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# PAYMENT DEMANDS FOR SPURIOUS COPYRIGHTS: FOUR CAUSES OF ACTION

*Paul J. Heald\**

"COPYING IS ILLEGAL" declares the final page of the chorus from the Bach cantata<sup>1</sup> lying to the right of my computer. The slogan is ingeniously printed in gray across the entire page so that it will show up clearly if any photocopies are made. The first page of the text contains the copyright symbol and the name and address of the "sole selling agent" of the putative copyright owner. Apparently, the copyright claimant would prefer to sell additional copies of the music rather than receive royalties for copying done by users. "ALL COPYING IS ILLEGAL" states the edition of Shakespeare's *Henry IV*, Part II, that is propped up against the left side of my computer. Those desiring to make photocopies of any part of the text are directed in stern tones to send \$1.00 per copy to the Copyright Clearance Center (CCC), Washington, D.C., or face dire consequences.<sup>2</sup>

A claim of copyright is a serious claim. Federal law carries with it substantial criminal (up to ten years in prison)<sup>3</sup> and civil (actual damages or up to \$100,000 in statutory damages) penalties for copyright violations. Although many people undoubtedly ignore the copyright symbol and duplicate as they please,<sup>4</sup> others are willing to buy more than one copy of the work covered by the putative copyright, pay a royalty to the copyright claimant, or more likely,

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<sup>1</sup> Johann Sebastian Bach, *Crown Him King of Kings*, from AUF, SCHMETTERNDE TONE DER MÜNTERN TROMPETEN (BMV 207a).

<sup>2</sup> Cf. *American Geophysical Union v. Texaco, Inc.*, 802 F. Supp. 1, 7 & n.4 (S.D.N.Y. 1992). The Copyright Clearance Center is a non-profit organization of publishers that collects and distributes licensing fees for photocopying materials that are registered with it. As of 1990, over 8000 publishers had registered over 1.5 million texts with the CCC. See generally *id.* at 4-9 (providing details on compliance with CCC).

<sup>3</sup> 17 U.S.C. § 506(a) (1988) & 18 U.S.C. § 2319(a)-(b) (1988) (enumerating various criminal penalties available under various circumstances).

<sup>4</sup> See R. Ellickson, *Photocopying Norms of Law Professors*, QUADRANGLE (Mich. Law School Alumni Magazine) (1993) (discussing photo copying behavior of law faculty).

remit \$1.00 a page to the CCC. Whether the motivation of the payor is fear or a sense of duty (or guilt?), the placement of the copyright symbol on a work clearly affects consumer behavior. It is meant to, and, for the most part, the transactions prompted by copyright notices are not problematic.

The inducing of consumer payments for works in the public domain,<sup>5</sup> however, raises serious issues of impropriety, as do overbroad claims of right made to validly copyrighted works. Neither the Bach cantata nor the Shakespearean play mentioned above was ever copyrighted,<sup>6</sup> and had they been, they would have passed into the public domain long ago, free for anyone to use.<sup>7</sup> A publisher who falsely claims the benefits of copyright law misleads the consumer into paying a royalty or buying another work (to avoid photocopying) in a situation where no payment need be made and photocopying is entirely permissible. A related problem occurs when a consumer pays a royalty or purchases an extra copy of a work where photocopying of the text would have constituted a "fair use."<sup>8</sup>

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<sup>5</sup> Any work published more than seventy-five years ago is in the public domain as a matter of law. See 17 U.S.C. § 304(b) (1988) (providing specific details and limitations on renewal terms). Many other works published since then are also unprotected due to failure to renew a copyright, see 17 U.S.C. §§ 24, 25 (1909) (repealed 1947), lack of originality, see *Feist Publications v. Rural Tel. Serv.*, 499 U.S. 340 (1991) (telephone white pages unprotectable), or the merger doctrine, see *Shaw v. Lindheim*, 919 F.2d 1353, 1360 (9th Cir. 1990) (when ideas or facts can only be expressed in a particular manner, content, and form, they are said to merge with the underlying expression, which is then unprotectable). This Article will not explore hard questions of what works lie at the fringes of the public domain, e.g., how different must a rearrangement of a Bach Cantata be in order to pass *Feist's* originality test?

<sup>6</sup> Copyright law as we know it did not exist at the time of Bach and Shakespeare, although the exclusive right to publish several of Shakespeare's works was held by the London Stationers' Company.

<sup>7</sup> The Statute of Anne, 8 Anne, ch. 19 (1710), upon which the Constitution's Copyright Clause was patterned, was the first copyright statute and limited the duration of a copyright to fourteen years, with the possibility of a fourteen-year renewal term.

<sup>8</sup> See 17 U.S.C. § 107 (1988):

[T]he fair use of a copyrighted work, including such use by reproduction in copies or phonorecords or by any other means . . . for purposes such as criticism, comment, news reporting, teaching (including multiple copies for classroom use), scholarship or research, is not an infringement of copyright.

*Id.*

Appendixes A, B, and C to this Article contain common examples of copyright claims made to public domain materials.<sup>9</sup> We should be worried about publishers' indiscriminate and overreaching attempts to obtain compensation for any and all copying of expression.<sup>10</sup> The purpose of the Copyright Clause<sup>11</sup> of the Constitution is to encourage authors to create literary works that will eventually enter the public domain. Congress has chosen to stimulate these creations by granting limited monopoly rights to authors.<sup>12</sup> When consumers are induced to pay for materials unnecessarily, the cost of using expression rises and the intent of the Framers of the Constitution and of Congress is frustrated. The grant of copyright is designed to "promote the Progress of Science and the Useful Arts," not to frustrate the exploitation of knowledge that the federal statute and the Constitution declare is free for all to use.

Unfortunately, current practice seems to provide few disincentives for the impoverishment of the public domain. Why shouldn't a publisher claim rights in public domain material? Why not affix threatening language that will intimidate consumers into paying for otherwise fair uses of validly copyrighted material? The cost of affixing a copyright notice or threatening language is very low, and the rewards can be substantial. Those consumers who are intimidated will pay; those who understand that a Bach Cantata or Shakespearean play belongs to the public will not. In either event, the putative copyright holder sees only a potential gain; economics and common sense would predict that, in the absence of a significant deterring cost, spurious claims of copyright will proliferate.<sup>13</sup>

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<sup>9</sup> The author would like to note that the examples contained in the appendixes were chosen at random. These examples illustrate a common practice of the industry, and are not intended to bear upon the reputation or character of any individual publisher.

<sup>10</sup> The preparation of the appendixes illustrates this concern in a humorous and ironic way. I had assigned to my assistant the preparation of high quality, reduced copies for the appendixes. Shortly he returned, unsuccessful, having been denied by the copy shop for lack of written permission from the publisher. The absurdity climaxed when the copy shop, fearful of violating the copyright laws if they did the work themselves, nevertheless assisted my assistant in the preparation of the copies.

<sup>11</sup> U.S. CONST., art. I, § 8, cl. 8.

<sup>12</sup> See 17 U.S.C. § 101, §§ 302-305 (1988) (providing for copyright protection expiring seventy-five years from death of author).

<sup>13</sup> Cf. RICHARD A. POSNER, *ECONOMIC ANALYSIS OF LAW* 187-91 (2d ed. 1986) (noting that accidents will increase in absence of adequate deterrence costs).

This Article proposes four causes of action that could raise the cost of making spurious claims and threats, thereby deterring this current practice and protecting the integrity of the public domain.

Part I of this Article explores arguments based on breach of warranty and failure of consideration and examines precedent authorizing a licensee to recover royalties paid for the use of expression later found to be in the public domain. Part II makes related restitutionary arguments based on unjust enrichment and mistaken payment principles. Part III argues that common-law fraud causes of action should be applicable to false copyright claims made deliberately or recklessly. Part IV demonstrates that various consumer protection statutes expressly incorporating FTC false advertising principles provide very promising protection for the public domain. Finally, the viability of class action implementation of these causes of action is discussed briefly.

### I. BREACH OF WARRANTY

A cause of action based on breach of warranty of title, as opposed to one seeking restitution based on fraudulent inducement or mistaken payment,<sup>14</sup> affirms the contract made by the parties and seeks damages measured by the difference in the value of the goods as promised and as received.<sup>15</sup> In the absence of express limitations on warranty, the victim of the breach is entitled to the benefit of his or her bargain. If the promised consideration is only worth half of what was promised, the difference is recoverable. If the purchased item is worthless, the entire purchase price constitutes the measure of the loss.

The relationship between the consumer paying for the right to use expression and a publisher claiming a copyright is contractual in nature. The demand for a direct royalty or remittance of \$1.00

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<sup>14</sup> See Part II.

<sup>15</sup> See *Perry v. Steward Title Co.*, 756 F.2d 1197, 1205 (measuring damages for breach of warranty by difference in property's value with and without defect); cf. U.C.C. § 2-714(2) (providing that "[t]he measure of damages for breach of warranty is the difference . . . between the value of the goods accepted and the value they would have had if they had been as warranted"). Although Article 2 is probably not applicable to copyrights, see U.C.C. § 2-105 (defining goods as "movable"), section 2-714(2) embodies the common-law damage principle for breach of warranty.

per page to the CCC can be characterized as an offer to enter into a limited license. In essence, the offer takes two implied forms: "If you pay the requested amount, you may exercise a non-exclusive right to copy the work" or "If you pay the requested amount, I promise not to sue you for copyright infringement." When payment is tendered, the offer is accepted. A bare copyright symbol with no accompanying language specifying an amount or a payee would seem to be merely an invitation to negotiate, not definite enough to be amenable to immediate acceptance.<sup>16</sup> Also, a copyright symbol with a bare designation of a selling agent for additional copies of the work would similarly seem to be an invitation to negotiate a future sale with the agent.<sup>17</sup>

Although the contract that results upon tender of payment by the consumer is quite barebones, the presence of the copyright symbol undoubtedly serves as an implied warranty that the putative owner has a valid copyright in the work.<sup>18</sup> The symbol, combined with the request for compensation, communicates to the reasonable offeree the claim that a valid and enforceable copyright has been obtained by the offeror. The symbol is, in essence, an implied warranty of title.<sup>19</sup> This warranty is breached if the promisor is not the owner because the expression subject to the transaction is in the public domain.

Several decisions from the New York Court of Appeals strongly support the position that when the warranty of title to a copyright is breached because the work is in the public domain, the putative copyright holder must refund any payment made by the offeree. In *Tams-Witmark Music Library v. New Opera Co.*,<sup>20</sup> an opera

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<sup>16</sup> This is not to say, however, that placement of the symbol on a public domain work might not constitute actionable fraud or false advertising. See Parts III & IV.

<sup>17</sup> *Id.*

<sup>18</sup> See *Tams-Witmark Music Library, Inc. v. New Opera Co.*, 81 N.E.2d 70 (N.Y. 1948). Cf. 3 MELVILLE B. NIMMER & DAVID NIMMER, NIMMER ON COPYRIGHT 10.13[A], at 101-102 (1993) (hereinafter NIMMER) ("An assignment or license of copyright commonly contains a warranty to the effect that 'neither the work nor any part thereof is in the public domain.'").

<sup>19</sup> In the patent context, one leading treatise reports that "[w]arranty of title is implied in every assignment of a patent right." 5 ERNEST B. LIPSCOMB, III, LIPSCOMB'S WALKER ON PATENTS § 19.25, at 428 (1986). The rule is the same for real property. See ROGER A. CUNNINGHAM ET AL., THE LAW OF PROPERTY 722-24 (2d ed. 1993). Cf. U.C.C. § 2-312 ("there is in a contract for sale a warranty by the seller that title conveyed shall be good, and its transfer rightful").

<sup>20</sup> 81 N.E.2d 70 (N.Y. 1948).

company purchased the right to perform the comic opera "The Merry Widow" for \$50,000 a year. After a little more than a year of performances, the company discovered that the work had passed into the public domain several years before due to a failure on the part of the copyright holder to renew the copyright. It ceased paying royalties, and after being sued by the owner of the abandoned copyright, counterclaimed for damages in the amount paid to the owner on a breach of warranty/failure of consideration theory. The trial court awarded the opera company \$50,500 in damages, and the court of appeals affirmed the judgement, finding that "The Merry Widow" "passed, finally, completely and forever into the public domain and became freely available to the unrestricted use of anyone . . . . New Opera's pleas of breach of warranty and total failure of consideration were established, and by undisputed proof."<sup>21</sup>

At the end of the opinion, the court of appeals considered the argument that the company, as a licensee, was estopped from denying the validity of the copyright subject to the license. At the time, many jurisdictions held that patent licensees were estopped from challenging the validity of the licensed patent.<sup>22</sup> The court of appeals held that, irrespective of the appeal licensee estoppel may have in situations where the validity of a patent is disputed on its merits,<sup>23</sup> licensee estoppel has no room for operation when applied to a copyrighted work that has entered the public domain. The recognition of the importance of the public domain was central to defeating an implied estoppel.

In fact, the Seventh Circuit has held that even an *express* agreement made by the licensee not to challenge the validity of the copyright is unenforceable if the work subject to the license turns out to be public domain expression.<sup>24</sup> The significance of the public domain is underscored by another holding in the case—that

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<sup>21</sup> *Id.* at 74.

<sup>22</sup> *But see* *Lear, Inc. v. Adkins*, 395 U.S. 653 (1969) (preempting on patent law policy grounds state laws that operated to estop a licensee from challenging the validity of a patent).

<sup>23</sup> A patented item must be new, useful, and a significant advance over prior art. *See* 35 U.S.C. §§ 101-103 (1988).

<sup>24</sup> *Saturday Evening Post v. Rumbleseat Press, Inc.*, 816 F.2d 1191 (7th Cir. 1987) (Posner, J.).

an express no-contest clause should be enforceable against a licensee if the challenge to the copyright is based on ownership rather than validity. In other words, if B rather than A is the true owner of the copyright at issue, a licensee of A would be estopped from denying A's ownership of the mark by an express no-contest clause in the license agreement. However, under no circumstances can A's licensee be prevented from asserting that the work subject to A's spurious copyright is in the public domain. Commentators have approved of the portion of the *Rumbleseat* opinion that denies estoppel.<sup>25</sup>

Although cases like *Tams-Witmark* and *Rumbleseat* are rare, the leading commentator wholeheartedly approves in his treatise of a cause of action for breach of warranty,<sup>26</sup> and other cases support the notion that contracts should not be read to authorize the payment of royalties for works in the public domain.<sup>27</sup> In a situation where a consumer has paid a sum of money for the use of an invalid copyright, the difference between the value of the good as promised (presumably what was paid) and the good as received (\$0) should equal the whole amount paid by the consumer.

Interestingly, the realization that the spurious copyright is worthless has led some to conclude that "total failure of consideration" might constitute a separate ground to allege a breach.<sup>28</sup> Such a cause of action is hard to justify under black letter notions of contract consideration where "the owner of the historic estate of 'Blackacre' . . . can sell it for a peppercorn."<sup>29</sup> In other words, the worthlessness of the peppercorn does not constitute a failure of consideration. One legal chestnut commonly found in contracts

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<sup>25</sup> See NIMMER, *supra* note 18, at 10.15[B], 10-123 to 10-129. Nimmer disagrees strongly with Posner's view that a no-contest agreement might sometimes be enforceable. He would not allow licensee estoppel to work under any circumstances. *Id.* at 126-29.

<sup>26</sup> *Id.* at 127-29.

<sup>27</sup> See *April Prods. v. G. Schirmer, Inc.*, 126 N.E.2d 283, 289 (N.Y. 1955) (construing vague agreement not to provide for payments after licensed work had entered public domain and indicating contrary reading would result in injustice and absurdity).

<sup>28</sup> *Tams-Witmark Music Library, Inc. v. New Opera Co.*, 81 N.E.2d 70, 74 (N.Y. 1948); see also NIMMER, *supra* note 18, at 10.15[B], 10-129 (arguing position similar to *Tams-Witmark*).

<sup>29</sup> See *Jackson v. Seymour*, 71 S.E.2d 181 (Va. 1952) (citing *Planters Nat. Bank v. Heflin Co.*, 184 S.E. 216, 219 (Va. 1936)).



textbooks, *Hardesty v. Smith*,<sup>30</sup> holds that as long as the buyer has purchased a "something," consideration is present and the contract is enforceable, even if the "something" is worthless. In *Hardesty*, the buyer purchased the right to an improvement on a lamp that turned out to be utterly worthless, yet the court enforced the promissory note signed by the buyer and given in exchange for the worthless right. Similarly, a buyer of a worthless copyright should not be heard to complain of a failure of consideration. Consideration doctrine is not designed to protect a consumer against bad judgment.

When we recognize a cause of action on the part of the aggrieved licensee of a spurious copyright, we are not paternalistically correcting an unwise purchase, but rather enforcing an implied promise made by the seller that it has good title to the goods it sells.<sup>31</sup> When the proverbial Rube buys the Brooklyn Bridge, we find a breach because the seller purported to have title, not because the buyer got a bad deal for his money. And, as noted by the courts in both *Tams-Witmark* and *Rumbleseat*, public policy based on nurturing the public domain should overcome notions of contractual autonomy to support actions brought by aggrieved licensees.

The recognition of a right to recover payments is relatively easy if the license agreement expressly warrants title, or if we imply a claim of good title from the presence of the copyright symbol. The putative owner of a copyright might argue, however, that no warranty is made by a payment demand in the presence of the symbol, but rather the implied offer is merely a promise not to sue if payments are made. Even if the offer is so characterized, the resulting agreement would be void and payment refundable unless a colorable argument could be made that the copyright was valid.<sup>32</sup> Given the age of a Bach Cantata or a Shakespearean play, a colorable argument as to their copyrightability would be impossible to make. Of course, a sufficiently original arrangement

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<sup>30</sup> 3 Ind. 39 (1851); see ROBERT S. SUMMERS & ROBERT A. HILMAN, CONTRACT AND RELATED OBLIGATION 47-48 (2d. ed. 1992).

<sup>31</sup> See NIMMER, *supra* note 18, at § 10.13[B].

<sup>32</sup> See *Springstead v. Nees*, 109 N.Y.S. 148, 150-51 (1908) (holding that promise to convey land in return for not bringing suit is unenforceable in absence of colorable right to sue); 1 ARTHUR CORBIN, CORBIN ON CONTRACTS § 140, at 596-600 (1963) (stating that promise given in return for promise not to sue is unenforceable when no colorable right to recovery exists).

of a Bach Cantata would be independently copyrightable. When the arrangement is not quite original enough, however, and the owner of the spurious copyright can make a colorable argument that the arrangement met the requisite degree of originality, the licensee's purchase of the right not to be sued is arguably enforceable.

This escape clause for the putative copyrightist is only available, however, when a reasonable offeree would not assume that a warranty of validity has been made *and* a colorable claim of validity can be articulated. Given that an offeree reasonably assumes the presence of the copyright symbol to mean "We have title to this work," the characterization of the offer as a mere promise not to sue should seldom provide a defense.

## II. UNJUST ENRICHMENT/RESTITUTION

Recovery based on restitutionary principles should be available when a consumer's mistaken belief in a copyright's validity was innocently, negligently, or fraudulently induced. Unlike a warranty claim, a cause of action based on misrepresentation or inducement seeks not to enforce the implied promise of copyright validity, but rather to disavow the deal, seek rescission, and recover money paid. In other words, the action is in restitution to prevent the licensor's unjust enrichment, instead of in contract to recover damages for the breach of warranty.

Once again, the presence of the copyright symbol is the key. The symbol is a purposeful expression made by the putative copyright owner that induces the payment on the part of the consumer. The symbol printed in conjunction with royalty terms or a request to pay the CCC induces payment, while the symbol standing alone or in conjunction with other words may induce the purchase of another copy of the work by a consumer afraid to photocopy. Innocent or negligent misrepresentation is not a defense.<sup>33</sup> The party who makes a misrepresentation that induces a payment that would not otherwise have been made must disgorge the benefit received.

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<sup>33</sup> See *Bates v. Cashman*, 119 N.E. 663 (Mass. 1918); 3 GEORGE E. PALMER, *THE LAW OF RESTITUTION* § 3.19, at 347-53 (1978); *RESTATEMENT OF RESTITUTION* § 16 & cmts. (1937).

A remedy may even be available in a situation where a misrepresentation is not found. Mistake of fact on the part of the party making payment may be enough. Section 24 of the Restatement of Restitution would seem to be directly on point:

[A] right to restitution exists in favor of a person who, erroneously believing because of a mistake of fact that another has a right, title, or power . . . and induced by such mistake has paid money to the other in exchange for the transfer of or promise to transfer the right or title . . . because of the non-existence of such right, title or power, . . . fails to receive what it was agreed he should receive.<sup>34</sup>

Such a situation might arise, for example, when Joe Musician hears a public domain song played for the first time and offers Jane Singer \$1000 for the right to perform it. If the surprised Jane accepts, Joe may be entitled to restitution based on the mistaken payment principle of section 24 of the Restatement of Restitution.<sup>35</sup>

An exception to this rule may exist in the situation where Jane has a colorable argument that she owns the copyright to the song. The comments to section 24 state that although normally "[a] purchaser is entitled to the return of the purchase price if, unknown to the buyer, . . . [a] patent or copyright is invalid," restitution is not required unless "the seller was aware of the invalidity."<sup>36</sup> If a seller can demonstrate a good faith belief in ownership of the spurious copyright, then the buyer may be remediless in the absence of an affirmative misrepresentation. The exception articulated by comment (f) dovetails with the conclusion

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<sup>34</sup> RESTATEMENT OF RESTITUTION § 24(1) (1937).

<sup>35</sup> For a nice illustration of this principle, see PALMER, *supra* note 33, at 12(c), 643-44, which describes the plight of a buyer who discovers he has bought property that is already his. "It would pass all bounds of reason to hold that a vendor who has received \$10,000 from a purchaser, as consideration for the transfer of title to land which the purchaser already owns, can keep the \$10,000." *Id.* In a very real sense our hypothetical Joe Musician already "owns" the song he buys from Jane. We, the public, "own" the public domain. [Special thanks to Andrew Kull for this point].

<sup>36</sup> RESTATEMENT OF RESTITUTION § 24 cmt. (f) (1937).

in Part I that a colorable claim of validity may on rare occasions insulate a seller in a situation where no warranty of title can be implied. In fact, comment (f) suggests that a patent licensee, in the absence of a warranty of title, is only purchasing the right not to be sued for infringement. As noted above, the purchase of a right to be free from a lawsuit is enforceable when a colorable claim of right to sue can be made.<sup>37</sup>

This principle is illustrated by *Transitron Electronic Corp. v. Hughes Aircraft Co.*,<sup>38</sup> which expressly relies on section 24.<sup>39</sup> Transitron sought restitution for royalties paid to Hughes under a license to use a patent that was subsequently declared invalid. The First Circuit held that in the absence of fraud committed by Hughes, Transitron would have to be satisfied with the voiding of the unexecuted portions of the license agreement. Hughes's conduct did not sink to a level sufficient to require restitution of sums already paid. Hughes's "good faith belief" in its patent prevented recovery. To the extent that the case provides that a colorable claim to validity is a defense to restitution (but not rescission or breach of warranty), it merely mirrors comment (f).

The case should not be read more broadly, however, to require actual intent to defraud on the part of the licensor. The requirement of "fraud" in *Transitron* seems to be a proxy for "awareness" of invalidity, the standard suggested by comment (f). The court itself asserts that Transitron would prevail were it to show that Hughes's patent claim was "contrary to [its] knowledge and belief,"<sup>40</sup> a standard clearly short of intentional deception. Interestingly, the case does not discuss the existence of any express or implied warranty made by Hughes that the patent was valid. It therefore should not be read to threaten causes of action based on breach of warranty or misrepresentation when fraud is absent.

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<sup>37</sup> See *supra* note 32 and accompanying text.

<sup>38</sup> 649 F.2d 871 (1st Cir. 1981).

<sup>39</sup> See also *St. Regis Paper Co. v. Royal Indus.*, 552 F.2d 309, 313 (9th Cir. 1977) (disallowing refund of royalties paid for use of invalid patent); *Zenith Lab. v. Carter-Wallace, Inc.* 530 F.2d 508 (3d Cir. 1976) (holding that patent licensee could not, under federal or state law, recover royalties paid on invalid patent prior to judicial determination of patent's invalidity); *Troxel Mfg. Co. v. Schwinn Bicycle Co.*, 465 F.2d 1253 (6th Cir. 1972) (declaring that determination of patent's invalidity does not entitle licensee to recoup royalties already paid).

<sup>40</sup> *Transitron*, 649 F.2d at 877.

Finally, if the case were read very broadly to require proof of licensor fraud as a prerequisite to restitutionary recovery, even in cases where the facts indicate that an implied warranty was made or when a reasonable licensee was induced by a false claim of patent, the differences between copyrights and patents militate a different result in copyright cases. As a practical matter, patent licenses are usually actively negotiated bilateral agreements between the patent owner and the licensee, unlike the typical sort of unilateral offer and acceptance that occurs when a consumer sends \$1.00 per page into the CCC. This gives a patent licensee greater opportunity to inquire about a warranty of title or demand the inclusion of one in the contract.<sup>41</sup> When a negotiated agreement lacks a specific clause warranting the validity of the patent, the licensee's reliance on the existence of a warranty seems somewhat less reasonable.

In addition, as noted in *Transitron* itself, patent law decisions embrace a policy favoring early adjudication of the validity of a patent. A rule requiring proof of actual fraud as a predicate to licensee recovery provides incentives for early challenges by the licensee to the patent. Any delay results in a loss to the licensee who successfully challenged the patent. Such an early adjudication policy is not articulated in copyright case law. A copyright does not convey the sort of monopoly power that a patent does—the economic damage done by the wrongful grant of a copyright is not so extensive.<sup>42</sup> Federal law recognizes this by putting substantial procedural hurdles before those seeking a patent (the requirements of novelty, usefulness, and, especially, non-obviousness),<sup>43</sup> whereas the copyright registration process is virtually a rubber stamp. The only substantive requirement is a minimal degree of originality. We are less worried about wrongfully issued copyrights, so we have less of a need to punish those who delay in litigating the invalidity of a particular copyright.

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<sup>41</sup> Of course, some copyright licenses are negotiated. See *Tams-Witmark Music Library, Inc. v. New Opera Co.*, 81 N.E.2d 70 (N.Y. 1948) (discussed *supra* at notes 18, 20, 29 and accompanying text).

<sup>42</sup> *Rumbleseat* makes this assertion with a good deal of force. *Saturday Evening Post v. Rumbleseat Press, Inc.*, 816 F.2d 1191, 1199 (7th Cir. 1987) (Posner, J.).

<sup>43</sup> See 35 U.S.C. §§ 101-103 (1988).

Finally, as noted above, an independent agency passes on the patentability of inventions. The process is imperfect. Many patents are declared invalid in litigation,<sup>44</sup> mostly on non-obviousness grounds, a challenge that is unavailable against a copyright. A reasonable patent licensee is less likely to assume the owner has impliedly warranted his patent when its status is rather unsure. Given the greater degree of reliance a licensee should have on the validity of a copyright, the lesser the need to enhance the *mens rea* requirement of the licensor of the spurious copyright. The case most clearly on point supports this distinction. In *Tams-Witmark*, restitution of royalties paid was awarded with no requirement that actual fraud be proven by the licensee.<sup>45</sup>

### III. FRAUD

Parts I and II present causes of action based on breach of contract and unjust enrichment that enable a consumer to recover payments made in response to a spurious claim of copyright in a public domain text. The focus so far has been on breach of warranty of title, misrepresentation, and mistaken payment. Some putative copyright owners know that their claims of right are false, or behave recklessly in claiming a copyright. In these cases, the consumer's right to recover royalties paid is indisputable.<sup>46</sup> Proving actual fraud, however, does create the opportunity to make a credible claim for punitive damages, which may be necessary to deter future false claims.

According to Prosser, fraud consists of:

the intent that a representation shall be made, that it shall be directed to a particular person or class of persons, that it shall convey a certain meaning, that it shall be believed, and that it shall be acted upon in a certain way.<sup>47</sup>

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<sup>44</sup> Cf. Robert P. Merges, *Commercial Success and Patent Standards: Economic Perspectives on Innovation*, 76 CAL. L. REV. 803 (1988).

<sup>45</sup> *Tams-Witmark*, 81 N.E.2d at 70.

<sup>46</sup> See W. PAGE KEETON ET AL., PROSSER AND KEETON ON THE LAW OF TORTS § 107, at 748 (5th ed. 1984).

<sup>47</sup> *Id.* at 741.

In a case where a copyright symbol has been placed on a text, my Bach Cantata for example, with the knowledge that the work is in the public domain, all the above elements seem to be easily satisfied. In fact, if the publisher places the symbol "without any belief as to its truth, or with reckless disregard whether it be true or false,"<sup>48</sup> its representation, if relied upon, will constitute fraud. This sort of reckless disregard would almost certainly be present whenever a copyright is claimed on a text obviously in the public domain because of its age.

Most states provide for punitive damages for willful fraud. For example, the Official Code of Georgia, section 51-12-5.1(b), states that punitive damages are available "in tort actions in which it is proven by clear and convincing evidence that the defendant's actions showed willful misconduct, malice, *fraud*, wantonness, oppression or that entire want of care which would raise the presumption of conscious indifference to consequences."<sup>49</sup> Exemplary damages may also be available for reckless conduct.<sup>50</sup>

Consciously or recklessly made invalid claims of copyright would seem to be an especially appropriate situation for the application of punitive damages. A claim of copyright can be made extremely cheaply, therefore compensatory damages will not adequately deter future fraudulent conduct. Imagine a publisher who obtains a copyright for a Vivaldi Concerto purportedly "arranged" by Cal Composer in 1993. The publisher knows that the arrangement is unoriginal or is recklessly indifferent to its originality, yet places the copyright symbol on the sheet music to discourage photocopying of the original sheet music it sells or directs the payment of a

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<sup>48</sup> *Id.* at 741-42.

<sup>49</sup> GA. CODE ANN. § 51-12-5.1(b) (Michie 1993) (emphasis added); *see also* TEX. CIV. PRAC. & REM. CODE ANN. § 41.003(a) (West Supp. 1994) ("Exemplary damages may be awarded only if the claimant proves that the personal injury, property damage, death, or other harm with respect to which the claimant seeks recovery of exemplary damages results from: (1) fraud; (2) malice; or (3) gross negligence."). *See also* Wells v. Smith, 297 S.E.2d 872 (W. Va. 1982) (finding exemplary damages appropriate where tort committed with intent).

<sup>50</sup> *See, e.g.,* Bowen v. Waters, 316 S.E.2d 497 (Ga. Ct. App. 1984) ("Malice required for recovery of exemplary damages need not amount to ill will, hatred, or vindictiveness of purpose; it is sufficient if defendant's acts were wanton or were done with reckless disregard or of conscious indifference to rights of plaintiff"); Louisville & N. R.R. v. Young, 145 S.E.2d 700 (Ga. Ct. App. 1965) ("Exemplary damages may also be available for when the conduct is extremely reckless or utterly in disregard for its consequences.").

certain sum per copy to a national copyright clearing house. Under general tort, contract, or unjust enrichment principles, a consumer who has paid a royalty to reproduce the work, or who has been tricked into buying more sheet music rather than photocopying, can certainly obtain restitution. Many consumers, however, will not challenge the copyright, and the publisher will pocket the payments induced by its fraud. Since the marginal cost of making the spurious claim is virtually zero, the fear of occasional reimbursement will not deter the fraudulent practice.

A publisher will only have the proper incentive to cease a fraudulent practice when the cost of committing the fraud outweighs the benefits. In the absence of punitive damages, collecting a couple of mispayments will probably allow the publisher to recoup its investment in making the fraudulent misstatement. If punitive damages are awarded in an amount at least equal to the expected gain from the fraud, divided by the possibility of the fraud being discovered and punished, then the fraudulent practice should, in theory, no longer be profitable. So, if a publisher expects to receive \$10,000 from each misrepresentation that it owns a valid copyright, and it expects to get caught and be found liable about a third of the time, then a court award of at least \$30,000 is necessary to deter the publisher from routinely continuing its practice.

Deterring spurious copyright claims is especially important given public policy favoring the development and protection of the public domain. The Intellectual Property Clause of the Constitution authorizes Congress "to 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."<sup>51</sup> By granting limited statutory monopolies to authors and inventors (and thereby imposing a direct cost on the public), Congress has attempted to stimulate new creations. When the monopoly expires, as it must according to the constitutional mandate of "limited Times," then the creation enters the public domain. Recently, in *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*,<sup>52</sup> the Court emphasized the dangerousness of attempts to assert monopoly rights over creations that have entered the public domain. In that

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<sup>51</sup> U.S. CONST., art. I, § 8, cl. 8.

<sup>52</sup> 489 U.S. 141 (1989).



case, a Florida statute provided patent-like protection for boat hulls in the public domain. In holding that the Florida law conflicted with federal intellectual property law policy, the Court decried the protection of creations in the public domain and noted the damage done when such claims of right are asserted:

[Protecting public domain] information would not only serve no socially useful purpose, but would in fact injure the public . . . . [Federal law] ensure[s] that ideas in the public domain remain there for the use of the public.<sup>53</sup>

Public policy articulated by the Framers of the Constitution, Congress, and the judiciary establishes the critical importance of maintaining the integrity of the public domain. In fact, the Court in *Feist* clearly implied a constitutional right to copy material in the public domain. When compensatory damages do not adequately deter the systematic pillaging of our greatest public resource, an award of punitive damages would seem to be especially appropriate.

#### IV. FALSE ADVERTISING

Every state has enacted statutes that prohibit "unfair methods of competition and unfair acts or practices."<sup>54</sup> These so-called "Little FTC" statutes expressly incorporate Federal Trade Commission false-advertising regulations and decisions into the law of the state.<sup>55</sup> In addition, in all states except Arkansas, Iowa, Nevada, North Dakota, and Oklahoma, consumers, as well as competitors, have a private cause of action against false advertisers for damag-

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<sup>53</sup> *Id.* at 148, 150 (quoting *Aronson v. Quick Point Pencil Co.*, 440 U.S. 257, 262 (1979)); see also *id.* at 151 ("[F]ederal . . . laws must determine not only what is protected, but also what is free for all to use.").

<sup>54</sup> See KENNETH A. PLEVAN & MIRIAM SIROKY, *ADVERTISING COMPLIANCE HANDBOOK* 289-91. See, e.g., CAL. BUS. & PROF. CODE §§ 17200, 17500-17577 (West 1987 & Supp. 1990); N.Y. GEN. BUS. LAW §§ 349-350 (McKinney 1988 & Supp. 1989); ILL. ANN. STAT. ch. 121-1/2, ¶ 261 (Smith-Hurd Supp. 1989).

<sup>55</sup> PLEVAN & SIROKY, *supra* note 54, at 289-91.

es.<sup>56</sup> These statutes, although not yet exploited by consumers seeking relief from false claims of copyright, may provide the easiest means of increasing the costs of those who impoverish the public domain. These statutes are especially powerful tools because liability is strict (the intent of the party making the false claim is irrelevant)<sup>57</sup> and many provide for much more than merely compensatory damages.<sup>58</sup>

Under generally accepted false advertising principles, the placing of a copyright symbol on a public domain work, or an overbroad claim that "all copying is illegal" (implying that fair use<sup>59</sup> could never justify copying), would clearly constitute actionable deception. In its landmark decision in *In re Cliffdale*,<sup>60</sup> the FTC set forth the following three requirements to establish deceptive advertising:

1. the representation must be likely to mislead the consumer;
2. the representation must be viewed from the perspective of the reasonable consumer;
3. the representation must be material.<sup>61</sup>

Claimants need not prove actual reliance on a representation, nor an intent to deceive.<sup>62</sup> A reasonable consumer surely views the placement of a copyright symbol on a text as a claim that the publisher of the text owns a valid copyright in the work. The reasonable consumer needing multiple copies of the work is likely to be misled into paying a royalty to copy the work in question or purchasing more originals of the work. For example, a reasonable

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<sup>56</sup> *Id.*

<sup>57</sup> *Id.* at 294.

<sup>58</sup> See, e.g., CONN. GEN. STAT. ANN. § 42-110g(a) (West 1987 & Supp. 1988) (permitting punitive damages); MASS. GEN. LAWS ANN. ch. 93A, § 9(3) (West 1984) (mandating double recovery); N.C. STAT. ANN. § 75-16 (West 1987) (mandating triple recovery); WIS. STAT. ANN. § 100.20(5) (West 1988) (permitting double recovery).

<sup>59</sup> Cf. *Campbell v. Acuff-Rose Music, Inc.*, 62 U.S.L.W. 4169, 4173-74 (1994) (holding that even blatantly commercial copying may sometimes constitute fair use).

<sup>60</sup> 103 F.T.C. 110, 190-96 (1984); see also Federal Trade Commission Policy Statement on Deception, issued Oct. 14, 1983, reprinted in 45 Antitrust & Trade Reg. Rep. 689 (BNA) (Oct. 27, 1983).

<sup>61</sup> *Id.* at 689-90.

<sup>62</sup> PLEVAN & SIROKY, *supra* note 54, at 294.

choir director confronted with the copyright symbol on a work she wants the choir to perform will either pay the requested fee to photocopy the work for the choir's use or buy more sheet music. Given the penalties available for copyright infringement,<sup>63</sup> this is not only a reasonable but an extremely prudent course of action.

The sparse case law on the subject suggests that a false claim of copyright constitutes *per se* deceptive advertising. In *EFS Marketing, Inc. v. Russ Berrie & Co.*,<sup>64</sup> the court examined a false advertising claim brought by the seller of one public domain troll doll against another.<sup>65</sup> The plaintiff's third cause of action alleged improper use of the copyright symbol on the public domain trolls marketed by the defendant. The court stated that displays of "invalid [copyright] registrations are *per se* violations" of federal false advertising law.<sup>66</sup> The court denied relief to the plaintiff, however, because it offered no proof of actual damage. One can imagine that a competitor would inevitably have a difficult time with the damage issue in these cases absent proof that sales were diverted due to a consumer preference for buying goods with a copyright symbol on them instead of fungible goods without the symbol. Consumers themselves have no such problem proving damages given the payments they make to the publisher induced by the misrepresentation.

Given the arguable relevance in some contract, unjust enrichment, or tort contexts of the copyright claimant's intent or good faith belief in the validity of the copyright at issue, a claim based on false advertising principles seems to be the most promising vehicle for protecting the public domain. Not only is the burden of proof low, but the opportunity for enhanced damages and attorneys' fees helps to address the deterrence issues discussed in Part III above.

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<sup>63</sup> See *supra* note 3 and accompanying text (enumerating criminal penalties).

<sup>64</sup> 836 F. Supp. 128 (S.D.N.Y. 1993).

<sup>65</sup> Since this was a competitor suit, it was brought under section 43(a) of the Lanham Trademark Act, 15 U.S.C. § 1125(a) (1988). Section 43(a) makes actionable as between competitors a "false or misleading representation of fact, which is likely to cause confusion." *Id.* at § 1125(a)(1). Since this standard is harder to meet than the FTC standard, see *supra* notes 60-61 and accompanying text, the case is particularly relevant precedent.

<sup>66</sup> *EFS Marketing*, 836 F. Supp. at 133 (emphasis in original).

## V. CLASS ACTIONS

Very few individual victims of spurious copyright claims have the economic incentive to bring suit on their own behalf. The plaintiff in "The Merry Widow" case<sup>67</sup> who paid \$50,000 for the right to use a public domain work, is certainly the exception, rather than the rule:

The major obstacle preventing purchasers from policing market deception through legal action is the difference in the relative gains between the purchaser and the seller in winning a lawsuit. In many instances, the costs of litigation to the consumer will far exceed the amount of the harm suffered from the deception and accordingly the amount of recovery in the event of success. The defendant, on the other hand, faced with the widespread affects [sic] on his method of operation of an adverse decision has greater incentive to expend resources in defense of his conduct.<sup>68</sup>

Unfortunately, federal law does not yet provide an adequate class action mechanism to address this problem in the context of consumer deception.<sup>69</sup> Consumers do not have standing under either the Lanham Act or the Federal Trade Commission Act to bring suits for false representations and deception.<sup>70</sup> Any class action suit based on diversity of citizenship will fail if any of the class members has not suffered the jurisdictionally required damages (\$50,000<sup>71</sup> as of 1990).<sup>72</sup>

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<sup>67</sup> See *supra* notes 20-23 and accompanying text.

<sup>68</sup> EDMUND W. KITCH & HARVEY S. PERLMAN, *LEGAL REGULATION OF THE COMPETITIVE PROCESS* 170 (rev'd 4th ed. 1991).

<sup>69</sup> See FED. R. CIV. PRO. 23 (setting forth class action requirements for parties in federal court).

<sup>70</sup> See 15 U.S.C. § 41 (1973) (establishing FTC as sole enforcer of FTC rules and regulations); *Colligan v. Activities Club of New York, Ltd.*, 442 F.2d 686 (2d Cir. 1971) (no consumer standing under Lanham Act).

<sup>71</sup> See 28 U.S.C. § 1332(b) (1988).

State law, however, can provide the necessary class action vehicle to consumers who have been duped into paying royalties or purchasing unnecessary originals of public domain works.<sup>73</sup> Some states expressly authorize consumer class actions for violations of deceptive trade practices acts or little FTC statutes.<sup>74</sup> Others provide such relief by decision.<sup>75</sup> For example, in *Brooks v. Midas-International Corp.*,<sup>76</sup> the Illinois Court of Appeals held that a class action was properly maintained in a case involving a muffler company's misrepresentations regarding its installation charges. In *Hayna v. Arby's, Inc.*<sup>77</sup> a class of plaintiffs successfully maintained an action against a fast-food restaurant that had allegedly misrepresented its sandwiches as "Roast Beef." The case was amenable to class treatment because the improper advertising practices were uniform and general in their application to class members, the class action avoided multiplicity of suits, and the complaint readily informed the restaurant of class members.<sup>78</sup> Many other cases<sup>79</sup> permit a deceived class of consumers to proceed in a unitary action, as long as similar misrepresentations were made to all class members (which is generally true in cases involving mass advertising).

Suits based on spurious claims of copyright would seem to be particularly amenable to class treatment. The same misrepresenta-

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<sup>72</sup> See *Zahn v. International Paper Co.*, 414 U.S. 291 (1973) (providing that under Rule 23, even unnamed members of class must have suffered requisite \$10,000 injury); *Snyder v. Harris*, 394 U.S. 332 (1969) (holding that members of class could not aggregate claims to meet requirement of \$10,000 in alleged damages).

<sup>73</sup> A class action seeking only injunctive relief may also be available when the wrong alleged is the overbroad claim of "all copying is illegal" on a legitimately copyrighted work. The damage claim, however, is not amenable to class action procedure because the availability of fair use—which makes the absolute claim of right literally false—is an extremely fact-intensive inquiry.

<sup>74</sup> See PLEVAN & SIROKY, *supra* note 54, at 293.

<sup>75</sup> See cases discussed in Mary J. Cavins, Annotation, *Consumer Class Actions Based on Fraud or Misrepresentation*, 53 A.L.R.3d 534 (1973 & 1993 Supp.).

<sup>76</sup> 361 N.E.2d 815 (Ill. App. Ct. 1977).

<sup>77</sup> 425 N.E.2d 1174 (Ill. App. Ct. 1981).

<sup>78</sup> *Id.* at 1182-83.

<sup>79</sup> See, e.g., *Amato v. General Motors Corp.*, 463 N.E.2d 625 (Ohio Ct. App. 1982) (misrepresentation concerning brand of car engine); *State ex rel. Guste v. General Motors Corp.*, 370 So. 2d 477 (La. 1978) (misrepresentation concerning brand of car engine); *Compact Electra Corp. v. Paul*, 403 N.Y.S.2d 611 (1977) (consistent misrepresentations concerning vacuum cleaners made in "canned" sales presentations by salesmen).

tion is made to all the class members. A complaint can be drafted that clearly informs the defendant as to the precise nature of the misrepresentation and the damages claimed (the amount of royalties paid to use a particular work<sup>80</sup>). Identification of every class member is problematic, but most courts are willing to accept notice by publication in situations where a good faith effort will not actually identify some individual members of the class.<sup>81</sup> Given the small size of the claims, the difficulty in bringing individual claims, and the fact that the class seeks to enforce a right vested with a strong public interest—the protection of the public domain—state courts should not hesitate to certify a class of plaintiffs in a case involving a spurious copyright.

The preceding discussion presumes a class of plaintiffs against a single defendant. An action might also be available against a class of defendants, especially when they have formally organized themselves into a corporation for the purposes of obtaining royalties. Most of the revenue collected by the Copyright Clearance Center is generated by the licensing of validly copyrighted works; some however is not. An action against the members of the CCC might take two forms. First, a plaintiff might ask for injunctive relief against the collection of royalties for public domain material. Second, a plaintiff might ask for the disgorgement of all royalties paid for public domain works. The suit for damages poses substantial difficulties in identifying the amount of damages<sup>82</sup> and the victims. A good deal of creativity would have to be exercised by the court in order to properly certify the class. The effort would be worth it, however, if a significant deterrent effect on spurious

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<sup>80</sup> In a situation where the damage is not royalties paid to the publisher, but rather multiple originals purchased from the publisher, the amount of damage done is not so clear. Some copies would have been sold even in the absence of the copyright symbol. In such a case, the burden should be placed on the guilty party to prove its profits had the fake claim not been made.

<sup>81</sup> See, e.g., *Vancouver Women's Health Collective Soc'y v. A.H. Robins*, 820 F.2d 1359, 1364 (4th Cir. 1987) (holding that program for notifying foreign claimants developed by Dalkon Shield manufacturer at court's discretion and with help of advertising firm was reasonable because information was widely received and news was broadly disseminated).

<sup>82</sup> Perhaps 1000 works licensed through the CCC could be chosen at random and the number of public domain works within that group identified. One could then compare the percentage of royalties paid for the public domain works with the percentage paid for legitimately copyrighted works. The resulting ratio could be multiplied by the CCC's gross income to provide an estimate of the amount of profit made from public domain materials.

copyright claims were to result.

The most promising use of the class action device would be an action in a state court brought by a plaintiff class against a resident defendant. Under the *Zahn* decision,<sup>83</sup> a federal district court might lack subject matter jurisdiction over such an action,<sup>84</sup> but in a state court subject matter jurisdiction would not be a problem, and the personal jurisdiction defense would not be available to a resident defendant. Assuming that the state's provision for the certification of class actions imposes requirements similar to the requirements imposed by Rule 23 of the Federal Rules of Civil Procedure, the only serious obstacles to certification would relate to the practical inability to identify all of the members of the plaintiff class. If the court could be persuaded to approve a strategy, short of personal notice to each class member, for notifying members of the plaintiff class of the pendency of the action, and if the governing state law permits so-called "fluid recoveries" in class actions, then the court should certify the action.

A bilateral class action brought by a plaintiff class against a defendant class, even in a state court, would be more problematic. Personal jurisdiction might be a problem, either under state law or

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<sup>83</sup> *Zahn v. International Paper Co.*, 414 U.S. 291 (1973).

<sup>84</sup> The *Zahn* Court ruled that each member of the plaintiff class in a diversity-based class action must have a claim that satisfies the amount-in-controversy requirement. *Id.* at 301. Perhaps a federal class action could be structured in a way that overcomes the *Zahn* obstacle. An ambitious punitive damages claim, distributed over a relatively small class, could bring each class member's recovery over the \$50,000 limit. *See, e.g., Packard v. Provident Nat'l Bank*, 994 F.2d 1039, 1046 (3d Cir.) (punitive damages are properly considered in class action in determining whether jurisdictional amount has been satisfied), *cert. denied*, 114 S. Ct. 440 (1993). Moreover, there is some slight support, both in the academy and in the reports, for the proposition that Congress overruled *Zahn* when it amended the statute governing supplemental jurisdiction. *E.g., Garza v. National Am. Ins. Co.*, 807 F. Supp. 1256, 1258 n.6 (M.D. La. 1992); Thomas C. Arthur & Richard D. Freer, *Grasping at Burnt Straws: The Disaster of the Supplemental Jurisdiction Statute*, 40 EMORY L.J. 963, 981 (1991). The weight of academic and judicial opinion on the effect of the amendment, however, seems to be the other way. *See Packard*, 994 F.2d at 1045 n.9 (collecting cases and commentary). In the unlikely event that *Zahn* is no longer good law, a federal court presumably could exercise jurisdiction over a class action in which at least one plaintiff's claim met the amount-in-controversy requirement, because the court could assert supplemental jurisdiction over claims that did not satisfy the requirement. *See Mayo v. Key Fin. Servs., Inc.*, 812 F. Supp. 277, 278 (D. Mass. 1993) (noting argument that because one of named plaintiffs meets requirements for diversity, court has jurisdiction over other plaintiffs under new supplemental jurisdiction statute, but rejecting proposition that *Zahn* has been overruled legislatively).

under the Due Process Clause of the Fourteenth Amendment.<sup>85</sup> Moreover, the bilateral character of the action might make it ineligible for certification under the state's interpretation of the so-called typicality requirement.<sup>86</sup> An adequate representative of the defendant class would be necessary.<sup>87</sup> Although the Copyright Clearance Center might qualify as an adequate representative, this cannot be taken for granted. Then there is the very practical problem that members of the defendant class could opt out of a damages class action en masse,<sup>88</sup> and if this seems likely to the state court judge, the judge might deny certification at the outset on the ground that the action is not manageable as a class action.<sup>89</sup>

### CONCLUSION

Unless publishers are made to bear the cost of their misrepresentations, they will have no incentive to remove false copyright notices from the works they sell. Nor will they have any incentive to cease the sort of intimidation consumers confront whenever they seek to photocopy a text. Successful actions brought on the grounds asserted herein—breach of warranty, unjust enrichment, fraud, and false advertising—might help stem the tide of misrepresentation and confusion. This is especially true if courts, under either a fraud or false advertising theory, exercise their prerogative

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<sup>85</sup> See *Phillips Petroleum Co. v. Shutts*, 472 U.S. 797, 812 n.3 (1985) (declining to address question of extent to which jurisdictional due process limits jurisdiction of state courts over defendant classes).

<sup>86</sup> Cf. *La Mar v. H & B Novelty & Loan Co.*, 489 F.2d 461, 465 (9th Cir. 1973) (holding "typicality is lacking when the representative plaintiff's cause of action is against a defendant unrelated to the defendants against whom the cause of action of the members of the class lies").

<sup>87</sup> See, e.g., *Thillens, Inc. v. Community Currency Exch. Ass'n of Illinois*, 97 F.R.D. 668 (N.D. Ill. 1983) (holding that not-for-profit trade association is adequate class representative for member defendants).

<sup>88</sup> See *In re Lilco Sec. Litig.*, 111 F.R.D. 663, 673 (E.D.N.Y. 1986) (granting plaintiffs' motions to certify consolidated cases with eight subclasses of plaintiffs and four subclasses of defendants, and rejecting defendants' argument that "opt out" provision of Rule 23(b)(3) renders class certification meaningless).

<sup>89</sup> Cf. *Heffler v. U.S. Fidelity & Guar. Ins. Co.*, 1992 WL 50095, at \*5 (E.D. Pa. Mar. 10, 1992) (denying certification of defendant class because of extreme likelihood that majority of class members would opt out).



to award punitive or other augmented damages and attorneys' fees. In fact, because of the lower burden of proof, the greater possibility of proceeding as a class, and the availability of enhanced damages, suits based on state deceptive trade practices acts seem to hold the most promise. Until the publishing industry is jolted into compliance with sound public policy, consumers will continue to be induced to part with their money by spurious claims of copyright.

## APPENDIX A

JOHANN SEBASTIAN BACH

Missa  
Symbolum Nicenum  
Sanctus  
Osanna, Benedictus, Agnus Dei  
et Dona nobis pacem

genannt: Messe in h-moll

called: Mass in B minor

BWV 232

HERAUSGEGEBEN VON

EDITED BY

FRIEDRICH SMEND



BÄRENREITER KASSEL · BASEL · LONDON · NEW YORK

TP 1

## BESETZUNG

Soli: 2 Soprane, Alt, Tenor, Baß; Chor: 5–8 gemischte Stimmen; Orchester: 2 Flöten, 3 Oboen, 2 Oboen d'amore, 2 Fagotte, Corno da caccia, 3 Trompeten, Pauken, 2 Violinen, Viola, Continuo (Violoncello, Violone, Fagott, Orgel)

## ENSEMBLE

Soli: 2 Sopranos, Alto, Tenor, Bass; Chorus 5–8 mixed voices; Orchestra: 2 Flutes, 3 Oboes, 2 Oboes d'amore, 2 Bassoons, Corno da caccia, 3 Trumpets, Timpani, 2 Violins, Viola, Continuo (Violoncello, Double Bass, Bassoon, Organ)

Aufführungsdauer / Duration: ca. 135 min.

Urtextausgabe aus: Johann Sebastian Bach, Neue Ausgabe sämtlicher Werke, herausgegeben vom Johann-Sebastian-Bach-Institut Göttingen und vom Bach-Archiv Leipzig, Serie II, Band 1: Messe in h-moll (BA 5001), herausgegeben von Friedrich Smend. Neben dieser Taschenpartitur sind Klavierauszug (BA 5102a) und das komplette Aufführungsmaterial (BA 5102) erschienen.

Urtext edition taken from: Johann Sebastian Bach, Neue Ausgabe sämtlicher Werke, issued by the Johann-Sebastian-Bach-Institut Göttingen and the Bach-Archiv Leipzig, Series II, Volume 1: Messe in h-moll (BA 5001), edited by Friedrich Smend. In addition to the present miniature score, the vocal score (BA 5102a) and the complete orchestral parts (BA 5102) are also published.

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## APPENDIX B

# The American Intellectual Tradition

A Sourcebook  
Volume I: 1620–1865

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THE UNANIMOUS DECLARATION OF THE THIRTEEN  
UNITED STATES OF AMERICA,

When in the Course of human events, it becomes necessary for one people to dissolve the political bands which have connected them with another, and to assume among the powers of the earth, the separate and equal station to which the Laws of Nature and of Nature's God entitle them, a decent respect to the opinions of mankind requires that they should declare the causes which impel them to the separation. We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty and the pursuit of Happiness. That to secure these rights, Governments are instituted among Men, deriving their just powers from the consent of the governed, That whenever any Form of Government becomes destructive of these ends, it is the Right of the People to alter or to abolish it, and to institute new Government, laying its foundation on such principles and organizing its powers in such form, as to them shall seem most likely to effect their Safety and Happiness. Prudence, indeed, will dictate that Governments long established should not be changed for light and transient causes; and accordingly all experience hath shewn, that mankind are more disposed to suffer, while evils are sufferable, than to right themselves by abolishing the forms to which they are accustomed. But when a long train of abuses and usurpations, pursuing invariably the same Object evinces a design to reduce them under absolute Despotism, it is their right, it is their duty, to throw off such Government, and to provide new Guards for their future security. Such has been the patient sufferance of these Colonies; and such is now the necessity which constrains them to alter their former Systems of Government. The history of the present King of Great Britain is a history of repeated injuries and usurpations, all having in direct object the establishment of an absolute Tyranny over these States. To prove this, let Facts be submitted to a candid world. He has refused his Assent to Laws, the most wholesome and necessary for the public good. He has forbidden his Governors to pass Laws of immediate and pressing importance, unless suspended in their operation till his Assent should be obtained; and when so suspended, he has utterly neglected to attend to them. He has refused to pass other Laws for the accommodation of large districts of people, unless those people would relinquish the right of Representation in the Legislature, a right inestimable to them and formidable to tyrants only. He has called together legislative bodies at places unusual, uncomfortable, and distant from the depository of their public Records, for the sole purpose of fatiguing them into compliance with his measures. He has dissolved Representative Houses repeatedly, for opposing with manly firmness his invasions on the rights of the people. He has refused for a long time, after such dissolutions, to cause others to be elected; whereby the Legislative powers, incapable of Annihilation, have returned to the People at large for their exercise; the State remaining in the mean time exposed to all the dangers of invasion from without, and convulsions within. He has endeavoured to prevent the population of these States; for that purpose obstructing

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## "Number 10"

[22 November 1787]

Among the numerous advantages promised by a well constructed union, none deserves to be more accurately developed than its tendency to break and control the violence of faction. The friend of popular governments, never finds himself so much alarmed for their character and fate, as when he contemplates their propensity to this dangerous vice. He will not fail therefore to set a due value on any plan which, without violating the principles to which he is attached, provides a proper cure for it. The instability, injustice and confusion introduced into the public councils, have in truth been the mortal diseases under which popular governments have every where perished; as they continue to be the favorite and fruitful topics from which the adversaries to liberty derive their most specious declamations. The valuable improvements made by the American constitutions on the popular models, both antient and modern, cannot certainly be too much admired; but it would be an unwarrantable partiality, to contend that they have as effectually obviated the danger on this side as was wished and expected. Complaints are every where heard from our most considerate and virtuous citizens, equally the friends of public and private faith, and of public and personal liberty; that our governments are too unstable; that the public good is disregarded in the conflicts of rival parties; and that measures are too often decided, not according to the rules of justice, and the rights of the minor party; but by the superior force of an interested and over-bearing majority. However anxiously we may wish that these complaints had no foundation, the evidence of known facts will not permit us to deny that they are in some degree true. It will be found indeed, on a candid review of our situation, that some of the distresses under which we labour, have been erroneously charged on the operation of our governments; but it will be found at the same time, that other causes will not alone account for many of our heaviest misfortunes; and particularly, for that prevailing and increasing distrust of public engagements, and alarm for private rights, which are echoed from one end of the continent to the other. These must be chiefly, if not wholly, effects of the unsteadiness and injustice, with which a factious spirit has tainted our public administration.

By a faction I understand a number of citizens, whether amounting to a majority or minority of the whole, who are united and actuated by some common impulse of passion, or of interest, adverse to the rights of other citizens, or to the permanent and aggregate interests of the community.

There are two methods of curing the mischiefs of faction: The one, by removing its causes; the other, by controlling its effects.

There are again two methods of removing the causes of faction: The one by destroying the liberty which is essential to its existence; the other, by giving to every citizen the same opinions, the same passions, and the same interests.

It could never be more truly said than of the first remedy, that it is worse than the disease. Liberty is to faction, what air is to fire, an aliment without which it instantly expires. But it could not be a less folly to abolish liberty, which is essential to political life, because it nourishes faction, than it would be to wish the annihilation of air, which is essential to animal life because it imparts to fire its destructive agency.

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## APPENDIX C

LUDWIG VAN BEETHOVEN

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