert, without support, that denial of *certiorari* in this case would send “shockwaves” into the fields of patent and trademark law, potentially leading to the “reversal of decades of well-settled law” in those fields. (*Amicus* Brief of American Society of Media Photographers, Inc. and California Society of Entertainment Lawyers (“Amicus Brief”) at 4-5.) Amici never explain why one should expect that courts will blindly apply the Ninth Circuit holding herein, which is limited to copyright law, into the fields of patent and trademark law, which have their own distinct statutory frameworks and their own bodies of decisional law. *Compare, e.g.* 15 U.S.C. § 1064 (providing that a petition to cancel trademark can be filed if “registration was obtained fraudulently”) *with* 17 U.S.C. § 411(b)(1)(A) (providing that copyright registration may be invalidated if information “was included with knowledge that it was inaccurate”). Notably, Amici do not cite to a single commentator, article or treatise that has observed any purported shockwaves in the twelve months since this Court denied *certiorari* in *Gold Value*, the basis for the Ninth Circuit’s ruling herein.

A. The Ninth Circuit Has Correctly Held that the Copyright Act Provides for Invalidation of a Copyright Registration Where, as Here, the Application Contains Inaccurate Information Submitted with “Knowledge that It Was Inaccurate”

The petition’s central contention is that the court of appeals committed error in 2019 when it held, in *Gold Value*, that invalidation of a copyright registration under 17 U.S.C. § 411(b)(1) does not require a showing of intent-to-defraud, but only that the claimant had included inaccurate information on the application “with knowledge that it was inaccurate.” 925 F.3d at 1147. The holding of *Gold Value* (applied by the court of appeals) is manifestly correct, as it adheres to and honors the plain language of the statute. Section 411(b)(1) was added to the Copyright Act in 2008, when Congress passed the Prioritizing Resources and Organization for Intellectual Property Act of 2008 (the “PRO IP Act”). It provides:

(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.

17 U.S.C. § 411(b)(1) (emphasis added).

In *Gold Value*, the court of appeals properly rejected the proposition now advanced by Unicolors: that a copyright issued on the basis of an application submitted with known inaccuracies cannot be invalidated *unless* the applicant “intended to defraud” the Copyright Office. 925 F.3d at 1147. This rejection makes sense; Unicolors’ proffered interpretation would require courts to read into the statute words that are plainly not there. As the *Gold Value* court explained:

We hold that [the plaintiff’s] argument [for the intent-to-defraud standard] is *foreclosed by the plain language of § 411(b)*, which does not require a showing of fraud, but only that the claimant included inaccurate information on the application “with knowledge that it was inaccurate.”

Id. (citation omitted) (emphasis added).

On November 27, 2019, counsel for Gold Value (also counsel for Unicolors herein) filed a petition for *certiorari* in *Gold Value*, advancing substantially the same arguments as are advanced in the instant Petition.⁴ This Court denied that petition. *Gold Value Int’l Textile, Inc. v. Sanctuary Clothing, LLC*, 140 S. Ct. 1294 (2020).

In this case, the court of appeals reaffirmed the correctness of its holding in *Gold Value*: “To be sure, several opinions from this Court have implied that

⁴ Available at: https://www.supremecourt.gov/DocketPDF/19/19-708/123864/20191127120321494_Gold%20Value%20Petition--PDF.pdf

there is an intent-to-defraud requirement for registration invalidation. . . . But we recently clarified that there is *no such intent-to-defraud requirement*.” 959 F.3d at 1198 (citing *Gold Value*) (emphasis added).

Thus, the issue presented by the petition boils down to whether the court of appeals committed error in concluding that section 411(b)(1) means exactly what it says. Unicolors stirs up as much dust as it can in an effort to obscure that the issues are really quite simple, and that the Ninth Circuit’s holdings are self-evidently correct. Attempting to create doubt where none exists, Unicolors cites to a hodge-podge of secondary sources, administrative interpretations, and legislative history in a futile effort to demonstrate that Congress did not mean what it clearly said when it adopted section 411(b)(1). Unicolors also cites to an outlier Eleventh Circuit decision, *Roberts v. Gordy*, 877 F.3d at 1024 (11th Cir. 2017), which was also cited in the *Gold Value* Petition. *Roberts* was not persuasive when the *Gold Value* petition was considered, and it is not persuasive now.

Although the pertinent legislative history provides no substantive support for Unicolors’ position, in this instance the statutory language is so clear that there is no need to even consult such history. As this Court has stated repeatedly, “when the meaning of the statute’s terms is plain, our job is at an end. The people are entitled to rely on the law as written, without fearing that courts might disregard its plain terms based on some extra-textual consideration.” *Bostock v. Clayton County, Georgia*, 140 S. Ct. 1731, 1749 (2020) (citing *Carcieri v. Salazar*, 555 U.S. 379, 387 (2009);

Connecticut Nat. Bank v. Germain, 503 U.S. 249, 253-54 (1992); *Rubin v. United States*, 449 U.S. 424, 430 (1981)); see also *Sullivan v. Stroop*, 496 U.S. 478, 482 (1990) (Where, as here, the “the statute is clear and unambiguous ‘that is the end of the matter, for the court . . . must give effect to the unambiguously expressed intent of Congress.’”) (Internal citation omitted).

As this court observed in *Bostock*, “some Members of this Court have consulted legislative history when interpreting ambiguous statutory language. [But] ‘Legislative history, for those who take it into account, is meant to clear up ambiguity, not create it.’” *Id.* at 1749 (quoting *Milner v. Dep’t of Navy*, 562 U.S. 562, 574 (2011)).

Unicolors contends that when Congress adopted section 411(b)(1) in 2008, it intended to codify, in *toto* and without refinement, an alleged pre-existing “court-made standards” rule which had required a showing of intent-to-defraud or bad faith. Petition at 12. However, if that were the case, Congress would have included statutory language reflecting such an intention. Instead, the statute lacks any intent-to-defraud language, and any other reference to a more stringent scienter requirement. The statute only looks to whether inaccurate information “was included on the application . . . registration with *knowledge that it was inaccurate*[.]” *Gold Value*, 925 F.3d at 1147 (emphasis added). The court of appeals, in its opinion below, and previously in *Gold Value*, faithfully applied the statute in accordance with its plain, unambiguous meaning.

There is no need for this Court to intervene to change that.

Moreover, if Congress had intended to incorporate past, conflicting administrative interpretations, the legislative history would certainly include some indication of this otherwise unexpressed intent. However, as the Federal Circuit Court correctly observed in *Bruhn NewTech, Inc. v. United States*, 144 Fed. Cl. 755 (2019):

[T]he legislative history of the 2008 PRO IP Act also does not appear to indicate that a showing of fraud or willfulness is required under 17 U.S.C. § 411(b). . . . H.R. Rep. 110-617, at 24 (2008). The above-quoted United States House Committee on the Judiciary report *does not mention any requirement of fraud or willfulness*, and plaintiffs have not cited to any legislative history indicating that a showing of fraud or willfulness is required under 17 U.S.C. § 411(b).

Id. at 797, n.16 (emphasis added).

Unicolors relies heavily on general statements from several sources to support its premise that section 411(b)(1) was intended to “codify the doctrine of fraud on the Copyright Office.” Petition at 9. Such statements are far too vague and generic to provide meaningful support for Unicolors’ specific argument, *to wit*, that in codifying the doctrine, Congress intended to adopt the intent-to-defraud test, as opposed to the ‘knowingly inaccurate’ standard which Congress *actually included* in the text of the statute. Even if Congress at some point considered “codifying” the

doctrine of fraud on the Copyright Office, the statutory language proves Congress did not include that requirement in the legislation it passed.

Ultimately, Unicolors is forced to rely, awkwardly, on the doctrine of *Chevron* deference, citing *Alaska Stock, LLC v. Houghton Mifflin Harcourt Publishing Co.*, 747 F.3d 673 (9th Cir. 2014) for the proposition that a court should only disturb an administrative statutory interpretation “for cogent reasons.” Petition at 11. Needless to say, it is evident why the court of appeals reached the conclusion it did both in *Gold Value* and in this dispute: the now-obsolete administrative interpretation has been superseded by new, unambiguous statutory language, and several federal appellate courts have rejected the prior interpretation. Furthermore, none of the administrative interpretations cited by Unicolors seem to reflect a careful, reasoned examination of the statute; rather, the authorities cited seem to reflect nothing more than a citation to pre-2008 law, accompanied by an untested assumption that section 411(b)(1) did not change the law. This is not an example of an administrative agency bringing its purportedly superior expertise to bear on a close question of regulatory interpretation.

Most notably, the authorities cited by Unicolors in support of its interpretation of section 411(b) were all considered and rejected by the Federal Circuit in *Bruhn NewTech*, and for good reasons. Specifically, the *Bruhn NewTech* court fully examined *Roberts*, the Eleventh Circuit decision on which Unicolors’ petition so heavily relies. In a lengthy, thoughtful, and well-

reasoned decision, the Federal Circuit examined the reasoning of both *Roberts* and *Gold Value*, and found the reasoning of *Roberts* to be unconvincing:

[T]he authorities relied upon in *Roberts v. Gordy*, 877 F.3d [1024,] 1029 [(11th Cir. 2017), namely the 2008 Annual Report of the Register of Copyrights and *St. Luke’s Cataract & Laser Institute, P.A. [v. Sanderson]*, 573 F.3d [1186,] 1201 [(11th Cir. 2009)], contain limited analysis of the language in the post-October 13, 2008 version of 17 U.S.C. § 411(b). [N]either *Roberts v. Gordy* nor *St. Luke’s Cataract & Laser Institute, P.A.* contain *persuasive reasoning* as to why intentional or purposeful concealment is required to invalidate a copyright registration in light of the explicit words in the October 13, 2008 amendment to 17 U.S.C. § 411(b).

144 Fed. Cl. at 800 (emphasis added).

In contrast, the *Bruhn NewTech* court found the reasoning of *Gold Value* persuasive, adopting its approach: “[Our Conclusion] regarding the interpretation of 17 U.S.C. § 411(b) is consistent with the . . . the Ninth’s Circuit’s statement in *Gold Value International Textile, Inc.* that the ‘plain language of § 411(b)’ does not require a showing of fraud, but only that the claimant included inaccurate information on the application ‘with knowledge that it was inaccurate.’” *Id.* at 802 (internal citations omitted). As the *Bruhn NewTech* court appropriately concluded, the Ninth Circuit’s construction of section 411(b)(1) is

manifestly correct, further reinforcing that there is no reason for this Court to intervene.⁵

B. There Is No Meaningful Split Among the Circuits Regarding the Continued Viability of the Discredited Intent-To-Defraud Standard

Notwithstanding Unicors' exaggerated assertions, there is no need for this Court to get involved in resolving whether section 411(b)(1) means what it says. Although the Eleventh Circuit did, in *Roberts*, depart from the clear statutory language, it is apparent that a consensus is now coalescing around the holding of *Gold Value* holding that section 411(b)(1) should be applied as written. This Court was correct to deny *certiorari* in *Gold Value* in 2020, and nothing has occurred in the intervening twelve months to make the case for *certiorari* any more compelling.

In fact, since *Gold Value* was decided in 2019, not a single federal court at any level has rejected the holding of *Gold Value* in favor of *Roberts*.⁶ In contrast,

⁵ Amici falsely state that the New Jersey district court “criticized” the holding of *Gold Value* in *Internet Prod. LLC v. LLJ Enterprises, Inc.*, No. CV1815421RBKAMD, 2020 WL 6883430 (D.N.J. Nov. 24, 2020). It is apparent from even a cursory reading of that case that the district court expressed no opinion whatsoever as to whether *Gold Value* was correctly decided. To the contrary, the district court simply held that in light of uncertainty as to whether posting material online constitutes “publication” or a mere “display,” it could not “conclusively find that Plaintiff was dishonest when it stated that the text was ‘unpublished.’” *Id.* at *11-12.

⁶ In *dicta*, the court in *Pohl v. MH Sub I, LLC*, 478 F. Supp. 3d 1239 (N.D. Fla. 2020) cited to *Roberts* with approval. *See id.* at

numerous courts have followed *Gold Value*'s holding and/or cited it with approval. *See, e.g., Seattlehaunts, LLC v. Thomas Fam. Farm, LLC*, No. C19-1937JLR, 2020 WL 1674124, at *5 (W.D. Wash. Apr. 6, 2020); *Universal Dyeing & Printing, Inc. v. Knitwork Prods. II, LLC*, No. 217CV05660ODWMRW, 2019 WL 2613448, at *6 (C.D. Cal. June 26, 2019); *Jeon v. Anderson*, No. SACV1701709JVSJDEX, 2019 WL 2949033, at *5 (C.D. Cal. June 14, 2019).

It is also notable that since *Roberts* was decided in 2017, no court outside the Eleventh Circuit has followed its holding. Given that *Gold Value* stands for the modest proposition that courts should apply section 411(b)(1) in accordance with its clear language, this trend is likely to continue. Contrary to Unicolors' contention that the decision below has somehow "deepened" the Circuit split, the exact opposite is the case. As discussed above, there are now three Circuit Court opinions that have expressly rejected *Roberts*, which has become an outlier case. It is apparent that the appellate and district courts are coming into alignment with the statutory language, and it is only a matter of time before the Eleventh Circuit itself will be forced to re-examine the holding of *Roberts*. Indeed, even the court of appeals' decision in this action has already been cited with approval for its affirmation of the "knowingly inaccurate" standard under section

1239. However, the *Pohl* court did not cite or discuss the contrary *Gold Value* decision, and the subject passage was not even marginally relevant to the outcome of the case. "Defendant does not seek to invalidate Plaintiff's copyright due to fraud on the Copyright Office[.]" *Id.* at *4-5.

411(b)(1).⁷ Granting review at this time based on Unicolors' alleged circuit split would be premature.

The Federal Circuit's decision in *Bruhn NewTech, supra*, provides further evidence that the intent-to-defraud standard is being discarded. As the Federal Court observed, "other district courts have found that the language in the current version of 17 U.S.C. § 411(b) does not require a showing of fraud or willfulness." 144 Fed. Cl. 755 at 802; *see also SellPoolSuppliesOnline.com LLC v. Ugly Pools Ariz. Inc.*, No. CV-15-01856-PHX-BSB, 2018 WL 4565900, at *12 (D. Ariz. Sept. 24, 2018) ("The Court, therefore, concludes that it is not necessary to show fraud on the copyright office for § 411(b)(1)(A) and (B) to apply[.]"), *affirmed on appeal*, Ninth Cir. Case No. 18-16839, Dkt. 34-1 (Mar. 31, 2020); *Palmer/Kane LLC v. Gareth Stevens Publ'g*, No. 1:15-CV-7404-GHW, 2016 WL 6238612, at *4 (S.D.N.Y. Oct. 24, 2016) (stating that 17 U.S.C. § 411(b) does not require a showing of fraudulent intent); *Palmer/Kane LLC v. Rosen Book Works LLC*, 188 F. Supp. 3d 347, 352 (S.D.N.Y. 2016) ("Nor is plaintiff correct that the statute [17 U.S.C. § 411(b)] requires a showing of fraudulent intent on the part of the applicant." (citing *Family Dollar Stores, Inc. v. United Fabrics Int'l, Inc.*, 896 F. Supp. 2d 223, 231 (S.D.N.Y. 2012))).⁸

⁷ *Fashion Ave. Sweater Knits, LLC v. Poof Apparel Corp.*, No. CV1906302CJCJEMX, 2020 WL 7862132, at *3 (C.D. Cal. Oct. 28, 2020)

⁸ Amici cite *MidlevelU, Inc. v. ACI Info. Grp.*, No. 20-10856, 2021 WL 805534 (11th Cir. Mar. 3, 2021) as allegedly creating a separate conflict with the Ninth Circuit's holding that the district

As there is a clear and well-defined shift in the court of appeals' jurisprudence to follow the plain language of 17 U.S.C. § 411(b) rather than the outdated intent-to-defraud standard, there is no need for this Court to intervene and grant *certiorari*.

court herein was required to comply with section 411(b). However, *Midlevelu* is distinguishable on two grounds. First, in *Midlevelu*, the Eleventh Circuit found that the defendant had “invited” the district court’s error by requesting the opportunity to brief the issue, and then declining to do so. *Id.* at *9. Nothing like that occurred here. Second, in *Midlevelu*, the defendant was faulted for arguing *for the first time on appeal* that the district court was required to comply with 411(b), failing to brief the issue in even its post-trial motions. *Id.* In the case at bar, H&M NY acted with reasonable diligence in alerting the court to the problem and the available options. Although it is true that H&M NY did not raise the issue prior to trial, this is because H&M NY *did not learn* that confined designs had been held back from the design room (*i.e.*, not published) until the third and *final day of trial*. Ninth Cir. Case No. 18-56253, Dkt. 8-2, at 83. On that last day of trial, counsel for H&M NY orally argued that the new testimony established that the copyright registration was invalid, although counsel did not cite to section 411(b) during that colloquy. CDCA Case No. 2:16-cv-02322, Dkt. No. 239, at 112-19. However, in its first post-trial written motion, H&M NY suggested that the district court comply with section 411(b) and send a request to the Register of Copyrights. Ninth Cir. Case No. 18-56253, Dkt. 8-4, at 103, n.11. Under the circumstances, H&M NY acted with reasonable diligence in bringing section 411(b) to the district court’s attention. In any event, contrary to the suggestions of Amici, the Ninth Circuit’s decision herein does not conflict with *Midlevelu* in any way.

C. This Case Is a Poor Vehicle for Resuscitating the Now-Discredited Intent-To-Defraud Test, Because that Test Would Not Change the Outcome in this Case

The record is clear that Unicolors knowingly mixed so-called “confined” designs and unconfined designs in the same copyright registration, falsely representing that all thirty-one designs were first published together as a group on January 15, 2011. *Unicolors*, 959 F.3d at 1197-98. In fact, the evidence establishes that Unicolors segregated the confined designs from the others and held them back from circulation. *Id.* at 1197-99. The evidence further establishes that Unicolors included multiple works on copyright applications, like the one at issue here, in an effort to save on registration fees. *Id.* at 1196. Unicolors was fully aware that the confined designs were not first offered for sale as a collection with the other designs,⁹ and thus acted to defraud the Copyright Office in submitting an improper group application which falsely represented otherwise. *Id.* at 1200.

At trial, Unicolors’ owner Nader Pazirandeh testified that confined designs generally have their

⁹ In this regard, Amici focus on alleged uncertainty in the application of law, depending on whether a work is published or unpublished. But in this case there is no dispute as to whether any of the works were published. The issue, instead, is whether the works were first published in a single unit of publication, which all parties concede is a condition to group registration. Although there may be cases where a determination of the date of publication involves a difficult mixed question-of-fact-and-law, this is not such a case.

inception when a customer requests that Unicolors create a custom design to be exclusive to that customer. Dist. Ct. Dkt. 235 at 50-58. Pazirandeh further explained how Unicolors assured these confined designs were not offered for sale to other customers:

Q Do you have any customers that come to Unicolors and ask for you to create an original design just for that customer?

A Always[.]

Q [O]nce the design is finished, how does Unicolors keep that design from going out into the showroom or keep that design from being put in a salesperson's hands and sold to the public -- or offered to the public?

A [O]ut of the courtesy to my customers ... we try to hold it for few months.

Ninth Cir. Case No. 18-56253, Dkt. 27, at 12-14; *see also Unicolors*, 959 F.3d at 1196.

Q. Does Unicolors do anything internally to designate designs that are not supposed to be sold to the public?...

A. We try our best to tell in every meeting that just as an honor code to keep this privacy. I haven't had any incident....

Q So you advise the salespeople and the rest of the staff not to sell publicly,...

A. My design room manager [. . .] when we create a design for the specific customers, he's

the one who is holding those designs back, and
... he doesn't put it on the shelf.

Ninth Cir. Case No. 18-56253, Dkt. 8-2, at 83.

Unicolors' designer Lim further testified that nine of the thirty-one designs in the group were "confined," meaning that Unicolors specifically created those designs for certain customers. *Id.*, at 110-12. Lim explained that confined designs were marked with a "C" prefix (e.g., CEH109), which appears on the face of the Copyright Registration. CDCA Case No. 2:16-cv-02322, Dkt. 235, at 110-12; Ninth Cir. Case No. 18-56253, Dkt. 8-8, at 184-85. Lim testified that "EH" was a code that meant January 2011, that "C" was a code that meant confined, and that once the alpha code was assigned in the computer, it "never changed." CDCA Case No. 2:16-cv-02322, Dkt. 235, at 110; *Id.*, Dkt. 233, at 106 (Lim testifying at trial "that means no other person can overwrite the number which I designated to my artwork"); *Id.*; Dist. Ct. Dkt. 283 at 56 (Lim further testifying "my job ended when I created the design and assigned the number [e.g.] EH210").

Unicolors does not dispute that nine of the thirty-one designs were confined as of February 14, 2011, the date Unicolors submitted its group application to the Copyright Office. Petition at 5. Nor does Unicolors dispute that its application would not be accurate if those designs had also been confined as of January 15, 2011, the date of purported publication. *Id.* Notwithstanding these concessions, Unicolors argues, without citation to any supporting evidence, that the confined designs were in fact published with the

unconfined designs on January 15, 2011,¹⁰ and designated as confined sometime thereafter but before February 14. Petition at 5. This is, however, contrary to the testimony of Pazirandeh and Lim, quoted above. In fact, as the Ninth Circuit correctly observed, the evidence showed that “[t]he confined designs . . . were not placed in the showroom for sale at the same time.” *Unicolors*, 959 F.3d at 1199.

Obviously, it would make no sense for Unicolors to develop an exclusive design at a customer’s specific request, offer that design to the public on January 15, and then wait until February 14, when submitting the copyright application, to finally place the design in “confined” status. Furthermore, Unicolors offered no evidence that the confined code was first applied to the confined designs *after* January 15, 2011. All evidence is to the contrary. And, if such an unlikely scenario had played out, the supporting evidence would be in the exclusive possession of Unicolors. The failure of Unicolors’ to offer any such evidence is telling. The court of appeals has already rejected Unicolors’ distorted interpretation of the evidence, and there is no reason for this Court to revisit the issue.

Thus, even if the now-discredited intent-to-defraud test were still viable, it would not change the outcome in this case. There is no doubt that Unicolors knowingly included inaccurate information in its

¹⁰ Beyond the copyright registration itself, there was no evidence that all thirty-one designs were actually published on this date. Testimony points to a different conclusion; namely each unconfined design was placed in the Sales Showroom by the Design Room manager. Ninth Cir. Case No. 18-56253, Dkt. 8-2, at 83.

copyright application, mixing confined and unconfined designs while falsely representing that the designs were all first published together, as a group, on January 15, 2011. Furthermore, Pazirandeh was not coy about this motivation for combining numerous designs in one group registration. As he put it, the practice was “for saving money” on copyright application fees. Ninth Cir. Case No. 18-56253, Dkt. 8-2, at 72. It is therefore undisputed that Unicolors knowingly represented to the Copyright Office that all of the designs in the group had been published concurrently, fully aware that this was not the case. Unicolors’ motive is not disputed; to avoid paying application fees it would otherwise (and rightfully) have to pay. All of the elements of fraud are present.¹¹ Thus, even if consideration of the intent-to-defraud test was warranted, this case represents an exceptionally poor vehicle for doing so.

¹¹ Amici introduce a new argument on this point: they claim the Court should adopt a new rule of interpretation stating that because the date of publication is arguably a “legal conclusion,” misrepresentations regarding the date of publication can *never* constitute “inaccurate information” under section 411(b)(1)(A), and that therefore misstatements about the date of publication can *never* provide the basis for invalidating a registration under section 411(b). Unsurprisingly, Amici cite no authority for this radical proposition, which would grant registrants *carte blanche* to misrepresent the dates of publication to the Copyright Office. Amici’s argument that the date of publication should be exempt from the mandate that registrants submit accurate information is not consistent with the language of the Copyright Act, which recognizes no such distinction. To the extent Amici seek such a startling departure from current law, Amici should petition Congress, not this Court.

D. The Ninth Circuit’s Interpretation of the “Single Unit of Publication” Standard Is Based on a Careful, Correct Interpretation of the Text of the Regulation Itself, and It Is Not Based on Retroactive Application of an Administrative Interpretation

The court of appeals correctly held below that a collection of works does not qualify as a “single unit of publication” unless all individual works in the collection were first published as a singular, bundled unit. *Unicolors*, at 1199. Unicolors falsely asserts that the Ninth Circuit, by positing a new “bundling” requirement to the registration at issue, has “erroneously retroactively applied [the U.S. Copyright Office] Compendium III’s standard, which did not exist at the time of the ‘400 Registration’s application.” Petition at 19. This mischaracterization is belied by simple examination of the decision itself. The court of appeals’ conclusion was based on a careful analysis of the actual text of the regulation itself, not on deference to the Compendium. In a key passage, the court explained:

Here, § 202.3(b)(4)(i)(A) refers to “copyrightable *elements* that are otherwise recognizable as *self-contained works*, which are included in a single unit of publication.” ... By referring to “elements” that are “otherwise ... self-contained works,” the regulation unambiguously contemplates that a “single-unit of publication” does not cover separate self-contained works, but instead covers the unification of such works that otherwise could be self-contained.

Unicolors, 959 F.3d at 1199 (emphases in original).

Although the court of appeals did cite to the Compendium, the citation is relegated to a footnote that offers an *alternative* justification for its holding:

Even if the term “single unit” were ambiguous, we would hold the term has the same meaning. *If it were ambiguous*, we would look to how the U.S. Copyright Office has defined the term in its internal manual, Compendium of Copyright Office Practices. [...] The *Compendium’s* definition for “single unit” thus aligns with what we ascribe as its unambiguous and plain meaning.

Id. at 1199 n.3 (citations omitted) (emphases added). Again, the court of appeals’ primary holding is based on careful examination of the regulation itself, applying traditional tools of statutory interpretation. One reference to the Compendium in a footnote – to hypothetically discuss a non-existent ambiguity – does not change this.

E. This Case Is a Poor Vehicle for Refining the Contours of the “Single Unit of Publication” Test, As Any Such Refinement Will Have No Impact on this Case

Unicolors concedes that a registrant may include multiple designs in a single application only where all works “are included in a single unit of publication.” Petition at 2, *citing* 37 C.F.R. § 202.3(b)(4)(i)(A). Unicolors further concedes that group registrations are only permissible where “the works were first offered for sale together.” Petition at 20 (*citing Yurman Studio*,

Inc. v. Castaneda, 591 F. Supp. 2d 471, 492 (S.D.N.Y. 2008)); *see also* Petition at 19 (acknowledging that “the works are [must be] “first ‘sold, distributed or offered for sale concurrently””) (citing *United Fabrics, Int’l, Inc. v. C&J Wear, Inc.*, 630 F.3d 1255 (9th Cir. 2011)).

As discussed above, it is clear that Unicolors cannot satisfy the “single unit of publication” test, under *any interpretation* of that test, because the designs were not first offered for sale together.¹² Unicolors attempts to distract with the peripheral issue of whether group designs must be sold as a singled, bundled unit. Even if the “bundling” standard applied by the Ninth Circuit were incorrect, that would not change the outcome in this case. It is clear that Unicolors’ thirty-one designs were not first offered for sale concurrently – the design room manager specifically held back confined designs¹³ – and that Unicolors just pretended otherwise in order to save money on application fees. In this case, the

¹² Amici suggest that the ‘400 Registration should not be invalidated in its entirety because the factual misrepresentations therein did not relate to EH101, but to nine other designs improperly included in the group registration. Amicus Brief at 25-26. However, this misses the bigger picture. Unicolors misrepresented that all thirty-one designs, including EH101, were published together, in an unlawful ruse to avoid payment of legally-mandated Copyright Office registration fees. To the extent that Unicolors presented a misleading group application to the Copyright Office for this purpose, it is entirely appropriate that the entire registration should be invalidated.

¹³ The design room manager also likely placed the non-confined designs into the showroom as each was completed, which constitutes an additional violation of the single unit of publication rule. Ninth Cir. Case No. 18-56253, Dkt. 8-2, at 83.

“single unit of publication” is not satisfied. If this Court were to grant review on this issue, it would end up issuing an advisory opinion that would have no impact on the parties.¹⁴

CONCLUSION

For the foregoing reasons, the petition for a writ of certiorari should be denied.

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Respectfully submitted,

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¹⁴ In the final section of their brief, Amici suggest that this Court should create, out of whole cloth, one of five possible new rules to make it harder for defendants to invalidate copyrights. In light of the clear language of 411(b)(1), these arguments once again would be more appropriately addressed to Congress.