

# *CLIENT ACTION LETTER*

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**TOPIC:** Copyright Protection and Registration

**SUMMARY:** Most businesses and non-profit organizations produce original works that qualify for protection under U.S. copyright laws, including books, articles, magazines, journals, standards, software, educational materials, etc. Works may be published and distributed in a variety of forms including print, CDs, videotapes, audiotapes, and electronically over the web. The U.S. Copyright Office provides a system of formal copyright registration that offers additional protections for the owners of copyrighted works. The purpose of this letter is to provide some general guidance on the benefits afforded under copyright law for works that are formally registered with the U.S. Copyright Office compared with works that are not formally registered.

## **DISCUSSION:**

### **SUMMARY OF COPYRIGHT PROTECTION**

U.S. law extends copyright protection to “original works of authorship fixed in any tangible medium of expression, now known or later developed from which they can be perceived, reproduced, or otherwise communicated, either directly or with the aid of a machine or device.” Copyrightable works include computer programs, data bases, software and documentation that are fixed in any tangible medium of expression including paper, CDs, DVDs, or code downloaded onto servers or stored on computer disks or hard drives.

A copyright gives the owner the exclusive right to copy, reproduce, distribute, publish, perform, or display the work and the right to make derivative works based on the original copyrighted work. A “derivative work” of the original work is one based upon or incorporating the original work and the derivative works right under copyright law extends to all media so that adaptations, translations, updating and sequels are all included within the derivative copyright.

Copyright protection exists automatically as soon as an original work is fixed in a tangible medium of expression. No formal registration is required. Ownership of the copyright initially vests in the author of the work. A “work made for hire” is prepared by an employee within the scope of employment or by an independent contractor pursuant to a written agreement that the work is being prepared as a work for hire. The employer or the commissioner of the work made for hire is deemed to be the owner of the work.

Copyright law used to be laden with formalities but those requirements were eliminated when the United States government agreed to adhere to the Berne Convention, a leading international copyright treaty. As a result, it is no longer necessary for a copyright notice ©owner/date to be placed on a work first published

after March 1, 1989 (earlier published works should retain the copyright notice).<sup>1</sup> We recommend, however, that copyright notices be included on all client works whenever published because the notice may deter copying and eliminate certain defenses in an infringement action that would reduce available damages.

Copyright protection exists for certain periods depending upon the status of the author of the copyrighted work. Individual or joint authors are protected for the author's life plus 70 years. Works for hire are protected for 95 years from the date of publication or 120 years from the date of creation, whichever expires first.

### **FEDERAL REGISTRATION**

Copyright registration is voluntary and may be effected any time the work is still protected by copyright. Registration is available for published and unpublished works. Although copyright protection is not dependent on formal registration, registration with the U.S. Copyright Office provides several advantages to the copyright owner including:

- It establishes a public record of the copyright claim and allows the world to know how to reach the owner, for example, to obtain the right to use or license the work.
- Before an infringement suit may be filed in court, registration is necessary for works of U.S. origin. If registration is made within 3 months after publication or prior to an infringement of the work, the copyright owner may claim statutory damages and attorney's fees from the infringer (the amount of statutory damages and the award of attorney's fees are still subject to the court's discretion). Otherwise, only an award of actual damages and profits is available to the copyright owner. The significance of statutory damages is that in many instances proving actual damages can be difficult and/or the profits of the infringer may be small.
- If registration is made within 5 years of publication, registration will establish prima facie evidence in court of the validity of the copyright and of the facts stated in the certificate. This is particularly helpful if the copyright owner sues for a preliminary injunction to stop an infringement.
- It allows the owner of the copyright to record the registration with the U.S. Customs Service for protection against the importation of infringing copies.

In addition, having federal registration in place prior to an infringement may provide the copyright owner with leverage against the infringer. An infringer served with a "cease and desist" letter from a registered copyright owner will know that (i) an infringement action may be brought immediately, (ii) the validity of the copyright will be presumed, and (iii) statutory damages and attorneys fees may be claimed by the copyright owner.

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<sup>1</sup> Publication includes distributing copies to the public by sale or other transfer of ownership, rental, loan, or license.

Many organizations produce an extensive amount of copyrighted material, so how do you decide what material to formally register? We recommend that organizations file for copyright registration of their most valuable works---their “crown jewels”-- and register such works upon creation or within three months of publication, whenever possible. We would define a “crown jewel” as a copyrighted work that meets one or more of the following criteria:

1. **Featured works.** These include products that are a central part of a program or activity or are highlighted to prospective users/subscribers in catalogs, presentations or on the web.
2. **Works in development for which significant sums are being spent.** These include works for hire and should be registered when done.
3. **Works that produce or are expected to produce significant revenue.** These include products that may not produce much revenue at first, but which the organization anticipates will be revenue producers down the road.
4. **The organization would seriously consider filing legal action to stop a third party infringement of the work.** This is the quintessential test since the organization may want to stop an infringement of a work even if does not have any revenue producing potential.

#### THE REGISTRATION PROCESS

A copyrightable work may be registered with the U.S. Copyright Office by submitting a completed application form, a nonrefundable filing fee and a nonreturnable deposit of the work being registered. The basic filing fee for copyright registration of a work is currently \$45 and on-line registration is available in some cases. Copyright registration is effective on the date the Copyright Office receives all of the required materials, although it takes approximately 4-6 months to complete the processing of an application and issue a certificate of registration.

When registration is sought for computer programs, source code must be submitted as part of the deposit. The Copyright Office has special deposit rules to help safeguard trade secrets contained in the software. These rules pertain to how much code must be submitted and how much may be blocked out.

#### **RECOMMEND ACTION**

We recommend that you review your copyrighted materials to determine if there are any works that should be formally registered with the Copyright Office.

Please let us know if you have any questions.

**NOTICE:** The HOWE, ANDERSON & STEYER, P.C. CLIENT ACTION LETTER contains general information and is not meant to serve as legal advice or opinion. State laws may vary. If you require further information or legal services, please contact us at (202) 296-5680 or rsteyer@haspc.com.