SHOULD THE LAW CARE WHY INTELLECTUAL PROPERTY RIGHTS HAVE BEEN ASSERTED?

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ABSTRACT

The American legal system has standard justification stories for our intellectual property systems. Copyright law exists to stimulate the creation and dissemination of creative and artistic works valued by society. Patent law does the same for scientific and technological inventions. These laws offer to creators time-limited exclusive rights to foster these valuable creations without imposing too much cost on society’s use of these creations. The intellectual property laws do so by affording rightsholders an opportunity to vindicate certain interests in their covered works—that are directly related to these laws’ purpose—vis-à-vis third parties. Yet a not insignificant number of assertions of copyright and patent rights against third parties seek not to protect these interests, but others, such as privacy, protection of ancillary markets, or mere extraction of rents without making a sufficient contribution to society. The question is whether patent and

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copyright laws concern themselves with and should concern themselves with why these rights have been asserted. I argue that assertions of rights with ill-fitting motivations are sufficiently worrisome that courts ought to strongly consider weighing these motivations before granting relief.

TABLE OF CONTENTS

I. INTRODUCTION ........................................................... 550

II. JUSTIFICATION FOR PROTECTION ............................ 551
   A. Patent Law .......................................................... 551
   B. Copyright Law .................................................... 553

III. DIFFERENT MOTIVATIONS FOR ASSERTING RIGHTS .... 556
   A. Privacy and Reputational Interests ......................... 557
   B. Protection of a Market Beyond the Intellectual Property Right ........................................... 565
   C. Extraction of Rents Without Contribution to Progress .................................................. 571

IV. HOW COURTS ADDRESS ILL-FITTING MOTIVATIONS ...... 575
   A. They Don’t .......................................................... 576
   B. The Right’s Scope ................................................. 578
      1. Construction of the Right .................................. 578
      2. Fair Use .......................................................... 580
      3. Protectable Subject Matter ................................. 581
   C. Remedies ............................................................ 584
   D. Misuse ............................................................... 586

V. SHOULD THE LAW CARE? ............................................. 587

VI. CONCLUSION .......................................................... 592

I. INTRODUCTION

What do revenge porn, gray markets, and so-called patent trolls have in common? Other than somewhat salacious terminology to describe them, they can each involve assertions by patent or copyright holders that are not good fits for the legal regime. By that, I mean that patent and copyright laws have been enacted to offer limited incentives to creators to produce works that make a valuable contribution to society, be it in the area of
science, technology, arts, or culture. These laws are designed to prevent third parties from making unauthorized copies of these creations and from harming the creator in the marketplace for these creations. Yet a not insignificant number of assertions of copyright and patent rights against third parties seek not to protect these interests, but others, such as privacy, protection of ancillary markets, or mere extraction of rents without making a sufficient contribution to society. The question is whether patent and copyright laws concern themselves with and should concern themselves with why these rights have been asserted. I argue herein that assertions of rights with ill-fitting motivations are sufficiently worrisome that courts ought to strongly consider weighing these motivations before granting relief.

Part I first sets out the justifications for protection in patent and copyright laws. Part II turns to categories—and examples—of ill-fitting motivations driving the assertion of intellectual property rights. Part III then considers how courts handle these ill-fitting motivations in ruling on cases. Part IV turns to the normative question of whether the law should care when ill-fitting motivations underpin the assertion of an intellectual property right.

II. JUSTIFICATION FOR PROTECTION

Patent and copyright laws are designed to encourage the creation and dissemination of socially valuable works in their respective spheres: science and technology for patent, and arts and culture for copyright. In furtherance of this goal, as Mark Lemley and I have recently suggested, patent and copyright laws ought to be designed to protect creators from harm in the marketplace inflicted by substitutes that do not also make a sufficient contribution to the relevant field. This Part considers the utilitarian justification underpinning patent and copyright laws in turn.

A. Patent Law

Patent law exists to encourage scientific and technological innovation for society’s benefit. American patent law grants protection to inventors of useful, novel, and nonobvious inventions. Patents are granted after successfully undergoing examination by the Patent and Trademark Office to ascertain that

an invention meets patentability conditions and the description in
the patent application satisfies certain disclosure requirements.\(^3\)
The patent right permits the patentee to exclude others from
practicing the invention claimed in the patent for a limited time,
typically twenty years from the date the patent application was
filed.\(^4\)

Utilitarianism is the dominant justification for American
patent law.\(^5\) As I have observed, “patent law provides the incentive
of exclusive rights for a limited duration to inventors to motivate
them to create technologically or scientifically valuable
inventions.”\(^6\) The theory is that public benefits accrue by
rewarding inventors for taking two steps they likely would not
otherwise have taken: to invent, and possibly commercialize, in
the first place; and second, to reveal information to the public
about these inventions that serves to stimulate further
innovation.\(^7\) The U.S. Constitution grants Congress power “[t]o
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,” a utilitarian end.\(^8\)

The rights conferred by patent laws are designed to be limited
in time and scope.\(^9\) The reason for providing patent protection to
creators is to encourage them to produce socially valuable works,
thereby maximizing social welfare.\(^10\) If patent rights were too

\(^3\) See id. §§ 112, 131.
\(^4\) Id. § 154(a).
\(^8\) U.S. Const. art. I, § 8, cl. 8.
\(^10\) See Ralph S. Brown, Eligibility for Copyright Protection: A Search for Principled Standards, 70 Minn. L. Rev. 579, 592–93, 596 (1985). Utilitarian thinking comes in different flavors beside the traditional incentive-to-invent story. One is the prospect theory, which suggests that inventors are rewarded with a patent right to centralize investment in the patented invention’s commercialization and improvement, which in turn benefits society. Edmund W. Kitch, The Nature and Function of the Patent System, 20 J.L. & Econ. 265, 267, 276–77 (1977). Related to that theory is advocacy for direct protection of commercialization because of its valuable role in
strong, society would be hurt (and social welfare diminished).\textsuperscript{11} For one thing, exclusive rights in intellectual property can prevent competition in protected works, allowing the rightsholder to charge a premium for access and ultimately limiting these valuable works’ diffusion to society at large.\textsuperscript{12} For another, given that knowledge is frequently cumulative, society benefits when subsequent creators are not prevented from building on previous artistic, scientific, and technological creations to generate new works.\textsuperscript{13} For these reasons, patent laws ensure both that the works they protect fall into the public domain in due course and that third parties are free to use protected works for certain socially valuable purposes.\textsuperscript{14}

With this overview of patent law, I now turn to copyright law.

\textbf{B. Copyright Law}

Copyright law’s goals are relatively similar to patent law’s, although directed at artistic works rather than scientific and technological works. Copyright law protects “original works of authorship fixed in any tangible medium of expression,” including literary works, sound recordings, movies, and computer software code.\textsuperscript{15} To obtain copyright protection, authors need only create a qualifying work.\textsuperscript{16} A copyright holder receives the exclusive right to reproduce the work, distribute copies of it, and prepare derivative works, among other things,\textsuperscript{17} typically until seventy years after the author’s death.\textsuperscript{18} Copyright protection extends to the expression of particular ideas rather than to the ideas themselves.\textsuperscript{19} Yet protection actually reaches well beyond the literal work to works that are

\begin{footnotesize}
\begin{enumerate}
\item \textsuperscript{11} See Lemley, \textit{supra} note 9, at 996–97.
\item \textsuperscript{12} Id.
\item \textsuperscript{13} Id. at 997–98.
\item \textsuperscript{14} Id. at 999.
\item \textsuperscript{15} 17 U.S.C. §§ 101, 102(a) (2012).
\item \textsuperscript{16} Id. § 102(a) (requiring only that a work be “fixed in any tangible medium of expression” to be copyrightable).
\item \textsuperscript{17} Id. § 106.
\item \textsuperscript{18} Id. § 302(a).
\item \textsuperscript{19} Id. § 102(b); Nichols v. Universal Pictures Corp., 45 F.2d 119, 121 (2d Cir. 1930).
\end{enumerate}
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copied and substantially similar,20 "else a plagiarist would escape by immaterial variations."21

Like patent law, utilitarianism has been the dominant justification for American copyright law.22 According to utilitarian theory, copyright law provides the incentive of exclusive rights for a limited duration to authors to motivate them to create culturally valuable works.23 Without this incentive, the theory goes, authors might not invest the time, energy, and money necessary to create these works because they might be copied cheaply and easily by free-riders, eliminating authors’ ability to profit from their works.24 As with patent law, the rights conferred by copyright laws are designed to be limited in time and scope, so as to ensure both that the works they protect fall into the public domain in due course and that third parties are free to use protected works for certain socially valuable purposes.25 As I have explored in previous work, copyright law is designed to "make a contribution in at least one of two principal ways: by using that expression to communicate

21. Nichols, 45 F.2d at 121.
25. Lemley, supra note 9, at 999.
knowledge—be it systematic, factual, or cultural—and by conveying expression that is enjoyable in and of itself."

In furtherance of its overarching utilitarian goals, copyright law excuses some instances that would otherwise be infringing conduct when a third party’s use of someone else’s copyrighted work is deemed to be fair. Recognizing that most creative works in some way build on and borrow from pre-existing works, a “fair use” carve-out has numerous instrumental justifications. Most relevantly, the fair-use doctrine can stimulate the production of creative works for public consumption without undercutting the value of the original copyrighted work too much. It does so by enabling third parties to create culturally valuable works that must borrow from the original work in some capacity in order to succeed, often transforming it. As suggested by the statute and elaborated in case law, news reporting, critical reviews, and parodies are some prototypical examples. A second, partially related argument set forth by Wendy Gordon is that “fair use [ought] to permit uncompensated transfers that are socially desirable but not capable of effectuation through the market.” Examples include parodies that might cast an unfavorable light on an original work or uses for which the transaction costs are too great for the copyright owner to agree to a licensing arrangement.

Ushered into the common law in 1841 by Justice Story, the statute—since 1976—now encodes copyright law’s fair use

29. See id. at 577.
32. Wendy J. Gordon, Fair Use as Market Failure: A Structural and Economic Analysis of the Betamax Case and Its Predecessors, 82 COLUM. L. REV. 1600, 1601 (1982). A third argument—less relevant here—is grounded in technology, such as allowing the intermediate copying of copyrighted software code to make a program that is interoperable with a preexisting computer or gaming system. See, e.g., Sega Enters., Ltd. v. Accolade, Inc., 977 F.2d 1510, 1513–14 (9th Cir. 1992).
33. See Gordon, supra note 32, at 1629, 1633.
34. Folsom v. Marsh, 9 F. Cas. 342 (C.C.D. Mass. 1841) (No. 4901). Justice Story articulated fair use factors that have evolved into those currently encoded in statute: the “nature and objects of the selections made, the quantity and value of the materials used, and the degree in which the use may prejudice the sale, or diminish the profits, or supersede the objects, of the original work.” Id. at 348.
defense.35 A set of (nonexclusive) statutory factors must be analyzed to determine whether a particular use is fair: “the purpose and character of the use, including whether such use is of a commercial nature or is for nonprofit educational purposes,” “the nature of the copyrighted work,” “the amount and substantiality of the portion used in relation to the copyrighted work as a whole,” and “the effect of the use upon the potential market for or value of the copyrighted work.”36 The copyright statute illustrates some such instances: “criticism, comment, news reporting, teaching (including multiple copies for classroom use), scholarship, or research . . . .”37

All in all, patent and copyright laws seek to advance scientific, technological, artistic, or cultural progress by encouraging the creation and dissemination of valuable works. They do (or ought to do) so by providing creators with rights preventing many market substitutes for their works to provide the incentive to create these works without having to worry about copies or similar works that cause them harm in the marketplace.38 Moreover, these laws should care about market harms only when the third party’s unauthorized use provides no advance in the progress that the relevant intellectual property law is seeking to promote.39 Otherwise—for instance, as Mark Lemley and I discuss, when a third party “enters the market with a different, better product”—there is no relevant harm.40

With this overview, I now turn to some instances of rightsholders asserting their patent and copyright rights for reasons apart from these utilitarian justifications for these laws.

III. DIFFERENT MOTIVATIONS FOR ASSERTING RIGHTS

In light of patent and copyright laws’ goals discussed in the previous Part, one would expect an intellectual property rightsholder to assert its rights when it is being harmed in the marketplace from a third party’s unauthorized use of a protected work that is acting as a market substitute for the rightsholder’s work in ways that relate to the work’s protectability. As this Part demonstrates, however, patent and copyright holders assert their

37. Id.
38. Fromer & Lemley, supra note 1, at 1290–92.
39. Id. at 1286–90.
40. Id. at 1255.
SHOULD THE LAW CARE

2015] 557

rights for all sorts of other reasons that do not bear on the reason for granting them patent or copyright protection in the first place. This Part discusses some prominent examples of different motivations for asserting rights, including privacy and reputational interests, protection of one’s market beyond the intellectual property right, and extraction of rents from third parties without sufficient contribution to the progress underlying the granting of the right.

A. Privacy and Reputational Interests

One reason that rightsholders sometimes assert their intellectual property rights is not because they care about market substitution or harm, but to protect their privacy or reputation. There are numerous contexts in which rightsholders seek to protect privacy and reputational interests, such as an individual’s concern to maintain the privacy of personal communication (or information), an heir’s interest in preserving his or her predecessor’s reputation, a person’s interest in keeping private sexually explicit or suggestive materials, a religious organization’s ambition to keep its materials restricted, and an author’s desire to avoid criticism. This section illustrates these motivations by reference to specific assertions of intellectual property rights.

Consider the following instances of assertions of copyright infringement, wherein the true concern in assertion lies in maintaining the privacy of the copyright owner’s personal communications, or more generally personal information.

As one extreme example, the reclusive tycoon and aviator Howard Hughes formed a company to control all literary material about him by acquiring the exclusive rights to it or by paying off investigative journalists to suppress their stories. In one instance when its usual suppressive strategies did not work, the company sued the author and publisher of a forthcoming biography of Hughes for copyright infringement to prevent its publication. The copyright claim? Six days before filing suit, the company had acquired copyrights in articles previously published about Hughes in Look Magazine. The company then claimed the defendants infringed those copyrights in the biography by quoting passages, paraphrasing material, and relying on information from

43. Id.
those articles.\textsuperscript{44} Even recognizing that the company might be acting under Hughes’s control and that Hughes might be interested in suppressing any biographies about him, the district court thought that the company had a valid copyright claim and preliminarily enjoined the defendants from publishing and distributing the biography.\textsuperscript{45} The Second Circuit, considering this injunction on appeal, was more skeptical of the copyright claim. It vacated the injunction on the grounds that the defendants had a plausible fair use defense for using the copyrighted material to develop the biography, a socially valuable contribution, and that there had been “no showing that the biography has lessened the value of the articles copyrighted . . . .”\textsuperscript{46} A majority of the panel’s judges also stated that the injunctive relief ought to be denied because “there was good reason to believe that [the plaintiff company] was the instrument of Howard Hughes, created principally for the purpose of suppressing the biography of Hughes . . . .”\textsuperscript{47} The majority continued:

It has never been the purpose of the copyright laws to restrict the dissemination of information about persons in the public eye even though those concerned may not welcome the resulting publicity. It is the purpose of those laws to give reasonable protection to the product of an author and his manner of expression where the author’s proper interest in the product might suffer thereby. It would be contrary to the public interest to permit any man to buy up the copyright to anything written about himself and to use his copyright ownership to restrain others from publishing biographical material concerning him.\textsuperscript{48}

The district court, nonetheless, dismissed a counterclaim that the plaintiff was engaged in a conspiracy to suppress the biography by buying the copyrights in the magazine articles and bringing vexatious litigation.\textsuperscript{49}

Less extreme but similar instances abound. For example, the cloistered novelist J.D. Salinger successfully sued the author and publisher of a biography about him for copyright infringement.\textsuperscript{50}

\textsuperscript{45} Id. at 66–68.
\textsuperscript{47} Id. at 311 (Lumbard, C.J., concurring) (two-judge concurrence on a three-judge panel).
\textsuperscript{48} Id.
\textsuperscript{50} Salinger v. Random House, Inc., 811 F.2d 90, 94, 100 (2d Cir. 1987).
Salinger claimed that the author had copied from unpublished letters Salinger had written to friends, including Judge Learned Hand and Ernest Hemingway, which the biographer secured from university library collections to which the recipients had donated the letters.51 Ruling that the defendants’ use was likely fair, the district court observed that “[t]he wound [Salinger] has suffered is not from infringement of his copyright but from the publication of a biography that trespasses on his wish for privacy. The copyright law does not give him protection against that form of injury.”52 Nonetheless, without discussing Salinger’s motivation for suing, the Second Circuit reversed the district court and ordered that the defendants be preliminarily enjoined from publishing the biography as is.53 The appellate court stated: “Public awareness of the expressive content of the letters will have to await either Salinger’s decision to publish or the expiration of his copyright, save for such special circumstances as might fall within the ‘narrower’ scope of fair use available for unpublished works.”54

In another case, Beat poet Harold Norse sued the author and publisher of a biography about his colleague and contemporary, William Burroughs.55 He claimed copyright infringement in the biography’s inclusion of aspects of five unpublished letters, which expressed Norse’s bitterness at his lesser success compared to Burroughs.56 The court rejected his claim, excusing the defendants’ use as a fair use.57

Take another example, that of Ergun Caner, who grew up in the United States and was raised by a devout Muslim father.58 He became a born-again Christian during high school and after graduate studies in theology, he was appointed by Jerry Falwell as dean of Liberty Theological Seminary.59 He started making claims in public speeches, some of them recorded on video, that he had grown up as a Muslim in Turkey and had been trained in jihad, claims which seemed to be entirely untrue.60 A student at Liberty Theological Seminary sought to bring these untruths to light because he thought these lies were harming the seminary’s

51. Id. at 92–94.
53. Salinger, 811 F.2d at 100.
54. Id.
56. Id. at 144.
57. Id. at 147–48.
59. Id.
60. Id.
mission. He did so by posting online two video recordings of Caner making these assertions. Caner sued the student for copyright infringement as a way to protect his reputation from criticism, but the court ruled in favor of the student, citing fair use.

Or consider the widely publicized case of *Garcia v. Google, Inc.* In that case, actress Cindy Lee Garcia sued Google and YouTube to remove the film *Innocence of Muslims* from its sites. Garcia had auditioned for the film, with the working title *Desert Warrior*, after a casting call had described the film as an adventure set in ancient Arabia. She was cast to play a small role. Instead of using the scene in the advertised movie, the film’s writer and producer used it in an anti-Islamic film titled *Innocence of Muslims*. A voice was dubbed over part of her performance, having her ask, “Is your Mohammed a child molester?” In response to the film, an Egyptian cleric issued a fatwa, asking that anyone involved with the film be killed. As a security measure, Garcia sought to remove the film from the Internet. The Ninth Circuit granted Garcia a preliminary injunction, ruling that she was likely to succeed on her copyright claim, including the legally tenuous subclaim that she owned an independent copyrightable interest in her fixed performance in the film, whereas the film’s writer and producer were not joint authors of this copyrightable performance. In May, an en banc panel of the Ninth Circuit reversed the initial panel’s decision, ruling that copyright law does not support Garcia’s claim. The panel observed that “[p]rivacy laws, not copyright, may offer remedies tailored to Garcia’s personal and reputational harms.” It noted that were the copyright claim stronger, it might have considered “collateral consequences as part of its irreparable harm analysis and remedy.”

In these cases, the plaintiff appears to be interested in preventing the defendant from revealing, or at least further

61. *Id.*
62. *Id.* at 692–93.
63. See *id.* at 714–15.
64. *Garcia v. Google, Inc.*, 766 F.3d 929 (9th Cir. 2014), *rev’d en banc*, 786 F.3d 733 (9th Cir. 2015).
65. *Id.* at 932.
66. *Id.* at 932, 937.
67. *Id.* at 932.
68. *Id.*
69. *Id.*
70. *Id.*
71. *Id.*
72. *Id.* at 933–40.
73. *Garcia v. Google, Inc.*, 786 F.3d 733, 740–44 (9th Cir. 2015).
74. *Id.* at 745.
75. *Id.* at 746.
proliferating, information about him or her. The plaintiff does not seem to worry about being harmed in the marketplace for his or her copyrighted work, which is the utilitarian motivator for the copyright incentive.

Take another related set of copyright assertions, by heirs interested in preserving or improving the reputation of their predecessor. For instance, the estate of Martin Luther King, Jr., notoriously polices the use of King’s speeches, including the “I Have a Dream” speech he delivered in the March on Washington and the speeches surrounding the march in Selma. It has sued the television network CBS over the incorporation of the “I Have a Dream” speech into a historical documentary and prevented broadcasts of the speech in 2013 on the fiftieth anniversary of the speech. Most recently, the makers of the critically acclaimed biographical Selma film could not use King’s relevant speeches, because Steven Spielberg had acquired the rights. As Selma’s director observed, King’s estate would license the rights selectively to control how King is portrayed. The inability to use his speeches in a biographical film about King prompted the director to write and insert fictional King speeches where needed.

There are similar assertions of copyright: by the children of Julius and Ethel Rosenberg, executed for espionage, against the authors and publishers of a book about the Rosenbergs’ trial for incorporating parts of the Rosenbergs’ letters; by Church of Scientology officials against the U.S. publisher of a biography of L. Ron Hubbard for copying parts of his unpublished and published works; by the widow of author Richard Wright against the author and publisher of a biography of Wright for including parts of his private letters sent to the biography author and other private letters and journal entries; by James Joyce’s grandson against a singer, a radio broadcaster, biographers, and a library that owns

76. A satire of this phenomenon appears in Austin Gilkeson, How I Defeated the Tolkien Estate, TOAST (Dec. 8, 2014), http://the-toast.net/2014/12/08/defeated-tolkien-estate.
77. Estate of Martin Luther King, Jr., Inc. v. CBS, Inc., 194 F.3d 1211, 1213 (11th Cir. 1999).
80. Band, supra note 78.
81. Id.
Joyce’s manuscripts for just about any—including minimal—uses of Joyce’s work; and by T.S. Eliot’s widow against any potential biographer that wanted Eliot’s letters as a way to halt biographies of Eliot. Of course, it is not always clear exactly what is motivating these rights assertions—a desire to preserve the deceased’s reputation or privacy or instead a wish to capitalize on these copyrighted works as successfully as possible. Yet it seems likely that motivations unrelated to copyright are driving some of these assertions.

Other assertions of copyright involve a desire to keep private one’s sexual activities, as recorded on video or photograph. As one prominent example, the wrestler Hulk Hogan sued the Gawker website for posting excerpts of him having sex with a woman who was not his wife. Although he claimed to have been unaware that the encounter was recorded, once the video surfaced, he claimed copyright in the resulting video. In addition to substantial questions as to Hogan’s copyright ownership, the court thought that Gawker had a strong fair use claim. The court cast a skeptical eye on Hogan’s claim, in large part because it thought he was asserting his claim to keep the video private rather than market it. The court stated:

[Hogan] cannot legitimately claim that he seeks to enforce the copyright because he intends to publish the Video. In any event, it cannot reasonably be argued that Gawker . . . is usurping [Hogan’s] potential market for the Video (which [Hogan] himself characterizes as a “sex tape”) by publishing excerpts of the video.

Moreover, the court indicated:

The main concern proffered by [Hogan]—the concern that spurred this litigation . . . is that the “private” Video portrays him in poor light and in an embarrassing fashion. After attempting to quell any distribution or publication of excerpts of the Video in an effort to protect his mental well-being, personal relationships, and professional image,

86. Max, supra note 85.
88. Id. at 1327.
89. Id. at 1328–29.
90. Id. at 1329.
SHOULD THE LAW CARE

[Hogan] cannot legitimately claim that he is concerned with protecting the financial worth of the Video.91

Other courts have been less skeptical in copyright infringement suits over sex tapes, all the while acknowledging that privacy might be motivating the suit. Consider a lawsuit against a distributor brought by singer Bret Michaels and actress Pamela Anderson over a sex tape featuring them.92 The plaintiffs won a preliminary injunction against the distribution of the tape as well as the use of short excerpts from the tape on the ground that these acts would interfere with the copyright and would “saturat[e] the potential market for the . . . copyrighted work.”93

Lately, there has been discussion that similar copyright claims might be raised not just by celebrities, but also by non-famous people fearing distribution of their sexually explicit images as “revenge porn.”94 Revenge porn is the online posting of someone’s sexually explicit photos or videos by a former partner as revenge.95 Because many of these images are recorded by the person depicted in the revenge porn, it has been suggested that he or she can assert copyright protection in the images and prevent its copying and distribution.96

Religious organizations also sometimes attempt to use copyright protection to keep private their religious texts as a way to control the religion’s reputation or who can have access to religious materials. One religious organization—the Worldwide Church of God—sued the Philadelphia Church of God to stop it from distributing copies of a book by the late Pastor General of the Worldwide Church of God.97 This book had been distributed previously in serial form in a magazine sent out to over eight million people.98 The plaintiff was motivated to prevent further distribution on the ground that the book “conveyed outdated views that were racist in nature.”99 The Ninth Circuit ruled that the defendant’s distribution constituted copyright infringement and rejected its claim to fair

91. Id. at 1330 (citation omitted).
93. Id. at 830–36.
95. Id.
96. Id.
98. Id. at 1113.
99. Id.
use.\textsuperscript{100} The Church of Scientology has also repeatedly brought copyright infringement claims against others who have publicly shared unpublished religious texts.\textsuperscript{101}

Finally, another class of copyright assertions by copyright owners to protect their reputation occurs when they seek to prevent third-party criticism of the copyrighted work. One possible example occurs in a case brought by a pro-choice family planning clinic against the maker of an anti-abortion video.\textsuperscript{102} The plaintiff had recorded a pro-choice video "to be used for outreach, counseling, and education in an effort to de-stigmatize abortion."\textsuperscript{103} The defendant apparently took portions of this video and juxtaposed each portion with images depicting abortions as a way to counsel against abortion.\textsuperscript{104} The court thought that the defendant’s use ought to be excused from infringement as a fair use on the ground that it transformed the plaintiff’s video by criticizing its position.\textsuperscript{105} Threaded through the court’s fair use analysis is the notion that the plaintiff should not be able to stop the defendant from using the video as a way to criticize the video’s pro-choice concept.\textsuperscript{106}

In sum, this section presents many instances of ways in which copyright owners might be asserting their rights as a way to protect their privacy or reputational interests. I now turn more generally to ways in which rightsholders assert their intellectual property rights to protect markets well beyond those provided by the right itself.

\textsuperscript{100} Id. at 1121.


\textsuperscript{103} Id. at 966.

\textsuperscript{104} Id. at 966–67.

\textsuperscript{105} Id. at 969–83.

\textsuperscript{106} See id. at 982 ("The harm the plaintiff claims to suffer is not cognizable because it stems from an ‘aim at garroting the original,’ not a usurpation of the original’s market. The plaintiff asserts that the accused Videos have diminished the value of the [plaintiff’s] Video and have terminated all conversations with potential licensees. While this is no phantom injury, it is not recognized by the Copyright Act." (citation omitted). For more on how fair use analysis ought to handle claims of this sort, see Jeanne C. Fromer, \textit{Market Effects Bearing on Fair Use}, 90 Wash. L. Rev. 615, 621–22 (2015).
B. Protection of a Market Beyond the Intellectual Property Right

This section turns to how copyright and patent holders assert their rights, not to protect from market harm to their protected works, but to protect other aspects of their market by using the protected work. As discussed herein, copyright holders have tried to protect price discrimination in geographically distinct markets through copyright law. Relatedly, copyright and patent holders sometimes seek to tie the sale of a protected work to unprotected ones as a way to grow and protect unprotected markets. As another illustration, patent and copyright holders sometimes try to recover damages from sales of an entire work when only a small component of the work is protected by the right.

Take geographical price discrimination, in which a company sells a product or service at different prices in different regions (such as countries) when, as Michael Meurer explains, “the price difference cannot be explained by a cost difference in supplying the copyrighted work.”107 Companies engage in price discrimination all of the time, such as when they charge more to fans eager to see a movie in a theater on its release date than to those that are less eager when the movie is released later on for home viewing or when movie theaters charge more for adults than for children. They do the same when they charge different prices in different geographical regions. Meurer suggests that price discrimination is feasible only when “(1) the seller has market power; (2) the seller can link prices to individual customer preferences; and (3) customers cannot arbitrage away price differentials.”108

Intellectual property rightsholders sometimes try to use their rights to manufacture some of the prerequisite conditions for price discrimination by charging different prices for protected works in different geographic regions. When that happens, third parties sometimes respond by importing the lower priced versions of protected works to higher priced regions to sell them at a lower price than the rightsholder would there. The availability of these mid-priced imported works is known as a “gray market.”109 When a gray market develops, rightsholders sometimes assert their intellectual property right to stop this importation as infringement.

108. Id. at 59.
This story has played out in multiple contexts: for example, academic textbooks,\textsuperscript{110} watches,\textsuperscript{111} software,\textsuperscript{112} recorded music,\textsuperscript{113} and hair care products.\textsuperscript{114} Sometimes, the rightsholder’s desire is nothing more than to protect the geographic price structure it has set up for its market for the copyrighted work, as with academic textbooks, musical recordings, or software. The rightsholder seeks to maximize its profits in each geographic region for its copyrighted work. According to the Supreme Court’s latest pronouncements, although the copyright holder has the right to control the copying, distribution, and importation of its copyrighted work, copyright holders’ rights do not extend beyond the first sale of an American copyrighted work manufactured either abroad or domestically.\textsuperscript{115} Therefore, they cannot prohibit these gray markets from developing.\textsuperscript{116}

Before these conclusive Supreme Court rulings against the copyright holder, some rightsholders were acting on non-intellectual-property-related motivations in asserting rights with regard to gray markets. Just as rightsholders might want to restrict gray markets to maximize profits, any company might want to do so. Some of these companies therefore manufactured intellectual property or intellectual property claims solely for the purpose of asserting these rights to prevent gray markets. Take Omega, the Swiss watch manufacturer. It engaged in geographic price discrimination, selling its watches at higher prices in the United States than in some other countries.\textsuperscript{117} Costco, the membership warehouse retailer, imported to the United States Omega watches from countries where they were priced lower, and

\begin{itemize}
  \item \textsuperscript{111} See, e.g., Omega S.A. v. Costco Wholesale Corp., 776 F.3d 692, 697, 703 (9th Cir. 2015) (Wardlaw, J., concurring).
  \item \textsuperscript{114} See, e.g., Quality King Distrubrs., Inc. v. L’anza Research Int’l, Inc., 523 U.S. 135 (1998).
  \item \textsuperscript{115} See Kirtsaeng, 133 S. Ct. at 1555–56 (abroad); Quality King, 523 U.S. at 153–54 (domestically).
  \item \textsuperscript{116} See Kirtsaeng, 133 S. Ct. at 1555–56; Quality King, 523 U.S. at 153–54.
  \item \textsuperscript{117} Omega S.A. v. Costco Wholesale Corp., 776 F.3d 692, 697, 703 (9th Cir. 2015) (Wardlaw, J., concurring).
\end{itemize}
began selling them at gray-market prices.118 Omega’s authorized U.S. retailers complained to Omega about Costco’s undercutting of their prices.119 In response, Omega’s legal department suggested placing a copyrighted design on its non-copyrightable watches to control their importation into the United States and distribution there through copyright assertions.120 Omega followed through on this suggestion by beginning to engrave a three-millimeter (one-eighth of an inch) globe design on the reverse side of its watch and registering a copyright in this design.121 It then brought suit against Costco for copyright infringement of this globe design for importing and distributing watches with this nearly hidden engraving, which Omega did not even market.122 After a long journey to the U.S. Supreme Court and back, the district court considered the parties’ summary judgment motions.123 The court observed that “a purpose of the copyrighted Omega Globe Design was to control the importation and sale of its watches containing the design, as the watches could not be copyrighted.”124 The court thought that this was an impermissible manufacture of intellectual property rights to control unprotected aspects of Omega’s market: “Omega misused its copyright of the Omega Globe Design by leveraging its limited monopoly in being able to control the importation of that design to control the importation of its . . . watches.”125 The court refused therefore to enforce Omega’s copyright in this suit on equitable grounds.126 (The Ninth Circuit later affirmed this judgment on other grounds due to a subsequent Supreme Court ruling disallowing copyright infringement actions against importation.127) All in all, Omega had created a copyrightable work and asserted copyright claims in it for the purpose of controlling the unprotectable watch market.128

119. Id.
120. Id. The watches are not copyrightable because they are useful articles. Omega S.A., 776 F.3d at 699 (Wardlaw, J., concurring).
122. Id.
123. Id.
124. Id. at *2.
125. Id.
126. Id.
127. Omega S.A. v. Costco Wholesale Corp., 776 F.3d 692, 694–95 (9th Cir. 2015). Judge Wardlaw wrote a concurrence upholding the district court’s judgment on misuse grounds. Id. at 696 (Wardlaw, J., concurring).
128. A related area in which similar issues arise is with regard to the Digital Millennium Copyright Act, which prohibits the production and dissemination of technology that is intended to circumvent measures that control access to copyrighted works. 17 U.S.C. §§ 1201–1205 (2012). Courts have ruled that the Act cannot be applied to stop third parties
Other companies have taken existing works protected by intellectual property and asserted rights in them to control ancillary markets that are unprotected. One company invoked its copyright in the labels of its hair products to stop the importation of the hair products into the United States and prevent a gray market.\textsuperscript{129} When the Supreme Court rejected the copyright claim in this case based on a reading of the statute, Justice Stevens, writing for the majority, noted in passing that:

This is an unusual copyright case because L’anza does not claim that anyone has made unauthorized copies of its copyrighted labels. Instead, L’anza is primarily interested in protecting the integrity of its method of marketing the products to which the labels are affixed. Although the labels themselves have only a limited creative component, our interpretation of the relevant statutory provisions would apply equally to a case involving more familiar copyrighted materials such as sound recordings or books.\textsuperscript{130}

That was the only mention in the ruling of the odd nature of the rightsholder’s claim: that it was suing over the use of its copyrighted labels, something it would likely never do on its own to protect its market for labels, but made sense only as an indirect means to protect its market in hair products.\textsuperscript{131}

A cousin of the manufacture of intellectual property or intellectual property claims as a market preservation strategy is the practice of tying. Tying occurs when a business conditions the sale of one product on the purchase of another product.\textsuperscript{132} Tying can seem troublesome when a purchaser agrees to buy an unpatented or uncopyrighted product whenever he or she buys a corresponding patented or copyrighted product, particularly when there are no relevant market substitutes for the protected from creating compatible garage door openers or printer cartridges merely because there is copyrighted code in the original garage or printer system, respectively. See Chamberlain Grp., Inc. v. Skylink Techs., Inc., 381 F.3d 1178 (Fed. Cir. 2004) (garage door openers); Lexmark Int’l, Inc. v. Static Control Components, Inc., 387 F.3d 522 (6th Cir. 2004) (printer cartridges). As Niva Elkin-Koren explains, “[t]hese cases demonstrate how the . . . DMCA regime can be abused to leverage market power and limit consumer choice.” Niva Elkin-Koren, Making Room for Consumers Under the DMCA, 22 BERKELEY TECH. L.J. 1119, 1122 (2007).


\textsuperscript{130} Id. at 140.

\textsuperscript{131} Similarly, the American distributor of a palm-sized language translator sued importers of the translator for copyright infringement, not for importing and distributing the unprotected translator, but for importing the copyrighted product literature and packaging. See Lingo Corp. v. Topix, Inc., No. 01 Civ. 2863(RMB), 2003 WL 223454 (S.D.N.Y. Jan. 31, 2003).

product. For example, a printer owner might agree with a printer company to purchase unpatented ink filled in patented printer ink containers and not to refill the containers with any kind of ink. The printer company might assert pro-competitive reasons for the tying of the unpatented ink to the patented ink containers, such as the ink being of higher quality or a better fit for the containers than other companies’ ink. If the printer company has market power—via the patent—in the containers, the tying arrangements might enable its control over the market for the unpatented ink as well. As with prevention of gray markets, the company could be using its intellectual property right to protect a market well beyond its right. Courts rule that these tying arrangements can constitute antitrust violations or patent misuse.

Another way in which rightsholders seek to assert their rights well beyond the scope of their work is when they seek to recover damages from sales of an entire work when only a small component of that work is protected by the right. Take patent law, where this tends to arise with regard to software products, which are frequently each made up of hundreds or thousands of components, sometimes each patented separately. For example, i4i Limited Partnership owned a patent covering a method for editing documents containing markup languages, like XML, that instruct a computer how to edit and display text (such as italicized text or addresses), specifically with regard to an improvement of storing a document’s content separately from its metacodes. i4i sued Microsoft for infringing its patent in its Word software. The jury found the patent valid and infringed and awarded $200 million in damages, which the district court enhanced by $40 million for willful infringement. An i4i expert had testified at

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133. Id. at 41–43.
134. Id. at 31–32.
135. See id. at 44–45.
136. Id. at 41–43.
137. Similar are claims of infringement when the rightsholder knows or believes its right is invalid or unenforceable. See, e.g., Carroll Touch, Inc. v. Electro Mech. Sys., Inc., 15 Fed. Cir. 1993 (patent); Int'l Motor Contest Ass'n v. Staley, 434 F. Supp. 2d 650, 655 (N.D. Iowa 2006) (copyright).
140. i4i Ltd. v. Microsoft Corp., 598 F.3d 831, 839–40 (Fed. Cir. 2010).
141. Id. at 840.
142. Id. at 839.
trial that a hypothetical royalty rate for the patent would be $98, and based on Word sales, would come to a damages award of $200 million. Microsoft argued that this royalty rate was excessive. The expert’s royalty calculation assumed that there were few, if no other, components contributing to Word’s success in the marketplace. i4i’s expert calculated the royalty rate by using the price of what he found to be the least expensive standalone software program, XMetaL, whose functionality primarily involved XML. He multiplied XMetaL’s retail price ($499) by Microsoft’s profit margin (76.6%) by 25% (an assumption that an inventor keeps that percentage of the profits of infringing sales) to derive the royalty rate. Microsoft argued that the patented invention is but one small component of the hundreds in Word, invoked only when documents with custom XML are opened and saved, and the damages i4i suffered were minimal. The Federal Circuit nonetheless upheld the damages award. Even so, it raises the issue of patentholders being allocated damages from infringing sales beyond their invention’s contribution to those sales.

The same issue can arise in copyright law, when a copyright holder’s contribution is but a small part of an infringing copy’s success. Copyright law’s rule for actual damages allows recovery only of those profits “attributable to the infringement.” Courts struggle over, for example, how much of a casino’s profits from its use of five songs from a copyright holder’s musical play Kismet in the casino’s musical revue of ten acts of singing, dancing, and variety performances. It goes without saying that some copyright plaintiffs might seek to recover disproportionately from a defendant’s work, well beyond the infringing use, even though copyright law disallows such recovery.

This section illustrates some ways in which patent and copyright holders assert their rights for reasons other than preventing market harm to their protected works. Rather, they assert their rights to protect themselves from harm to other, often related, markets. This motivation arises in a number of areas, including protection from gray markets, tying arrangements, and

143. Id. at 852–53.
144. Id. at 853.
145. Id.
146. Id.
147. Id. at 839, 853 (arguing also that Microsoft sold Word for $97 and the calculated rate exceeded the rates Microsoft was paying to license other software patents).
148. Id. at 857–60.
150. Frank Music Corp. v. Metro-Goldwyn-Mayer, Inc., 772 F.2d 505 (9th Cir. 1985).
damage recovery on an entire work when only a small component is protected.

At a general level, these motivations are not all that different than those discussed in the last section, of assertions of rights to protect privacy or reputational interests. What these motivations have in common at 8,000 feet is that when they lead to assertions of intellectual property rights, they frequently do so in order to protect something that is irrelevant to or separate from what the intellectual property right protects. When rightsholders want to protect their privacy or reputation, they frequently care less about keeping protected expression out of the public eye and more about keeping private unprotected facts or ideas. And when rightsholders seek to protect a market separate from the market protected by their right, by definition, they are asserting rights as a mechanism of protecting something beyond the intellectual property right.

I now turn to discuss a third category of motivation distinct from those envisioned by copyright and patent laws, that of the desire to extract money from third parties and consumers without making a contribution to artistic, cultural, scientific, or technological progress.

C. Extraction of Rents Without Contribution to Progress

This section addresses instances in which third parties might be deploying products or methods that substitute in the marketplace for those covered by an intellectual property right. In these cases, however, the rightsholder has not contributed or enabled sufficient artistic, cultural, scientific, or technological progress, and frequently retards that progress overall by extracting money from third parties that are contributing to the requisite progress.

An extreme example of this financial extraction without sufficient contribution to progress comes from some non-practicing entities asserting rights against those who have independently created and are making use of a work covered by the right. How so? The non-practicing entity has originated or bought up exclusive rights to a work, perhaps even a work creative enough to qualify for protection. The entity will not use these rights to commercialize or distribute the creation but instead to secure licenses from or sue others who are already making or distributing this work. These third parties have independently had the creative insight to make this work, without building on the knowledge of the non-practicing entity or any predecessor in rights, and have perhaps commercialized it. They are being charged an operating
fee by these non-practicing entities, thereby making it more costly for them to do business, a cost borne by these parties and typically passed on to consumers. The non-practicing entity has thus not contributed to the store of knowledge or introduced new works to the world but is charging a fee for others who have.151 Perhaps this non-practicing entity intends to contribute to society’s progress, but more likely it seeks to extract rents for itself, progress be damned. In that sense, this non-practicing entity is acting with intent contrary to that which seems to drive patent and copyright laws: to stimulate societal progress in its domain of art, culture, science, or technology, while preventing market harm to the creator. That is, this entity is acting without intent to contribute to societal progress but nonetheless rears its head whenever it thinks it experiences market harm.

Empirical evidence bears out the lack of progress contributed in these circumstances, at least in the patent context. Robin Feldman and Mark Lemley surveyed 181 people who negotiate patent licenses.152 Ninety-two percent of those companies that took a license in response to a request or a lawsuit from a non-practicing entity reported that those licenses led to new products or services only 0% to 10% of the time.153 Moreover, almost every one of these same companies reported that those licenses rarely, if ever, included any helpful transfers of knowledge, such as of technology or personnel, or joint ventures.154 (They also reported similar, but lower, percentages for product-producing companies and universities.155 At least for the product-producing company, however, the calculus is distinct, because that company might be contributing to progress by producing its products.)

Examples of such assertions proliferate in both the patent and copyright spheres. One non-practicing entity, Furnace Brook, has been involved in patent infringement suits with many Internet merchandisers—including Overstock.com, Nike, Aeropostale, Dick’s Sporting Goods, Home Depot, Hallmark, Game Stop, and others—over its assertion that these merchandisers’ ecommerce sites infringed its acquired 1998

153. Id. at 27–28.
154. Id. at 29.
155. Id. at 32–38.
patent covering a method and apparatus for a computerized card system. Furnace Brook, in its first round of litigation against Overstock.com in 2006, argued that its patent ought to be construed to have the consumer means of access in the invention be Internet- and mobile-phone-based, rather than merely landline-telephone-based, so as to cover Overstock.com’s existing ecommerce operations. The court rejected this broad construction, limiting the patent’s reach to landline-telephone-based consumer means of access, thereby leading to a grant of non-infringement for Overstock.com. Furnace Brook lost its later suits against a slew of ecommerce companies on the ground that collateral estoppel barred its infringement claims. Furnace Brook, a non-practicing entity making no contribution to society with products commercializing its patent, instead pursued claims against companies that had originated or commercialized ecommerce sites. These sites seemed to have been built on no knowledge from Furnace Brook’s patent on landline-telephone-based computerized card systems. The most likely inference is that Furnace Brook sought to earn money on this acquired patent by finding companies employing somewhat similar technology that they had originated and were already operating in a profitable fashion. It is hard to see how Furnace Brook or its predecessor patentee contributed to societal progress in these instances.

A similar patent infringement suit has been brought by a non-practicing entity against car companies operating website programs for managing knowledge about the companies’ products being offered for sale. In that case, the Federal Circuit emphasized that the patentee had argued in the district court that the “user” in the patent not be construed as “a person who uses the claimed computer system.” The Federal Circuit thought that this proposed construction was “unreasonable” and was “divorced from the written description” in the patent.


158. Id. at *4–5.

159. Coe, supra note 156.


rendering the infringement claim “objectively baseless.”

The court concluded that the patentee “knew that the . . . Patent Suit lacked a reasonable basis and was, therefore, pursued and maintained in bad faith.” The Federal Circuit therefore upheld the district court's grant of attorney's fees to the defendants.

Some non-practicing entities have been involved in patent infringement suits against providers of information technology to travel suppliers and agencies based on web browser and advertising display patents; commercial users of wireless Internet technology, such as hotels, coffee shops, restaurants, and supermarkets, based on seventeen patents related to making wireless Internet available to customers or using it to manage internal processes; and Microsoft based on four video streaming patents.

Although instances like these are more notorious in patent law, they can also occur under copyright law. For example, some individuals or companies have produced or posted online copyrighted content with the intent to sue Google for indexing it.

All in all, some intellectual property holders seek to extract rents knowing that they are not sufficiently contributing to the progress that the intellectual property system would like.

In sum, then, there are three major classes of non-intellectual-property-centered motivations driving individuals and companies to assert copyright or patent protection: reputational and privacy interests, protection of a market beyond that provided by the intellectual property right, and extraction of rents without contribution to progress.

That is not to say that there are no other non-intellectual-property-centered reasons that people assert their copyrights or patents. For example, one copyright holder—the Canadian electro-industrial band Skinny Puppy—recently asserted its copyrights in its songs in an action for licensing fees

163. *Taurus IP*, 726 F.3d at 1327.
164. *Id.* at 1329.
165. *Id.*
from the U.S. military.170 Why? Because the U.S. military apparently used its music to torture Guantánamo Bay prisoners without the band’s permission.171 Its licensing request? $666,000.172 Skinny Puppy seems to be asserting its copyright as a form of political protest. The band’s keyboardist said in an interview:

We sent them an invoice for our musical services considering they had gone ahead and used our music without our knowledge and used it as an actual weapon against somebody . . . . I am not only against the fact they’re using our music to inflict damage on somebody else but they are doing it without anybody’s permission.173

Skinny Puppy seems to be asserting copyright as a form of political protest against American military policy.

Similarly, a New York state legislator has been bothered by reduced Broadway ticket sales.174 He and others attribute that slump to individuals who dress as popular characters (such as Spider-Man, Hello Kitty, and Elmo), stand around Manhattan’s Time Square, and ask—sometimes persistently—for tips in exchange for posing in photographs.175 The legislator called upon the copyright owners of those characters to enforce their copyrights to rid the area of this negative economic influence on the neighborhood.176 He is asking for copyright assertion to stimulate another policy goal of economic growth.

With this tour of different motivations for which intellectual property rightsholders assert their rights beyond those that are deemed to drive these assertions under copyright and patent law, I now turn to the different ways that courts can respond to these ill-fitting motivations.

IV. HOW COURTS ADDRESS ILL-FITTING MOTIVATIONS

There are generally four ways in which courts address ill-fitting motivations of the sort explored in the previous Part in intellectual property litigation. They sometimes do not address the

171. Id.
172. Id.
173. Id.
175. Id.
176. Id.
motivation behind the assertion of intellectual property rights at all. If they do address it, they tend to do so by changing the scope of the right, by being more harsh to the rightsholder in determining remedies, or by deeming the assertion to be a misuse of the intellectual property right. This Part addresses each of these four possibilities in turn.

A. They Don’t

Some courts expressly indicate that a plaintiff’s motivation in asserting his or her intellectual property rights is irrelevant to the merits of the suit.177 Yet when a court does not discuss a plaintiff’s motivation in asserting his or her intellectual property rights, it is impossible to know with certainty whether the court is subconsciously or secretly taking into account the plaintiff’s motivation in its ruling on the merits of the case. This is true whether the court rules in favor of the plaintiff or the defendant. The best one can do is make a guess as to whether the plaintiff’s motivation for asserting rights might have made a difference to the case’s outcome. The implications of not knowing how the plaintiff’s motivations affected a case’s outcome are discussed in the next Part. Many copyright and patent cases with apparently ill-fitting motivations do not discuss those motivations at all. In these cases, a mismatched motivation seems to have not much, if any, bearing on the case’s outcome.

Some examples of cases where motivation is clearly or seemingly irrelevant to the court’s determination were discussed in the last Part. For instance, J.D. Salinger won his copyright suit against a biographer to prevent the quotation of his letters.178 Recall that the district court had ruled the biographer’s use fair, in large part because Salinger had sued to protect his privacy and he was experiencing no copyright harm.179 It had certainly taken into account Salinger’s motivation in asserting his copyright in ruling against him. Yet the Second Circuit disagreed and reversed the district court. It did not think it too relevant that his motivation to sue was to protect his privacy, in large part because the copyright cause of action would not help Salinger retain complete privacy in his unpublished, but available, letters. It reasoned that:

177. See, e.g., Cont’l Paper Bag Co. v. E. Paper Bag Co., 210 U.S. 405, 429 (1908) (holding that a patentholder’s motivation for excluding competitors from using that patent is irrelevant).
178. See supra text accompanying notes 50–54.
179. See supra text accompanying notes 50–54.
To deny a biographer like [the defendant] the opportunity to copy the expressive content of unpublished letters is not . . . to interfere in any significant way with the process of enhancing public knowledge of history or contemporary events. The facts may be reported. Salinger’s letters contain a number of facts that students of his life and writings will no doubt find of interest, and [the defendant] is entirely free to fashion a biography that reports these facts. But Salinger has a right to protect the expressive content of his unpublished writings for the term of his copyright, and that right prevails over a claim of fair use under “ordinary circumstances.” Public awareness of the expressive content of the letters will have to await either Salinger’s decision to publish or the expiration of his copyright, save for such special circumstances as might fall within the “narrower” scope of fair use available for unpublished works. Evidently, public interest in the expressive content of the letters of a well-known writer remains substantial even fifty years after his death.\(^\text{180}\)

The court thus seemed to deem irrelevant Salinger’s motivation in bringing suit, whether Salinger was more interested in keeping private the expression or the facts in his letters. (There is another reading of what the Second Circuit did: Perhaps it was telling Salinger that he cannot keep private the letter’s facts, and it was handing the defendants a roadmap, so to speak, of how to reveal the letter’s contents without running afoul of copyright law. On this reading, the Second Circuit is sensitive to Salinger’s motivation.)

Other courts have similarly deemed the plaintiff’s motivation in bringing suit irrelevant to the merits, to the point that there is a pretense that the plaintiff has a suitable motivation. Take the copyright infringement suit over Bret Michaels and Pamela Anderson’s sex tape,\(^\text{181}\) brought to protect the participants’ sexual privacy. In the course of finding a likelihood of success on copyright infringement and no fair use, the court treated the sex tape as if Michaels and Anderson were market participants who would be harmed by the tape’s release because it would “saturat[e] the potential market for the plaintiffs’ copyrighted work.”\(^\text{182}\)

\(^{180}\) Salinger v. Random House, Inc., 811 F.2d 90, 100 (2d Cir. 1987) (citations omitted).
\(^{181}\) See supra text accompanying notes 92–93.
\(^{182}\) Michaels v. Internet Entm’t Grp., Inc., 5 F. Supp. 2d 823, 836 (C.D. Cal. 1998). Similarly, courts determining infringement damages for the use of a protected work that is a component among many in the infringing product are engaged in similar pretense when they act as if the protected work determines all of the success of the infringing product. See supra text accompanying notes 139–48.
These two approaches are how many courts seem to deal with intellectual property suits with an ill-fitting motivation: by expressly deeming it to be irrelevant, or by acting as if the motivation is the usual expected one, even in the face of common sense. I now turn to consider how ill-fitting motivations can affect a court’s ruling on the right’s scope.

B. The Right’s Scope

In some instances, the plaintiff’s motivation in bringing suit can affect courts’ rulings on the scope of the plaintiff’s right, and thus, whether infringement has occurred. In these cases, an ill-fitting motivation more often than not shrinks the right’s scope, making it harder for the plaintiff to prevail on a claim the court might find inappropriate. But not always. Sometimes, a court seems to sympathize with a plaintiff’s motivation for asserting his or her rights to the point that it is willing to enlarge the scope of the plaintiff’s right, making it more likely that the plaintiff wins the suit. This section illustrates just a few of the doctrinal levers courts activate when they think that a plaintiff’s motivation ought to affect the right’s scope: construction of the right, fair use, and protectable subject matter.

1. Construction of the Right. There are two ways in which the court can affect the scope of the right through construction: either by interpreting the relevant statute to limit or extend its reach to the plaintiff’s work or the defendant’s use, or by construing the boundaries of the work itself narrowly or broadly. This section looks, in turn, to the Supreme Court’s understanding of the copyright statute’s treatment of the importation right in conjunction with the first-sale doctrine to permit gray markets as an example of the former and to patent claim construction as an example of the latter.

In Quality King Distributors, Inc. v. L’anza Research International, Inc., the Supreme Court was called upon to address whether a third party’s importation into the United States of a copyrighted work lawfully made in the United States and already transferred outside of the country invokes copyright law’s first-sale doctrine, which exhausts a copyright owner’s rights after the first transfer of the copyrighted work, thereby defeating an infringement claim.183 As discussed previously, the Court was answering this legal question for copyrighted hair care product labels, which the copyright owner was asserting as a way to

prevent a gray market in the United States for its products. It was readily apparent that the plaintiff’s motivations had less to do with copyright protection than with protection of its hair care product market, something the Court expressly emphasized in its decision. Moreover, it is hard to imagine circumstances under which a copyright owner would be asserting its rights in the hair care product labels. There was thus a doubly suspect motivation in this case: an assertion of copyright infringement as a way to protect against gray markets, and in a context in which the market to be protected was for uncopyrightable hair care products, rather than the product labels for which the copyright claim was asserted.

The Court seemed skeptical enough based on the first motivation alone, when it stated that it would read the statute to rule on a copyright infringement suit to shut down a gray market in copyrightable works like “sound recordings or books” just as it does here for the much less creative product labels. The Court then proceeded to rule that the copyright owner could not maintain its claim because the first-sale doctrine extinguished its rights. One way to read the Court’s statutory interpretation to restrict copyright scope, then, is as one that was influenced by the copyright owner’s motivation in asserting infringement. Yet the Court also indicated in the opinion that “whether or not we think it would be wise policy to provide statutory protection for such price discrimination is not a matter that is relevant to our duty to interpret the text of the Copyright Act.”

It is therefore up to some interpretation whether or not the Court’s statutory reading was influenced by the copyright owner’s motivation in bringing suit. The Court’s own emphasis on the copyright owner’s less-than-typical motivations, however, suggests that the Court might have interpreted the statute more favorably to the copyright owner had its motivations been more usual.

A rightsholder’s atypical motivation for bringing suit might also lead a court to construe the protected work’s boundaries more narrowly or broadly than if the motivation had been more characteristic. For example, a court construing patent claims when the patentee is a non-practicing entity seeking to extract rents without sufficient contribution to scientific or technological progress might do so narrowly to make it less likely that the

184. See supra text accompanying note 129.
185. See supra text accompanying note 130.
186. See supra text accompanying note 131.
187. Quality King, 523 U.S. at 140.
188. Id. at 154.
189. Id. at 153.
defendant will be found to be infringing. That might have been what the courts were doing with the narrow patent claim constructions discussed above. Yet it is hard to know with any precision so long as the court does not say as much explicitly or by implication, which is something it did not do in either case just discussed.

2. Fair Use. Courts are more upfront about taking account of plaintiffs’ less-than-typical motivations in asserting rights when ruling on fair use as a defense to copyright infringement liability. The principal reason is that courts are tasked with considering at least four statutory factors in evaluating fair use, among them “the effect of the use upon the potential market for or value of the copyrighted work.” As I discuss in other work, in evaluating this factor:

[C]ertain market effects ought to be weighed . . . while others are irrelevant. . . . [There are] two important ways to divide relevant from irrelevant market effects. One ought to exclude market effects from consideration if they are empirically unlikely or if the effects are unrelated to the protectable aspects of the copyrighted work, such as its ideas or the societal value attributed to the work.

Many of the ill-fitting motivations considered in the previous Part involve situations in which there is no relevant market effect for the copyright owner: protection of privacy or reputational interests in which the copyright owner seeks curtail the defendant’s use of a protected work to keep its unprotectable facts or ideas out of the public eye, or protection of markets that are outside of and beyond the copyright market.

Courts attentive to the consideration of relevant market effects and exclusion of irrelevant ones in the fair use analysis are more likely to conclude that there is a fair use defense to infringement when the market effects driving the plaintiff’s copyright suit are irrelevant. That is precisely what happens in some of the cases discussed above, including those brought by the reclusive tycoon Howard Hughes and by the wrestler Hulk Hogan.

190. See supra text accompanying notes 156–65.
192. Fromer, supra note 106, at 618.
193. See supra Part III.A.
194. See supra Part III.B.
196. See supra text accompanying notes 87–91.
3. Protectable Subject Matter. Similarly, courts are sometimes cognizant of a plaintiff’s atypical motivations in construing whether to consider the plaintiff’s creation as protectable subject matter. As discussed in this section, this sensitivity to motivation seems to explain the Ninth Circuit’s initial decision to interpret copyrightable subject matter expansively in Garcia v. Google\textsuperscript{197} and the Supreme Court’s decision to restrict patentable subject matter for many software or business method inventions.

Recall that in Garcia v. Google, the Ninth Circuit initially ruled that an actress’s performance of a minor role in a film written and produced by another is copyrightable independently from the rest of the film.\textsuperscript{198} To reach that result, the court read copyright law to extend copyrightable subject matter further than it has been before. First, it held that the film was not a joint work between the actress and the film’s producer and writer.\textsuperscript{199} (Otherwise, under copyright law, the joint authors would have a tenancy in common in the work and each would independently be able to control its use, contrary to the actress’s wishes.)\textsuperscript{200} Then, the court proceeded to hold that the actress’s performance was copyrightable because it was original—indeed, independently created and possessing a modicum of creativity—and fixed in the film recording.\textsuperscript{201} Additionally, because the actress’s performance was predicated on the screenplay copyrighted by another, for the actress to be able to have a copyright in this derivative work, she needed permission—which the court found through an implicit license based on the writer’s hiring and filming of the actress—to use the material.\textsuperscript{202} Once the court made all of these determinations, it found that she was likely to succeed on the merits of her copyright claim.\textsuperscript{203}

The court might surely have ruled this way for any actor claiming copyright in his or her performance in a film. But one wonders if the court might have pushed the envelope of copyright law to shoehorn the actress’s performance into copyrightable subject matter in a way that copyright scholars regard as farfetched and extreme, not least of which because of the thicket

\textsuperscript{197.} See Garcia v. Google, Inc., 766 F.3d 929, 933–34 (9th Cir. 2014).

\textsuperscript{198.} Id. at 935, 940.

\textsuperscript{199.} Id. at 933.


\textsuperscript{201.} Garcia, 766 F.3d at 934–35.

\textsuperscript{202.} Id. at 935.

\textsuperscript{203.} Id. at 940.
of copyrights the court’s reasoning would vest in all film actors and possibly other contributors.\textsuperscript{204} And the reason for the court doing so would likely be the equities that it emphasized throughout the opinion, including in this passage:

This is a troubling case. Garcia was duped into providing an artistic performance that was used in a way she never could have foreseen. Her unwitting and unwilling inclusion in “Innocence of Muslims” led to serious threats against her life. It’s disappointing, though perhaps not surprising, that Garcia needed to sue in order to protect herself and her rights.\textsuperscript{205}

The actress sued, worrying about her reputation and even more, her safety, and an expansion of copyrightable subject matter provided a good lever to activate to keep her safe. The court might have ruled as it did mainly in response to the actress’s motivation for suing: the danger she was in, rather than protecting her copyright interest.

Consider now the opposite reaction by a court, to constrict protectable subject matter in response to assertions of intellectual property rights with motivations that do not fit well with the goals of intellectual property. In two recent decisions—\textit{Bilski v. Kappos}\textsuperscript{206} and \textit{Alice Corp. v. CLS Bank International}\textsuperscript{207}—the Supreme Court restricted the scope of patentable subject matter in software and business method inventions. In \textit{Bilski}, the Court held that a method of hedging risk in commodities trading in the energy market is not patentable subject matter, on the basis that it is an unpatentable abstract idea.\textsuperscript{208} \textit{Alice} sought to provide further guidance on patentable subject matter, by holding that a method for mitigating settlement risk in financial transactions by using a computer system as a third-party intermediary was an unpatentable abstract idea.\textsuperscript{209} The \textit{Alice} Court indicated that one way such a method could have been patentable would have been had it “purport[ed] to improve the functioning of the computer itself [or] effect an improvement in any other technology or technical field.”\textsuperscript{210}

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\begin{itemize}
\item \textsuperscript{205} Garcia, 766 F.3d at 940.
\item \textsuperscript{206} Bilski v. Kappos, 561 U.S. 593 (2010).
\item \textsuperscript{207} Alice Corp. v. CLS Bank Int'l, 134 S. Ct. 2347 (2014).
\item \textsuperscript{208} Bilski, 561 U.S. at 611–12.
\item \textsuperscript{209} Alice Corp., 134 S. Ct. at 2360.
\item \textsuperscript{210} Id. at 2359 (citation omitted).
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\end{footnotesize}
Instead, the Court thought that the method at issue did nothing more than simply instruct the practitioner to implement “the abstract idea of intermediated settlement on a generic computer.”

What drove the Court to constrict patentable subject matter in software and business methods? It is not fully clear: perhaps it is, as the Supreme Court has suggested in its rulings in the area, a direct extension of longstanding judicial principles of patentable subject matter. Or perhaps it is what started the Court down the path of discussing software patents in the first place: an assertion by Justice Kennedy in his concurring opinion in *eBay Inc. v. MercExchange, L.L.C.*, that:

> In cases now arising trial courts should bear in mind that in many instances the nature of the patent being enforced and the economic function of the patent holder present considerations quite unlike earlier cases. An industry has developed in which firms use patents not as a basis for producing and selling goods but, instead, primarily for obtaining licensing fees.

The respondent in *Alice* emphasized as much to the Supreme Court in its briefing:

Alice, which has provided no service or product to the marketplace, wants to use its patents to hold hostage a systemically important financial institution that developed, at great effort and expense, a global network that makes possible the safe and efficient settlement of the vast majority of transactions in the world’s major currencies.

... Alice could assert them against virtually every financial institution—commercial banks, investment banks, clearing houses, insurance companies, mutual fund complexes, broker-dealers, title insurers, etc.—that performs intermediation using a computer. No person should “be allowed to exact royalties for the use of” a basic “idea.” That is all the more true where, as here, a non-practicing entity threatens an innovative company’s productive operations.

The respondent’s emphasis is on the plaintiff’s desire to extract rents from third parties without a sufficient contribution to progress.

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211. *Id.*
212. *Id.* at 2354; *Bilski*, 561 U.S. at 607–13.
This section shows that courts can expand or contract protectable subject matter when mismatched motivations are present. They can and sometimes do the same in imposing remedies, to which I now turn.

C. Remedies

This section discusses some of the crucial ways in which courts can take cognizance of mismatched motivations in ruling on remedies: apportionment of actual damages based on the profits of an infringing use, denials of injunctive relief, and awards of attorney’s fees.

Copyright and patent laws each permit rightsholders to opt to recover the actual damages attributable to a defendant’s infringement. To ensure that rightsholders do not recover for infringement beyond the damage they suffered from the use of the protected work for other components of the work, courts require apportionment of damages between infringed and non-infringed portions of a work. In this way, courts guard against intellectual property windfalls to rightsholders attempting to recover beyond the scope of their protected right into related markets, such as when a protectable component is part of a larger unprotected work.

Patent and copyright laws also permit courts to grant successful infringement plaintiffs injunctive relief. In 2006, the Supreme Court took issue with the Federal Circuit’s near-automatic grant of injunctive relief to winning patent plaintiffs. The Court held that courts should instead apply “the traditional four-factor framework that governs the award of injunctive relief.” Four concurring Justices emphasized that there are some reasons to hesitate about granting injunctive relief

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215. See 17 U.S.C. § 504(b) (2012) (“The copyright owner is entitled to recover the actual damages suffered by him or her as a result of the infringement, and any profits of the infringer that are attributable to the infringement and are not taken into account in computing the actual damages.”); 35 U.S.C. § 284 (2012) (authorizing the court to “award the claimant damages adequate to compensate for [patent] infringement, but in no event less than a reasonable royalty for the use made of the invention by the infringer”).


217. See supra text accompanying notes 139–50.

218. See 17 U.S.C. § 502(a) (“Any court having jurisdiction of a civil action arising under this title may . . . grant temporary and final injunctions on such terms as it may deem reasonable to prevent or restrain infringement of a copyright.”); 35 U.S.C. § 283 (“The several courts having jurisdiction of cases under this title may grant injunctions in accordance with the principles of equity to prevent the violation of any right secured by patent, on such terms as the court deems reasonable.”).

in patent infringement cases that relate to ill-fitting motivations of the type discussed in the previous Part:

In cases now arising trial courts should bear in mind that in many instances the nature of the patent being enforced and the economic function of the patent holder present considerations quite unlike earlier cases. An industry has developed in which firms use patents not as a basis for producing and selling goods but, instead, primarily for obtaining licensing fees. For these firms, an injunction, and the potentially serious sanctions arising from its violation, can be employed as a bargaining tool to charge exorbitant fees to companies that seek to buy licenses to practice the patent. When the patented invention is but a small component of the product the companies seek to produce and the threat of an injunction is employed simply for undue leverage in negotiations, legal damages may well be sufficient to compensate for the infringement and an injunction may not serve the public interest.220

This concurrence suggested that plaintiffs with motivation to recover beyond their protected right or to extract rents without contributing sufficiently to societal progress ought to be considered differently than plaintiffs with more typical patent-assertion motivations. The “atypical” plaintiffs should be scrutinized carefully and perhaps be denied injunctive relief. That is just what has happened since this decision. As one study shows, “courts are more likely to grant injunctions when parties compete in the same marketplace [and] when the patent holder actually practices the invention” and are more likely to deny injunctive relief when “the patented invention is merely a small component of the infringing product.”221

Finally, courts have discretion to award attorney’s fees to prevailing parties in copyright and patent cases, the latter being for “exceptional” cases.222 As illustrated in the previous Part, the courts sometimes use this power to award attorney’s fees to a prevailing defendant that they think has been subjected to a baseless suit, often when the plaintiff’s motivations were far from those anticipated by intellectual property laws.223

220. Id. at 396–97 (Kennedy, J., concurring) (citations omitted).


222. See 17 U.S.C. § 505 (“[T]he court may also award a reasonable attorney’s fee to the prevailing party as part of the costs.”); 35 U.S.C. § 285 (“The court in exceptional cases may award reasonable attorney fees to the prevailing party.”).

223. See supra text accompanying notes 161–65.
D. Misuse

Patent or copyright misuse, the last category of ways in which courts account for ill-fitting motivations, is the most direct. Misuse is an affirmative defense to infringement that renders the right unenforceable.\(^{224}\) It can occur under a variety of circumstances, including together with antitrust violations.\(^{225}\) Most relevant here is the misuse that occurs when a rightsholder asserts a right beyond the physical, temporal, or other scope of the right, typically with anticompetitive effect.\(^{226}\)

The doctrine of patent misuse is more established than that of copyright misuse.\(^{227}\) For example, as discussed above, it can be misuse of a patent to tie the sale of a patented good to an unpatented good.\(^{228}\) Nonetheless, copyright misuse doctrine is becoming more developed, especially in response to ill-fitting motivations.\(^{229}\) Take the case of the Omega watches, discussed above.\(^{230}\) There, the court sought to condemn the fact that Omega had manufactured a copyright solely for the purpose of asserting it to protect its uncopyrightable watches. It did so by invoking copyright misuse.

In sum, courts have numerous tools at their disposal to address ill-fitting motivations to the extent that they are convinced that the motivation affects the substance of the plaintiff’s copyright or patent infringement claim: setting the boundaries of protectable subject matter, establishing the scope of the right, and determining remedies. The question remains, however, whether courts should be ignoring a rightsholder’s motivation in asserting copyrights or patents or should be scrutinizing that motivation carefully for a mismatch with intellectual property laws’ utilitarian goals. The next Part explores that question.


\(^{225}\) See Windsurfing Int’l, 782 F.2d at 1001–02.

\(^{226}\) Id. at 1001.

\(^{227}\) See Kathryn Judge, Note, Rethinking Copyright Misuse, 57 Stan. L. Rev. 901, 906 (2004).


\(^{229}\) Cf. Judge, supra note 227 (arguing for a clearer articulation of what constitutes copyright misuse).

\(^{230}\) See supra text accompanying notes 117–28.
WHY MIGHT THE LAW CARE IF RIGHTSHOLDERS ARE ASSERTING COPYRIGHTS OR PATENTS WITH MOTIVES MISMATCHED TO THE INTELLECTUAL PROPERTY SYSTEM? THE BIGGEST WORRY IS THAT THESE ASSERTIONS WILL DISTORT THE INTELLECTUAL PROPERTY SYSTEM, CAUSING HARM TO SOCIETY. THERE ARE TWO RELATED WORRIES OF DISTORTION AND HARM. FIRST, AS DISCUSSED ABOVE, COPYRIGHT AND PATENT LAWS ARE CALIBRATED TO OFFER UP INCENTIVE TO CREATE AND DISSEMINATE VALUABLE WORKS TO BENEFIT SOCIETY, BUT LIMITED IN TIME AND SCOPE TO AMELIORATE THE COSTS THAT THE INCENTIVE OF EXCLUSIVE RIGHTS IMPOSES ON SOCIETY.

ON THIS VIEW, COPYRIGHT AND PATENT LAWS WERE DESIGNED WITH PARTICULAR SCENARIOS IN MIND, AND THEIR COSTS AND BENEFITS ARE ATTUNED TO THOSE SCENARIOS. ASSERTIONS OF INTELLECTUAL PROPERTY OUTSIDE OF THESE SCENARIOS, AS WITH THE MISMATCHED MOTIVATIONS EXPLORED ABOVE, CAN IMPOSE GREATER COST ON SOCIETY THAN THE INTELLECTUAL PROPERTY LAWS HAD ANTICIPATED WITHOUT CONCOMITANT BENEFIT. TAKE THE MISMATCHED MOTIVATIONS HIGHLIGHTED EARLIER. ALLOWING COPYRIGHT AND PATENT CLAIMS TO SUCCEED WHEN THE RIGHTSHOLDER HAS NOT CONTRIBUTED MUCH TO SOCIETAL PROGRESS IN WAYS THAT MATTER TO THE LAW’S FOUNDATIONS ARE TROUBLING, BECAUSE THEY IMPOSE THE COST OF PROTECTION ON SOCIETY WITHOUT A CORRESPONDING GAIN. SIMILARLY, ASSERTIONS OF PROTECTION FOR MARKETS BEYOND THE PROTECTED MARKET—BE THEY IN RELATION TO PRIVACY AND REPUTATIONAL INTERESTS OR MORE GENERALLY—RAISE THE SPECTER OF GREAT COST TO SOCIETY. IF RIGHTS ARE PROTECTED IN THOSE CASES, THEY ARE LIKELY TO IMPOSE AN ADDITIONAL COST ON SOCIETY BECAUSE THEY WILL BE IMPOSING RESTRICTIONS ON MARKET INTERESTS OUTSIDE OF THE COPYRIGHT AND PATENT SYSTEM IN ADDITION TO THOSE WITHIN. ON THIS REASONING, IT MAKES SENSE FOR COURTS TO SCREEN OUT ASSERTIONS OF COPYRIGHT OR PATENT RIGHTS BY PLAINTIFFS WITH MOTIVATIONS UNRELATED TO THE INTELLECTUAL PROPERTY SYSTEM.

231. Cf. Jessica Bulman-Pozen & David E. Pozen, Uncivil Obedience, 115 COLUM. L. REV. 809 (2015) (analyzing extreme law-following as a form of social action and the ways in which private law has developed defenses against it, at least more so than public law).

232. See supra Part II.

233. See supra Part III.

234. See supra Part III.

235. See supra Part III.C.

236. See supra Part III.A–B.

237. There are those that create for reasons unrelated to the pecuniary remuneration to which it is thought that patent and copyright laws are directed. See Fromer, supra note 22 (cataloguing other motivations for creation of valuable cultural and technological works, and arguing that patent and copyright laws should consider offering incentives to align with those motivations). If creation within the realm of patent and copyright laws happens for these other reasons, one might query whether the law should care why a rightsholder asserts rights. Cf. Christopher Buccafusco & David Fagundes, The Moral Psychology of
More subtly, there is another distortion and harm that can be imposed by assertions of intellectual property with motives mismatched to copyright and patent laws. As just seen, courts’ interpretations of patent and copyright laws can be influenced by the plaintiff’s mismatched motivation. These interpretations, if not carefully and explicitly tailored to the particular circumstances of the plaintiff’s motivation for asserting rights, can affect others with more typical motivations for asserting their rights.

Consider first carefully tailored rules that account for a plaintiff’s motivation in asserting intellectual property rights. For example, copyright law’s fair use defense considers the effects of the defendant’s use on the plaintiff’s market for the copyrighted work. Courts should exclude from consideration market effects plaintiffs experience that are unrelated to the copyrighted work or are unprotected aspects of the copyrighted work. Some of these excludable effects on which courts sometimes focus explicitly are harm that a copyright holder might experience from the use of unprotectable ideas or facts in the defendant’s work, so that reputational or privacy harms that might befall the rightsholder from the defendant’s use are irrelevant. As another illustration, consider judicial guidance on the availability of injunctive relief for successful patent plaintiffs: Two reasons weighing against injunctive relief are if the plaintiff is a non-practicing entity or if the plaintiff is asserting rights in an invention that is but one component of hundreds or thousands in an integrated work. Both of these rules are carefully targeted to the situation in which a rightsholder is asserting rights.

These rules should therefore have no effect on the archetypical copyright or patent plaintiff envisioned by the law:

Copyright Infringement, 100 MINN. L. REV. (forthcoming 2015) (positing that copyright infringement ought to be calibrated to reflect the sense of moral outrage that infringers experience, and arguing that there should be more of a connection between infringement liability and authors’ motivations for creation). Even if there is good reason to ask whether those who create or disseminate patented or copyrighted works with motivations apart from those assumed by the intellectual property laws, there is ample justification to care about assertions of rights that further distort the reach of the laws.

238. See Part IV.
239. Cf. Suja A. Thomas, How Atypical, Hard Cases Make Bad Law (See, e.g., The Lack of Judicial Restraint in Wal-Mart, Twombly, and Ricci), 48 WAKE FOREST L. REV. 989, 990 (2013) (noting how a number of recent Supreme Court cases “had extraordinary facts, those extraordinary facts motivated legal change, and the legal change now affects typical cases without such extraordinary facts”).
240. See supra Part II.B.
241. See supra Part IV.B.2.
243. See supra Part IV.C.
one who practices in the marketplace, having made a valuable contribution to society with the creation and dissemination of a protected work, and would like to prevent copying of that work by asserting rights in it. That plaintiff, if successful, would likely get an injunction or prevail on fair use. However, a plaintiff with ill-fitting motivations might be screened out with these targeted rules to avoid protecting their rights in ways that the law was not designed to protect.

Now consider rules that courts develop in situations in which the plaintiff has ill-fitting motivations, but which are not tailored to these motivations. In fact, as discussed above, courts are sometimes silent about these motivations, making it hard to know whether the motivations influenced the court’s ruling. In these instances, even if the particular judicial rule is sensible for the circumstances of the ill-fitting motivations, it might be a poor rule to impose on plaintiffs with archetypical motivations. For example, what if the Supreme Court crafted a first-sale defense dominating over copyright law’s importation and distribution rights to frustrate the plaintiffs’ desire to halt a gray market in their unprotected goods (or even further, their action to manufacture intellectual property or intellectual property claims to protect this market)? The courts’ rules are articulated to be generally applicable, even to other situations. (Contrast that with the district court’s targeted ruling of misuse for Omega for manufacturing intellectual property to assert to protect its unprotected watches.) Similarly, to what extent does the Ninth Circuit’s initial ruling granting copyright protection to an actress’s performance in *Garcia v. Google* turn on its sympathy for her safety, which seems to be why she sued, rather than on copyright law? The generally applicable rule articulated by the court would seem to apply to all actor performances on film, not just those being asserted to protect the actor’s safety, privacy, or reputation. Relatedly, Justice Stevens took the Supreme Court to task when it limited patentable subject matter for software and business methods: “One might think that the Court’s analysis means that any process that utilizes an abstract idea is itself an unpatentable, abstract idea. But we have never suggested any such rule, which would undermine a host of patentable processes.” He seemed to be suggesting that the Supreme

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244. See supra Part IV.
245. See supra Part IV.B.1.
246. See supra Part IV.D.
247. See supra Part IV.B.3.
Court’s ruling—which might have been specific to its facts—might reverberate in other areas of patent law in unintended ways and to ill effect.

These generally applicable rules can distort the intellectual property laws by being applied outside of the contexts in which they were relevant. The possibility of this sort of distortion suggests that it is incumbent on courts either to state directly that the plaintiff’s motivation in asserting rights is completely irrelevant to its ruling or to tailor the rule’s applicability to that asserting motivation.249

This analysis seems sensible enough, but it depends on accurately ascertaining a plaintiff’s motivation in asserting intellectual property and then sifting the proper from the improper motivations. That is a lot of contingency. First, it is expensive to investigate motive in patent and copyright infringement cases, which are already extremely expensive to litigate.250 Second, one wonders how accurately one can assess a plaintiff’s motivation in asserting rights. One might look to direct and indirect evidence of this motivation. Direct evidence might be assertions by the plaintiff about its motivation. One form of indirect evidence could be whether the plaintiff has asserted any other legal claims against the defendant that suggest the plaintiff’s true motivation in asserting its intellectual property right (such as a claim for invasion of privacy along with a copyright infringement claim).

Needless to say, this evidence might not always exist and can be misinterpreted. And third, even if courts could suss out a plaintiff’s motivation in asserting rights, courts would still have to weigh whether the motivation is one that ought to be acceptable to the intellectual property regime. That can be quite difficult. For example, weighing whether a university asserting a patent right is a non-practicing entity that has sufficiently contributed to progress is a debate society has been undertaking for years without easy answers.251 That is not to say that inquiry into and

249. Cf. Zahr K. Said, Reforming Copyright Interpretation, 28 HARV. J.L. & TECH. 469, 470–71 (2015) (“Copyright’s interpretive choice regime controls questions of major importance for the parties, such as whether an issue is a matter of law or fact, whether an issue may be decided at summary judgment, whether expert testimony is allowed, and whether a use is fair. The . . . lack of transparency characterizing copyright’s interpretive practices creates unpredictability and unfairness for the parties. . . . The Article concludes with a call for greater methodological transparency . . . .”).


use of motivation evidence is not worth doing, but that the costs of making it relevant ought to be weighed against the benefits.\textsuperscript{252} Additionally, if motivation is to be assessed, one must decide whether courts ought to do so early in the course of litigation—such as through standing rules\textsuperscript{253}—to avoid incurring expense, or later when the factual circumstances are more developed.

A less direct way to assess motivation is to figure out, short of an investigation into motive, how to remove incentives to file suit when motivations are ill-fitting. It is difficult to come up with an across-the-board indirect rule, especially because a number of suits that might be brought with ill-fitting motivations might be strong claims on the merits of the copyright or patent regime.\textsuperscript{254}

Another option is to deem motivations to assert rights to be mostly irrelevant to the success of a copyright or patent suit. If we prefer to view the copyright and patent system as systemically maximizing benefits over costs, then as long as that calculus

\begin{itemize}
  \item \textsuperscript{252} In assessing these costs and benefits, intellectual property law might learn from other substantive areas of the law that investigate motivations for acting, be it the doctrine of piercing the corporate veil, see, for example, Franklin A. Gevurtz, \textit{Piercing Piercing: An Attempt To Lift the Veil of Confusion Surrounding the Doctrine of Piercing the Corporate Veil}, 76 OR. L. REV. 853 (1997), or criminal motivation more generally, see, for example, James Morsch, Comment, \textit{The Problem of Motive in Hate Crimes: The Argument Against Presumptions of Racial Motivation}, 82 J. CRIM. L. & CRIMINOLOGY 659 (1991). This assessment is helpful, even though it is more typical to investigate defendants’ motivations, as in these examples, than plaintiffs’, as is being suggested here.
  \item \textsuperscript{254} Similarly, one might investigate whether there are any other aspects of patent and copyright laws or the factual circumstances underpinning them that are enabling assertions of IP rights with ill-fitting motivations. Using the examples discussed in this Article, perhaps the assertions of copyright infringement to address privacy and reputational concerns have been caused by copyright law’s change to protection from the moment of a work’s fixation rather than its publication, 17 U.S.C. §§ 102, 303, 401 (2012); Jessica D. Litman, \textit{Copyright, Compromise, and Legislative History}, 72 CORNELL L. REV. 857, 890–93 (1987), leading to a broader range of privacy and reputational concerns once the use of unpublished works raising these concerns can constitute copyright infringement. \textit{See supra} Part III.A. In a similar vein, once worldwide movement of goods became easier, gray markets became practicable and were more likely to emerge, raising the specter of using copyright and patents laws to protect these markets. \textit{See supra} Part III.B. Or, for a discussion on how one might attribute the rise in patenting of inventions that extract rents without the requisite contribution to progress to the rules and application of patent law, such as the minimal disclosures found to be acceptable with regard to software and business method patents, see Fromer, \textit{supra} note 7, at 568; Mark A. Lemley, \textit{Software Patents and the Return of Functional Claiming}, 2013 WIS. L. REV. 905, 924–25, the breadth of claim construction, see Julie E. Cohen & Mark A. Lemley, \textit{Patent Scope and Innovation in the Software Industry}, 89 CAL. L. REV. 1, 37 (2001), and the longtime ease of securing these patents in the first place, see Wendy Seltzer, \textit{Software Patents and/or Software Development}, 78 BROOK. L. REV. 929, 976–77 (2013).\
\end{itemize}
stands even with ill-fitting motivations driving some specific assertions of rights, the law ought not care. This path still requires an evaluation of motivations in asserting rights, but instead of doing so each time a right is asserted, it would be done statistically to get a sense of whether the intellectual property rules in place are maximized.

Whatever the course of action recommended—and there are costs and benefits to each approach to accounting for motivation for asserting rights—it is important that scholars of copyright and patent laws devote more careful attention to this issue in a trans-substantive way, across copyright and patent laws.

VI. CONCLUSION

In conclusion, it is worth noting that copyright and patent laws are not the only areas of intellectual property in which this issue arises. It also happens in trademark, the right of publicity, and trade secret law. For example, former Panamanian dictator Manuel Noriega recently sued video game maker Activision for including him as a background character in its game Call of Duty: Black Ops II, which has users perform special operations during historical events (but in a fictionalized way). According to the court:

As a General in the Panamanian army and later, as the Dictator of Panama, Noriega controlled all elements of the Panamanian government, including those essential to the protection of drug trafficking and money laundering. Noriega actively worked with the Medellin cocaine cartel. He also was involved in the arms business, including shipping weapons to the Sandinistas in Nicaragua and to rebels in El Salvador.

After many efforts, including a search by U.S. forces, Noriega was tried and convicted of drug trafficking and racketeering, among other things, for which he is currently serving time in a Panamanian prison. In Noriega’s suit against Activision, he alleged that Activision’s use of his image constituted a violation of his right of publicity. The right is typically thought to encourage people—often public figures, but not always—to market their

255. Cf. Fromer, supra note 22, at 1786–87 (conceiving intellectual property regimes as a form of rule utilitarianism).
257. Id. at 3–4.
258. Id. at 4.
259. Id. at 3.
identity. Noriega was likely protecting nothing of the sort in filing suit, but merely trying to protect his reputation from further harm, if that is possible. The court dismissed this ill-fitting claim, but on the ground that Activision’s use was transformative. It is worth exploring ill-fitting motivations for asserting rights in these other contexts as well.

In sum, this Article explores the issue of whether motivations that do not fit well with those driving the enactment of the utilitarian copyright and patent laws ought to factor in to whether assertions of those rights are protected. Some ill-fitting motivations that tend to arise repeatedly are protection of privacy and reputational interests, protection of markets beyond that protected by the right, and extraction of rents without contribution of sufficient progress to society. The law sometimes accounts for these motivations, but at other times it does not. There are important reasons to worry about protecting rights asserted when the motivations are ill-fitting, in terms of the costs imposed in those cases but also in terms of the distortionary effects on intellectual property law as a whole.
