



# JUSTICE GONE ASTRAY — WHY MORE LAWYERS NEED TO UNDERSTAND COPYRIGHT BASICS

By Annemarie L.M. Field and Thomas G. Field Jr.

## I. Introduction

For many years, federal and state governments maintained separate laws to protect authors, artists, photographers, songwriters and other artistic people and their creations. Prior to 1978, Congress created civil remedies and criminal penalties in relation to published works in the Copyright Act,<sup>1</sup> and states had exclusive jurisdiction over *un*published works.<sup>2</sup> In fact, the Supreme Court declared in 1973 that states had not relinquished all control of copyright matters to the federal government and that uniformity was not

required for successful implementation of copyright laws.<sup>3</sup> Yet, the dual system of authority on copyright law was confusing. Further, the concept of publication was being altered by technical developments, as it turned less and less on production of printed copies.

To address these issues, Congress revised the Act in 1976.<sup>4</sup> Section 301(a) was added to change the criterion from publication to fixation:

On and after Jan. 1, 1978, all legal or equitable rights that are equivalent to

any of the exclusive rights within the general scope of copyright ... in works of authorship that are fixed in a tangible medium of expression and come within the subject matter of copyright ... whether created before or after that date and whether published or unpublished, are governed exclusively by this title. Thereafter, no person is entitled to any such right or equivalent right in any such work under the common law or statutes of any State.<sup>5</sup>

Today, states may still regulate works like dances, unwritten stories and music until such time as they are recorded, written or scored.<sup>6</sup> Nonetheless, existing state statutes still conflict with § 301, and at least one permits state prosecution for acts explicitly excluded from criminal liability by controlling federal law.

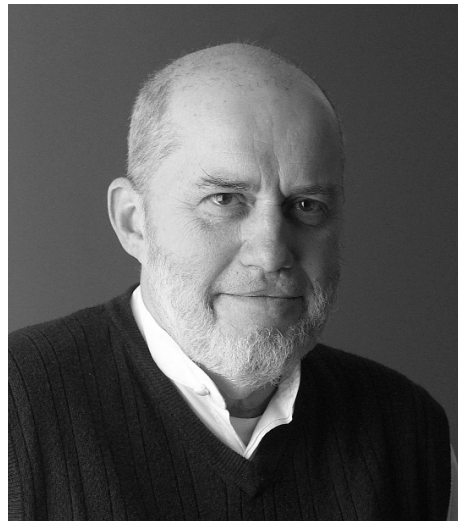
Besides pre-empted copyright statutes, this article discusses five cases (two decided in Massachusetts) where general criminal statutes were inappropriately brought to bear. The cases underscore the thesis of this article, which is that, particularly given the increasing ease with which copyrights may be infringed, more attorneys need a basic understanding of copyright law.

## II. The Copyright Act and Preempted State Laws

Federal copyright law protects original literary or artistic creations fixed in any tangible medium of expression,<sup>7</sup> such as books, photographs, recorded music and architectural works.<sup>8</sup> Owners have exclusive rights to reproduce, distribute, perform and display their creations, and to make derivative works.<sup>9</sup> Others, who without permission exercise any of the owner's rights, are infringers.<sup>10</sup> Infringers are not only liable in civil actions,



*Annemarie Field obtained her master of intellectual property degree from Franklin Pierce Law Center and is a member of the Massachusetts bar. Currently, she is enrolled in the chemical engineering program at the University of Massachusetts.*



*Thomas Field is a founding professor of law at the Franklin Pierce Law Center in Concord, N.H. His casebooks and most recent articles deal with administrative process and intellectual property. He brought the pre-emption issue to the attention of the court and others involved soon after the State v. Nelson decision was published.*



but they may also be subject to criminal prosecution under the carefully crafted federal statute.<sup>11</sup>

Despite federal preemption,<sup>12</sup> invalid state statutes remain on the books. For example, a New Hampshire statute reads: “Whenever any person, . . . is the owner of any . . . photograph, . . . which has not been copyrighted or offered for sale, it shall be unlawful for any other person to publish, produce, print, or sell or offer to sell the same without first obtaining the consent of the owner thereof.”<sup>13</sup> Moreover, another provision makes that conduct a misdemeanor.<sup>14</sup>

Another example is a Puerto Rican<sup>15</sup> law regarding unlawful appropriation of intellectual property. It prohibits unauthorized copying or selling of any literary or artistic work.<sup>16</sup> A Louisiana statute reads more narrowly: unpublished operas are illegal to be performed without consent of the author.<sup>17</sup> A final example comes from Florida, where unauthorized publication of photographs or pictures of areas to which admission is charged is prohibited.<sup>18</sup>

These examples are relatively obviously pre-empted by the Copyright Act. Because they directly refer to copyrights, those provisions should be repealed or amended.

Pre-emption is more difficult to anticipate when it is unclear that copyright is involved. This is illustrated by cases that distinguish between intangible copyright interests associated with artistic expression and tangible media containing such expression. The next section shows that those who criminally appropriate others’ copyrighted property can only be prosecuted according to federal statutes specifically designed for that purpose.

### III. Criminal Copyright Cases

In the earliest of this set of cases, after Crow sold unauthorized bootleg recordings, Florida prosecutors charged him with dealing in stolen property.<sup>19</sup> Although Crow apparently owned the eight-track tapes, the music belonged to others.<sup>20</sup> On that basis, he was sentenced to five years in prison.<sup>21</sup>

Contending that § 301 of the Copyright Act precludes state prosecution for admittedly pirated recordings, he sought habeas corpus.<sup>22</sup> Crow lost in district court, but the Eleventh

Circuit reversed, observing that “[t]he intention of section 301 is to pre-empt and abolish any rights under the common law or statutes of a state that are equivalent to copyright and that extend to works coming within the scope of the federal copyright law.”<sup>23</sup> It went on to say that the court should see whether Crow had violated rights equivalent to copyrights rather than determining whether his conviction conflicted with provisions of the Copyright Act.<sup>24</sup> Accordingly, the court found that Crow had reproduced and distributed the copyrighted work, and that these actions had violated rights equivalent to the copyrights.<sup>25</sup> Thus, the Florida statute, which sought to punish the same actions as the tort of copyright infringement, was pre-empted, rendering Crow’s conviction null and void.<sup>26</sup>

A year after *Crow*, on very similar facts, the Supreme Judicial Court of Massachusetts took a very different approach.<sup>27</sup> Yourawski was accused of receipt of stolen property.<sup>28</sup> He was in possession of videotapes containing copyrighted material owned by Twentieth Century-Fox Film Corp.<sup>29</sup> Again, the state did not charge Yourawski with stealing the media that he apparently owned, but focused on the intellectual property rights contained therein.<sup>30</sup> The commonwealth wanted the court to regard the intangible contents of the tape as “property” so that its taking would fall within the prohibition of the state statute.<sup>31</sup> The court disagreed and said that the statute’s definition of property did not include intellectual property rights specifically.<sup>32</sup> Consequently, the court dismissed the indictments.<sup>33</sup> The court thereafter commented that its decision rendered the question of whether the state’s power to regulate Yourawski’s actions was abrogated by § 301 as moot.<sup>34</sup>

In 1985, the U.S. Supreme Court heard *Dowling v. U.S.*,<sup>35</sup> where a federal theft statute was used in connection with bootleg recordings. Dowling had sold bootleg recordings and was convicted for several crimes, including interstate transportation of stolen property under the National Stolen Property Act<sup>36</sup> (NSPA).<sup>37</sup> He had manufactured and distributed phonorecords without consent of the copyright owners.<sup>38</sup> He did not contest the copyright infringement or the wire fraud conviction, but claimed that the intellectual

property contained in the recordings was not “property” as defined in the Act.<sup>39</sup> The court agreed. Justice Blackmun remarked that penal laws should be construed strictly.<sup>40</sup> He added: “The government’s theory here would make theft, conversion or fraud equivalent to wrongful appropriation of statutorily protected rights in copyright. The copyright owner, however, holds no ordinary chattel. A copyright, like other intellectual property, comprises a series of carefully defined and carefully delimited interests to which the law affords correspondingly exact protections.”<sup>41</sup> In addition, the court explained that Congress has the sole power to regulate copyrights and has regulated it with such “precision” and “deliberation” that it does not seem to want to include copyright infringement in the NSPA.<sup>42</sup> The court concluded that Congress, not the courts, should decide what remedies are available for copyright holders.<sup>43</sup> General federal statutes simply cannot be used to prosecute someone for criminal interference with another’s copyrights, because Congress intends only copyright-specific rules to apply.

A fourth case was decided in Massachusetts in 1994, this time by the Federal District Court.<sup>44</sup> Here, the defendant did not receive any monetary gain from his conduct and could therefore not be prosecuted under the Copyright Act of 1976, which required willful infringement “for purposes of commercial advantage or private financial gain.”<sup>45</sup> Instead, the United States charged LaMacchia with violating a general criminal statute.<sup>46</sup>

LaMacchia was a student at MIT and had created an electronic bulletin board to which people could upload their legally bought software programs.<sup>47</sup> These programs were then transferred to a second address where password holders could access these programs and download them for free.<sup>48</sup> LaMacchia was charged with conspiring to violate the Wire Fraud Statute.<sup>49</sup>

Heeding the dictates of *Dowling*, the Federal District Court repeated that copyrights are not governed by laws related to theft, conversion or fraud, but that they are a distinguishable bundle of rights.<sup>50</sup> More importantly, the court pointed out that the copyright laws are complete without the federal Wire Fraud Act. “Why is it not true of



mail and wire fraud, as it is of [interstate transportation of stolen property], that no such need for supplemental federal action has ever existed for the obvious reason that Congress always has had the bestowed authority to legislate directly in this area of copyright infringement?”<sup>51</sup> Accordingly, LaMacchia could not be prosecuted for copyright infringement under the Wire Fraud Act.<sup>52</sup>

The court found it regrettable that his conduct was not punishable under 17 U.S.C. § 506(a),<sup>53</sup> but said it must be accepted, because “Congress has chosen to tread cautiously, relying chiefly on an array of civil remedies to provide copyright holders protection against infringement, while mandating studiously graded penalties in those instances where Congress has concluded that the deterrent effect of criminal sanctions are required.”<sup>54</sup>

#### IV. *State v. Nelson*

The thesis of this article is perhaps best illustrated by a 2004 New Hampshire Supreme Court decision that affirmed a conviction for unauthorized copying of another’s photographs.<sup>55</sup>

In this case, a landlord entered his tenants’ apartment at their request to repair their ceiling fan and noticed several intimate photographs of the female tenant.<sup>56</sup> Nelson removed the pictures, made digital copies on his computer and returned the originals.<sup>57</sup> When the tenants found out, the state charged Nelson with receipt of stolen property.<sup>58</sup> The New Hampshire Superior Court found him guilty and Nelson appealed, claiming his conduct did not fall within the definition of the statute.<sup>59</sup> Like *Yourawski* and *Dowling*, Nelson argued that the photographic images did not constitute “property” as defined in the statute.<sup>60</sup> Additionally, he claimed that the images on his computer were not “property of another” and that he did not have the “purpose to deprive.”<sup>61</sup> The court first contemplated the state law, which defines property broadly as “anything of value” including intangible personal property.<sup>62</sup> The court held that the images had value, either to the tenants or on the Internet.<sup>63</sup> Furthermore, it found that the images were property of another.<sup>64</sup> The fact that Nelson had changed the medium in

which the images existed did not change their stolen nature.<sup>65</sup> Lastly, Nelson had a purpose to deprive, because he kept the images, which deprived the owner of the right to select who had access to them.<sup>66</sup> Therefore, Nelson was convicted.<sup>67</sup>

There are two problems with this decision. First of all, the court did not distinguish between the media and its expressive content. The computer and photographs are tangible media. The expression or image of the photograph that was saved on the hard drive of the computer is intangible property. Nelson owned the hard drive and returned the photographs. Therefore, he did not possess any stolen tangible property. He possessed part of the tenants’ intangible property, namely the tenants’ exclusive copyright in the photos. We’ve seen that this interference is exclusively regulated by federal law, not state law. Moreover, under current federal law, Nelson’s behavior is unlikely to be punishable unless his purloined images had a proven retail value exceeding \$1,000.<sup>68</sup> That his behavior was no more commendable than that of LaMacchia or any other defendant discussed earlier is beside the point

Had the New Hampshire courts recognized that this case concerned copyrights, they could have applied *Yourawski*. They could have determined that the copyrights contained in the scanned images were considered “property” under the state statute. Consequently, the New Hampshire stolen property law would be applicable and would be abrogated by § 301. Alternatively, if they had recognized copyrights were involved, they would know the law was pre-empted.

It is possible that the lawyers in the Nelson case were led astray by the New Hampshire statute mentioned above.<sup>69</sup> Maybe they thought the statute confirmed that the court had jurisdiction over illegal copying of unpublished photographs, but simply chose to prosecute the case using the state law regarding receipt of stolen property. In any case, this further illustrates why pre-empted state copyright statutes should be taken off the books.

#### V. Conclusion

It may be difficult to recognize issues in an arena traditionally relegated to specialists. Yet,

had copyright law been more widely understood, resources consumed by the several cases discussed here may have been better invested. Congress and the U.S. Supreme Court have made it clear that generic criminal provisions, whether state or federal, cannot be used to deter and redress conduct that amounts to copyright infringement. States may regulate the conversion or theft of tangible property, like books, photographs and CDs, but not the civil or criminal infringement of their creative content. Finally, the existence of pre-empted state copyright laws merely increases the risk of justice gone astray.

#### End notes

1. Federal protection started upon publication of a work with proper notice or, for some limited classes of works, upon registration. 17 U.S.C. § 10, 12 (1909 Act). The United States Supreme Court decided in *Wheaton v. Peters*, 33 U.S. 591, 661-662 (1834) that Congress creates the author’s copyright. It rejected the notion of natural rights of an author.
2. “Nothing in this title shall be construed to annul or limit the right of the author or proprietor of an unpublished work ...” 17 U.S.C. § 2 (1909 Act).
3. Congress showed no intent, either expressly or impliedly, to stop the states from exercising their power to regulate copyrights. *Goldstein v. California*, 412 U.S. 546, 559 (1973).
4. H.R. No. 94-1476 (1976).
5. 17 U.S.C. § 301(a) (1976).
6. 17 U.S.C. § 301(b) (1976).
7. 17 U.S.C. § 102(a) (1976).
8. *Id.*
9. 17 U.S.C. § 106 (1976).
10. 17 U.S.C. § 501(a) (1976).
11. 17 U.S.C. § 506 (1976).
12. *See supra* p. 1.
13. N.H. Rev. Stat. Ann § 352:1 (1895).
14. N.H. Rev. Stat. Ann § 352:2 (1895).
15. Puerto Rico is considered a “state” under 17 U.S.C. § 101.
16. 33 L.P.R.A. § 4271(a) (1974).



## Civil Litigation

---

17. La. R.S. 14:208 (2004).
18. Fla. Stat. § 540.09 (2004).
19. *Crow v. State*, 392 So.2d 919 (Fla. Dist. Ct. App. 1980).
20. *Id.* at 920.
21. *Id.*
22. After being convicted in the District Court of Appeal of Florida, First District, Crow petitioned for habeas corpus at the U.S. District Court for the Middle District of Florida, which denied his petition. He then appealed the decision at the Court of Appeals for the 11th Circuit. *Crow v. Wainwright*, 720 F.2d 1224 (11th Cir. 1983).
23. *Id.* at 1225.
24. *Id.* at 1225-26.
25. *Id.* at 1226.
26. *Id.* at 1227.
27. *Commonwealth v. Yourawski*, 384 Mass. 386 (1981).
28. G. L. c. 266, § 60.
29. *Yourawski*, 384 Mass. at 387.
30. *Id.* at 386.
31. *Id.* at 388.
32. *Id.*
33. *Id.* at 389.
34. *Id.*
35. 473 U.S. 207 (1985).
36. 18 U.S.C. § 2314.
37. *U.S. v. Dowling*, 739 F.2d 1445 (9th Cir.)
38. *Id.* at 210-11.
39. *Id.* at 212.
40. *Id.* at 213.
41. *Id.* at 216.
42. *Id.* at 228.
43. *Id.*
44. *U.S. v. LaMacchia*, 871 F. Supp. 535 (D. Mass. 1994).
45. 17 U.S.C. § 104 (1909). Congress partly closed the loophole after *U.S. v. LaMacchia* in 1997 by introducing the No Electronic Theft Act (NET Act). 17 U.S.C. § 506(a) (2) (Supp. III 1997) reads: “Any person who infringes a copyright willfully... by the reproduction or distribution, including by electronic means, during any 180-day period, of 1 or more copies or phonorecords of 1 or more copyrighted works, which have a total retail value of more than \$ 1,000 shall be punished as provided under section 2319 of title 18, United States Code.”
46. *LaMacchia*, 871 F. Supp. at 537.
47. *Id.* at 536.
48. *Id.*
49. *Id.*
50. *Id.* at 543.
51. *Id.* at 544.
52. *Id.* at 545.
53. *See supra* note 45.
54. *Id.* at 544, *citing Dowling v. U.S.*, at 221, 225 (1985).
55. *State v. Nelson*, 150 N.H. 569 (2004).
56. *Id.* at 570.
57. *Id.*
58. N.H. Rev. Stat. Ann. § 637:7(I) (1996).
59. *Nelson*, 150 N.H. at 570.
60. N.H. Rev. Stat. Ann. § 637:2 (1996).
61. *Nelson*, 150 N.H. at 571.
62. “Property” means “anything of value ...” RSA 637:2, I (1996).
63. *Id.* at 572.
64. *Id.*
65. *Id.*
66. *Id.* at 573.
67. *Id.* at 574.
68. *See supra* note 45.
69. *See supra* p. 2.