

A Tilted Playing Field

Copyright Infringement and Attorneys' Fees

By: [Andrew K Jacobson](#)

In its majestic equality, the law forbids rich and poor alike to sleep under bridges, beg in the streets and steal loaves of bread.

- Anatole France, *Le Lys Rouge* [The Red Lily] (1894), ch. 7

On June 15th, 2016, the Supreme Court issued a decision in [Kirtsaeng v. John Wiley & Sons](#), ruling that a trial court needs to consider a variety of factors in deciding whether to award the prevailing party attorneys' fees to be paid by the losing party.

Under [17 U.S.C. § 505](#), courts have the discretion to award attorneys' fees to the prevailing party, using certain factors. According to Justice Elena Kagan's [unanimous opinion](#), these factors must further the cause of copyright law: "we must consider if [a] proposal well advances the Copyright Act's goals."

One thing that could advance the Copyright Act goals is a level playing field. Appellant John Wiley & Sons ("[Wiley](#)") is a publicly-traded publisher that sued Kirtsaeng, a student who imported cheap textbooks (largely identical to the ones sold in the US) from Thailand to resell in the here. Had he bought the textbooks in the United States, his resale would have been explicitly supported by the First Sale Doctrine, whereby copyright authors lose their rights to control books once they are sold. It was a case of first impression.

Against the odds, Kirtsaeng prevailed in the Supreme Court, which found that Wiley's rights to control distribution expired with the overseas sale. Kirtsaeng's victory came at a price – he incurred \$2 million in attorneys' fees for defending himself against a publisher which earns millions of dollars every month. While the Supreme Court returned the case to the lower courts for a full review of different factors affecting an award of attorneys' fees, it is quite doubtful that Kirtsaeng will recover the attorneys' fees he incurred defending himself.

In its rush for impartial application of the law, the Court ignores reality. Unless a pauper can be reimbursed for defending his rights – as specifically allowed by law -- corporations will run the table, grinding the less successful into the ground. The United States long ago chose to have litigants pay their own attorneys' fees, unless there was a statute or an agreement that allowed the winner to collect from the loser. Even when there is a statute, like here, the Supreme Court's blindness to outcomes comes at a price: an individual challenging conduct is at a far greater risk of losing everything than does a major publisher who can make some elementary changes to overseas textbooks to assure that they cannot be reasonably used here in the much more expensive United States.



You're on your own in copyright too, Cosette.

However, laws that ignore real differences in staying power between litigants end up favoring the wealthy. Only the wealthy could afford to assert and defend their intellectual property rights. We saw this recently when Warner Brothers continued asserting the copyright to the song “Happy Birthday” for decades after the copyright expired, because no one was willing to take up the expense of challenging the copyright to song written in 1893.

Just as neither the rich nor the poor are allowed to sleep under bridges, everyone is invited to enforce their intellectual property rights. However, when justice is indifferent to the realities of the world, those without resources are going to suffer. To uphold the purpose of the Copyright Act, as the Supreme Court professes, it must allow evidence of the realities of the world to enter the calculations. Injustice results when the halls of justice are opened only for the well-off.



Andrew K. Jacobson has been practicing law for over 26 years, specializing in IP and business law and litigation. He was admitted to the Bar in 1990, after graduating J.D. at Boalt Hall School of Law, University of California, Berkeley in 1990. Andrew also has a BA in Political Science from Stanford University. He is a member of the State Bar of California, as well as the Alameda County Bar Association. In addition to practicing law, Andrew has published many articles on various subjects including intellectual property case law, and the field of law in general.