

OFFICIAL TRANSCRIPT  
PROCEEDINGS BEFORE  
**THE SUPREME COURT**  
**OF THE**  
**UNITED STATES**

CAPTION: C. ELVIN FELTNER, JR., Petitioner v. COLUMBIA  
PICTURES TELEVISION, INC.

CASE NO: 96-1768 c-3

PLACE: Washington, D.C.

DATE: Wednesday, January 21, 1998

PAGES: 1-52

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1 IN THE SUPREME COURT OF THE UNITED STATES

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3 C. ELVIN FELTNER, JR., :

4 Petitioner :

5 v. : No. 96-1768

6 COLUMBIA PICTURES TELEVISION, :

7 INC. :

8 - - - - -X

9 Washington, D.C.

10 Wednesday, January 21, 1998

11 The above-entitled matter came on for oral  
12 argument before the Supreme Court of the United States at  
13 10:11 a.m.

14 APPEARANCES:

15 JOHN G. ROBERTS, JR., ESQ., Washington, D.C.; on behalf of  
16 the Petitioner.

17 HENRY J. TASHMAN, ESQ., Los Angeles, California; on behalf  
18 of the Respondent.

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1 P R O C E E D I N G S

2 (10:11 a.m.)

3 CHIEF JUSTICE REHNQUIST: We'll hear argument  
4 now in Number 96-1768, C. Elvin Feltner v. Columbia  
5 Pictures Television.

6 Mr. Roberts.

7 ORAL ARGUMENT OF JOHN G. ROBERTS, JR.

8 ON BEHALF OF THE PETITIONER

9 MR. ROBERTS: Thank you, Mr. Chief Justice, and  
10 may it please the Court:

11 In this case, a district judge determined that  
12 Mr. Feltner should pay Columbia Pictures \$8.8 million in  
13 statutory damages for a copyright infringement. Before  
14 arriving at that figure, the judge held a bench trial,  
15 after which he made the factual finding that Mr. Feltner's  
16 conduct was willful, which increased the amount of damages  
17 which could be awarded under the statute.

18 In light of clear historical practice on both  
19 sides of the Atlantic prior to 1971, Feltner had a right  
20 under the Seventh Amendment to have a jury make that  
21 finding and others on which the award was based and  
22 determine the amount of damages to be imposed within the  
23 statutory limits.

24 Before reaching that constitutional question,  
25 however, we need to consider whether the statute may be

1 construed to afford a jury trial right. It may be.

2 First, the first Federal statute providing  
3 statutory damages in an amount "as to the court shall  
4 appear to be just," the 1856 act, also provided that those  
5 damages should be recovered in an action on the case, a  
6 prototypical legal action for which a jury would be  
7 available.

8 Statutory damages as to the court shall appear  
9 to be just, the same terminology as employed in the 1856  
10 act, were carried forward in successive acts up to the  
11 1909 act, when the statutory damages provision took its  
12 modern form, with no indication that Congress wanted to  
13 delete the jury trial right that was so clearly present in  
14 1856.

15 QUESTION: The concept of statutory damages has  
16 changed some, has it not, from 1856 to 1909?

17 MR. ROBERTS: Certainly --

18 QUESTION: The guidelines, or whatever you want  
19 to call it.

20 MR. ROBERTS: Yes. It has been -- it was  
21 expanded significantly in 1909. The range was expanded  
22 and the 1856 act applied to dramatic compositions. The  
23 1909 act applied more generally.

24 But that same language, as to the court shall  
25 appear to be just, carried through all the different

1 statutory provisions.

2 QUESTION: I take it in the '56 act there was no  
3 opportunity to elect a different damage scheme after  
4 verdict but before a judgment as there is in the current  
5 act.

6 MR. ROBERTS: That's right. That's one of the  
7 distinctions added in 1909 from the 1856 act.

8 QUESTION: So if we followed your reasoning in  
9 this case, as I think your opponents have pointed out, we  
10 would have to accept as a consequence that a jury could  
11 render its verdict on actual damages, be discharged, go  
12 home, and at that point the election could be made to go  
13 for statutory damages, and I don't know what happens then.  
14 I guess the jury would have to be called back on your  
15 theory.

16 MR. ROBERTS: That's a false problem. It's  
17 never been a problem in the courts that have recognized  
18 the jury trial right so far. All the judge needs to do --

19 QUESTION: But it could happen, couldn't it?

20 MR. ROBERTS: I don't think so. All the judge  
21 needs --

22 QUESTION: Why?

23 MR. ROBERTS: -- to do is to say to the  
24 plaintiff, when the jury comes back, I'm going to enter  
25 judgment promptly upon their verdict and therefore they'll

1 be there. If the plaintiff says I want to elect statutory  
2 damages --

3 QUESTION: Well, if --

4 MR. ROBERTS: -- the jury would not have been  
5 sent home by that point.

6 QUESTION: And at that point do you tell the  
7 jury -- and this is a problem that I have that runs  
8 through the whole case as to what the judge tells the  
9 jury. Would it suffice if the jury is told, render such  
10 damages as you consider to be just?

11 MR. ROBERTS: Well, I think the jury would be  
12 instructed according to the factors it's supposed to  
13 consider, as juries are, for example, in awarding punitive  
14 damages.

15 QUESTION: I looked in Devitt and Blackmere to  
16 see if there were any instructions on statutory damages.  
17 There are not. The common law measure is there. I'm just  
18 not sure what the judge tells the jury. I'm not sure also  
19 which way that cuts.

20 MR. ROBERTS: Well, the courts have developed  
21 guidelines of what is appropriate to consider, whether  
22 it's a jury or a judge, in awarding statutory damages, the  
23 amount of loss, the value of the copyright, profits --

24 QUESTION: Those are all set forth in Nimmer and  
25 in the brief, amicus brief filed by the Composer's



1 Association and again, I'm not sure which way that works.

2 It -- on the one hand it seems to me that this  
3 is an area where we should develop uniformity and  
4 consistency and judges would be helpful. I suppose your  
5 answer to that is that a set of jury instructions  
6 developed over the years could do the same thing.

7 MR. ROBERTS: Well, just as with the case of  
8 punitive damages, which is an amount of damages left  
9 largely to the discretion of the jury, there have  
10 developed instructions as to the factors they should  
11 consider, and likewise --

12 QUESTION: None of which have been effective.  
13 It's been a serious problem.

14 But this copyright law is so odd, because under  
15 your version, then, a jury would go out and could  
16 determine actual damages and come back with a verdict and  
17 a figure and then the plaintiff can say, well, I've looked  
18 at that, I think I'd do better under statutory damages and  
19 can reject that and ask for statutory damages.

20 MR. ROBERTS: That's true whether a jury or a  
21 judge is making that initial determination, so that  
22 concern I think doesn't really cut one way or the other on  
23 the question of whether --

24 QUESTION: Mm-hmm.

25 MR. ROBERTS: -- the jury or the judge reaches



1 that conclusion. They are unusual in that respect.

2 QUESTION: Now, in the Tull case from this Court  
3 we upheld a scheme under similar Seventh Amendment type  
4 concerns and said the judge could nonetheless determine  
5 statutory damages.

6 MR. ROBERTS: Well, the holding in Tull is first  
7 of all that that is a legal action, the civil penalty  
8 action. The court analogized to civil penalty actions in  
9 the Eighteenth Century, said they were legal, noted that  
10 the nature of the remedy, punishment was legal, and then  
11 at the very end said, but the actual amount is for the  
12 judge.

13 Now, here --

14 QUESTION: Well, maybe that would be true here.

15 MR. ROBERTS: If it is true here, then the  
16 judgment needs to be reversed because, of course, this  
17 judge didn't just determine the amount of damages. He  
18 made a factual finding of willfulness under the statute.  
19 That's something that if this is a legal action --

20 QUESTION: Well, I assume the willfulness aspect  
21 could certainly go to a jury if that were the Court's  
22 decision, but what would your position be on the balance?

23 MR. ROBERTS: Well --

24 QUESTION: Because there still is a  
25 discretionary element there, a range of sentences.

1 MR. ROBERTS: There is a discretionary element  
2 and Tull, I think, should be limited to the civil penalty  
3 context in which it arose for a number of reasons, first  
4 of all because that aspect of the holding was dicta in  
5 Tull as a technical matter.

6 The question of who should determine damages  
7 wasn't before the Court, because the Court had reversed on  
8 liability. It may not have been necessary to reach that  
9 question at all. That's a technical point.

10 But the more substantive one is that if you go  
11 back and look at the briefing in Tull, it was devoted  
12 almost exclusively to the question of liability, very  
13 little discussion of the question of damages at all and,  
14 whatever may be the case with respect to civil penalties  
15 prior to 1791, when damages were not fixed, juries decided  
16 damages.

17 QUESTION: And the distinction is that in Tull  
18 the Government received the money and that makes it a  
19 governmental type of penalty and here the private  
20 individual --

21 MR. ROBERTS: Well, the distinction --

22 QUESTION: The owner of the copyright receives  
23 the money and therefore it's not a penalty.

24 MR. ROBERTS: The distinction goes back to the  
25 18th Century practice in England. When damages were not

1 fixed, juries set the amount of damages, so if Congress  
2 has not fixed the amount of damages in a copyright action,  
3 they should be set by juries under this Court's precedent.

4 QUESTION: Well, but they didn't fix them in  
5 this Clean Water Act, either, under Tull. I'm asking.

6 MR. ROBERTS: I don't think there was any  
7 evidence of juries --

8 QUESTION: I know we have a problem with Tull  
9 for your case and you want to limit it and you indicated  
10 it's a penalty, but can't you look at the statutory  
11 damages also as a penalty, and so I ask, does the --

12 MR. ROBERTS: Well, they --

13 QUESTION: -- identity of the recipient  
14 determine -- is that what your distinction's based on?

15 MR. ROBERTS: Well, that's part of it, and also  
16 in the civil penalty action you have an analogy to  
17 criminal sentencing where a judge determines the  
18 sentencing.

19 That analogy doesn't apply in this case because  
20 this is a private right -- it's not a public right -- a  
21 private action between two parties and the core of the  
22 analysis, though, although I think Tull can be limited in  
23 that way and its statement is dicta, the core of the  
24 analysis shouldn't be extended because it can't be  
25 defended.

1           The idea that although Congress fixed the --  
2   when Congress fixes the amount of the penalty it can  
3   therefore delegate that task to judges ignores the whole  
4   purpose of the Seventh Amendment.

5           The Seventh Amendment is to protect against  
6   judicial bias and corruption and overreaching and, while  
7   that's not implicated when Congress fixes the amount  
8   because Congress is doing that, the judge is just applying  
9   it, when you give that task to the judge the whole reason  
10   for having the Seventh Amendment comes into play, so that  
11   logic in Tull, I think, should at the very least not be  
12   extended any further.

13           QUESTION: Is there any evidence who set the --  
14   in -- under the Statute of Anne in the 18th Century it was  
15   a penny a sheet or something, I think, in damages.

16           MR. ROBERTS: Yes.

17           QUESTION: If there was an argument about how  
18   many sheets there were, did the jury decide it or the  
19   judge, do we know?

20           MR. ROBERTS: The jury, cert jury. We've cited  
21   cases to that effect I believe on page 43 of our brief.

22           QUESTION: But Mr. Roberts, in this case on that  
23   very point that was the one piece of it that I noticed --  
24   and you said willful or not goes to the jury and how much  
25   goes to the jury, but in this case, it may not be the case



1 generally, it seems to me that how many infringements was  
2 ruled on as a matter of law. Didn't the judge rule on it  
3 even before his bench trial?

4 MR. ROBERTS: It's very confusing. He did not.

5 At the start of the bench trial he said that the  
6 issues remaining for trial were how many infringements  
7 were involved and were they willful, and what should the  
8 damages be, so at the very outset at least, he thought  
9 that was an issue for trial.

10 Later on, he also said he wanted to hear about  
11 how many infringements were involved. Later on, he said  
12 he was ruling on it as a matter of law.

13 QUESTION: But aren't those questions -- whether  
14 each series is a -- each one episode in a series is a  
15 separate work, it sounds to me like that's a legal  
16 question. Is it --

17 MR. ROBERTS: Oh, it's a mixed question of law  
18 and fact. It depends -- and the legal standard was  
19 correctly stated. It depends upon whether each episode  
20 has what's called an independent copyright life, an  
21 independent economic value, and that's a question of fact.  
22 You take evidence on that. How was it copyrighted? How  
23 was it produced? How was it marketed? Would the  
24 television station show just one episode of a series or  
25 not?



1           There are factual issues involved in that and  
2   then a legal standard to be applied, and we think what  
3   should have happened is that the jury should have been  
4   able to determine those facts based on proper instructions  
5   of the -- what the legal test was.

6           QUESTION: Do you say the same thing about the  
7   two stations, whether they were --

8           MR. ROBERTS: Yes.

9           QUESTION: -- separate entities?

10          MR. ROBERTS: It's not just a question of  
11   whether they were separate entities, but whether they were  
12   jointly and severally responsible for the infringement,  
13   because the statute allows only one award of statutory  
14   damage for all individual or joint and several  
15   infringements of each work.

16          QUESTION: So you say if this judge ruled on  
17   those two questions as a matter of law that he was wrong.

18          MR. ROBERTS: Yes. That -- those should have  
19   been submitted to the jury and, as I say, there's some  
20   confusion as to what he did. It's hard to tell.

21          QUESTION: You're not saying that in principle  
22   they could never be ruled on as a matter of law.

23          MR. ROBERTS: Oh, no.

24          QUESTION: I mean, the facts could be so clear  
25   that no reasonable jury could find the factual element

1 except one way.

2 MR. ROBERTS: The normal rules --

3 QUESTION: You assert that's not the case here.

4 MR. ROBERTS: The normal rules about directing  
5 verdicts and taking issues away from juries I think apply.

6 QUESTION: That happened on the infringement  
7 question.

8 MR. ROBERTS: Yes. Yes. Infringement was  
9 settled on --

10 QUESTION: That was summary judgment.

11 MR. ROBERTS: On summary judgment.

12 QUESTION: But you don't think that this  
13 question, how many, could be summary judgment, too, but  
14 you say it wasn't in this case.

15 MR. ROBERTS: I think it was not in this case.  
16 I do think it's difficult to tell when you have the judge  
17 acting both as fact-finder and as ruler of law when he's  
18 saying based on these facts I'm making this decision, or  
19 I'm making this decision as a matter of law and it's also  
20 difficult, when that same judge has made a ruling on  
21 summary judgment, to tell, is he saying based on the  
22 evidence at trial, or I saw this evidence before on  
23 summary judgment.

24 So there is some ambiguity in the record, but I  
25 think the jury should have been instructed on the number

1 of infringements, as the judge indicated was an issue  
2 available for trial at the outset.

3 And the court of appeals seemed to think that  
4 that was decided at least as a mixed question. It  
5 referred to the judge's findings and whether or not they  
6 were erroneous, rather than treating it as a legal ruling.

7 Now, the first step in this Court's  
8 constitutional approach is to find an analogue to this  
9 action in 18th Century practice and ask whether that's  
10 legal or equitable.

11 The analogue to modern actions for statutory  
12 damages for copyright infringement is the 18th Century  
13 action for statutory damages for copyright infringement  
14 under the Statute of Anne, under the first Federal  
15 copyright statute passed 1 year before the Seventh  
16 Amendment by the same Congress that passed the Seventh  
17 Amendment, and those statutes provided for recovery of  
18 amounts and specified that they should be recovered in an  
19 action at law.

20 QUESTION: As I understand it, after the Statute  
21 of Anne, the -- if a copyright owner thought the damages  
22 were a little too small, so he preferred often to go into  
23 equity to get an injunction.

24 MR. ROBERTS: Yes.

25 QUESTION: When he did that, could he also get

1 damages?

2 MR. ROBERTS: He had to go in a separate  
3 proceeding at law to get damages.

4 QUESTION: Could not get damages on the equity  
5 side.

6 MR. ROBERTS: Not in equity, no.

7 QUESTION: Do you -- is there a citation for  
8 that in your -- I --

9 MR. ROBERTS: Well --

10 QUESTION: It sounds to me right, but --

11 MR. ROBERTS: Millar v. Taylor I think is the  
12 best that I can come up with, which is --

13 QUESTION: The Millar case.

14 MR. ROBERTS: After the Seventh Amendment was  
15 adopted. It discusses the history.

16 QUESTION: But that was overruled, basically, by  
17 the statute -- well, all right, thank you.

18 MR. ROBERTS: Overruled by the House of Lords in  
19 Donaldson but not on that question. It was the question  
20 of whether common law copyright survived the Statute of  
21 Anne.

22 Another thing that --

23 QUESTION: But in the fullness of time didn't  
24 equity clean up? I mean, the clean-up doctrine that if  
25 there were damages -- the main thing was injunctive



1 relief, but you could incidentally collect damages.

2 MR. ROBERTS: Up until Beacon Theatres and Dairy  
3 Queen.

4 QUESTION: Yes, but there was -- you didn't have  
5 to bring a separate action at law under the clean-up  
6 doctrine.

7 MR. ROBERTS: Under the clean-up doctrine, but  
8 in Beacon Theatres the Court noted that that could not be  
9 used to deprive a party of the right to a jury trial.

10 Now --

11 QUESTION: But the judge could no longer set the  
12 order of trial.

13 MR. ROBERTS: That's right, that ruling on the  
14 injunctive aspects couldn't deprive a litigant of his  
15 right to a jury trial on the legal aspects, and the legal  
16 aspects plainly included the right to statutory damages.

17 Now, the statutory damages have changed since  
18 then, as was pointed out. The main difference is the  
19 modern version gives you a range, and these 18th Century  
20 precedents we've been talking about are primarily fixed  
21 amounts. That is not a distinction that makes a  
22 difference.

23 The Government made that same argument in the  
24 Tull case in footnote 7. It said those 18th Century civil  
25 penalty actions were for fixed amounts and this, the Clean



1 Water Act is for a discretionary range. The exact words  
2 of this Court are, we do not find that distinction to be  
3 significant.

4 In addition, there were statutory damages --

5 QUESTION: Isn't that inconsistent with the  
6 argument you made earlier that Congress sets the amounts?

7 MR. ROBERTS: Sets the --

8 QUESTION: I thought you -- we were talking  
9 earlier about how to distinguish or confine Tull and you  
10 said, well, the Congress sets the amounts.

11 MR. ROBERTS: In --

12 QUESTION: But the Congress there set a vast  
13 range, and it's -- which is very much like the statute  
14 we're involved with here.

15 MR. ROBERTS: But the argument in --

16 QUESTION: And --

17 MR. ROBERTS: In Tull was, because Congress had  
18 fixed the amounts earlier they could delegate that to a  
19 judge.

20 Here you had in the 18th Century fixed amounts  
21 under the Statute of Anne, under the first Federal  
22 copyright statute, but also a situation where you could  
23 get damages for copyright infringement that weren't fixed  
24 by Congress and whenever they were not fixed by Congress,  
25 those were for a jury. I don't know that that situation

1 was replicated with respect to the civil penalty actions  
2 of the sort at issue in Tull.

3 And it's also the case here we had 18th Century  
4 pre-Seventh Amendment statutes providing for a range of  
5 statutory damages. Statutes in Massachusetts, New  
6 Hampshire, and Rhode Island provided for the recovery of  
7 statutory damages within a broad range, so therefore that  
8 basic distinction, the difference between fixed and range,  
9 doesn't make a difference with respect to characterizing  
10 the action.

11 The second step in this Court's constitutional  
12 analysis is to look to the nature of the remedy. Here,  
13 the remedy is money damages, the hallmark of legal relief,  
14 and this Court has said that monetary damages are legal  
15 and require a jury except in two very specific, defined  
16 circumstances, when they constitute restitution or  
17 disgorgement, and when they're incidental to or  
18 intertwined with equitable relief.

19 The first certainly doesn't apply here.  
20 Restitution is one of the factors that the jury can  
21 consider in setting the amount of damages, but it's not  
22 the only one. They also can look at punishment and  
23 compensation, traditional legal remedies, and those legal  
24 remedies give the right to a jury.

25 Again, this is another argument that was made in

1 Tull. The Government argued there the purpose of the  
2 Clean Water Act penalties is restitution. Therefore, this  
3 is equitable. The Court said no, the purpose is also  
4 punishment. Punishment was one of the purposes. That's a  
5 legal remedy and therefore this is a legal action.

6 The modern statutory damages serve the legal  
7 purposes of punishment and compensation. You can see the  
8 punishment aspect in the fact that you get a broader -- a  
9 higher range for willful, a lower range for innocent. You  
10 can see the compensatory aspect in the fact that these  
11 damages are instead of actual damages. You don't get both  
12 because they serve the same purpose, provide some  
13 recompense for the copyright holder.

14 QUESTION: What about the argument that actual  
15 damages may be hard to prove and so because the legal  
16 remedy is inadequate, actual damages, so you have this  
17 alternate of the statutory damages, so doesn't equity come  
18 in when the legal remedy is inadequate. Isn't that the  
19 basic reason for equitable --

20 MR. ROBERTS: That is the basic prerequisite for  
21 equitable relief and it's not specified here. Here,  
22 statutory damages are available at the election of the  
23 plaintiff for whatever reason or no reason. He does not  
24 have to show that legal -- actual damages or legal  
25 remedies are inadequate.

1           Second of all, the fact that that's one of the  
2 reasons you have this relief doesn't make it equitable.  
3 Parties frequently provide liquidated damages in contracts  
4 because they think it will be difficult to prove actual  
5 damages.

6           If you sue for liquidated damages in a contract  
7 it's still a legal action for which a jury is required.  
8 That's the reason you had the fixed penalties in the  
9 Statute of Anne, because actual damages were difficult to  
10 calculate and yet the respondent agrees that that was a  
11 legal action to recover those damages.

12           QUESTION: Perhaps you've said this, but it  
13 would be helpful if you could just summarize in a  
14 sentence, possibly. If you take Tull, you know, and look  
15 at part 3 -- you know what I'm thinking of.

16           MR. ROBERTS: Yes.

17           QUESTION: All right, and then suppose someone  
18 were to say, well, that seems to describe this case, you  
19 would say, no it doesn't, and the main distinction that  
20 you would make between part 3 of Tull and this case is?

21           MR. ROBERTS: Well, the main distinction is that  
22 Tull --

23           QUESTION: Or two if you'd like, or three, but I  
24 mean, I'm just trying to get the heart of what you --

25           MR. ROBERTS: Tull is a -- Tull first of all is



1 an action by the Government for civil penalties. This is  
2 an action between private parties for damages. At common  
3 law, when damages were not fixed, as they're not here,  
4 juries determined the amount of damages, whatever may have  
5 been the case with respect to civil penalties.

6 In Tull, I think --

7 QUESTION: I don't want to interrupt Justice  
8 Breyer's colloquy with you, but you're talking about two  
9 things. You're talking about the identity of the  
10 recipient and the -- whether or not the amount is fixed  
11 and it seems to me that the latter doesn't help you here,  
12 because Justice Breyer I think implied that the range of  
13 penalties that Congress sets under the Clean Water Act in  
14 Tull look very much like the range that it is setting  
15 here.

16 MR. ROBERTS: The difference is that under Tull  
17 and the Clean Water Act the Court couldn't -- wasn't  
18 provided with and didn't find any analogies in the 18th  
19 Century where there was a similar range and you got a  
20 jury.

21 Here we have that. The three State statutes I  
22 mentioned provided a range prior to the adoption of the  
23 Seventh Amendment and they said, you recover this range in  
24 an action of debt, an action at law.

25 So whatever may be the case, and under the



1 Seventh Amendment you need to look at the particular  
2 actions and the historical analogues, whatever may be the  
3 case with respect to civil penalties, the analogue here is  
4 there prior to the adoption of the Seventh Amendment and  
5 it was an action at law.

6 But with those distinctions of Tull in mind,  
7 again, the basic core of the reasoning should not be  
8 extended. When damages were uncertain, that was when the  
9 juries were needed most. This Court said so in Barry v.  
10 Edmunds. Where no precise rule of law fixes the  
11 reasonable damages, it is the peculiar function of the  
12 jury to determine the amount.

13 That was the rule at common law, Lord  
14 Townshend's Case, the jury are judges of the damages, and  
15 that is what this Court held with respect to the Seventh  
16 Amendment consistently, at least prior to Tull. That's  
17 why we don't have additur or unconditional remittitur,  
18 because it's for the jury to determine the amount of  
19 damages.

20 That's the rationale in Chief Justice Marshall's  
21 opinion in Bank of Hamilton. The statute there said you  
22 could be evicted, but you were entitled to compensation  
23 for improvements, improvements will be set by  
24 commissioners, unconstitutional under the Seventh  
25 Amendment. Juries set the amount of damages.

1 Now, that body of precedent with respect to  
2 damages is well-established. The body of precedent with  
3 respect to civil penalties may well be different, but the  
4 Court noted in Tull, for example, that it had been  
5 presented with no evidence that the Framers were concerned  
6 that the jury trial right extend to the question of  
7 remedy, and that's right.

8 If you go back and read the briefs, the evidence  
9 isn't there, but the evidence is there in the real world.  
10 The amount of damages was a critical component of the jury  
11 trial right.

12 The episode in New York in 1764 that figured in  
13 the ratification debates involved solely a redetermination  
14 of the amount of damages set by the jury.

15 QUESTION: Is the history of it that in England  
16 the amount of damages wouldn't have been an issue in terms  
17 of amount in respect to the -- because the Statute of Anne  
18 says a penny a page, but in the United States your point  
19 is that some States did make it a jury issue?

20 MR. ROBERTS: Well, that point --

21 QUESTION: A lot of States, perhaps.

22 MR. ROBERTS: That point, but also another one,  
23 Your Honor.

24 QUESTION: What?

25 MR. ROBERTS: And that is that there are other

1 situations where damages for copyright infringement were  
2 not set. For example, if you're seeking damages with  
3 respect to an unpublished work, then a jury would  
4 determine those amounts. Under --

5 QUESTION: But that's a different --

6 MR. ROBERTS: Under section 504(b) if you're  
7 seeking actual damages a jury would determine that amount.  
8 There are situations where the damages are not fixed and  
9 in those cases there's no question that it would be for a  
10 jury to determine, so whatever the force of Tull with  
11 respect to civil penalties, they don't apply to the  
12 copyright infringement area.

13 QUESTION: What about if -- suppose a person  
14 brought in the 18th Century an action for an injunction  
15 and coupled it with a request for damages?

16 MR. ROBERTS: I believe that the action for  
17 damages had to be filed separately in a court of law. It  
18 couldn't be joined with the equitable action for an  
19 injunction.

20 QUESTION: But we've already agreed that, as  
21 equity emerged, you could combine the two. You could  
22 clean up, you could get damages if you -- the main thing  
23 that you want is -- in the --

24 MR. ROBERTS: Well --

25 QUESTION: Until Beacon and Dairy Queen --

1 MR. ROBERTS: Yes.

2 QUESTION: -- that was routine. You could go  
3 into equity and say, by the way, equity cleans up, clears  
4 up, so incidentally, award me damages.

5 MR. ROBERTS: Yes, and Beacon Theatres and Dairy  
6 Queen pointed out the flaw with that line of reasoning,  
7 which is it was depriving the parties of their right to a  
8 jury trial through the conduct of the litigation and you  
9 could not go and get both in a single action in equity in  
10 England.

11 Now, with -- the State precedent here I don't  
12 think should be dismissed as simply the American practice  
13 as opposed to the English practice. The Court is  
14 concerned about looking to practice here because they  
15 don't want to rely on idiosyncratic practice, but there's  
16 no evidence here that the statutes in New Hampshire and  
17 Massachusetts were in any way inconsistent with English  
18 common law.

19 There were three of them, which suggests that  
20 they were not aberrational at all and the language was  
21 perfectly consistent with all the other statutes that were  
22 provided at that time, all of which providing relief at  
23 law, with the difference that they provided it within a  
24 range.

25 QUESTION: Mr. Roberts, correct me if I'm wrong,



1 but I thought that the clean-up doctrine originated in  
2 England and we -- our law developed in the same way.

3 MR. ROBERTS: I think it did originate in  
4 England. I don't know when. But again, my reading of  
5 Millar v. Taylor is that you couldn't get damages for  
6 copyright infringement in an action brought at equity.  
7 You could get your injunction, then if you wanted damages  
8 you went in a separate action at law.

9 QUESTION: Well, at any rate the test is what  
10 was the practice at the time of the adoption of our  
11 Constitution, isn't it?

12 MR. ROBERTS: Yes.

13 QUESTION: Not what became the practice later.

14 MR. ROBERTS: Yes.

15 If I could reserve the remainder --

16 QUESTION: Very well.

17 We'll hear from you, Mr. Tashman.

18 ORAL ARGUMENT OF HENRY J. TASHMAN

19 ON BEHALF OF THE RESPONDENT

20 MR. TASHMAN: Mr. Chief Justice, may it please  
21 the Court:

22 Congress enacted statutory damages in 1909 as an  
23 alternative to actual damages to provide some recompense  
24 to copyright holders. Congress did this because it  
25 recognized that actual, legal damages were frequently



1 difficult, if not impossible to prove and therefore did  
2 not provide an adequate remedy.

3 Statutory damages were later amended and  
4 expanded in 1975 and in 1988.

5 The formulation of an alternate form of relief  
6 where legal damages are inadequate is quintessentially an  
7 equitable remedy. Moreover, statutory damages require and  
8 involve the exercise of nearly unbridled discretion by the  
9 court and an appeal to the court's sense of justice based  
10 upon the particular facts in an individual case to fashion  
11 a remedy that is both just and consistent with the goals  
12 of the Copyright Act.

13 QUESTION: Did the Tull footnote 7 in effect say  
14 that's not a consideration that should influence --

15 MR. TASHMAN: No, it didn't. I think the Tull  
16 footnote 7 said that the Government's argument regarding  
17 discretion was in a sense trumped by the fact that what we  
18 were dealing with in Tull were punitive damages, or a  
19 punitive statute and that was the more important  
20 consideration in Tull and the Court correctly stated in  
21 Tull that punitive damages and penalties were the  
22 exclusive province of the courts of law and not the courts  
23 of equity.

24 However, statutory damages, and by that I mean  
25 the damages in the 1909 and 1976 act, are not punitive

1 damages and this Court has so ruled in the L. A.  
2 Westermann case. The primary purpose of statutory damages  
3 is to find some method of recompense to the copyright  
4 holder, given the inadequacy of the legal remedy of actual  
5 damages.

6 QUESTION: Mr. Tashman, if I follow your  
7 argument correctly, then if a copyright holder comes in at  
8 the outset and says, I want the court to find that there  
9 has been an infringement and I want statutory damages, I  
10 don't want any other kind of damages, could such a  
11 plaintiff then avoid having a jury trial on the question  
12 of infringement? On your theory, I take it yes.

13 MR. TASHMAN: Absolutely. I would characterize  
14 statutory damages as an equitable action and an equitable  
15 proceeding, just like an action for an injunction and, as  
16 in an action in an injunction, all the issues, including  
17 the issue of infringement, would be for the court and in a  
18 similar fashion, if only statutory damages were sought,  
19 which is quite possible under the current act, in the 1976  
20 act, then all of the issues, including infringement, would  
21 go to the court.

22 Now, in this case statutory damages were not  
23 elected until after the court granted summary judgment  
24 both on copyright liability and also the number of  
25 infringements which were involved. The court held --

1 QUESTION: There seems to be a debate about  
2 what -- the number of infringements, whether that was, in  
3 fact, a summary judgment --

4 MR. TASHMAN: Oh, there's no question about it.  
5 The only question that I think is subject to some debate,  
6 and even that is really not subject to serious debate, is  
7 not the number of broadcasts, because that was either  
8 found by the court or stipulated to, but the number of --  
9 or the number of series that were broad -- the number of  
10 episodes which were broadcast because, again, that was  
11 stipulated.

12 QUESTION: But whether each episode counts as a  
13 work.

14 MR. TASHMAN: Correct. Correct.

15 QUESTION: Mr. Roberts said that is a mixed  
16 question of law and fact.

17 MR. TASHMAN: It is, except in this case there  
18 was no dispute as to the facts, and we don't dispute the  
19 facts.

20 There was no dispute at trial that the series  
21 are sold in a single contract. There was no dispute at  
22 the trial that the stations are free to broadcast any  
23 number of the -- of these episodes, but in this case it  
24 was stipulated to that each and every one of the episodes  
25 was broadcast between two and three times on a separate

1 date.

2 QUESTION: Well, I don't want to distract you  
3 with a question that would be peculiar just to this case,  
4 but I think you have made an important clarification that  
5 in your argument statutory damages are just like  
6 injunctive relief, so if you come into the court and say,  
7 all I want is an injunction, then the infringement will be  
8 determined by the court as well.

9 Similarly here, if the copyright holder says, I  
10 want to have those statutory damages and so, please, no  
11 jury to say whether the defendant infringed or not.

12 MR. TASHMAN: Yes, I think that would flow once  
13 the court, or if the court characterized the statutory  
14 damages as an equitable remedy and an equitable --

15 QUESTION: Why didn't the --

16 QUESTION: That's difficult to do, isn't it? I  
17 mean, in an injunction the question for the court is  
18 whether certain conduct should be prohibited or not and  
19 here, in the statutory damages, there is a range of  
20 options for the imposition of the damages and there's a  
21 certain amount of discretion involved in fixing the amount  
22 within the possible range, is there not?

23 MR. TASHMAN: Well, there's a huge amount of  
24 discretion involved.

25 QUESTION: Yes.



1 MR. TASHMAN: And that --

2 QUESTION: And that is a typical question that a  
3 jury would address and certainly, if you look to the  
4 common law antecedents, that's the kind of thing that in  
5 the copyright area would have been determined by a jury.

6 MR. TASHMAN: Well, I have to agree with -- I  
7 have to disagree with Your Honor on two counts. First, as  
8 to the practice at common law, under the colonial statutes  
9 and under the 1790 act as well, the -- well, let me focus  
10 on the 1790 act first.

11 The jury played no role whatsoever in  
12 determining the amount of damages. The only thing the  
13 jury determined was whether or not there was an  
14 infringement and the number of copies in the possession of  
15 the infringer and, once those two facts had been  
16 determined, damages were calculated arithmetically by  
17 multiplying the number of works in possession by the  
18 10 cents a page, or whatever.

19 So if we look at the state of the world just  
20 prior to the passage of the Seventh Amendment, the jury  
21 really had no role in calculating the amount of damages.

22 QUESTION: Well, it surely would have had a role  
23 in determining what later emerged to be an element of  
24 willfulness and the extent of the violation and how many  
25 pages, or how many events occurred.



1 MR. TASHMAN: Well, I'm afraid I have to  
2 disagree with Your Honor again. Willfulness is a concept  
3 that is completely alien to copyright infringement at  
4 common law and, indeed, it's completely alien to copyright  
5 infringement until 1978.

6 QUESTION: Oh, but it's a concept that is very  
7 familiar at common law in all kinds of criminal and tort  
8 law situations. That's a typical determination by a jury,  
9 is something intentionally done, or willfully done.

10 MR. TASHMAN: That is certainly true.

11 QUESTION: That lends itself to jury  
12 determination very readily.

13 MR. TASHMAN: Unlike the assessment of statutory  
14 damages within a range, which involves a huge amount of  
15 discretion and this discretion is really entirely  
16 different from the discretion that a jury uses in trying  
17 to ascertain the appropriate amount of actual damages.

18 QUESTION: How about punitive damages? A jury  
19 has extraordinary discretion there.

20 MR. TASHMAN: Well, it certainly has more  
21 discretion than it does in determining actual damages, but  
22 for example, the jury cannot, and it would be error for  
23 the jury to take into account the conduct of the attorneys  
24 and the conduct of the litigants in bringing the  
25 litigation and how they conducted the litigation and yet

1 these are factors that courts have taken into account in  
2 determining the amount of statutory damages.

3 Also, I think juries --

4 QUESTION: You think that that would be  
5 impossible under punitive damages, if the jury thought  
6 that the defendant in the case knew that it was guilty and  
7 had conducted a rear guard action of obstructionist  
8 litigation and so forth? I'm not sure a jury --

9 MR. TASHMAN: Well, I --

10 QUESTION: -- couldn't consider that for  
11 punitive damages.

12 MR. TASHMAN: I believe there are cases which  
13 have held that it would be reversible error for the jury  
14 to consider the conduct of counsel at trial and that that  
15 conduct has been considered --

16 QUESTION: Oh, I'm sure just an isolated, you  
17 know, piece of rudeness or something like that, I'm sure  
18 that would be the case. You think that could be taken  
19 into account here?

20 MR. TASHMAN: If statutory damages --  
21 absolutely. The courts --

22 QUESTION: Really?

23 MR. TASHMAN: The courts --

24 QUESTION: The jury thinks counsel were rude to  
25 the judge --

1 MR. TASHMAN: No, no, in statutory damages  
2 courts have used the cooperation or lack of cooperation  
3 and the manner in which counsel have conducted themselves  
4 at trial as a factor in determining the appropriate amount  
5 of statutory damages.

6 QUESTION: Is -- I just wonder, can I go back  
7 for a second to your answer to Justice Ginsburg. Could  
8 you explain to me very briefly, as -- perhaps I haven't a  
9 clear view of Tull, but Tull was a case that I thought  
10 gave you support and, as I understood the case, it would  
11 have said that the action for damages, a penalty in that  
12 case, is, in fact, legal and therefore the plaintiff or a  
13 defendant, there would be a right to a jury trial, but  
14 then it talked about the assessment of the amount of the  
15 penalty and, as far as the assessment of the amount of the  
16 penalty was concerned there was no Seventh Amendment  
17 right.

18 Now, if that's -- if I'm reading it correctly,  
19 then in this case it would suggest that even if -- I take  
20 it you'd have to say and even if. Even if the claim is  
21 legal and therefore there is a right to a jury trial to  
22 determine whether or not statutory damages is due, there  
23 is under Tull nonetheless no jury trial right as to the  
24 amount of the damages.

25 Now, is that a correct reading of Tull? Is Tull

1 applicable in that way? Are you going to disown Tull, or  
2 what is it you want to do about that?

3 MR. TASHMAN: Well, I'm very happy about Tull  
4 and I certainly don't want to disown that case. Tull I  
5 think is controlling. In the event that the Court finds  
6 that statutory damages are a legal remedy, our initial  
7 threshold argument is that statutory damages are not legal  
8 but are equitable. Tull is not consistent with that.  
9 Tull found that the civil penalties in that case were  
10 legal.

11 QUESTION: That's right. Now, I want to know  
12 what happens if I think, hypothetically, that this is a  
13 legal remedy, statutory damages.

14 MR. TASHMAN: Right.

15 QUESTION: At that point, is that the end of the  
16 matter, or are you saying that indeed, even if that's so,  
17 given part 3 of Tull, the judge may or Congress may give  
18 the judge the power to assess the amount of the penalty?

19 MR. TASHMAN: Well, we are arguing that this is  
20 equitable, but in the event that the court rejects that  
21 and finds that it is legal, we are clearly arguing that,  
22 based upon Tull and based upon the second prong of the  
23 test in the Court's recent decision in Markman, that it  
24 would be entirely appropriate for the Court to assess the  
25 amount of statutory damages.



1 QUESTION: But then you would lose under --

2 QUESTION: But if it were legal, then you'd have  
3 the right to a jury trial on infringement, I take it.

4 MR. TASHMAN: Correct. Correct.

5 So -- I'm sorry.

6 QUESTION: And also on -- if all you have in  
7 your corner is Tull, then you lose on infringement, you  
8 lose on willful, or innocent. That would also be for the  
9 jury under --

10 MR. TASHMAN: Well, certainly we don't lose on  
11 infringement because in this particular case  
12 infringement --

13 QUESTION: Yes, but I mean as a question of  
14 whether you would be entitled to a jury trial if there is  
15 a fact to be tried.

16 MR. TASHMAN: I know --

17 QUESTION: If Tull is all you have, then if  
18 there is a fact to be tried, the only thing you would get  
19 from a judge is the amount of damages, not the willfulness  
20 determination, not the number of infringing acts, and not  
21 the basic infringement question. What more could you get  
22 from Tull except the very last piece of it?

23 MR. TASHMAN: I would think that Tull would give  
24 us more than the last piece, and that would be any issues  
25 that relate solely to the question of liability, such as



1 willfulness, would be the province of the court, and I  
2 think that's especially significant in this case.

3 There is no requirement under the Copyright  
4 Act -- and the petitioners make this argument and I think  
5 it's clearly incorrect, that there is no mandatory  
6 requirement for a finding of willfulness or a finding of  
7 innocence.

8 The statute gives the court the absolute  
9 discretion to award damages between \$500 and \$20,000  
10 without any finding whatsoever as to willfulness or  
11 innocence and in this case the court found that \$20,000  
12 was the appropriate award, and that is an award which does  
13 not require any finding of willfulness or innocence.

14 Only if the court wants to go above the \$20,000  
15 is there a requirement that the court find willfulness.

16 QUESTION: But didn't the court find willfulness  
17 here as kind of a part of his explanation of why he picked  
18 20 rather than \$500?

19 MR. TASHMAN: Well, we certainly know that the  
20 court did find willfulness. As to why the court decided  
21 to award \$20,000, which would be the maximum amount  
22 without a finding of willfulness, we really don't know.

23 QUESTION: You really want to slice this statute  
24 very, very fine, so that not only does the amount of  
25 damages somehow get lopped off from the rest of it, but

1 even within the damage provision, up to \$20,000 can be  
2 decided by the judge alone and when you get above that, if  
3 there's willfulness, it -- the jury has to be called in.

4 How does that work? What -- I mean, how does  
5 the judge know there's no willfulness, so that he should  
6 only give up to \$20,000? I assume he has to send it to  
7 the jury first for the jury to find whether there's  
8 willfulness and, if the jury finds no, then he can do  
9 between 5 and 20, but that didn't happen here, did it?

10 MR. TASHMAN: Well, I think we could avoid that  
11 problem by -- in a case where the plaintiff requests  
12 damages no greater than \$20,000.

13 QUESTION: Well, let me ask even -- even in that  
14 case, I'm -- I want to ask a question that goes to the  
15 point of whether Tull helps you even on damages alone.

16 One reason Mr. Roberts suggested that Tull might  
17 not help you on that is that in Tull there was no -- there  
18 was no 18th Century analogue and here he says there is  
19 and, going to that point, my question is this.

20 Granted that in the early actions which were, I  
21 guess, brought in this country either for debt or in an  
22 action on the case for damages which were, as you point  
23 out, just mathematically calculated -- you find the number  
24 of sheets, you multiply it times a penny or what-not, and  
25 that's your verdict -- nonetheless, despite the rather

1 mechanistic way that damages would be calculated in those  
2 cases, is there authority that indicates that in those  
3 early cases the juries were returning verdicts simply of  
4 so many sheets plus infringement, as distinct from a  
5 verdict for money damages?

6 In other words, were the juries coming back with  
7 general verdicts, or were they simply coming back with the  
8 basis for calculating a verdict which the judge then did?  
9 Do we know? In other words, I want to know what the 18th  
10 Century analogue is here in practice.

11 MR. TASHMAN: I -- that's not a question that I  
12 have an answer to, although I would argue that, regardless  
13 of whether or not the juries specified an amount in the  
14 award or whether they just specified the number of copies  
15 in the possession of the defendant, that this statute and  
16 the colonial statute are entirely inadequate analogues to  
17 statutory damages, because the key and the essence of  
18 statutory damages is finding an alternate way to  
19 recompense the plaintiff outside of the standard rules of  
20 proof and outside of the standard measure of damages and  
21 outside of the standard rules of evidence.

22 And what we have in the 18th Century are  
23 classic, rigid, legal causes of action either in debt,  
24 which is a sum certain, which is the antithesis of  
25 statutory damages --

1 QUESTION: Or case, which is not.

2 MR. TASHMAN: Or case, but again, while there's  
3 more flexibility in case, what we're talking about is  
4 actual damages. What we're talking -- there's no question  
5 that case is the analogue of actual damages under 504(b)  
6 and there's no question that, under 504(b) for actual  
7 damages, there's a constitutional right to a jury trial.

8 QUESTION: All right. Let's assume that. Let's  
9 assume that the analogue is not point for point. How do  
10 you answer this objection: one of the questions that we  
11 have to ask, if we get to the point in the argument, is  
12 whether the jury -- according the jury trial under the  
13 present circumstances is necessary to preserve the  
14 substance of whatever the 18th Century right was.

15 If we start with the conclusion that the 18th  
16 Century juries were at least awarding something in the  
17 nature of actual damages, as distinct from statutory  
18 damages today, you nonetheless I think have to face this,  
19 that if, today, a plaintiff asks for actual damages, the  
20 plaintiff would, on the reasoning of the 18th Century  
21 analogue, get the jury trial right and the defendant would  
22 get the benefit of the jury trial right.

23 Whereas if today's plaintiff says, I want to go  
24 for big money, I want to go for the kind of statutory  
25 damages which in this case could have resulted, I think --



1     what was it, \$44 million, the upper limit? -- a great deal  
2     of money, anyway, the jury right disappears and, given  
3     your answer to Justice Ginsburg, it disappears even on the  
4     question of liability.

5             Don't you face the problem of how we preserve  
6     the substance of the 18th Century right if we accept your  
7     argument and, in particular, if we accept your answer to  
8     Justice Ginsburg?

9             MR. TASHMAN: No, I don't think so. I don't  
10    think the substance of the 18th Century right goes to the  
11    amount or the size of the award.

12            QUESTION: Well, let's assume that it at least  
13    goes to liability and the -- on your answer to Justice  
14    Ginsburg, the right to a jury determination on liability  
15    is likewise gone if the election is made to accept the  
16    statutory damages.

17            MR. TASHMAN: And that is no different from the  
18    fact today, or during the 18th Century, that if a  
19    copyright holder brought an action for an injunction plus  
20    an equitable accounting, that all issues in that case,  
21    including the question of infringement, would be for the  
22    court.

23            Now, the size and the impact --

24            QUESTION: Well, they would be, but at least the  
25    accounting is -- is at least for money that should not



1 have been in the pocket in the first place.

2 We're talking about a statutory damage remedy  
3 here with an outer limit in a willfulness case that  
4 exceeds anything that was known to 18th Century equity, I  
5 would suppose.

6 MR. TASHMAN: Well, I'm not sure that's true if  
7 you factor in inflation, but regardless of that, if you're  
8 talking about an injunction to enjoin another copyrighted  
9 work -- for example, today one motion picture believes  
10 another motion picture is infringing and if you want to  
11 talk about leverage, the leverage and the risk is not so  
12 much the damages as enjoining the infringing work, which  
13 may have cost hundreds of millions of dollars, before that  
14 work is distributed based upon copyright infringement.

15 So it's quite possible that when you're dealing  
16 with injunctions the potential for injury to the defendant  
17 is just as great, if not greater, than when you're dealing  
18 with actual damages or statutory damages. Indeed, I  
19 think --

20 QUESTION: Do we -- is that the -- I mean, I  
21 think that's a very good argument. It raises a question  
22 in my mind as to whether we should accept that analogy,  
23 because isn't the analogy that we look at in asking about  
24 the preservation of the substance of the jury trial right  
25 the analogy between the action at law then, or an action

1 at law then and an action at law now? In other words,  
2 should I accept your analogy to what equity could do?

3 MR. TASHMAN: Well, certainly equity did not do  
4 that in the 18th Century, but if there were statutory  
5 damages it would be an equitable -- it would be an  
6 equitable -- you would get them in equity, because they  
7 involve extraordinary discretion --

8 QUESTION: If you were doing what you just  
9 described today it would still be -- if all you want is  
10 the injunction, no money relief at all, you want to stop  
11 the other picture from being shown, you don't have -- the  
12 other side and you don't have a jury trial right if all  
13 you're seeking is an injunction.

14 MR. TASHMAN: I think that's not subject to  
15 dispute and that could result in damages of hundreds of  
16 millions of dollars, injury of --

17 QUESTION: But you wouldn't get the damages,  
18 because your claim would be precluded.

19 MR. TASHMAN: No, when I say -- I'm sorry, when  
20 I say damages, the consequence of an injunction, given  
21 those facts, would result in a huge amount of injury to  
22 the party being enjoined.

23 QUESTION: There's a practical question related  
24 to this that I have that you may not have a judgment on,  
25 but as -- in your experience, copyright holders who by and

1 large are plaintiffs in these suits, if I compare them to  
2 other plaintiffs, say in tort suits, we don't -- I haven't  
3 normally heard complaints from plaintiffs in tort suits  
4 about the jury. To the contrary. They feel that punitive  
5 damages, et cetera, normally -- I'd say not everybody, but  
6 the jury's more than adequate, or adequate in awarding --  
7 taking care of the interests of the tort plaintiffs  
8 through punitive damages, et cetera.

9 Why is it, in your experience, that in this case  
10 the copyright holders who tend to be plaintiffs in these  
11 cases fear -- at least, I read that into what they're  
12 saying, that the jury won't be able properly to compensate  
13 them or to work with a statutory punitive-type situation?

14 MR. TASHMAN: Well, I know the amici have raised  
15 those issues and I can only speak to my experience in this  
16 case and in this case we do not believe that a jury would  
17 be incapable of awarding statutory damages.

18 I suspect a jury would have awarded more  
19 statutory damages, because once they found willfulness,  
20 they would have felt compelled to go into the willfulness  
21 range, which is something the district court did not do.

22 I can see -- so we don't think that this gets  
23 into the third prong articulated in Ross, at least not  
24 given the facts here.

25 I can see hypothetically two situations where it

1 would. First, where statutory damages were elected after  
2 a jury came down with a verdict for actual damages and  
3 then you'd have to send back that jury and the jury,  
4 having deliberated and figured out that X dollars was the  
5 appropriate award of damages, kind of send them back and  
6 tell them, no, no, no, unring the bell, come up with  
7 another award, and I think that's conceptually a difficult  
8 thing to ask a jury to do, kind of to unring the bell,  
9 especially when you don't give them any guidelines to tell  
10 the jury -- other than the possibility of willfulness or  
11 innocence, which is not a mandatory factor but a  
12 discretionary factor.

13 So I would think under those facts it would be  
14 something that would be --

15 QUESTION: Would you comment on Mr. Roberts'  
16 response to that, that the same problem applies when the  
17 judge tries the case?

18 MR. TASHMAN: I'm sorry, can you repeat the  
19 question?

20 QUESTION: The -- Mr. Roberts suggested in  
21 response to this argument that you can unring the bell  
22 even if you don't have a jury. I mean, you can ask the  
23 judge to take a second look, too.

24 MR. TASHMAN: Well, the judge hasn't taken a  
25 first look, because the judge has not, while the case was



1 going to the jury, spent days trying to figure out the  
2 appropriate amount of actual damages and lost profits, so  
3 the judge is really coming to that issue completely  
4 afresh, while the jury is already committed to this  
5 concept that X dollars were lost profits and X dollars  
6 were actual damages.

7 QUESTION: You're saying that if the judge has  
8 already determined actual damages it would be too late to  
9 unring the bell.

10 MR. TASHMAN: Well, the judge doesn't determine  
11 actual damages.

12 QUESTION: Oh, but if there's no jury trial at  
13 all, if there's no jury right at all, he's going to.

14 MR. TASHMAN: Well, if there's no jury right,  
15 then the judge won't determine actual damages because the  
16 only question is statutory damages, so in that case --

17 QUESTION: No, I thought --

18 QUESTION: No --

19 QUESTION: -- Justice Stevens --

20 MR. TASHMAN: I'm sorry.

21 QUESTION: -- was asking the question, suppose  
22 neither side wants the jury, you have a judge trial,  
23 plaintiff gets an amount calculated by the judge --

24 MR. TASHMAN: Ah.

25 QUESTION: -- and says, judge, I don't like that

1 calculation. Do it under statutory damages.

2 MR. TASHMAN: Thank you. Is that your  
3 hypothetical?

4 QUESTION: Yes.

5 MR. TASHMAN: Thank you for the clarification.

6 I would think it would be difficult for a judge,  
7 but I think a judge would be in a better position to go  
8 back and to recalculate or rethink than a jury would be,  
9 although --

10 QUESTION: Although I suppose a judge could  
11 protect himself and say, if you're going to submit the  
12 matter to me, are you asking for actual damages or  
13 statutory damages and you can say we -- make a prayer in  
14 the alternative.

15 MR. TASHMAN: Correct.

16 QUESTION: I suppose a judge could protect  
17 himself by demanding to know from the client in advance  
18 what he wants.

19 MR. TASHMAN: I think that's quite true.

20 QUESTION: Can you require the determination to  
21 be made in advance like that?

22 MR. TASHMAN: No.

23 QUESTION: I thought it -- so the answer's no.

24 MR. TASHMAN: No.

25 QUESTION: Would you -- I had the same problem

1 Justice Breyer asked you about. I understand you just  
2 represent one client in this case and the irony of it is,  
3 maybe -- you may be better off if you lose, because a jury  
4 may come in with a bigger award.

5 MR. TASHMAN: Well, I hope you wouldn't rule  
6 based upon that.

7 QUESTION: Well, I certainly won't.

8 (Laughter.)

9 QUESTION: I certainly won't, but it's ironic --  
10 or the other way around. They -- there may be a cross-  
11 verdict.

12 MR. TASHMAN: I think my client would not feel  
13 better off if he lost.

14 QUESTION: If they have to try the case over.  
15 No, I understand that.

16 But it is puzzling to me as to why, because of  
17 the position filed by the amici, why this class of  
18 plaintiffs is afraid of -- seems to disapprove of juries  
19 whereas the plaintiff generally would seem to prefer  
20 juries. Is there anything about copyright law that  
21 suggests why that should develop?

22 MR. TASHMAN: Well, I think we're dealing with  
23 intangible rights. We're dealing with rights that are  
24 inherently difficult to value. We're dealing with rights  
25 which are not consumed. We're dealing with cases where

1 you have large companies suing local establishments,  
2 where --

3 QUESTION: Not much human interest in it at all,  
4 is there?

5 (Laughter.)

6 MR. TASHMAN: Where it's -- you know, it's very  
7 difficult to try to figure out how a huge music company  
8 has been injured by Joe's Bar and Grill performing.

9 QUESTION: Thank you, Mr. Tashman.

10 MR. TASHMAN: Thank you very much.

11 QUESTION: Mr. Roberts, you have 4 minutes  
12 remaining.

13 REBUTTAL ARGUMENT OF JOHN G. ROBERTS, JR.

14 ON BEHALF OF THE PETITIONER

15 MR. ROBERTS: Thank you, Mr. Chief Justice.

16 Justice Souter, the answer to your question is  
17 juries at common law returned general verdicts for an  
18 amount. They didn't say 50 sheets, go do the math. The  
19 citations are collected at page 43 of our brief.

20 QUESTION: They returned general verdicts where  
21 there was a statutory specified amount for each sheet?

22 MR. ROBERTS: Sure. Now, it's a calculation,  
23 but they did the calculation.

24 QUESTION: But I mean, it wasn't a great mystery  
25 what the calculation ought to be.



1 MR. ROBERTS: No. No, at least not under those  
2 where the amount was fixed. It was under the statutes in  
3 New Hampshire and Massachusetts and Rhode Island.

4 Justice Kennedy, a better citation than the one  
5 I gave you is on page 35 of our brief, the Colburn case,  
6 saying the court in equity doesn't award anything beyond  
7 the accounting, so damages beyond restitution would not be  
8 allowed.

9 It's important to recognize that the willfulness  
10 determination here was critical to the judgment. The  
11 district court noted the range for willful infringements  
12 before imposing his award. Columbia argued that the court  
13 should award a higher award. They said, just \$40,000 per  
14 infringement and that's less than half the amount you can  
15 award, what they said and, of course, the court of appeals  
16 in upholding the amount emphasized that the infringements  
17 were willful and the \$20,000 figure was well within the  
18 statutory range.

19 Now, to focus for a moment on the third point in  
20 Tull, the damages question. If this is a legal action,  
21 issues of infringement, number of works, willfulness have  
22 to be tried to the jury and Tull is the only impediment to  
23 the conclusion that damages also are for the jury.

24 Tull proceeds along the assumption that,  
25 although the Framers were willing to take up arms over the

1 issue of whether a judge or a jury decides liability, they  
2 didn't care one way or another whether the judge or the  
3 jury said \$200 or \$100,000. The proposition simply makes  
4 no sense. The amount of --

5 QUESTION: So we'd have to overrule Tull, in  
6 your view.

7 MR. ROBERTS: No. I think Tull can be confined  
8 to the civil penalty context in which it arose and the  
9 particular history in which it arose. In other words, the  
10 historical fact about civil penalties as opposed to  
11 damages.

12 But we know that damages were set by the jury  
13 when they were not fixed, regardless of the case with  
14 respect to civil penalties.

15 Thank you, Your Honor.

16 CHIEF JUSTICE REHNQUIST: Thank you,  
17 Mr. Roberts.

18 The case is submitted.

19 (Whereupon, at 11:10 a.m., the case in the  
20 above-entitled matter was submitted.)  
21  
22  
23  
24  
25

## CERTIFICATION

Alderson Reporting Company, Inc., hereby certifies that the attached pages represents an accurate transcription of electronic sound recording of the oral argument before the Supreme Court of

The United States in the Matter of:

C. ELVIN FELTNER, JR., Petitioner v. COLUMBIA PICTURES TELEVISION, INC.  
CASE NO: 96-1768

and that these attached pages constitutes the original transcript of the proceedings for the records of the court.

BY Don Mari Fedilo-----

(REPORTER)