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## IT AIN'T SO?

By: Jim Astrachan

John Fogerty is a pretty cool guy, to some folks best known for the time he spent with the southern rock band, Creedence Clearwater Revival. But a narrow slice of society known as copyright lawyers might know him equally as well for his defense of a copyright suit that went all the way to the United States Supreme Court and changed the way judges award attorneys' fees to prevailing defendants. Years ago Fogerty was sued on the grounds that his song, *Old Man Down the River*, infringed Fantasy Record's song, *Run Through the Jungle*. Even though the two songs shared what was essentially the same chorus, and even though he had been lead singer and creative force of CCR when he wrote *Run through the Jungle*, he was able to establish at trial that the two songs were separate and distinct.

Under the Copyright Act, a prevailing plaintiff is only eligible for an award of attorneys' fees if he files for copyright registration prior to the infringement, or within ninety days of first publication, even if the infringement occurs within those ninety days and prior to his filing. But under the Act, a prevailing defendant is eligible to recover attorneys' fees without any statutory hoopla. Although that's how the Act read, in those days the courts generally treated prevailing plaintiffs differently than they did prevailing defendants apropos of legal fees.

And that's what Fogerty learned. He won and asked the trial court to award him reasonable attorneys' fees as was and still is allowed under the Copyright Act. But his request for attorneys' fees was denied by the District Court on the grounds that the plaintiff's suit was neither frivolous nor prosecuted in bad faith. Fogerty felt mistreated and appealed the refusal all the way to the United States Supreme Court who reversed and remanded the trial court's refusal to award fees. On remand, the District Court awarded Fogerty legal fees of 1.3 million dollars and the Ninth Circuit affirmed.

What, aside from the Supreme Court's ruling, did the court consider in awarding \$1.3 million? First and second, Fogerty's vindication of his copyright secured the public's access to an original work of authorship and "paved the way for future original compositions." Thus, his defense furthered the purpose underlying the Copyright Act. An award of attorneys' fees would serve to encourage Fogerty and others to defend similar suits. Third, an award of fees helped restore to Fogerty some of the lost value of the copyright he defended. Fourth, he prevailed on the merits and not merely on a technical defense such as limitations. And

fifth, even considering the cost of litigation, the benefits conferred by Fogerty's successful fight were not slight.

In its decision The Supreme Court adopted the Third Circuit's "evenhanded" approach to an award of attorneys' fees to a prevailing copyright defendant. To paraphrase the court, plaintiffs and defendants are to be treated alike, but fees are to be awarded only in the court's discretion. In other words, there is not to be a mandatory award of fees and an adaptation of the English system in which the prevailing party automatically is awarded fees. Equitable discretion should be exercised. For an award of attorneys' fees to be made to a defendant, a plaintiff's culpability is not required; it is enough that a successful defense of an infringement may further the policies of the Copyright Act as much as would the successful prosecution of an infringer.

Some circuits have refined all of this to a point where it's even comprehensible. The Seventh Circuit this year held, "... that prevailing defendants in copyright cases... are presumptively entitled (and strongly so) to recover attorneys' fees." This is so even where the monetary stakes are small, because without the prospect of an award in a small monetary stakes case, a defendant may be forced into a nuisance settlement. That would be wrong.

Still, the Copyright Act requires that the attorneys' fees be reasonable. The fees should also be independent of the size of the damages. The award of attorneys' fees must also be equitable.

Calculation of the sum of attorneys' fees can also be interesting. At least one court recognizing that "the best evidence of the value of the lawyer's services is what the client agreed to pay him." So it might seem that value and reasonableness go hand and hand. Yet lawyers often ask other lawyers to opine on and support the reasonableness and value of the fees charged when it comes time to ask for a fee award.

The law has changed quite a bit since John Fogerty challenged the Ninth Circuit's way of awarding legal fees to copyright defendants. A defendant need not prevail on every single contention as long as he is ultimately successful. Almost every defendant hits a few speed bumps along the road to success. But, still, attorneys' fees are within the court's discretion. There is no compulsory award to a prevailing defendant as successful defenses do not always further the purposes of the Copyright Act, such as when the defense fails to reach the merits and instead prevails on a technical basis or when an award of fees may serve to financially crush a plaintiff causing an inequitable result. But at least evenhandedness will require that courts start their deliberations over fee awards with plaintiff and defendant at an equal level. Joe Jackson would have liked it that way.

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