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# Supreme Court: Copyright Registration Prerequisite to Civil Infringement Action

*Fourth Estate Public Benefit Corporation v. Wall-Street.Com, LLC*, No. 17-571, 586 U.S. \_\_\_\_ (2019)

In its unanimous March 4, 2019 opinion, the United States Supreme Court affirmed the judgment of the Court of Appeals for the Eleventh Circuit in holding that copyright owners must wait for the U.S. [More](#)

*Fourth Estate Public Benefit Corporation v. Wall-Street.Com, LLC*, No. 17-571, 586 U.S. \_\_\_\_ (2019)

In its unanimous March 4, 2019 opinion, the United States Supreme Court affirmed the judgment of the Court of Appeals for the Eleventh Circuit in holding that copyright owners must wait for the U.S. Copyright Office to either issue or refuse registration for a copyright before they are able to enforce their rights in court.

17 U.S.C. Section 411(a) states that “no civil action for infringement of the copyright in any United States work shall be instituted until . . . registration of the copyright claim has been made in accordance with this title.” The same section also provides for an exception if an applicant delivers the required deposit, application, and fee in the proper form, but the Copyright Office refuses registration: “. . . the applicant is entitled to institute a civil action for infringement if notice thereof, with a copy of the complaint, is served on the Register of Copyrights.” *Id.*

At issue in this case was the issuance, not refusal, of registration, and specifically, the meaning of when “registration . . . has been made” – is it as soon as a party delivers the required application, copies of the work, and fee to the Copyright Office, or only after the Copyright Office reviews and registers the copyright?

This question was the subject of a circuit split between the United States Court of Appeals for the Fifth and Ninth Circuits on the one hand, and the Tenth and Eleventh Circuits on the other. The Fifth and Ninth Circuits followed the “application approach” – that the requirement to bring a civil infringement action is met when a copyright owner applies to register a work. The Tenth and Eleventh Circuits, however, followed the “registration approach” – that the requirement for bringing a civil infringement action is met only when the Copyright Office has issued registration of a work. In affirming the Eleventh Circuit’s decision, the Supreme Court resolved the circuit split in favor of the “registration approach.”

#### **Application Approach vs. Registration Approach**

In this case, the petitioner, a proponent of the application approach, Fourth Estate Public Benefit Corporation (“FourthEstate”) licensed works to respondent Wall-Street.Com, LLC (“Wall-Street.Com”), a news website. Wall-Street.Com cancelled the parties’ license agreement, but failed to remove the news articles from its website. After applying to register its copyrights but before the Copyright Office acted, Fourth Estate sued Wall-Street and its owner for copyright infringement. The District Court for the Southern District of Florida dismissed the complaint, and the Eleventh Circuit affirmed, holding that the registration requirement has not been met until the Copyright Office registers a copyright. The Fourth Estate petitioned the Supreme Court to review the Eleventh Circuit’s holding.

In arguing for the “application approach,” Fourth Estate raised the issue that a copyright owner may lose the ability to enforce its rights if the Copyright Act’s three-year statute of limitations runs out before the Copyright Office acts on its application for registration. The Court viewed this argument as alarmist, since the average processing time for registration applications is currently seven months, which leaves ample time to sue after the Copyright Office’s decision, assuming that the copyright owner files its application soon after the work is

created. In reaching this conclusion, the Court found that an administrative lag is insufficient reason to allow it to revise Section 411(a)'s congressionally-composed text.

Following the issuance of the Court's decision, the Chairman and CEO of the Recording Industry Association of America made a statement underscoring the impact of the administrative lag: "This ruling allows administrative backlog to prejudice the timely enforcement of constitutionally based rights and prevents necessary and immediate action against infringement that happens at internet speed. Given this ruling, the Copyright Office must also work at internet speed to ensure adequate enforcement protects essential rights." The full statement is available [here](#).

The Court also considered the limited circumstances provided by the statute in which copyright owners may file an infringement suit before obtaining a registration, and relied on these exceptions to conclude that the "registration . . . has been made" requirement does not constitute an additional exception to requiring that the Copyright Office act before a copyright owner can bring suit.

- The statute provides that if a copyright owner is preparing to distribute a work of a type vulnerable to pre-distribution infringement—notably, a movie or musical composition—the owner may apply for preregistration. Preregistration is not a substitute for registration, but rather is an indication of an intent to register a work once the work has been completed and/or published. Preregistration allows a copyright owner to sue for infringement while a work is still being prepared for commercial release. A person who has preregistered a work must register the work within one month after the copyright owner becomes aware of infringement and no later than three months after first publication. If full registration is not made within the prescribed time period, a court must dismiss an action for copyright infringement that occurred before or within the first two months after first publication. See 17 U.S.C. §408(f).

- A copyright owner may also sue for infringement of a live broadcast before “registration . . . has been made,” but faces dismissal of its suit if it fails to “make registration for the work” within three months of its first transmission. 17 U.S.C. §411(c).

The parties agreed that outside of these statutory exceptions, neither of which was applicable, Section 411(a) does not permit a copyright owner to sue for infringement until “registration . . . has been made.”

Ultimately, in rejecting Fourth Estate’s application approach in interpreting the meaning of when “registration . . . has been made,” the Court concluded that “[t]he registration approach . . . reflects the only satisfactory reading of §411(a)’s text.” This decision could result in an increase in copyright applications, as copyright owners may be encouraged to act more quickly in applying to register their work; but it could also have the unintended result of creating an even larger backlog in the Copyright Office. – [\*JB\*](#)

## **Primary Contacts**

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