

No. 18-956

In the
Supreme Court of the United States

GOOGLE LLC,

Petitioner,

vs.

ORACLE AMERICA, INC.,

Respondent.

ON A WRIT OF CERTIORARI TO THE UNITED STATES
COURT OF APPEALS FOR THE FEDERAL CIRCUIT

**BRIEF OF *AMICI CURIAE* THE RECORDING INDUSTRY
ASSOCIATION OF AMERICA, THE NATIONAL MUSIC
PUBLISHERS' ASSOCIATION, THE AMERICAN
ASSOCIATION OF INDEPENDENT MUSIC, THE
NASHVILLE SONGWRITERS ASSOCIATION
INTERNATIONAL, SONGWRITERS OF NORTH
AMERICA, THE AMERICAN SOCIETY OF COMPOSERS,
AUTHORS AND PUBLISHERS, MUSIC ARTISTS
COALITION and THE ASSOCIATION OF INDEPENDENT
MUSIC PUBLISHERS IN SUPPORT OF RESPONDENT**

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INTEREST OF AMICI CURIAE¹

The Recording Industry Association of America (“RIAA”) is a nonprofit trade organization that supports and promotes the creative and financial vitality of the American recording industry. Its members are the major recorded music companies and labels that comprise the most vibrant record industry in the world. RIAA members create, manufacture, and/or distribute approximately 85 percent of all legitimate recorded music produced and sold in the United States. They also are the copyright owners of, or owners of exclusive rights with respect to, sound recordings embodying the performances of some of the most popular and successful recording artists of all time. In support of its members, the RIAA works to protect the intellectual property and First Amendment rights of artists and music labels, and monitors and reviews state and federal laws, regulations, and policies.

The National Music Publishers’ Association (“NMPA”) is the principal trade association representing the United States music publishing and songwriting industry. Over the last one hundred years, NMPA has served as the leading voice representing American music publishers before Congress, in the courts, within the music, entertainment and technology industries, and to the

¹ Pursuant to Supreme Court Rule 37.6, counsel for amici curiae states that no counsel for a party authored this brief in whole or in part. No counsel or party made a monetary contribution intended to fund the preparation or submission of this brief, and no person other than amici or its counsel made such a contribution. All parties have consented to the filing of this brief.

public. NMPA's membership includes "major" music publishers affiliated with large entertainment companies as well as independently owned and operated music publishers of all sizes representing musical works of all genres. Taken together, compositions owned or controlled by NMPA's hundreds of members account for the vast majority of musical compositions licensed for commercial use in the United States.

The American Association of Independent Music ("A2IM") is a trade organization representing a broad coalition of over 600 independently owned U.S. music labels that range in size from large to small and are located across the United States. A2IM works to promote growth, awareness, and opportunities for independent music through advocacy and other activities.

The Nashville Songwriters Association International (NSAI) is the world's largest not-for-profit trade association for songwriters. Founded in 1967 by 42 professional songwriters including Eddie Miller, Marijohn Wilkin, Kris Kristofferson, Felice and Boudleaux Bryant and Liz and Casey Anderson, the organization has about 5,000 members and 100 chapters in the United States and abroad. NSAI is dedicated to protecting the rights of songwriters in all genres of music and addressing needs unique to the songwriting profession.

Songwriters Of North America (SONA) is a completely member-funded, grass-roots organization formed by and for professional songwriters. Formed in 2015, SONA has become a prominent and respected voice on the leading edge of issues affecting songwriters and music creators alike; fighting for

fair pay and providing the means for a collective voice to the songwriting community.

The American Society of Composers, Authors and Publishers (ASCAP), the first performing rights organization in the United States, was formed in 1914 at the behest of composing legends Victor Herbert, Irving Berlin, and John Phillip Sousa. Its mission is to enable music authors to receive fair remuneration for the public performance of their work. ASCAP's over 740,000 songwriter, lyricist, composer and music publisher members grant ASCAP a nonexclusive right to license non-dramatic public performances of their copyrighted works. ASCAP in turn offers blanket licenses to parties seeking to perform these works, conferring the right to perform, for the stated term, the ASCAP repertory, consisting of millions of musical works composed by ASCAP members. ASCAP licenses public performance rights to a wide variety of users, including Internet services, wireless providers and websites, television and radio stations, restaurants, hotels, and concert arenas and promoters.

Music Artists Coalition ("MAC") is a non-profit trade organization dedicated to protecting the interests of music artists—both performers and songwriters. MAC was founded in 2019 by a group of music performers, career songwriters and veteran talent representatives who were determined that music creators have an advocacy organization to represent their collective voice. In the brief period since its formation, MAC's membership has rapidly grown to include many of today's most successful artists as well as aspiring music creators. MAC advocates on issues impacting music creators at both the national and state levels. Among other concerns,

MAC is focused on ensuring that all music creators receive fair compensation and protect their creative future.

The Association of Independent Music Publishers (AIMP) is a national organization formed in 1977 with local chapters in Los Angeles, New York and Nashville. The organization's primary focus is to educate and inform music publishers and songwriters about the most current industry trends and practices by providing a forum for the discussion of the issues and problems confronting the music publishing industry. With its thousands of members (and continued growth) its membership includes not only independent songwriters and music publishers, but those that are affiliated with record labels and other areas of the entertainment community, such as motion picture, television, multimedia and home video producers, music licensing and supervision, songwriters, artist managers and members of the legal and accounting professions.

Any analysis or clarification of the fair use doctrine by the Court in this case will have an immediate and enduring impact on amici's members, who include those who invest in, manufacture, license, and distribute music, as well as the writers and artists who create it. Amici's members rely on copyright to protect these works and at the same time respect the limits of copyright when their creative works contain or are inspired by other works. Accordingly, amici's members depend on an appropriately balanced fair use doctrine that furthers the purposes of copyright law, including the rights to control the reproduction and distribution of copyrighted works, to create derivative works, and to

license the creation of derivative works, which are important aspects of amici's members' businesses.

While fair use was designed to serve as a limited exception to a copyright owner's exclusive rights under Section 106 of the Copyright Act, 17 U.S.C. § 101, et seq. (the "Act"), the present inconsistency in the doctrine's application threatens to undo critical protections afforded by copyright law. In particular, certain lower court decisions have rested on ill-defined "transformation" of copyrighted works, in derogation of the actual statutory fair use factors codified by Congress and this Court's holdings. Some of these "transformational use" decisions have applied an opaque test to find fair use where an existing work is simply imported into a new or different medium, or merely surrounded with some additional content while the original work predominates. The lower courts' excursions from the bounds of the Act and from this Court's holdings jeopardize the rights of copyright owners, including amici's members, to receive the copyright protections secured for them by the Constitution and the Act, including the right to create and authorize derivative works.

SUMMARY OF ARGUMENT

Since this Court issued its 1994 decision in *Campbell v. Acuff-Rose Music, Inc.*, the lower courts have applied the doctrine of copyright fair use inconsistently. Even though *Campbell* involved parody and instructed that all four fair use factors should be considered, some lower courts have misinterpreted *Campbell* to create a new strain of fair use based on "transformation" of the original work by the secondary work.

The result over the last three decades has been a deep uncertainty among courts and stakeholders as to whether fair use should apply in any given case, and an expansive and growing scope of unlicensed uses of copyrighted works that might be considered fair use depending on the court. That expansion culminated in recent decisions from the Second and Ninth Circuits finding fair use despite: (i) minimal alteration to the original copyrighted work; (ii) reliance on the original work as a featured attraction; (iii) usage for the same purpose as the original; and (iv) a negative impact on the market or potential market for the original. The increasing reliance on the transformation inquiry also threatens to encroach on copyright owners' exclusive right under the Act to create derivative works. In addition, these decisions unsuitably invite courts to act as art critics and undermine the Act by creating a capricious climate for creators, the very constituency that copyright was designed to support.

In its 2014 decision in *Kienitz v. Scottie Nation LLC*, 766 F.3d 756 (7th Cir. 2014), the Seventh Circuit identified the aforementioned problems with the Second and Ninth Circuits' over-reliance on the transformative inquiry. The Seventh Circuit limited the scope of the doctrine and proposed a more appropriate balance of the statutory fair use factors. The Federal Circuit's opinion below is consistent with the Seventh Circuit's approach and, as in *Kienitz*, limits the application of the transformative inquiry in the context of its holistic fair use analysis to avoid invading the rights of the creator of the original work.

Amici represent both sides of the dynamic of creating derivative works. Their members are creators and owners of rights in original works, and also licensors and users of original works in derivative and other secondary works. Understanding and appreciating fully the creative dynamic of deriving new works from existing works, amici submit that this Court should adopt the balanced approach applied by both the Seventh and Federal Circuits. Under that approach: (a) the statutory factors should be recognized as primary; (b) the “transformative” nature of the use—requiring both alteration of the original with new expression, meaning, or message *and* a new or different purpose than the original—should be considered just one limited and discrete sub-element of the first factor; and (c) the market effect of the secondary work should be emphasized. Consistent with that approach, a use should be considered “transformative” only where the underlying work has been used for a different purpose (and not merely in a different medium) *and* where the content of the original work itself is sufficiently altered (and new material is not merely added or appended to the original, leaving the original largely intact as a major attraction). Whether or not a use is transformative should not be dispositive of whether it is a fair use. Indeed, by balancing the four factors, including by appropriately considering the secondary use’s effect on the potential market for or value of the original, courts can more clearly distinguish a fair use from a derivative work, to which copyright owners have the exclusive right. Because the Federal Circuit’s decision adopted this approach, it should be affirmed.

ARGUMENT

THE COURT SHOULD ADOPT A HOLISTIC STATUTE-BASED FAIR USE INQUIRY AND AFFIRM THE FEDERAL CIRCUIT’S DECISION

To the extent that this Court considers the scope and applicability of the copyright fair use doctrine on this appeal, the Court should endorse a holistic, statute-based fair use analysis and inquiry, as outlined in *Kienitz*, and affirm the Federal Circuit’s decision below in *Oracle America, Inc. v. Google LLC*, 886 F.3d 1179 (Fed. Cir. 2018) (“*Oracle II*”). Amici take no position on the software copyrightability and procedural issues that are also raised by and may be considered in this appeal.

A. Courts Apply The Fair Use Doctrine Inconsistently And Often Overbroadly.

Although Congress provided an exemplary list of fair use “purposes” and set forth a non-exhaustive list of four fair use “factors to be considered” when it codified fair use in the Copyright Act of 1976, 17 U.S.C. §107 (“Section 107”), it did not instruct on the relative weight of the factors or which other considerations might also be relevant to a fair use inquiry. See *Sony Corp. of Am. v. Universal City Studios, Inc.*, 464 U.S. 417, 476 (1984). In 1985, this Court provided material guidance on the application of the statute in *Harper & Row Publishers, Inc. v. Nation Enterprises* when it stated that the fourth statutory factor—“the effect of the use upon the potential market for or value of the copyrighted work”—was “undoubtedly the single most important element of fair use.” 471 U.S. 539, 566 (1985). More particularly, the Court held in *Harper & Row* that the accused infringer’s commercial appropriation of

the unpublished work at issue in that case was not fair because “to negate fair use one need only show that if the challenged use ‘should become widespread, it would adversely affect the potential market for the copyrighted work.’” *Id.* at 568 (quoting *Sony Corp. of Am.*, 464 U.S. at 451). Following *Harper & Row*, fair use jurisprudence was largely dominated by a focus on the market (or potential market) effect of the secondary work. See Barton Beebe, *An Empirical Study of U.S. Copyright Fair Use Opinions, 1978-2005*, 156 U. Pa. L. Rev. 549, 617 (2008).

A decade later, in *Campbell*, the Court imported from an article authored by Judge Pierre Leval a new, extra-statutory consideration as a sub-element of the first statutory fair use factor: “whether and to what extent the new work is ‘transformative.’” 510 U.S. 569, 578-79 (1994) (citing, *inter alia*, Pierre N. Leval, *Toward a Fair Use Standard*, 103 Harv. L. Rev. 1105, 1111 (1990)). This “transformation” inquiry, as the lower courts have struggled to employ it, has unexpectedly and dramatically shifted the fair use landscape in two ways, sowing inconsistency and often leading to inapt truncation of copyright.

First, although the Court stated in *Harper & Row* that the fourth statutory fair use factor is the most important, in *Campbell* the Court left unclear whether the first factor—and, particularly, the new “transformative use” element of the first factor—should or could be a primary driver of a fair use analysis. *Id.* at 577-579. Second, and more critically, because *Campbell* declined to define the new “transformation” inquiry beyond the pliable notion of “add[ing] something new, with a further purpose or different character, altering the first with new

expression, meaning, or message,” *id.*, the question of what is and what is not “transformative” has become virtually standard-less.

As a result, in the twenty-five years since *Campbell*, fair use jurisprudence has not only been inconsistent and unpredictable, but most troublingly has provided increasing immunity from infringement claims against unlicensed users of copyrighted works. There is a significant inter- and intra-circuit split regarding how the fair use analysis should be applied, and the amount of emphasis that should be placed on the various factors. Where transformation is emphasized, the expansion of what some courts will find to be “transformative fair use” both profoundly undermines the copyright protection contemplated in the Constitution and exceeds the scope of the fair use doctrine as codified by Congress. *See* U. S. Const., Art. I, §8, cl. 8 (granting Congress the enumerated power “[t]o 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”); H.R. REP. 94-1476, p.66 (1976) (Section 107 “endorses the purpose and general scope of the judicial doctrine of fair use”).

1. The Inconsistency Between “Market” And “Transformation” Based Approaches

The apparent inconsistency between interpretations of *Harper & Row* as a market-based approach to fair use and of *Campbell* as a transformative-use based approach has resulted in an unpredictable landscape for copyright owners and users.

Many if not most lower court decisions acknowledge that *Campbell*, on its face (and notwithstanding the *Campbell* decision's own focus on transformation), dictates that all four statutory factors "are to be explored, and the results weighed together, in light of the purposes of copyright." 510 U.S. at 577-78 (citations omitted). However, some lower courts have taken that direction as an express admonition not to emphasize any one factor over any other. See, e.g., *Murphy v. Millennium Radio Group LLC*, 650 F.3d 295, 306 (3rd Cir. 2011) (disapproving of a district court's reliance "most heavily on the first and fourth factors"); *Cambridge Univ. Press v. Patton*, 769 F.3d 1232, 1275 n.31 (11th Cir. 2014) (noting that *Campbell* "appears to be inconsistent with any single factor being deemed the single most important").

On the other hand, many other decisions continue to follow this Court's guidance in *Harper & Row* that the fourth factor remains the most important in the analysis. See, e.g., *Society of Holy Transfiguration Monastery, Inc. v. Gregory*, 689 F.3d 29, 64 (1st Cir. 2012) (fourth factor is "[c]onsidered 'the single most important element of fair use'" (quoting *Harper & Row*, 471 U.S. at 566)); *Authors Guild v. Google, Inc.*, 804 F.3d 202, 223 (2d Cir. 2015) ("Because copyright is a commercial doctrine whose objective is to stimulate creativity among potential authors by enabling them to earn money from their creations, the fourth factor is of great importance in making a fair use assessment." (citing *Harper & Row*, 471 U.S. at 566)); *Bouchat v. Baltimore Ravens Ltd. P'ship*, 619 F.3d 301, 312 (4th Cir. 2010) ("This last factor is undoubtedly the single most important element of fair use." (quoting *Harper & Row*, 471 U.S. at 566)); *Kienitz v. Sconnie Nation LLC*, 766 F.3d 756, 758

(7th Cir. 2014) (“We think it best to stick with the statutory list, of which the most important usually is the fourth (market effect).”); *Fox Broad. Co. v. Dish Network L.L.C.*, 747 F.3d 1060, 1069 (9th Cir. 2014) (fourth factor is “the ‘most important element of fair use’” (quoting *Harper & Row*, 471 U.S. at 566)).

A third set of decisions—largely from the Second and Ninth Circuits—expressly declares that transformation is the most important consideration of fair use. *See, e.g., Castle Rock Entm’t v. Carol Publ’g Grp.*, 150 F.3d 132, 141 (2d Cir. 1998) (“The more critical inquiry under the first factor and in fair use analysis generally is whether . . . and to what extent the new work is transformative.” (quotation & citation omitted)); *On Davis v. Gap, Inc.*, 246 F.3d 152, 174 (2d Cir. 2001) (first factor and analysis of transformation is “[t]he heart of the fair use inquiry . . .”) (citation omitted); *Blanch v. Koons*, 467 F.3d 244, 251 (2d Cir. 2006) (same); *Cariou v. Prince*, 714 F.3d 694, 705-06 (2d Cir. 2013) (same); *Seltzer v. Green Day, Inc.*, 725 F.3d 1170, 1176 (9th Cir. 2013) (“ . . . transformation is a key factor in fair use . . .”) (citation omitted). Moreover, even where courts do not expressly elevate transformation over other elements and considerations of fair use, as an empirical matter the transformation analysis has played an outsize role in the determination of fair use cases since *Campbell*. *See* Neil Weinstock Netanel, *Making Sense of Fair Use*, 15 Lewis & Clark L. Rev. 715, 736 (2011) (noting that approximately 80 percent of fair use decisions considered the issue of transformation between 1995 and 2010); Beebe, 156 U. Pa. L. Rev. at 605 (stating that “in those opinions in which transformativeness did play a role, it exerted nearly dispositive force not

simply on the outcome of factor one but on the overall outcome of the fair use test.”).

2. The Lack Of Clarity In Defining Transformation, And Its Negative Impact On The Derivative Work Right

The answer to the fundamental question of what constitutes a “transformative use” remains unclear. Armed only with *Campbell’s* language that “[t]he central purpose of this investigation is to see...whether the new work merely supersedes the objects of the original creation, or instead adds something new, with a further purpose or different character, altering the first with new expression, meaning, or message,” 510 U.S. at 579, lower courts have been left on their own to develop standards and doctrines governing what does and does not qualify as transformation. (internal citations omitted). Two general strains have emerged: transformative *purpose* and transformative *content*.²

² The Federal Circuit expressed *Campbell’s* loose definition of transformation as disjunctive, implying that either transformative purpose or transformative content could suffice. *See Oracle II*, 886 F.3d at 1198 (“[To be transformative, a secondary work must either [i] alter the original with new expression, meaning, or message or [ii] serve a new purpose distinct from that of the original work.” (citing *Campbell*, 510 U.S. at 579)). However, because the Federal Circuit found Google’s use transformative in neither purpose nor content, it did not analyze the issue of whether both should be required. Amici respectfully suggest that *Campbell* neither states nor implies that a use is fair if it alters the original without a different purpose or if it serves a different purpose from but makes no alteration to the original. Under *Campbell*, transformation of both purpose and content should be required to deem a use transformative.

Transformative *purpose* cases ask whether the use of the original work in the secondary work serves a different purpose than the original. This approach is consistent with Section 107, which specifically states in its preamble that “the fair use of a copyrighted work...for *purposes* such as criticism, comment, news reporting, teaching (including multiple copies for classroom use), scholarship, or research, is not an infringement of copyright,” and includes “the *purpose...of the use...*” as the first of the fair use factors. 17 U.S.C. §107 (emphases added). It is also consistent with this Court’s analysis of the subject works in *Campbell*, which determined that the use in question was fair primarily because the purpose of the use in the secondary work was to parody the original. 510 U.S. at 583-83.

However, a purely transformative purpose analysis has led some courts to consider the reproduction of an original work in its entirety and in an unaltered manner, i.e., without new expression, meaning or message, to be a fair use merely because it is sufficiently different in purpose. For example, in *Bill Graham Archives v. Dorling Kindersley Ltd.*, the Second Circuit held that the use of concert posters in a biographical book was fair even though the posters were reproduced in their entirety unaltered. 448 F.3d 605, 607 (2d Cir. 2006). The Court based its decision on the bare fact that it found the secondary use to be “plainly different from the original purpose for which [the posters] were created.” *Id.* at 609. Compare *TCA Television Corp. v. McCollum*, 839 F.3d 168, 182 (2d Cir. 2016) (unjustified use of unaltered copyrighted comedic

routine in dramatic play not fair even in a “sharply different context . . .”) (citation omitted).³

Transformative *content* cases, on the other hand, look to whether the original work was altered in the secondary work. While this approach might be inferred from the *Campbell* parody decision (*i.e.* “altering the first with new expression, meaning, or message”), it was not expressly employed by the Court in that case and is not referenced in the language of Section 107. Moreover, certain courts’ recent application of this approach has grown troublingly broad, such that virtually any alteration might be deemed transformation sufficient to warrant a finding of fair use. For instance, the Second Circuit in *Cariou v. Prince* considered the wholesale incorporation by an “appropriation artist”⁴ of copyrighted photographs from a book of photography into an art exhibit. 714 F.3d at 699-700. The court found, with regard to certain of the secondary user’s works, that the “composition, presentation, scale, color palette, and media [were] fundamentally different and new compared to the photographs,” and, accordingly, concluded that “to the reasonable observer,” those secondary works “manifest[ed] an entirely different aesthetic.” *Id.* at

³ In fact, in *Bill Graham Archives*, there was little if any transformation of either content or purpose as, notwithstanding the Second Circuit’s holding, both the original and secondary works served an artistic or aesthetic purpose. These types of cases are particularly troublesome in their application of the fair use doctrine.

⁴ The court in *Cariou* explained that appropriation art has been defined as “the more or less direct taking over into a work of art a real object or even an existing work of art.” 714 F.3d at 699.

706-07. The court therefore considered those secondary works a transformative fair use as a matter of law, even though there was no transformation of purpose in the use of the photographs in the book and the exhibit. *Id.* at 712. Likewise, the Ninth Circuit found in *Seltzer v. Green Day, Inc.* that the use of a copyrighted drawing in a video displayed during a concert constituted transformative fair use because “new expressive content or message is apparent,” notwithstanding that the secondary work “makes few physical changes to the original or fails to comment on the original.” 725 F.3d 1170, 1177 (9th Cir. 2013) (citation omitted).

The Second and Ninth Circuits’ formulation of transformation is concerning for its breadth. Indeed, even the Second Circuit itself has acknowledged that *Cariou* “might be thought to represent the high-water mark of [its] recognition of transformative works” and has “drawn some criticism.” *TCA*, 839 F.3d at 181 (citing, *inter alia*, 4 *Nimmer on Copyright* § 13.05(B)(6) (2019) (“It would seem that the pendulum has swung too far in the direction of recognizing any alteration as transformative, such that this doctrine now threatens to swallow fair use.”)) (other citation omitted). But it is also troubling because it effectively requires (or at least permits) judges to act as arbiters of artistic or aesthetic value, without any guidance as to the metes and bounds of what is meant by “transformative use.” For example, the Southern District of New York recently decided—as matter of law, and heavily relying on *Cariou*—that Andy Warhol’s use of a copyrighted photograph as the basis for a series of 16 prints constituted transformative fair use. *Andy Warhol Found. v.*

Goldsmith, 382 F. Supp. 3d 312, 331 (S.D.N.Y. 2019). According to the district judge, the secondary works were artistically distinct and had separate and complementary artistic value or character:

As Goldsmith has confirmed, her photographic work centers on helping others formulate their identities, which she aims to capture and reveal through her photography. Her photoshoot illustrated that Prince is not a comfortable person and that he is a vulnerable human being...Warhol's Prince Series, in contrast, can reasonably be perceived to reflect the opposite...Prince appears as a flat, two-dimensional figure in Warhol's works, rather than the detailed, three-dimensional being in Goldsmith's photograph...These alterations result in an aesthetic and character different from the original. The Prince Series works can reasonably be perceived to have transformed Prince from a vulnerable, uncomfortable person to an iconic, larger-than-life figure. The humanity Prince embodies in Goldsmith's photograph is gone.

Id. at 326 (citations & quotations omitted). This startlingly subjective analysis, which appears more akin to art critique, is the unfortunate end product of the capacious interpretation of fair use theory advanced by the Second and Ninth Circuits.

Perhaps most important, the Second and Ninth Circuits' recent approach threatens to usurp the exclusive right to create derivative works, which are broadly defined as "transformative" works:

A 'derivative work' is a *work based upon one or more preexisting works*, such as a translation,

musical arrangement, dramatization, fictionalization, motion picture version, sound recording, art reproduction, abridgment, condensation, or *any other form in which a work may be recast, transformed, or adapted*. A work consisting of editorial revisions, annotations, elaborations, or *other modifications which, as a whole, represent an original work of authorship, is a 'derivative work.'*

17 U.S.C. §101 (emphases added). Admittedly, the Second Circuit itself recently acknowledged that “‘derivative works’ and ‘fair use’ are discrete legal categories” and that “a derivative work involves a transformation to the work’s ‘form,’ while fair use involves a transformation of the work’s ‘purpose and character.’” *Keeling v. Hars*, 809 F.3d 43, 49 n.6 (2d Cir. 2015) (citations omitted). However, it appears unavoidable that the Second and Ninth Circuits’ expansive definition of transformative content will (and, in the *Andy Warhol Foundation* case, did) subsume the exact type of “recast[ing], transform[ing], or adapt[ing]” of “preexisting works” that the Copyright Act expressly deems derivative and reserves for the benefit of the creator of the original work.

That concern—that an expansive view of transformative-content-based fair use conflicts with the Act’s guarantee of the derivative right to creators—is exactly the criticism leveled at the Second and Ninth Circuits’ approach by the Seventh Circuit in *Kienitz*. In that case, the Seventh Circuit considered whether the heavily altered use of a copyrighted photograph of a man’s face on a t-shirt was fair use. 766 F.3d at 757-58. While the court ultimately determined that the use was permissible,

it rejected the parties' and the lower court's debate over whether the secondary use was sufficiently transformative. Instead, the court noted that "transformative use" is "not one of the statutory factors" and that the transformation inquiry improperly impinged on a creator's statutory derivative right:

We're skeptical of *Cariou's* approach, because asking exclusively whether something is 'transformative' not only replaces the list in § 107 but also could override 17 U.S.C. § 106(2), which protects derivative works. To say that a new use transforms the work is precisely to say that it is derivative and thus, one might suppose, protected under § 106(2). *Cariou* and its predecessors in the Second Circuit do no[t] explain how every 'transformative use' can be 'fair use' without extinguishing the author's rights under § 106(2).

Id. at 758. The Seventh Circuit deemed it "best to stick with the statutory list, of which the most important usually is the fourth (market effect)." *Id.*

B. This Court Should Provide A Workable Harmonization Of Section 107, *Harper & Row*, And *Campbell*.

As discussed above, the current state of fair use law is unclear and inconsistent with respect to both (i) the appropriate emphasis, if any, to be given to the statutory fair use factors (and, particularly, the transformative element of the first factor and the fourth "market effect" factor); and (ii) the appropriate analysis to determine whether a secondary use is "transformative." In the words of the Professors Nimmer: "[i]t is respectfully

submitted that a correction is needed in the law.” 4 *Nimmer on Copyright* § 13.05[b][6].

Amici submit that this Court should guide lower courts to adhere closely to the Section 107 statutory fair use factors, with an emphasis on the fourth. The limited consideration of transformative use—that is, to look at whether there was transformative content and purpose as set forth in *Campbell*—should be assessed merely as one component of the first of four statutory factors. Amici submit that this approach is best suited to: (i) satisfy the Constitution’s prerogative to “promote the Progress of Science and useful arts” by re-balancing a creator’s exclusive rights over his or her creation with the limited right of the public to freely exploit the creation; (ii) harmonize Section 107, *Harper & Row*, and *Campbell*; (iii) resolve the disagreements among courts concerning the relative weight to be given the statutory factors; (iv) steer the law away from the unworkable and dangerously overbroad conception of transformative fair use being developed in the Second and Ninth Circuits; and (v) provide adequate and stable guidance to courts, litigants, copyright owners, and secondary exploiters going forward.

C. The Federal Circuit’s Decision In This Case Is Consistent With The Above Approach And Should Be Affirmed.

This case is well-positioned for the Court to issue the foregoing prescription because the approach is largely reflected by and consistent with the Federal Circuit’s fair use analysis in *Oracle II*. It is also largely consistent with the Seventh Circuit’s approach in *Kienitz*. Specifically, the Federal Circuit adhered closely to the factors set forth in Section

107, with a particular emphasis on the market effect of Google's use, and considered transformation only as single sub-element of the overall inquiry.

With respect to the first factor, the Federal Circuit held that it weighed against fair use because Google's use of Oracle's work was commercial (a consideration specifically dictated by Section 107) and was not transformative. *Oracle Am., Inc.*, 886 F.3d at 1196-1204. Regarding transformation, the Federal Circuit considered the issue within its discussion of the first factor as suggested by *Campbell*. The court properly determined that Google's use of Oracle's software did not fit within any use listed in the preamble to Section 107 and was transformative in neither purpose nor content. *Id.* at 1199-1202.

As to purpose, the Federal Circuit noted that there was no dispute that Oracle's software and Google's software "serve the same function in both works," *id.* at 1199. It also rejected Google's argument that Google's use of Oracle's works was in a "new context," observing that "moving material to a new context is not transformative in and of itself—even if it is a 'sharply different context.'" *Id.* at 1201 (quoting *TCA*, 839 F.3d at 181-83). As to content, the Federal Circuit also rejected Google's argument that it had sufficiently altered Oracle's works by taking only select portions. The court found that "taking only select passages of a copyrighted work is, by itself, not transformative" because "[t]he relevant question is whether Google altered 'the expressive content or message of the original work' that it copied — not whether it rewrote the portions it did not copy." *Id.* at 1200-01 (citing *Seltzer*, 725 F.3d at 1177). As such, in accordance with the approach

summarized above, the Federal Circuit in *Oracle II* conducted a limited analysis of transformation—taking both purpose and content into consideration—and determined that Google’s unaltered copying of Oracle’s software for the same purpose did not qualify.⁵

With respect to the second factor, the Federal Circuit held in *Oracle II* that the “nature of the copyrighted work” weighed in favor of a finding of fair use because “functional considerations” for Oracle’s software “were both substantial and important.” *Id.* at 1204-05.⁶ With respect to the third factor, the Federal Circuit held that “the amount and substantiality of the portion used in relation to the copyrighted work as a whole” was a “neutral” factor because the code that Google copied from Oracle was “a tiny fraction of one percent of the copyrighted

⁵ The Federal Circuit also considered, but ultimately did not determine, whether Google’s use of Oracle’s work was in bad faith. It is true that bad faith, like transformation, is not mentioned anywhere in Section 107, but, like transformation, a secondary user’s bad faith should be considered broadly within the context of the four factors. Fair use is an equitable defense to infringement and should “presuppose[] good faith and fair dealing.” *Harper & Row*, 471 U.S. at 560, 562 (citations omitted). *Cf., e.g., Brammer v. Violent Hues Prods., LLC*, 922 F.3d 255, 265 (4th Cir. 2019) (while copyist’s bad faith weighs against finding of fair use, copyist’s good faith does not weigh in favor of fair use).

⁶ While amici acknowledge that the underlying works in this action—software—are different from the purely creative works owned or held by amici’s members, any distinctions that the Court feels it needs to draw between those types of works can be managed in the context of the second statutory factor, which expressly considers the varying degrees of creativity that original works can exhibit.

works.” *Id.* at 1190, 1206 (quotation omitted). Generally, however, the third factor weighed against a finding of fair use because Google copied “11,330 more lines [of code] than necessary” and because “no reasonable jury could conclude that what was copied was qualitatively insignificant.” *Id.* at 1207.

Finally, with respect to the fourth factor, the Federal Circuit correctly considered “not only harm to the actual or potential market for the copyrighted work, but also harm to the market for potential derivative uses,” and found that “the effect of the use upon the potential market for or value of the copyrighted work” weighed against a finding of fair use. *Id.* at 1207-10 (citations & quotations omitted). Significantly, the Federal Circuit noted that Oracle both (i) had actually been in the same market as Google’s target market (smartphones) for years; and (ii) “was attempting to license its work for mobile devices, including smartphones.” *Id.* at 1209.

After considering each of the four factors in *Oracle II*, the Federal Circuit then weighed them together. *Id.* at 1210. While the court invoked *Campbell’s* admonition that “none of the four factors can be viewed in isolation and that all are to be explored, and the results weighed together, in light of the purposes of copyright,” *id.* at 1207, in its ultimate balancing, the Federal Circuit expressed deep misgivings about the market effect of Google’s use on Oracle, emphasizing the fourth factor:

Having undertaken a case-specific analysis of all four factors, we must weigh the factors together in light of the purposes of copyright. We conclude that allowing Google to commercially exploit Oracle’s work will not advance the

purposes of copyright in this case. Although Google could have furthered copyright's goals of promoting creative expression and innovation by developing its own APIs, or by licensing Oracle's APIs for use in developing a new platform, it chose to copy Oracle's creative efforts instead. There is nothing fair about taking a copyrighted work verbatim and using it for the same purpose and function as the original in a competing platform.

Even if we ignore the record evidence and assume that Oracle was not already licensing Java SE in the smartphone context, smartphones were undoubtedly a potential market. Android's release effectively replaced Java SE as the supplier of Oracle's copyrighted works and prevented Oracle from participating in developing markets. This superseding use is inherently unfair.

Id. at 1210 (citations & quotation omitted).

In short, the Federal Circuit's fair use decision in *Oracle II* reflected an appropriate balance of the fair use doctrine under Section 107, *Harper & Row*, and *Campbell* because it: (i) hewed closely to the Act's statutory factors; (ii) considered transformation only as one limited and discrete sub-element of the analysis; (iii) applied an appropriately narrow definition of "transformation" that did not vitiate the copyright owner's exclusive derivative work right (*i.e.*, it did not consider either Google's reproducing Oracle's code in a different medium, or its adding code to Oracle's code without modifying Oracle's code, as "transformative"); and (iv) ultimately emphasized Google's harm to the actual and potential market for Oracle's works, as well as

potential derivative works, in the fair use inquiry. Thus, the Federal Circuit's decision is consistent with the limited, holistic, statute-based approach summarized above, which amici urge this Court to adopt.

CONCLUSION

For the foregoing reasons, this Court should adopt the limited, holistic, statute-based approach to fair use that the Federal Circuit employed below.

Respectfully submitted,

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