Forum on Attorney's Fees in Copyright Cases: Are We Running Through the Jungle Now or is the Old Man Still Stuck Down the Road?

Paul Marcus  
William & Mary Law School, pxmarc@wm.edu

David Nimmer

Repository Citation
Paul Marcus and David Nimmer, Forum on Attorney's Fees in Copyright Cases: Are We Running Through the Jungle Now or is the Old Man Still Stuck Down the Road?, 39 Wm. & Mary L. Rev. 65 (1997), https://scholarship.law.wm.edu/wmlr/vol39/iss1/3
FORUM ON ATTORNEY'S FEES IN COPYRIGHT CASES: ARE WE RUNNING THROUGH THE JUNGLE NOW OR IS THE OLD MAN STILL STUCK DOWN THE ROAD?

In 1994, the Supreme Court handed down Fogerty v. Fantasy, Inc., its only opinion ever to address the matter of awarding fees in copyright infringement cases. In this forum, Paul Marcus and David Nimmer, two "brothers in copyright law"—who also happen to be brothers-in-law—put aside fraternal affections to debate the implications of that ruling.

I. SETTING THE STAGE FOR THE DEBATE

DRONE ON

A. Background

As leader of the band Creedence Clearwater Revival, John Fogerty both performed and wrote many songs. In 1970, he sold exclusive publishing rights in a composition entitled "Run Through the Jungle" to the predecessor of Fantasy, Inc. Although the band disbanded in 1972, Fogerty's career continued to flourish. In 1985, he published a composition entitled "The Old Man Down the Road." Fantasy alleged that Fogerty there-


2. In a virtuoso postmortem performance, Eaton S. Drone, author of DRONE ON COPYRIGHT LAW (1879), contributed this section by e-mail originating in parts unknown.
3. The group, known to its fans as CCR, produced such hits as "Bad Moon Rising," "Born on the Bayou," "Green River," and "Have You Ever Seen the Rain?" It qualifies as one of the major rock and roll groups of the 1960s and 1970s. See Fogerty, 510 U.S. at 519.
4. See id.
5. See id.
6. See id.
by infringed the copyright in his own earlier song.\textsuperscript{7} In reply, Fogerty maintained that the only similarities between the two works inhered in the obvious fact that they shared a common author—by no stretch of the imagination did his assignment of the earlier work constitute a permanent covenant to refrain from future songwriting.\textsuperscript{8}

Applying established copyright doctrine, the jury found the two tunes in issue not substantially similar\textsuperscript{9} and hence returned a verdict in Fogerty's favor.\textsuperscript{10} Having prevailed through a long, grueling fight, Fogerty wished to recover (along with his restored pride) the attorney's fees that he had expended. The lower courts rebuffed his attempts.\textsuperscript{11} The matter went to the United States Supreme Court, and the Court issued its ruling on the award of attorney's fees in copyright infringement cases. Before turning to the Court's opinion, some background is in order.

\textbf{B. The Law Before 1994}

Copyright infringement actions can involve enormous economic stakes.\textsuperscript{12} Moreover, the copyright statute itself leverages the financial impact of litigation in this sphere by even allowing the award of attorney's fees, in contrast to the traditional American rule.\textsuperscript{13} It is, therefore, perhaps surprising that the statutory

\begin{itemize}
\item \textsuperscript{7} See id. at 520.
\item \textsuperscript{8} See generally Harvey W. Geller & Thomas M. Hines, Copyright Used to Challenge 'Self-Plagiarism', NATL L.J., Nov. 1, 1993, at 59 (discussing the history of the litigation).
\item \textsuperscript{9} The two elements to establish copyright infringement are the plaintiff's ownership of the subject work—which concededly vested in Fantasy—and copying by defendant. See Feist Publications, Inc. v. Rural Tel. Serv. Co., 499 U.S. 340, 361 (1991). Given that the focus here was on copying by the defendant, that element itself has two parts: access and substantial similarity. See 3 MELVILLE B. NIMMER & DAVID NIMMER, NIMMER ON COPYRIGHT § 13.01 (1996) [hereinafter NIMMER]. One imagines that the jury had no problem concluding that Fogerty had access to tunes in his own head. Inferentially, therefore, the jury must have found the two tunes not substantially similar.
\item \textsuperscript{10} See Fogerty, 510 U.S. at 520.
\item \textsuperscript{11} See Fantasy, Inc. v. Fogerty, 664 F. Supp. 1345 (N.D. Cal. 1987), aff'd, 984 F.2d 1524 (9th Cir. 1993), rev'd, 510 U.S. 517 (1994).
\item \textsuperscript{12} According to some estimates, consumers spend almost $42 billion annually on recorded music, and unauthorized ("pirated") copying accounts for 5\% of that total or $2 billion. See Stolen Melodies, ECONOMIST, May 11, 1996, at 64.
\item \textsuperscript{13} "Unlike Britain where counsel fees are regularly awarded to the prevailing
language is so spare in discussing the awarding of fees. Section 505 of the Copyright Act of 1976 simply provides that “the court may . . . award a reasonable attorney’s fee to the prevailing party as part of the costs.”

The Copyright Act gives no guidance on such important matters as how the court is to determine who is the prevailing party or the manner in which it is to measure the reasonableness of a fee. More to the point, though, it appears that the legislature failed to consider the few crucial words regarding attorney’s fees in the copyright statute, “the court may . . . award.” The language, on its face, appears to grant the trial court virtually unfettered discretion in an infringement action. The appeals courts, however, split sharply on the way to exercise this discretion, particularly insofar as it related to actions in which defendants, rather than plaintiffs, prevailed.

C. The Dual Approach

Some courts awarded attorney’s fees to prevailing plaintiffs in the normal course of events, routinely, “because the Copyright Act is intended to encourage suits to redress copyright infringement . . . .” The Second and Ninth Circuits illustrate that
trend. Indeed, in its first opinion in the *Fogerty* case, the Ninth Circuit emphasized the encouragement incentive in rejecting the defendant’s claim for an award. “The purpose of that rule is to avoid chilling a copyright holder’s incentive to sue on colorable claims, and thereby to give full effect to the broad protection for copyrights intended by the Copyright Act.”

Of course, with an emphasis on protection of the copyright holder’s interest, it is not surprising that prevailing plaintiffs had little problem in receiving awards. It is also not surprising that the courts following this “dual standard” would not allow awards to prevailing defendants without some showing of bad faith, a claim “objectively without arguable merit.”

D. The Evenhanded Approach

Other courts, finding no statutory reference to disparate treatment for plaintiffs and defendants, refused to use different standards in awarding attorney’s fees. The Third Circuit exemplified this stand: “[W]e do not require bad faith, nor do we mandate an

---

18. See id. Apart from *Fogerty*, another example from the Ninth Circuit is *McCulloch v. Albert E. Price, Inc.*, 823 F.2d 316 (9th Cir. 1987), rev’d, 510 U.S. 517 (1994). “Because section 505 is intended in part to encourage the assertion of colorable copyright claims, to deter infringement, and to make the plaintiff whole, fees are generally awarded to a prevailing plaintiff.” *Id.* at 323 (citations omitted).

19. Fantasy, Inc. v. Fogerty, 984 F.2d 1524, 1532 (9th Cir. 1993), rev’d, 510 U.S. 517 (1994). The language in its second opinion in the case, after the Supreme Court’s ruling, is quite different: “[A]n award of attorney’s fees to a prevailing defendant that furthers the underlying purposes of the Copyright Act is reposed in the sound discretion of the district courts, and . . . such discretion is not cabined by a requirement of culpability on the part of the losing party.” Fantasy, Inc. v. Fogerty, 94 F.3d 553, 555 (9th Cir. 1996); see also infra note 47 (discussing the disposition of the case on remand).

20. The Chief Justice in *Fogerty* used these terms. The plaintiffs objected to the terms “dual” and “evenhanded,” arguing that they did not describe the approaches of the courts fairly. “While this point may be well taken in a rhetorical sense, we will continue to use the terms as commonly used by the lower courts for the sake of convenience.” *Fogerty v. Fantasy, Inc.*, 510 U.S. 517, 521 n.7 (1994).


22. Reader’s Digest Ass’n, Inc. v. Conservative Digest Ass’n, Inc., 821 F.2d 800, 809 (D.C. Cir. 1987).
allowance of fees as a concomitant of prevailing in every case, but we do favor an evenhanded approach." These courts considered numerous factors in deciding whether fees should be given and used those factors regardless of whether the plaintiff or the defendant prevailed.

E. The Supreme Court's Decision in Fogerty

Based on the Ninth Circuit's previous adoption of the dual approach, the trial judge applied that standard to the request advanced after trial by Fogerty—a prevailing defendant in a copyright infringement action—to recover his attorney's fees. Although the plaintiff, Fantasy, lost its action, the trial judge concluded its claim was neither frivolous nor brought in bad faith. The Ninth Circuit affirmed, holding that, under the dual standard, successful defendants could not receive attorney's fees without a showing of improper action or motive on the part of the plaintiff.

The United States Supreme Court reversed. Most of Chief Justice Rehnquist's opinion for the Court focused on refuting the plaintiff's three arguments in support of the dual standard. First, Fantasy contended the language in the statute

---

23. Lieb v. Topstone Indus., Inc., 788 F.2d 151, 156 (3d Cir. 1986); see also Sherry Mfg. Co. v. Towel King, Inc., 822 F.2d 1031, 1034 (11th Cir. 1987) (stating that bad faith is not a precondition to the awarding of fees).
24. See infra text accompanying notes 47-52.
26. See id.
27. See id.
29. Only Justice Thomas did not join in the opinion of the Chief Justice. See id. at 535 (Thomas, J., concurring); see also infra note 33 (discussing Justice Thomas's concurrence).
30. The opinion also disposed of Fogerty's claim that Congress intended the Copyright Act to adopt the "British Rule," which states that prevailing parties are automatically awarded attorney's fees. The Court had little difficulty with the argument as Congress wrote the statute in a discretionary fashion: "The court may also award a reasonable attorney's fee to the prevailing party as part of the costs." 17 U.S.C. § 505 (1994). Moreover, the Justices recognized that Congress wrote section 505 "against the strong background of the American Rule," with parties generally bearing their own attorney's fees. Fogerty, 510 U.S. at 533. The Court thus found "it impossible to believe that Congress, without more, intended to adopt the British
was quite similar to the wording found in the Civil Rights Act of 1964. The Court had held previously that such language should be construed so that a prevailing plaintiff, but not defendant, "should ordinarily recover an attorney's fee unless some special circumstances would render such an award unjust." The Justices refused to apply the Copyright Act in a similar fashion. Congress intended "to achieve [important policy] objectives through the use of plaintiffs as 'private attorneys general'" in the Civil Rights statutes, but the same was not true of the Copyright Act.

The goals and objectives of the two Acts are likewise not completely similar. Oftentimes, in the civil rights context, impeccuous "private attorney general" plaintiffs can ill afford to litigate their claims against defendants with more resources. Congress sought to redress this balance in part, and to provide incentives for the bringing of meritorious lawsuits, by treating successful plaintiffs more favorably than successful defendants in terms of the award of attorney's fees. The primary objective of the Copyright Act is to encourage the production of original literary, artistic, and musical expression for the good of the public. In the copyright context, it has been noted that "[e]ntities which sue for copyright infringement as plaintiffs can run the gamut from corporate behemoths to starving artists; the same is true of prospective copyright infringement defendants."

The Chief Justice next turned to the contention that the policies of the Copyright Act would be best served by adopting the

---

Rule. Such a bold departure from traditional practice would have surely drawn more explicit statutory language and legislative comment." Id.
33. Id. at 523. As previously noted, Justice Thomas concurred solely in the judgment, arguing that the Court's opinion was inconsistent with its earlier decisions in the civil rights cases. He joined with the other Justices, however, because he disagreed with those earlier rulings favoring civil rights plaintiffs and believed "the Court adopts the correct interpretation of the statutory language at issue in this case." Id. at 535.
34. Id. at 524 (quoting Cohen v. Virginia Elec. & Power Co., 617 F. Supp. 619, 622-23 (E.D. Va. 1985)).
dual approach to the awarding of attorney's fees. Fantasy rooted its support for this view in the assumption that giving prevailing plaintiffs fees as a routine matter encourages "meritorious claims of copyright infringement." The problem with this position, the Court found, is that "it expresses a one-sided view of the purposes of the Copyright Act." The opinion identified a number of goals for the Act, only one of which is to discourage infringement. Other goals, however, are also present. "[T]he policies served by the Copyright Act are more complex, more measured, than simply maximizing the number of meritorious suits for copyright infringement." Indeed, the Court found just such a goal in John Fogerty's successful defense to the infringement action:

Because copyright law ultimately serves the purpose of enriching the general public through access to creative works, it is peculiarly important that the boundaries of copyright law be demarcated as clearly as possible. To that end, defendants who seek to advance a variety of meritorious copyright defenses should be encouraged to litigate them to the same extent that plaintiffs are encouraged to litigate meritorious claims of infringement. In the case before us, the successful defense of "The Old Man Down the Road" increased public exposure to a musical work that could, as a result, lead to further creative pieces. Thus a successful defense of a copyright infringement action may further the policies of the Copyright Act every bit as much as a successful prosecution of an infringement claim by the holder of a copyright.

The final assertion in support of the dual approach looked to the legislative history of the Copyright Act. The problem with this assertion, however, was that there simply was no express legislative history on point—Congress had been silent regarding

35. Id. at 525.
36. Id. at 526.
37. See id.
38. Id.
39. Id. at 527.
40. See id.
the application of section 505.\textsuperscript{41} Recognizing this lack of explicit intent, Fantasy contended that most courts had adopted the dual standard.\textsuperscript{42} Under the "principle of ratification," Congress could be presumed to have adopted this general view of the statute when it enacted the provision in question.\textsuperscript{43} The Court's review of the lower court decisions as of the time of the enactment of the Copyright Act, though, demonstrated that no clear "dual standard" construction of the attorney's fees provision,\textsuperscript{44} which could be said to have moved Congress, existed.\textsuperscript{45}

While it appears that the majority of lower courts exercised their discretion in awarding attorney's fees to prevailing defendants based on a finding of frivolousness or bad faith, not all courts expressly described the test in those terms. In fact, only one pre-1976 case expressly endorsed a dual standard. This is hardly the sort of uniform construction which Congress might have endorsed.\textsuperscript{46}

The Court's discussion of the plaintiff's position ended, firmly rejecting the dual approach.\textsuperscript{47} The Court then moved to its long-anticipated discussion of how lower courts are to determine if attorney's fees should be awarded. Alas, copyright law practitioners in search of enlightenment were to be greatly disappointed. This part of the opinion consisted of less than one full paragraph.\textsuperscript{48}

Not surprisingly, the Court remarked that prevailing plaintiffs and prevailing defendants are to be treated alike, with fees to be

\begin{footnotes}
\item[41] See id. at 523-24.
\item[42] See id. at 528.
\item[43] See id.
\item[45] See Fogerty, 510 U.S. at 531.
\item[46] Id. at 531-32 (citations omitted).
\item[47] Because the Ninth Circuit held Fogerty to a higher standard than that which would be applied to a prevailing plaintiff, the court remanded the matter to the trial court. Ultimately, Fogerty received very substantial attorney's fees, with the Ninth Circuit affirming: "[A]ttorney's fee awards to prevailing defendants are within the district court's discretion if they further the purposes of the Copyright Act and are evenhandedly applied." Fantasy, Inc. v. Fogerty, 94 F.3d 553, 558 (9th Cir. 1996); see infra text accompanying note 119.
\item[48] See Fogerty, 510 U.S. at 534.
\end{footnotes}
given in the trial judge's discretion.\textsuperscript{49} That much of the opinion is certainly clear. Considerably less clear is the question of how a federal district judge is to know when, and in what manner, to exercise discretion. The language of the Chief Justice is hardly illuminating: "There is no precise rule or formula for making these determinations, but instead equitable discretion should be exercised in light of the considerations we have identified."\textsuperscript{50} The obvious dilemma for lower courts, however, is that the Court chose not to identify any such considerations in its opinion.

The best effort of our high court was to drop a footnote indicating that "[s]ome courts . . . have suggested several nonexclusive factors to guide courts' discretion. These factors include 'frivolousness, motivation, objective unreasonableness (both in the factual and in the legal components of the case) and the need in particular circumstances to advance considerations of compensation and deterrence."\textsuperscript{51} Of course, the Court also noted, in conclusion, that these considerations could only be used "so long as such factors are faithful to the purposes of the Copyright Act and are applied to prevailing plaintiffs and defendants in an evenhanded manner."\textsuperscript{52} Unfortunately for judges, lawyers, and interested parties, that quotation represents the full discussion in the opinion.

The terms of the debate are now framed.\textsuperscript{53} The question for my learned colleagues to address is, \textit{Has the Supreme Court's ruling left undisturbed, or has it significantly altered, the landscape for recovery of attorney's fees in copyright infringement actions?}

\textsuperscript{49} See id.

\textsuperscript{50} Id. (citations omitted).

\textsuperscript{51} Id. at n.19 (quoting Lieb v. Topstone Indus., Inc., 788 F.2d 151, 156 (3d Cir. 1986)).

\textsuperscript{52} Id.

\textsuperscript{53} One commentator attempts to resolve the issue based on empirical research. See Douglas Y'Barbo, \textit{On Fee-Shifting and the Protection of Copyright}, 44 J. COPYRIGHT SOC'Y U.S.A. 23 (1996). Because I am dead, I do not need to mince any words in evaluating another's writing: The analysis is unconvincing and rests, moreover, on evidence that cannot be tested. See generally id. at 30 (referring to "a random, representative sample of cases" without detailing the identity of those cases, how they were selected, how many, and other details of methodology).
II. EVEN AFTER THE COURT’S RULING, THE OLD MAN REMAINS STUCK DOWN THE ROAD

DAVID NIMMER

I am grateful to our moderator for his lucid and balanced framing of the issues. To answer his question directly, the upshot of the Supreme Court’s opinion is less than epochal. In the vernacular of Mr. Fogerty, his old man remains languishing down the road even after issuance of his eponymous ruling.

A. Unmaking a Procrustean Bed

Fogerty adopts the evenhanded standard. The inquiry here is whether overthrow of the dual standard has produced an operative result in those circuits that formerly followed it. My contention is that, for most purposes, no operative difference will ensue. In other words, concrete cases (we’ll consider eight presently) may have been resolved identically even if Fogerty had gone the other way.

To pursue this theme, it is necessary first to look to the pre-Fogerty standards applicable to prevailing defendants in circuits that followed the dual approach. Fogerty caps the long split in the circuits between the two conflicting standards described previously. Long before that case—in fact, even before a circuit split developed on the awarding of attorney’s fees—Nimmer on Copyright attempted to summarize the general approach of courts to the award of attorney’s fees as follows:

[Attorney’s fees generally will be awarded only where there is some element of moral blame against the losing party. Thus, for example, attorney’s fees have been awarded where the losing party has pursued the action in bad faith, or where he conducted the litigation in a manner calculated to delay hearing on the merits and to increase the opposing party’s costs, or where he had no reasonable grounds for assuming

54. Of Counsel, Irell & Manella, Los Angeles, California. The writer, although subject to a much greater systemic incentive to recover attorney’s fees, see infra text accompanying note 129, than affects his brother-in-law, nonetheless maintains complete and impartial objectivity on this (as well as every other) subject.
the position taken in the action. It has even been held that attorney's fees are justified by reason of the losing party's refusal during the pendency of the action to either make or accept a reasonable offer of settlement. On the other hand attorney's fees should not be awarded if the losing party was driven to litigation by an overtechnical position taken by the prevailing party, or if a novel or complex question of law is involved and the losing party is acting in good faith.\textsuperscript{55}

There is no either/or here, no Procrustean bed of "dual" or "evenhanded" in that excerpt. The treatise, true to its \textit{zeitgeist} of abstracting the whole cloth of uniform principles out of the tatters of fractured opinions, attempted to impose a Grand Unified Theory on the law.

Though that attempt may have been GUTsy, it ignored what both the evenhanded and dual standard courts said. Imprisoned in the mindframe of viewing the cases through its \textit{Candide}-like prism, what was that treatise's reaction to the fork in the road when circuits began to articulate differing standards? It must be candidly confessed that the author obstinately persisted in refusing to see the conflicts that contending courts on both sides of the issue highlighted:

It is submitted that these two seemingly antagonistic views can be reconciled, and that the discussion of culpability [summarized above] can serve as the vehicle for this reconciliation. Initially, it would seem that both the foregoing lines of cases have disclaimed reliance on culpability—the dual view by awarding fees to a prevailing plaintiff even when the infringement was not deliberate, and the evenhanded view by discarding the requirement of bad faith altogether. However, on closer examination, culpability emerges as an important, if not the decisive factor in both analyses. Consider first the dual approach. For a prevailing defendant, this approach preserves plaintiff's bad faith or frivolousness as the touchstone for awarding attorney's fees. For a prevailing plaintiff, although it seemingly requires no culpability on the part of the defendant, in actuality the mere fact that the

\textsuperscript{55} 3 NIMMER, \textit{supra} note 9, § 14.10[D][1], at 14-154 to -156 (citations omitted).
plaintiff has won at trial means that the defendant has been adjudged "guilty of infringement." That finding, even absent a further finding of "deliberate infringement," establishes a blameworthiness of sorts on the defendant's part. Thus, under the dual approach, some type of culpability must attach for attorney's fees to be awarded.

... Turning next to the evenhanded approach, notwithstanding the bald statement that "bad faith or frivolousness is not a requirement of a grant of fees" to either party, cases following the evenhanded approach almost invariably rely on an apportionment of blame among the parties.

B. Running the Mule Through His Paces

How is such willful blindness to be justified? In testing the treatise's stubborn refusal to acknowledge reality, let us begin with some pre-Fogerty cases in which the courts anticipated the Supreme Court's ultimate ruling by adopting the evenhanded standard. As noted in the excerpt quoted above, one such ruling states that "bad faith or frivolity is not a requirement of a grant of fees." So much for Nimmer on Copyright's fixation on culpability! But wait—that very case conditioned its statement on the

56. 3 NIMMER, supra note 9, § 14.10[D][2][a] at 14-161 to -163 (citations omitted).

57. A trenchant criticism of the treatise viewpoint, written before Fogerty, can be found in Peter Jaszi, 505 And All That—The Defendant's Dilemma, 55 LAW & CONTEMP. PROBS., Spring 1992, at 107, 118. Indeed, that article anticipates Chief Justice Rehnquist's focus in Fogerty on the benefits to society when defendants clearly demarcate copyright's boundaries. Id. at 112. What is most interesting, therefore, is that even after the Court has spoken, the treatise's description of when fees are awarded remains accurate, I maintain, with a fair degree of confidence that Professor Jaszi would agree with me. See id. at 119 n.42 ("My ultimate conclusion, I suspect, is not too different from that expressed in Nimmer on Copyright"). By contrast, his prescription for how the evenhanded standard should optimally be implemented in order to effectuate a radical change consistent with its goals, for better or worse, did not find implementation in the Court's opinion. I would agree with Professor Jaszi that we might now be running through the jungle, rather than stuck down the road, had the justices quoted his article at length in adopting the evenhanded standard, instead of dropping a brief footnote adverting to the "tea leaves" of prior opinions. See id.; cf. Fogerty, 510 U.S. at 534 n.19 (mentioning factors suggested by courts to guide a judge's decision as to awarding fees).

qualification that "the defendant's good faith and the complexity of the legal issues involved likely would justify a denial of fees to a successful plaintiff . . . ." Maybe news of culpability's death has been exaggerated?

More particularly geared to our scenario of a prevailing defendant under the evenhanded approach, *Sherry Manufacturing Co. v. Towel King, Inc.* states that "the losing plaintiff's good faith is a factor which the district court can consider in its discretion to justify the denial of fees." These two statements concerning when fees may be denied from evenhanded jurisdictions—the former applicable to prevailing plaintiffs, the latter to prevailing defendants—show that the evenhanded approach is not in fact oblivious to culpability of the actors when evaluating an award of fees.

Things are even more telling when we delve more deeply into *Sherry* as a representative pre-*Fogerty* ruling from an evenhanded court involving a prevailing defendant. In summarizing the strictures of the evenhanded approach, the court stated that "the only precondition to the award of attorney's fees is that the party be a prevailing one." Given that the district court in that case awarded fees to the prevailing party, it is difficult to reconcile that language with the court of appeals' decision to vacate and remand the award of attorney's fees because it could not determine from the record whether "the district court abused its discretion by applying an incorrect standard in making its attorney's fees determination." By awarding the prevailing party fees actually expended, thereby satisfying "the only precondition" that *Sherry* nominally established, the question arises how the district court could conceivably have abused its discretion. The holding of *Sherry* requires the conclusion to be drawn that the court of appeals wished to evaluate the propriety of the

59. *Id.; accord* Lieb v. Topstone Industries, Inc., 788 F.2d 151, 156 (3d Cir. 1986) (noting "the need in particular circumstances to advance considerations of compensation and deterrence"—considerations seemingly more in harmony with the dual approach).

60. 822 F.2d 1031 (11th Cir. 1987).

61. *Id.* at 1034 (dictum).

62. *Id.*

63. *Id.*
award; and given that this is the case, one can scarcely imagine another basis for evaluating the propriety of the award other than the culpability factors summarized above. Culpability thus reemerges triumphant in the pre-Fogerty timeframe.

C. Eight Concrete Cases

Let's posit some cases now, to test both the evenhanded and the dual approaches to awards of attorney's fees. Eight plaintiffs lose copyright infringement cases. District judges must determine whether to award attorney's fees to each of the prevailing defendants.

Case One: The plaintiff's case was poorly founded in law.

Case Two: Though the plaintiff enunciated a valid legal theory, the plaintiff could adduce no facts to support that theory. In fact, the entire case seemed like a "strike suit" against a wealthy (individual or corporate) defendant.

Case Three: The case itself was well-founded in fact and in law. In testifying on her own behalf, however, the plaintiff engaged in perjury, albeit in matters not relating to the essence of the infringement claim.

Case Four: The case was well-founded in fact and law, and the plaintiff testified truthfully. The plaintiff was, however, a thoroughly repulsive human being.

Case Five: Same as case four, but here the problem was the plaintiff's attorney—rude, obstreperous, and poorly versed in the Federal Rules of Evidence. The attorney converted what should have been a simple two-day trial into a three-week endurance contest.

Case Six: The case was well-based in fact and law; the plaintiff testified truthfully. Her attorney also comported himself professionally—except that his tone of voice was screeching, his mannerisms obnoxious, and his wardrobe abominable.

Case Seven: All parties comported themselves professionally. Plaintiff's claim was objectively colorable, notwithstanding its

64. See discussion infra pp. 78-82 (positing some other factors, such as repulsive personality or slovenly dress, and concluding that the award of fees should not turn on those extraculpability factors).
ultimate failure. Plaintiff's motivation seemed to be to recover on a valid claim.

Case Eight: Same as case seven, except that the plaintiff's true motivation was personal animus against the defendant—notwithstanding that the claim itself was facially colorable.

In which of these cases should attorney's fees be awarded? What is a district judge to do? The answer is not evident—either under the evenhanded standard governing today or under the rejected dual standard. If any president were so improvident as to appoint me to the bench, I would probably view it as my duty to award attorney's fees in cases one, two, three, five, and eight. Sitting judges, undoubtedly, would see their obligations a bit differently, given no mechanistic possibility under any of the standards promulgated of pronouncing one resolution kosher and another treif. In fact, the lack of clarity under both the evenhanded and dual standards means that the Supreme Court's Fogerty pronouncement has not altered the law meaningfully.

D. Four-Square Resolutions

Let's pretend for a moment that I were a district judge sitting in a circuit that followed the dual approach in the period before the Fogerty decision. In the conscientious discharge of my duties, I would award fees, as noted above, to the prevailing defendant in each case except four, six, and seven. Why?

The Second Circuit's classic rationale for the dual standard is as follows:

Because the Copyright Act is intended to encourage suits to redress copyright infringement, fees are generally awarded to a prevailing plaintiff. The logical converse of this legislative purpose, however, requires that attorneys' fees to prevailing defendants be awarded circumspectly to avoid chilling a copyright holder's incentive to sue on "colorable" claims. This is particularly true since an award of attorneys' fees is deemed to serve the additional purpose of penalizing the losing party.65

65. Roth v. Pritikin, 787 F.2d 54, 57 (2d Cir. 1986) (citations omitted).
In light of those factors, let's review first the cases in which I am denying fees. In case four, as much as the plaintiff offended me, I cannot penalize people for falling short—even if miserably short—of Greek ideals. Repulsive to me though he may be, the plaintiff here bears no culpability at law. I must be circumspect in awarding fees to prevailing defendants in order to avoid chilling a copyright holder’s incentive to sue on “colorable” claims, for which this plaintiff clearly qualified. I would therefore leave him to lick the wounds of his defeat without further injury.

All the more so does that conclusion pertain to case six. Though I would not spend any time with such an obnoxious lawyer at a cocktail party, my oath of office obligates me to spend time in the courtroom with people not of my choosing—they may like me no more than I them. I could scarcely penalize them any further than their compulsory confinement to my courtroom, so no fees.

Case seven, finally, is completely straightforward. The plaintiff tried but lost—no shame there. Given my duty not to chill valid claims, this case is the very easiest of all.

Now to the cases in which I would award fees: cases one and two are easy—the plaintiff acted in bad faith under the facts and law respectively. Nothing in the Second Circuit’s articulation of the dual standard forbids me absolutely from awarding fees to a prevailing defendant; given that I have at least some discretion in the matter, these are the cases in which I definitely want to exercise it. Moreover, I am fortified in my conclusion by the command that I act circumspectly with respect to “colorable” claims. Cases one and two are not colorable, so I feel justified in blowing my top.

Case three is not much harder—my amour propre as an Article III appointee would cause me to look askance at any perjurer—even one whose mendacity did not relate directly to the subject matter of the suit. The dual standard is so far afield from condoning perjury that I would not even hesitate to award fees here.

Case five is a bit more problematic. Should a litigant be punished for injudicious choice of counsel? I say “yes.” 66 (Now that I

---

66. In Warner Brothers, Inc. v. Dae Rim Trading, Inc., 677 F. Supp. 740 (S.D.N.Y. 1988), the court detailed, at great length, the “vexatious” and “oppressive” manner in which plaintiff’s attorney “unreasonably prolonged” litigation against “a small shop-
am a judge, how dare you question my determination?) The defense had to suffer through an expensive and bootless exercise through no fault of its own. If the plaintiff later decides to sue his counsel for malpractice in causing fees to be taxed, I would be sympathetic to that suit, but it is not the one before me. In running my courtroom in the way justice and efficiency dictate, I say, "Let the culpable parties pay." If I am thereby chilling plaintiffs, proponents of the dual standard can hardly be heard to complain, given that it is, in fact, ineffective assistance of counsel that I am chilling.

Case eight is the most difficult decision.67 If a case is objectively well-founded, how can I penalize a party based on what I perceive to be a subjective motivation? How—because the President appointed me and the Senate confirmed me, that's how!68 Motive is a slippery thing, but ultimately the law concludes from the evidence the content of a person's mind in the same manner

keeper who committed but a single and innocent infringement" for the "purpose of collecting disproportionately large statutory damages and attorney's fees." Id. at 745, 773. Entering judgment for one copyright infringement count in plaintiff's favor and awarding $100 in statutory damages, the court held the defendants to be the "prevailing" parties and awarded them $38,498.61 in attorney's fees. See id. at 771; Warner Bros., Inc. v. Dae Rim Trading, Inc., 695 F. Supp. 100, 112 (S.D.N.Y. 1988), aff'd in part and rev'd in part, 877 F.2d 1120 (2d Cir. 1989). On appeal, the court agreed that a "party's success on a claim that is 'purely technical or de minimis' does not qualify him as a 'prevailing party.'" Warner Bros., Inc. v. Dae Rim Trading, Inc., 877 F.2d 1120, 1126 (2d Cir. 1989). Nonetheless, the Second Circuit reversed the attorney's fees award, citing the fact that the defendants filed a counterclaim that they could not sustain and sought damages for an improper temporary restraining order, which were denied, and thus concluding that neither party's "success was sufficiently significant to mandate an award of attorneys' fees." Id.; see also D.C. Comics, Inc. v. Mini Gift Shop, 912 F.2d 29, 35 (2d Cir. 1990) (detailing further reverberations from the same attorney's conduct).


68. Of all the fact patterns that lead to copyright litigation, such cases strike me as the most unusual. Although one encounters opinions such as Weissman v. Freeman, 868 F.2d 1313 (2d Cir. 1989) and Professional Real Estate Investors, Inc. v. Columbia Pictures, Indus., Inc., 508 U.S. 49 (1993), discussed infra notes 69 & 70, the combination of an Iago-like personality and the wealth of a Timon happily find outlet in the copyright sphere only rarely.
that it deduces the contents of her stomach.\textsuperscript{69} Copyright doctrine should take note.\textsuperscript{70} Though I am, admittedly, going a bit beyond the reference in the dual standard to "colorable" claims, I believe it not amiss to add subjective good faith to the stated requirement of objective good faith.

E. Lingering Reservations

We now know how I would resolve these eight cases under the dual standard. What about those same cases under the evenhanded standard that actually governs since \textit{Fogerty} was decided? For these purposes, we must look to the Court's language.

A unanimous Supreme Court handed down \textit{Fogerty}, so it must be right. Right? Try as I might, I cannot understand two aspects of the case.

First, the Court rejected the approach of Justice Thomas, concurring only in the judgment, who stated that the Copyright Act's attorney's fees standard should be treated the same as the paral-

\textsuperscript{69} When I read \textit{Weissmann}, filtered through Judge Cardamone's prose, I am left with the indelible impression that the contesting parties—former colleagues in the medical profession whose collaboration went sour over the most minor of details—battled so ferociously over such small stakes more out of a desire to hurt each other than to vindicate legal rights. My suspicion, just from the pages of federal reporters, is that we are dealing here with the revenge of a jilted lover. \textit{See generally \textit{Weissmann}}, 868 F.2d at 1315-17 (detailing the parties' long professional association). Though I may be laughably wrong in my interpretation of that particular case, it is neither hard to imagine a copyright (or any other) case proceeding against all rational calculations of monetary or reputational gains purely to avenge wrongs of the heart, nor to imagine that the judge who sits through trial with seething litigants day in and day out may accurately divine their true motivation.

\textsuperscript{70} Several heavy hitters of the judiciary support this point of view. A unanimous Supreme Court protected from antitrust liability a losing copyright plaintiff whose claim was not "objectively baseless in the sense that no reasonable litigant could realistically expect success on the merits." \textit{Professional Real Estate Investors, Inc.}, 508 U.S. at 60 (1993). Yet, the concurrence, quoting a previous opinion by Judge Posner, pondered whether the majority's test was adequate to address:

a monopolist [who] brought a tort action against its single, tiny competitor; the action had a colorable basis in law; but in fact the monopolist would never have brought the suit [except that it] just wanted to impose heavy legal costs on the competitor in the hope of deterring entry by other firms.

\textit{Id.} at 73-74 (Stevens, J., concurring). The concern articulated by Justice Stevens and Judge Posner is precisely the one animating case eight—penalizing a plaintiff whose objectively valid claim nonetheless rests on improper motives.
Attorney’s Fees in Copyright Cases

1997] ATTORNEY’S FEES IN COPYRIGHT CASES 83

The provision of the Civil Rights Act of 1964.71 Whereas the Court had concluded that the 1964 law should be governed by the dual standard, it nonetheless adopted the evenhanded approach for the “virtually identical language” of the Copyright Act.72 Curious though that juxtaposition might be, this is not the part that confuses me—my brain is flexible enough to accept that identical language may mean two utterly different things in radically different contexts. Where I lose the Court is in its enunciation of the evenhanded standard as governing law in the copyright sphere:

Prevailing plaintiffs and prevailing defendants are to be treated alike, but attorney’s fees are to be awarded to prevailing parties only as a matter of the court’s discretion. “There is no precise rule or formula for making these determinations,” but instead equitable discretion should be exercised “in light of the considerations we have identified.”73

It is the shining of that light that blinds me. For the case from which Fogerty draws that quotation arose in the civil rights context. When one reflects that the civil rights context was the precise body of law for which the Court earlier rejected any attorney’s fee gloss, that provenance is rather startling, to say the least.74 My eyes strain, but still fail to see the “light of the considerations we have identified” when that very light has been filtered out from its source!

Second, no matter how earnestly the Court believed it was adopting evenhandedness as governing law, the very structure of the Act belies those protestations. The Copyright Act accords discretion to award fees “[e]xcept as otherwise provided by this

72. Id. at 522.
73. Id. at 534 (emphasis added) (quoting Hensley v. Eckerhart, 461 U.S. 424, 436-37 (1983)).
74. Hensley v. Eckerhart arose under the Civil Rights Attorney’s Fees Award Act of 1976, which contains a fee award provision patterned, inter alia, after 42 U.S.C. §§ 2000e-5(k), 2000a-3(b). See Hensley, 461 U.S. at 433 n.7. Those latter sections are the very sections that the Court in Fogerty ruled should not govern in the copyright context.
Elsewhere, the Act allows fees for infringement only subject to timely registration. Courts have construed that provision uniformly to bar prevailing plaintiffs who establish infringement from recovering fees, absent satisfaction of the registration formality. The courts have not, however, applied this provision to bar a defendant from collecting its fees by defeating an infringement claim brought by the proprietor of a not-timely-registered work. When a late-registered work is at issue, the defendant may thus recover its fees, notwithstanding that the plaintiff in the very same action may not. The upshot is that the structure of the Act lies far afield from evenhandedness, even in the post-Fogerty world.

F. Resolutions Redivivus

Notwithstanding those two sources of confusion in matters that the Court did not address, can one hope that what it did say is so pellucid as to leave no question in how attorney's fees should be awarded in the future? No such luck. The only guidance that the Supreme Court's ruling gave, apart from adverting to the general purpose of copyright law to serve the public interest and the benefits wrought by both plaintiffs and defendants in delimiting its

77. See 3 Nimmer, supra note 9, § 7.16[C][1].
78. An example is Screenlife Establishment v. Tower Video, Inc., 868 F. Supp. 47 (S.D.N.Y. 1994), a post-Fogerty case in which the court denied recovery of statutory damages to the plaintiff based on an untimely registration. Note that the same statutory provision would equally bar that plaintiff from recovering its attorney's fees. See 17 U.S.C. § 412. Yet, because the defendant in fact constituted the "prevailing party" (despite being adjudged an infringer), the defendant received an award of fees in the amount of $37,045.21. See Screenlife, 868 F. Supp. at 53. That result is plainly "uneven.
79. A stringent application of Fogerty's goal of evenhandedness would bar even the defendant in a case such as Screenlife from recovering attorney's fees, based on the plaintiff's failure to register on a timely basis. That perverse result deserves the goals of rationality and hence is to be disfavored. Congress wished to encourage prospective plaintiffs to register their works and hence tied the awards of statutory damages and attorney's fees to registration. See H.R. Rep. No. 94-1476, at 158 (1976) ("Copyright registration ... should therefore be induced in some practical way."). Given that defendants have no control over whether they are sued over timely registered or belatedly registered works, no parallel incentives arise in this regard.
ATTORNEY'S FEES IN COPYRIGHT CASES

boundaries, is its reference in a footnote to "several nonexclusive factors to guide courts' discretion" deemed worthy by courts of appeal that had adopted the evenhanded standard. In particular, the footnote enumerates "frivolousness, motivation, objective unreasonableness (both in the factual and in the legal components of the case) and the need in particular circumstances to advance considerations of compensation and deterrence." Based on that language, let me now imagine myself a district judge in the same eight cases hypothesized above, applying Fogerty's mandate. How would I rule?

Cases one and two, exemplifying "frivolousness [and] objective unreasonableness (both in the factual and in the legal components of the case)", definitely deserve fees. These awards are like shooting fish in a barrel.

Case three of the perjurer does not fall within the stated factors, but the Supreme Court did after all label those factors "nonexclusive." I hardly believe that the nine most prominent wearers of black robes in Washington, D.C. intended to suborn perjury any more than did the Second Circuit, so I'm awarding fees here too.

In case four, I choose to deny fees. To be evenhanded, I would likewise deny fees to a prevailing plaintiff whose sole basis for recovery was the repulsiveness of the defendant. In case five, by contrast, I choose to award fees. What we have here is a prime example of "objective unreasonableness . . . in the legal component[] of the case," thus falling within Fogerty's guidelines for such an award.

In case six, I would deny fees. Parallel to case four, I would likewise deny fees to a prevailing plaintiff whose sole basis for recovery was the screeching of opposing counsel.

Case seven is easy. Only a bright-line rule that the winning

81. Id. at 534 n.19.
82. Id. (quoting Lieb v. Topstone Indus., Inc., 788 F.2d 151, 156 (3d Cir. 1986)). The Court's footnote concludes: "We agree that such factors may be used to guide courts' discretion, so long as such factors are faithful to the purposes of the Copyright Act and are applied to prevailing plaintiffs and defendants in an evenhanded manner." Id.
83. Id.
party always recovers fees would cause me to issue an award here. Given that the Court in Fogerty explicitly rejected the English bright-line rule, I choose to award no fees here.

Finally, there is case eight. The Supreme Court's explicit enumeration of "motivation" next to "frivolousness" amply warrants my award here.

What is the tally under Fogerty's evenhanded standard? Surprise, surprise—each and every case reaches a deny or award resolution identical to that which pertained under the dual standard. Though the evenhanded standard may have won the duel, it can hardly be concluded that the culpability factors animating the dual standard have been extirpated.

G. Some Actual Cases

An examination of representative post-Fogerty opinions validates that perspective. In an ideal laboratory, we would scrutinize how a district judge evaluated a particular case under the dual standard and then alter the sole variable of the governing standard to determine how that same judge evaluated the same facts under the new evenhanded standard. Though real-world law seldom affords such laboratory conditions, the instant case is an exception. The experiment validates the armchair predictions of the preceding discussion.

84. See id. at 533-34.
85. My learned colleague reproves me for conjuring up exotic cases in my hypotheticals one through eight above; he adverts me to "the paucity of precedent on the sorts of factors that are emphasized in the hypothetical cases." See infra p. 95. I must reluctantly (if only a bit) disagree. From my experience litigating, cases one through seven are not at all rare, although case eight—as I emphasize repeatedly—is indeed exceptional. The fact that reported precedents do not advert to some of the circumstances underlying cases one through seven—repulsive personality, slovenly dress, and the like—simply indicates that judges forced to endure those indignities cannot in good conscience write them up in the Federal Supplement as the bases for their awards. Accordingly, I draw the opposite inference from paucity—that such factors, even when they are blatantly present in the courtroom, should not weigh in the determination of when to award attorney's fees.

86. Neurologists gain insight into "normal" human behavior by studying patients whose linkages between the two hemispheres of their brains have been severed. See generally Steven Pinker, The Language Instinct 298-317 (1994) (discussing scientific technologies of studying the brain).
In particular, a case from the nation's hothouse of copyright litigation, the Southern District of New York, supplies the experimental data. In *Robinson v. Random House, Inc.*, the court awarded fees under the Second Circuit's dual standard, without taking account of the Supreme Court's discarding of this standard. When made aware of its error, the court reexamined the situation and concluded "it is clear that my decision to award fees was wholly appropriate." Another case from that district, although not subject to the same unique split consciousness as can be observed in *Robinson*, nonetheless self-consciously reached the same conclusion: "[A]lthough I conclude that under the *Fogerty* approach, the defendants should be granted fees, I am convinced that even under this Circuit's pre-*Fogerty* case law, defendants' motion for fees could also have been granted.

These cases are consistent with the vast majority of post-*Fogerty* case law. One still discerns the basic underlying truth that cases awarding fees to prevailing defendants do so overwhelmingly on the basis of the plaintiff's culpability. Correlatively, defendants who prevail against earnest and honest plaintiffs still do not stand to recover any appreciable attorney's fees. Indeed, the Fourth Circuit pushes the point home:

---

88. See id. at 844 n.7.
89. *Id.* at 845.
“[W]hen a party has pursued a patently frivolous position, the failure of a district court to award attorney’s fees and costs to the prevailing party will, except under the most unusual circumstances, constitute an abuse of discretion.”

Thus, without denying that Fogerty “gives the district court greater discretion than did” prior law in dual circuits, the question remains, as a practical matter, whether prevailing litigants will actually benefit from that new discretion. I submit that realization of that hypothetical benefit, as the eight hypotheticals posited above illustrate, will occur seldom indeed. In sum, although Mr. Fogerty’s victory before the Supreme Court was no fantasy for himself personally, it seems doubtful that his efforts will bring appreciable benefits to other defendants who prevail in copyright litigation. The old man remains stuck down the road.

1995) (rejecting award against losing plaintiff whose position “was neither frivolous nor objectively unreasonable” in either fact or law); Garnier v. Andin Int’l, Inc., 884 F. Supp. 58, 62 (D.R.I. 1995) (noting “a reasonable stand on an unsettled principle of law”).


95. Isn’t the point sufficiently rebutted by the realization that in the case of John Fogerty himself, the district judge initially awarded nothing and then after the Supreme Court’s ruling and remand awarded fees of unprecedented magnitude? (This case thus seems to pose a laboratory case as pristine as the Robinson example cited above, but reaching a contrary resolution.) Though Dean Marcus argues the point admirably in the contribution that follows, I am no more convinced by his analysis than by his protestations that he was not the one caught redhanded stealing my turkey wing and cranberry sauce last Thanksgiving.

The hallmark of a revolutionary ruling is that it affects the world, not simply the litigants before the Court. It is therefore perilous to generalize the fate of other defendants from Mr. Fogerty’s ultimate recovery. I sense at work here a legal application of Gödel’s Theorem—the internal structure of any mathematical system cannot adequately account for all the workings within that system. See generally Maxwell L. Stearns, Standing Back From the Forest: Justiciability and Social Choice, 83 CAL. L. REV. 1309, 1375 n.207 (1995) (discussing Gödel’s Theorem).

In other words, we must step outside the confined sphere under examination to appreciate its import. The law of the case of Fogerty v. Fantasy, Inc. cannot reveal whether this case is itself revolutionary; to draw that conclusion, we need to examine how other cases have fared. As set forth above, they have, on the whole, fared after the Supreme Court’s ruling just about exactly the same as before.

96. My attendance at programs dedicated to discussing Fogerty v. Fantasy, Inc., as well as my conversations with the litigators on both sides, leave me with the lasting impression that underlying this dispute was the fact pattern of hypothetical case
III. THE SUPREME COURT HAS SENT ATTORNEY'S FEES RUNNING THROUGH THE JUNGLE

PAUL MARCUS

I, too, thank our moderator for his thoughtful analysis of the Supreme Court's action in Fogerty leading directly to the issue before us. I choose, though, to divide the issue into two parts to demonstrate the grave misgivings I have about Mr. Nimmer's rather uncharitable view of the Court's opinion. The narrow question, as my learned colleague states it, is whether overthrowing the dual standard "has produced an operative result in those circuits that formerly followed it." The broader question, as stated by our moderator, relates to the impact of the decision generally: Has it "significantly altered . . . the landscape for recovery of attorney's fees?"

To cut directly to the chase, let me state that my answer to both questions is "yes." My brother-in-law's contrary view does not, unfortunately, correctly paint the legal landscape that existed either before the Supreme Court's opinion or after it. I grant that he has written an effective brief for the negative position,

---

87. Acting Dean, Haynes Professor of Law, College of William and Mary. The writer acknowledges the thoughtful comments of Mr. Nimmer—most of them, unfortunately, wrong.
88. Supra p. 74 (emphasis added).
89. Supra p. 73.
one in which he may dazzle the reader with a recitation of cases big and small dealing with attorney's fees under the Copyright Act. I focus almost exclusively, on the other hand, on just one case to demonstrate my point that major changes have occurred and will continue. But the case I use is a most telling one, for it is the copyright infringement action brought by Fantasy, Inc. against a well known rock and roll composer by the name of John Fogerty.¹⁰⁰

A. The Death of Culpability

When Fantasy, Inc. sued Fogerty, it did not do so in a vindictive fashion attempting to pursue a worthless action. Indeed, the district judge "expressly found that the infringement action was neither frivolous nor prosecuted in bad faith."¹⁰¹ The court denied Fogerty's fee request in a rather routine fashion based on "a well-settled circuit rule predicating fee awards to prevailing copyright defendants on a showing of bad faith or frivolousness."¹⁰² The Ninth Circuit's affirmation was just as routine. The opinion indicated that the principal purpose for its policy was "to avoid chilling a copyright holder's incentive to sue."¹⁰³ The Ninth Circuit's position in Fogerty was completely consistent with the other courts that had relied upon the dual standard previously.¹⁰⁴ The point of the attorney's fee provision

¹⁰⁰. One must note, preliminarily, that the debate at this point does not address the impact of the Supreme Court's decision on those courts which themselves had rejected the dual approach earlier. In such courts, business goes forth as usual in determining attorney's fees claims. Although I will assert that even in those courts there are major changes coming in connection with the amount of fees to be awarded—see infra text accompanying notes 124-30—these courts' views of when awards are to be made essentially remains unaffected by the opinion.
¹⁰¹. Fantasy, Inc. v. Fogerty, No. C85-4929-SC, 1995 WL 261504, at *1 (N.D. Cal. May 2, 1995) (order awarding attorney's fees, on remand from the Ninth Circuit). My colleague's protestations that the true motive behind the suit was "animus" notwithstanding, surely we must feel at least somewhat bound by a district judge's written findings and order. See generally supra note 96 (concluding animus was the true motivation in Fantasy, Inc.).
¹⁰³. Fantasy, Inc. v. Fogerty, 984 F.2d 1524, 1532 (9th Cir. 1993).
¹⁰⁴. The Supreme Court cited a number of opinions in which defense requests for attorney's fees were denied: "[P]laintiff's action was 'prosecuted in good faith and with a reasonable likelihood of success'; plaintiff's case was not "unreasonable or
of the Copyright Act, according to these courts, was not to encourage defenses but rather to promote the pursuit of colorable actions by copyright holders.\textsuperscript{105} Of course, the Supreme Court utterly rejected this view, finding instead that the "policies served by the Copyright Act are more complex, more measured, than simply maximizing the number of meritorious suits for copyright infringement."\textsuperscript{106}

Lest one rely too heavily on my colleague's contention that the Supreme Court's decision does not matter very much, let me mention one individual to whom it mattered a great deal: John Fogerty. Before the Supreme Court's decision, Fogerty was not given reimbursement of his substantial\textsuperscript{107} attorney's fees.\textsuperscript{108} After the decision, the trial judge granted his request, and the court, on appeal, approved the judge's action.\textsuperscript{109} I remind the reader that in the first instance of consideration by the district judge, the requested award was denied because defense requests were simply rejected as the common practice in the Ninth Circuit.\textsuperscript{110} On remand, still with no showing of frivolousness on the part of the plaintiff, the defense motion for fees was granted.\textsuperscript{111}

capricious." Fogerty v. Fantasy, Inc., 510 U.S. 517, 532 n.17. The Court also cited opinions in which defense requests were granted because an action had been "brought in bad faith, with a motive to 'vex and harass the defendant,'" or the plaintiff's case was "wholly synthetic." Id.\textsuperscript{105}

\textsuperscript{105} See supra text accompanying notes 17-19.

\textsuperscript{106} Fogerty, 510 U.S. at 526. Mr. Nimmer and I disagree on a good deal throughout this forum. One point, however, on which we are in strong agreement concerns this very matter. While the Court stated with clarity that the Copyright Act has a number of policies that could be served by awarding defendants attorney's fees, the Justices provided no guidance to district judges who are attempting to make determinations in this difficult area. How is a judge in a particular action to evaluate whether the policies behind the Act will be promoted by awarding fees to a prevailing defendant? See infra text accompanying note 124.

\textsuperscript{107} Actually, very substantial. See infra text accompanying note 129.

\textsuperscript{108} See Fantasy, Inc., 984 F.2d at 1533.

\textsuperscript{109} See Fantasy, Inc. v. Fogerty, 94 F.3d 553, 555 (9th Cir. 1996).

\textsuperscript{110} See Fantasy, Inc., 984 F.2d at 1531 (reviewing district court's refusal to grant fees).

The trial court sided with Fogerty for several reasons. Fogerty's defense "secured the public's access to an original work... and paved the way for future original compositions." An award would help "restore... some of the lost value of the copyright [the defendant] was forced to defend," and the defense was "on the merits." Moreover, the award would not pose an undue burden on Fantasy "which was not an impe- cunious plaintiff."

On appeal, the court affirmed, though Fantasy, Inc. once again pursued the notion that a defense attorney's fee award is not appropriate where a "blameless" plaintiff "conducted a 'good faith' and 'faultless' lawsuit upon reasonable factual and legal grounds." The Ninth Circuit put to rest, finally, the notion that fault is required before an award to a defendant will be allowed: "blameworthiness is not a prerequisite to awarding fees to a prevailing defendant." Noting that its opinions following the Supreme Court's decision recognized that "a plaintiff's culpability is no longer required," the Ninth Circuit stated conclusively that "exceptional circumstances are not a prerequisite to an award of attorneys fees, district courts may freely award fees, as long as they treat prevailing plaintiffs and prevailing defendants alike and seek to promote the Copyright Act's objectives."

Certainly it is true, as my colleague writes, that courts have considered—and will continue to consider—the good faith of the parties. I concede that point and emphasize that such consideration is indeed perfectly proper, but—and this is the key matter of significance—the courts are not required to base their determinations on views of good faith or seemingly virtuous claims. The defendants will now be treated alike with the plaintiffs. In courts such as the Ninth Circuit, that simply was not the situa-

112. See Fantasy, Inc., 94 F.3d at 556 (reviewing the trial judges award).
113. Id.
114. Id. The court appeared to be moved by the finding that Fogerty had not prevailed on "technical defenses" such as laches, registration requirements, or the statute of limitations. See id.
115. Id.
116. Id.
117. Id. at 558.
118. Id. at 558, 559 (quoting Historical Research v. Cabral, 80 F.3d 377, 378 (9th Cir. 1996)).
tion prior to the Supreme Court's opinion. In *Fogerty*, on remand, the trial judge specifically found no bad conduct on the part of the plaintiff, yet he awarded fees to the defendant. Mr. Nimmer appears to question whether "[m]aybe news of culpability's death has been exaggerated?" I think not—not if culpability is seen as an absolute requirement. After all, before the Supreme Court's action, no fault was found on the part of Fantasy, Inc., and John Fogerty lost his attorney's fee claim. After the Court's action, on the very same record, still with no culpability seen on the part of the plaintiff, John Fogerty won his attorney's fee claim. "[N]o operative difference" resulting from the Supreme Court's *Fogerty* opinion? Hardly.

The Supreme Court's decision truly does mark a dramatic shift in the instances in which attorney's fees will be awarded to prevailing defendants throughout the country. We now see a uniform (albeit murky) standard, one which eschews any undue emphasis on the plaintiff's culpability. While there is considerable debate over the manner in which district judges should make these awards, one additional matter should be discussed. What I have in mind here is not when awards are to be made. Instead, the inquiry goes to the amount of fees judges will award to successful defendants. Prior to *Fogerty*, the amounts of fees awarded to prevailing defendants varied tremendously. It is fair to conclude, however, that few cases involving large awards can be found, certainly without a predicate of improper behavior on the part of a plaintiff.

The decision of the trial judge on remand in *Fogerty*, therefore, is particularly striking. Again, the trial judge found no

---

120. Supra p. 77.
121. See Fantasy, Inc. v. Fogerty, 984 F.2d 1524, 1533 (9th Cir. 1993), rev'd, 510 U.S. 517 (1994).
123. Supra p. 74.
124. Indeed, as our moderator points out, the Supreme Court completely failed to offer standards to those judges actually ruling on the defense motions. See supra text accompanying notes 47-52.
125. See supra note 16.
blameworthy behavior on the part of the plaintiff. Indeed, this point was not, in any way, a part of the judge's written consideration of the request for fees. Instead, the court reviewed a variety of factors and especially emphasized that the case was a complicated one that involved "novel and difficult questions." Moreover, the copyright practice is a specialized area of law in which reasonable fees of attorneys run high. The court found, and the Ninth Circuit affirmed, reasonable fees and costs to be $1,351,369.15. This huge award was given in a case in which nothing had been awarded at the first review stage and in a field in which the highest previous award of fees was well less than half that given here.

This change can only be viewed as startling, due without question to the Supreme Court's decision. Without that opinion, no money award is made. With the opinion, the award is the highest in the history of our nation. The point here is reiterated because it is important to emphasize that the great amount of the award is not linked to any finding of fault; rather, the court methodically reviewed the actual costs sustained in a lengthy, complicated, and extremely expensive copyright defense action.

B. Seven Imagined Cases, One Concrete Case

You, poor reader, reviewing my thoughts, may finally have thrown up your hands in exasperation with the declaration: "You never mention that clever David Nimmer's eight concrete cases, the ones that he uses to demolish the notion that Fogerty matters very much." True, to this point I have ignored his plaintive pleas regarding the eight cases. I do this because I believe only one of them is worthy of note, and that one case will prove my point, not his. First, though, some observations on the

126. The court applied the Ninth Circuit's "twelve-factor test" including, among other factors: time and labor required, the customary fee, skill needed, experience of the attorneys, and awards in similar cases. See Fantasy, Inc., 1995 WL 261504, at *3.
127. Id. at *4.
128. See id.
129. See id. at *9.
130. The largest reported award previously was $451,789.06 in Cable/Home Communication Corp. v. Network Prods., Inc., 902 F.2d 829, 853 (11th Cir. 1990).
131. See supra pp. 78-79.
cases that he has laboriously constructed for you.

It is, of course, very difficult under any body of law—real, hoped for, or otherwise—to disagree with the conclusion that attorney's fees ought to be awarded in cases in which no possible legal claim existed, or no facts were offered to support an arguable claim, or the plaintiff committed perjury, or the attorney for the plaintiff disrupted court proceedings, or personal hatred was shown to be the chief basis for an otherwise serious claim. Surely, Congress—given the opportunity—would have said that a district judge could properly award fees to deter frivolous actions, intentional lies, or bumbling incompetence. While other sanctions—both criminal132 and civil133—are also available, such multiple sanctions cannot be viewed as mutually exclusive.

We are, then, in agreement on cases one, two, three, five and eight. We are also in agreement on cases four and six in which Mr. Nimmer finds that fees should not be awarded. To be sure, it is difficult to support fees being granted simply on the basis of slovenly or disgusting characteristics of one party or the presence of an attorney with less than impeccable taste. Attorney's fees can be used to support a host of rationales in copyright litigation, but not these two.

So, then, we reach the same conclusions in the overwhelming number of cases posited. Does that end the debate? Has he prevailed with the view that Fogerty does not matter much because he and I agree, as do courts before and after the decision, as to these seven cases? Not at all, and let me suggest two reasons.

First, these seven hypothetical cases are just that, hypothetical. I grant that there is a wide range of copyright infringement cases in which attorney's fees may be requested and seriously considered. In reviewing the case law over the past several decades, however, one is struck by the paucity of precedent on the sorts of factors that are emphasized in the hypothetical cases: wholly frivolous matters, perjured testimony, repulsive parties/lawyers,134 utterly unprofessional trial conduct, or "person-

132. For example, a perjury prosecution.
133. For example, Rule 11 of the Federal Rules of Civil Procedure.
134. Here there may well be considerable precedent, but not cases in which this factor was explicitly dispositive.
al animus" shown to be the major basis for the claim. Such cases may well be out there, but if they are, there are not very many of them, at least not many which result in reported decisions.

Second, the one case which is very real and not at all hypothetical is exactly the one over which your two commentators disagree strongly. That case is number seven:

Case Seven: All parties comported themselves professionally. Plaintiff's claim was objectively colorable, notwithstanding its ultimate failure. Plaintiff's motivation seemed to be to recover on a valid claim.  

Mr. Nimmer views this case as one in which attorney's fees should not be awarded. As he states, "[o]nly a bright-line rule that the winning party always recovers fees would cause me to issue an award here."  

Correctly noting that the Supreme Court rejected such an English-style rule, he concludes that the defendant's motion must be denied.

I disagree strongly with both the instant analysis and this conclusion. Viewed in the abstract, case seven may seem to offer little hope to the prevailing defendant. Let us, however, put some real flesh on these bare bones, for this case is not an imagined one at all. Case seven, in fact, is *Fogerty v. Fantasy, Inc.* After all, the trial court expressly found that Fantasy's claim, while not prevailing, was "colorable," and the plaintiff's motivation was not based upon any sort of personal disagreement with the defendant. Still, the trial judge and the Ninth Circuit panel found reasons aplenty to award attorney's fees to the prevailing defendant. Giving such fees allowed the public access to a music work; it encouraged future compositions by Fogerty; and the burden on the plaintiff was not excessive.

---

135. *Supra* pp. 78-79.
136. *Supra* pp. 85-86.
137. See *supra* text accompanying note 101.
138. The panel noted:

[The Supreme Court's opinion] makes clear that attorney's fees are within the courts' discretion. The district court recognized this point and, as it concluded, the reasoning upon which it relied does not lead to compulsory fee awards to prevailing copyright defendants: copyright claims do not always involve defendant authors, let alone defendant authors accused of
Case seven/Fogerty is neither hypothetical nor terribly unusual. Cases can be found throughout the country in which the plaintiff makes a reasonable, legitimate claim of copyright infringement on the merits but ultimately does not shoulder her burden of proof. It certainly takes no bright-line rule to suggest that attorney's fees for the prevailing defendants in some of those cases may be both defensible and sensible.

After reviewing the foregoing analysis and the resolution of my coauthor's "Big Eight" cases, can there truly be any question that Fogerty has made an enormous difference? Without the decision, the prevailing defendant loses the one significant case discussed above. With the decision, he collects the largest award in our history. Fogerty is a case that will, and must, be read carefully by counsel for plaintiffs and defendants alike in determining whether to pursue copyright litigation. It certainly has changed considerably the way in which lawyers will evaluate copyright infringement actions now that successful defendants have at least a fighting chance to recover substantial fees without a showing of improper conduct by the plaintiff.139 To answer our moderator's pithy question, the Supreme Court's ruling

plagiarizing themselves, and do not always implicate the ultimate interests of copyright; copyright defendants do not always reach the merits, prevailing instead on technical defenses; defenses may be slight or insubstantial relative to the costs of litigation; the chilling effect of attorney's fees may be too great or impose an inequitable burden on an impeccable plaintiff; and each case will turn on its own particular facts and equities.


139. I remind my brother-in-law of two facts not in dispute. First, it was my food at Thanksgiving that he took. Second, the Ninth Circuit—not I—described Fantasy's conduct in bringing and maintaining the lawsuit as "faultless." Id. at 555.

Furthermore,

[A] court's discretion may be influenced by the plaintiff's culpability in bringing or pursuing the action, but blameworthiness is not a prerequisite to awarding fees to a prevailing defendant. . . . [W]e cannot fault the district court for awarding fees to Fogerty as a prevailing defendant without first finding that Fantasy as the plaintiff was blameworthy.

. . . [A] plaintiff's culpability is no longer required. . . .

. . . . [A] finding of bad faith, frivolous or vexatious conduct is no longer required; and awarding attorney's fees to a prevailing defendant is within the sound discretion of the district court informed by the policies of the Copyright Act.

Id. at 558, 560.
has indeed "significantly altered . . . the landscape for recovery of attorney's fees in copyright infringement actions." 140

IV. AFTERWARD

DRONE ON AND ON

The two distinguished commentators who have disagreed so vehemently (if so courteously) have both asked me to resolve their little contretemps. It's times like these that make me happy that I died in the nineteenth century. Nonetheless, I am happy to shed some light on the disputes of the twentieth century. My view is that it's too late for this century to reveal the answer. Instead, to determine whether Fogerty marks a change in the law or is simply a flash in the pan, we will need to wait until the twenty-first century. A decade hence, I invite our participants to review the last ten years of developments, with an eye towards concluding whether any change really has occurred. We shall see. In any event, I find it a most stimulating time to be alive (or even dead, as the case may be). Adieu, gentle reader, until 2007!

140. Supra p. 73.