



## **Jack Legged Infringers**

By: Jim Astrachan

You learn something new everyday about the practice of law. Well, maybe every week. Recently I learned a way to obtain attorney's fees in a copyright case under the Digital Millennium Copyright Act where an award of those fees would have been precluded under the infringement sections of the 1976 Copyright Act.

A couple of weeks ago, we successfully concluded a trade secret case in a warmer climate. The counter-defendant, our client, was a highly regarded builder of well known, semi-custom yachts. The counter-plaintiff was a former dealer who had decided to build his own 65 foot yacht in competition with our client's yacht.

There were multiple allegations and they buzzed around like flies in a summer cow pasture. But the real issue was whether our client's boat contained the plaintiff's design elements. The plaintiff had a very difficult case because each boat was a traditional trawler design. Because of this, we decided to trace the heritage of both boats, believing that a model of that style boat we built in 1968 was the first of its kind and would establish parentage of both boats. How could we steal what we first created?

Discovery brought us to a well known naval architect on the west coast, who had prepared for the plaintiff some preliminary drawings of traditional yachts. Those architectural drawings were turned over by the plaintiff to a second naval architect who tweaked the design. When the second naval architect produced in discovery the plans provided to him by the plaintiff, and these plans were compared to the final set of plans drawn by the first naval architect, it became apparent that the plaintiff had covered up the first architect's copyright block—the block contains the name and copyright notice of the author of the plans.

Not only had the plaintiff's credibility been severely damaged by his action, he had run afoul of the Digital Millennium Copyright Act. And this violation added the very interesting twist of enabling the first naval architect, who otherwise could not qualify, to receive attorney's fees and costs if he chose to sue his former client.

The Digital Millennium Copyright Act was passed by Congress in 1998. This law amended the 1976 Copyright Act by adding new Sections 1201-1205. With Section 1202, Congress' intent was to ensure the integrity of the electronic marketplace by preventing fraud and misrepresentation. However, the statute does not apply to only the electronic marketplace. Section 1202 makes it an actionable offense to intentionally provide false copyright management information or CMI.

CMI includes the title of the work, name of the author, date of creation, and even the copyright notice. CMI also includes any information about the terms and conditions imposed by the owner regarding the use of the copyrighted material.

The offense prohibited by this relatively new statute is the obliteration of CMI with the intent of hiding an infringement.

Two violations of law occurred if the plaintiff reproduced the first naval architect's plans without right or permission and without the copyright block. The first violation was an unauthorized reproduction under 17 USC 106. Because the naval architect had not registered his copyright to the plans within ninety days of first publication, or because these acts did amount to publication prior to the unauthorized reproduction, the naval architect could never recover legal fees and costs, even if he brought a successful action for copyright infringement under Section 106.

But the violation of Section 1202 by obliteration of the title block was another matter. Interestingly, unlike infringement of rights under Section 106, Congress did not make prior registration of the work a prerequisite to an award of attorney's fees and costs for violation of Section 1202. The Digital Millennium Copyright Act gives the court discretion to allow recovery of costs and reasonable attorney's fees to the prevailing party. This lack of a registration prerequisite is not overly surprising. The misdeeds prohibited by Section 1202 of the Digital Millennium Copyright Act are not considered infringement of copyright.

Finally, to hold this boat builder accountable for obliteration of the title block under this new law, he had to know at the time of his actions that his conduct would enable, facilitate, or conceal an infringement of a right under the

copyright law. Knowledge that the act will result in concealment of an infringement need not be shown; all that must be established is that the actor had reasonable grounds to know that this might occur as a result of his actions.

Likely, this counter-plaintiff would be liable to the first navel architect under this provision unless he had the right to reproduce the plans and give them to the second architect. Clearly, he covered the title block on the plans. He had to know that the architect would make copies of these plans and that if he saw the title block with another's name he might not use these plans without the consent of the first architect.

And there, buried in the bilge of a trade secret case, was a gem of a practice tip for dealing with infringers, for almost universally, anyone who copies a copyrighted work without consent is most unlikely to pass it on with the name and copyright notice of the real author.

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*James B. Astrachan is a principal at the Baltimore firm of Astrachan, Gunst & Thomas, P.C. Jim is former Chair of the Maryland Bar Association IP Committee and can be reached at [jastrachan@aggt.com](mailto:jastrachan@aggt.com).*