

Denver Law Review

Volume 52
Issue 1 *Tenth Circuit Surveys*

Article 19

March 2021

Patents, Trademarks, Copyrights, and Unfair Competition

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Recommended Citation

Donald M. Duft & Robert C. Dorr, Patents, Trademarks, Copyrights, and Unfair Competition, 52 Denv. L.J. 309 (1975).

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PATENTS, TRADEMARKS, COPYRIGHTS, AND UNFAIR COMPETITION

BY DONALD M. DUFT* AND ROBERT C. DORR**

The Tenth Circuit considered five cases on appeal involving patents, copyrights, and unfair competition this past term. There were no cases involving trademarks. The most important case, *Edward B. Marks Music Corp. v. Colorado Magnetics, Inc.*¹ which involved record and tape piracy, has contributed to a widening split among the circuits with the Tenth Circuit joining the Ninth Circuit in ruling against the tape pirate. Although the Supreme Court has not ruled on a petition for certiorari by the "tape pirate," the Court has invited the Solicitor General to file a brief expressing the views of the United States.² The *Marks* case will be analyzed in the ensuing case comment.

In *Moore v. Shultz*,³ Judge Seth writing for the majority stated that the presumption of validity for a patent can be overcome only upon a showing of clear and convincing evidence by the alleged infringer. The *Moore* case provides a good vehicle for a partial summary of the Tenth Circuit's position on patent validity and infringement. The patent at issue involved a pants topping machine which was composed of elements old in the art, but combined so as to produce new and improved results. Judge Seth stated that *McCullough Tool Co. v. Well Surveys, Inc.*,⁴ set forth the Tenth Circuit rule for patentability:

The test of whether a particular patent is a mere aggregation and invalid or a combination and valid has been variously stated. Generally, where elements old in the art are united in such a way that a new and useful result is secured or an old result is attained in a more facile, economical and efficient manner, there is a patentable combination.⁵

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¹ 497 F.2d 285, rehearing en banc, 497 F.2d 292 (10th Cir. 1974).

² BNA PAT., T.M., & COPYRIGHT J., No. 199, A-17 (Oct. 17, 1974) [hereinafter cited as BNA].

³ 491 F.2d 294 (10th Cir. 1974).

⁴ 343 F.2d 381 (10th Cir. 1965).

⁵ *Id.* at 393 (citations omitted).

Here, Shultz had failed to prove the Moore patent invalid and he was, therefore, found guilty of infringement.

The Tenth Circuit in *Moore* adhered to its previous view that all three elements of patentability—novelty, utility, and nonobviousness—present *issues of fact*. The court held to this view even though it recognized that the Fifth and Ninth Circuits have held nonobviousness to be an *issue of law*.

The court after upholding the jury finding of nonobviousness and, thus, the validity of the patent, then pursued Moore's claim of Shultz's infringement by equivalency. It reiterated the Tenth Circuit test and found that Moore proved his infringement claim:

The question of equivalency is one of fact and it must be determined against the context of the patent, the prior art and the particular circumstances of the case and consideration must be given to the purpose for which an ingredient is used in a patent, the qualities it has when combined with the other ingredients and the function it is intended to perform.⁶

Shultz, the alleged infringer, petitioned the Supreme Court for certiorari asserting that the question of obviousness was not within the province of a jury and that the Fifth and Ninth Circuits supported the correct view. The Court denied certiorari,⁷ but Mr. Justice Douglas filed a dissent agreeing with the petitioner:

The decision [by the Tenth Circuit] . . . represents an abdication which is likely to produce haphazard application of the statutory and constitutional standard. Happily, two other circuits have not adopted this approach.⁸

Douglas reasoned that the constitutionally granted and protected 17-year patent monopoly "is one that demands reasoned elaboration and, therefore, treatment as a question of law" and that such responsibility is vested in the courts, not for the "unarticulated resolution by the jury."⁹

Without explanation or discussion of *Moore*, the Tenth Circuit recently in *Price v. Lake Sales Supply R.M., Inc.*¹⁰ apparently reversed its stance on nonobviousness:

⁶ 491 F.2d at 300, quoting *McCullough Tool Co. v. Wells Surveys, Inc.*, 343 F.2d 381, 401 (10th Cir. 1965).

⁷ BNA, No. 200, A-13 (Oct. 24, 1974).

⁸ *Id.* at A-14, citing *Swofford v. B & W, Inc.*, 395 F.2d 362 (5th Cir. 1968); *Hensley Equipment Co. v. Esco Corp.*, 375 F.2d 432 (9th Cir. 1967).

⁹ BNA, No. 200, A-14 (Oct. 24, 1974).

¹⁰ 183 U.S.P.Q. 519 (10th Cir. 1974).

Ascertainment of the scope of the prior art and determination of the difference between the prior art and the claims in suit together with the level of skill in the art are all questions of fact. Whether in light of these factual matters the patent is obvious then becomes a question of law.¹¹

The proper resolution of *Price* in view of *Moore* has not been undertaken in this issue due to the timeliness of *Price*. Hopefully, next year's survey will consider this interesting contradiction.

In *Iron Ore Co. of Canada v. Dow Chemical Co.*,¹² the plaintiff sued the defendant for infringement of the plaintiff's patent for "detonable explosive in slurry form." The defendant raised the defense that the plaintiff's patent was invalid since the invention was disclosed in defendant's prior patent. The trial court found the patent invalid and the plaintiff appealed to the Tenth Circuit arguing that the claims should be interpreted in light of the terms found in the specification. The specification used the terminology "completely water soaked" whereas the claims made no mention of such limitation. The plaintiff maintained that its patent would be valid if the claims were read to include this limitation. The Tenth Circuit in affirming the ruling of the trial court reasoned that since the term "completely water soaked" did not appear in the claims, then the trial court's finding was not clearly erroneous.

In *Maloney-Crawford Tank Corp. v. Rocky Mountain Natural Gas Co.*,¹³ Judge Hill considered whether a 7-year interval between the first knowledge of infringement and the commencement of the suit supported a defense based on laches. In resolving the issue, he set forth (1) the Third Circuit's view "that mere delay or passage of time alone does not suffice to constitute laches in a patent infringement action,"¹⁴ and (2) the elements required in the Tenth Circuit to sustain a defense of laches:

[T]wo elements must be established: inexcusable delay in instituting suit, and prejudice to the defendant resulting from such delay. . . . And whether or not a delay is inexcusable must be determined by the particular facts of each case.¹⁵

Hill found no "clearly erroneous" error in the trial court's finding

¹¹ *Id.* at 521.

¹² 500 F.2d 189 (10th Cir. 1974).

¹³ 494 F.2d 401 (10th Cir. 1974).

¹⁴ *Id.* at 403, citing *Jenn-Air Corp. v. Penn Ventilator Co.*, 464 F.2d 48 (3d Cir. 1972).

¹⁵ 494 F.2d at 403 (citations omitted).

of infringement after having found the delay to be excusable and of no prejudice to the defendant.

In *Kodekey Electronics, Inc. v. Mechanex Corp.*,¹⁶ the Tenth Circuit considered an alleged theft by Mechanex of a trade secret concerning electronic speedometers manufactured by Kodekey. Mechanex acquired the exclusive rights to market Kodekey's speedometers. In exchange, Mechanex agreed to "keep confidential all proprietary information regarding Electronic Speedometers . . . and not to use this information in any way detrimental to the interests of [Kodekey]."¹⁷

Mechanex subsequently began to manufacture a speedometer similar to Kodekey's. Kodekey thereupon brought suit, the district court found a clear breach of contract, and enjoined the production of the Mechanex speedometer.

Mechanex appealed arguing that for a trade secret to be protected there must be a showing of uniqueness and value. The Tenth Circuit following the Restatement of Torts held that "[n]ovelty and invention are not requisite for a trade secret."¹⁸

Judge Barnes writing for the unanimous three-judge panel defined a trade secret to be

[a]ny formula, patent, device, plan, or *compilation of information which may be used in one's business and which gives a person an opportunity over his competitor.*¹⁹

He then relied on *Callman*:²⁰

An employee's express agreement "not to disclose any of the processes and methods" of his employer is a positive acknowledgment of the fact that some of such processes and methods are secret; the stipulation would otherwise be meaningless. . . .²¹

to conclude:

Such an interpretation applies with stronger reason to an agreement between a secret-holder and a non-employee than between owner and employee.²²

The Tenth Circuit, therefore, upheld the district court's finding of a trade secret theft.

¹⁶ 486 F.2d 449 (10th Cir. 1973).

¹⁷ *Id.* at 451.

¹⁸ RESTATEMENT OF TORTS § 757 (1939).

¹⁹ 486 F.2d at 455, *citing* *International Indus., Inc. v. Warren Petroleum Corp.*, 99 F. Supp. 907, 914 (D. Del. 1951).

²⁰ CALLMAN, *UNFAIR COMPETITION TRADE & MONOPOLIES* (1968).

²¹ 486 F.2d at 455, *quoting* CALLMAN, *supra* note 20, § 53.3 at 390 (footnote omitted).

²² 486 F.2d at 455.

COPYRIGHT LAW—TAPE PIRACY—COMPULSORY
LICENSING PROVISION OF THE COPYRIGHT ACT*Edward B. Marks Music Corp. v. Colorado Magnetics, Inc.*

497 F.2d 285 (10th Cir. 1974)

INTRODUCTION

In *Edward B. Marks Music Corp. v. Colorado Magnetics, Inc.*,²³ the Tenth Circuit joined the Ninth Circuit²⁴ in construing the compulsory licensing provision, section 1(e),²⁵ of the Copyright Act in favor of the copyright holder and against the "tape pirate." The *Marks* decision furthers a split among the circuits since a decision by the New Jersey District Court²⁶ reached the opposite opinion.

Marks, a musical composition copyright owner, brought a copyright infringement action against Colorado Magnetics, the alleged "tape pirate," in the District Court for the Western District of Oklahoma, seeking damages and injunctive relief for electronic tape duplication by Magnetics of hit records authorized by Marks and containing its musical compositions. The district court concluded that such duplication was not barred by section 1(e) and in its decision adopted verbatim the findings and conclusions submitted by Magnetics.²⁷ Marks appealed and a three-judge panel of the Tenth Circuit reversed the district court decision by a 2-1 vote.²⁸ On rehearing en banc, the majority opinion of Judge McWilliams was sustained by a vote of 5-2 with Chief Judge Lewis and Judge Holloway dissenting.²⁹ Judge Murrah, a member of the original three-judge panel, recused.

Magnetics then petitioned for certiorari to the Supreme Court.³⁰ The Supreme Court, not yet acting on the petition, has invited the Solicitor General to file a brief expressing the views of the United States.³¹

²³ 497 F.2d 285, *aff'd on rehearing*, 497 F.2d 292 (10th Cir. 1974).

²⁴ *Duchess Music Corp. v. Stern*, 458 F.2d 1305 (9th Cir.), *cert. denied*, 409 U.S. 847 (1972).

²⁵ Copyright Act, 17 U.S.C. § 1(e) (1909) [hereinafter cited as section 1(e)].

²⁶ *Jondora Music Publishing Co. v. Melody Recordings, Inc.*, 351 F. Supp. 572 (D.N.J. 1972).

²⁷ *Edward B. Marks Music Corp. v. Colorado Magnetics, Inc.*, 357 F. Supp. 280 (W.D. Okla. 1973).

²⁸ 497 F.2d 285 (10th Cir. 1974).

²⁹ *Id.* at 292.

³⁰ *Petition for cert. filed*, 43 U.S.L.W. 3097 (U.S. Aug. 8, 1974)(No. 73-2006).

³¹ BNA, No. 199, A-17 (Oct. 17, 1974).

A brief discussion of the history and evolution of section 1(e) is set forth in the following section in order to provide a foundation for subsequent detailed analysis and critique of *Marks*. The line of precedence supporting the *Marks* holding will then be discussed followed by a consideration of the precedence opposing the *Marks* view. Finally, other remedies for obtaining relief against tape piracy will be briefly presented.

I. HISTORY OF SECTION 1(e)

Prior to the Copyright Act of 1909,³² the Supreme Court held in *White-Smith Music Co. v. Apollo Co.*,³³ that mechanical reproductions of copyrighted musical compositions, such as perforated piano rolls and records, were not infringing copies and, therefore, that the copyright owner did not have a copyright infringement remedy against these "piano roll pirates."

Pressure from the music industry for greater protection after *Apollo* prompted Congress to include section 1(e)³⁴ in their new Copyright Act. Section 1(e) extended the scope of the composer's copyright protection by giving him the right to control (*i.e.*, to permit or to not permit) the first mechanical reproduction of his work. This right was one of "control" only and did not give the composer a copyrightable interest in the recording.³⁵ At the same time, Congress had no desire to create a recording monopoly for the composer copyright owner and it, therefore, expressly worded section 1(e) to require that after the first authorized mechanical reproduction is produced, subsequent recordings can be made by anyone upon tender of a 2-cent royalty per recording with proper notice to the copyright holder.

³² 17 U.S.C. §§ 1-215 (1970) [hereinafter cited as the Copyright Act of 1909].

³³ 209 U.S. 1 (1908).

³⁴ It was this situation that your committee had in view when they sought to formulate a law which would give to the composer the exclusive right to prohibit the reproduction of his music by mechanical means on the part of anybody if he desired, to secure to him adequate compensation from all reproducers if he did not desire to exercise this exclusive right to prohibit and to prevent the establishment of a great trade monopoly. We fully believe that all this will be secured under the provisions of subsection (e).

HOUSE COMM. ON PATENTS, COMM. REP. ON BILL (H.R. 28192) ENACTING COPYRIGHT ACT OF 1909, No. 2222, 60th Cong., 2d Sess. 9 (1909), reproduced in, HOWELL, THE COPYRIGHT LAW 230 (4th ed. 1962). (emphasis added)[hereinafter cited as HOUSE REPORT].

³⁵ It is not the intention of the committee to extend the right of copyright to the mechanical reproductions themselves, but only to give the composer or copyright proprietor the control, in accordance with the provisions of the bill, of the manufacture and use of such devices.

HOUSE REPORT, at 9.

Section 1(e) was a significant departure from all prior statutory copyright protection concepts.³⁶ Most other countries at that time allowed anyone to reproduce freely compositions mechanically with no compensation to the composer.³⁷ The intent of Congress in breaking with tradition was that "justice and fair dealing . . . [requires that the] composer should have some compensation"³⁸ Congress, however, was also concerned that a

[d]anger lies in the possibility that some one company might secure, by purchase or otherwise, a large number of copyrights of the most popular music, and by controlling these copyrights monopolize the business of manufacturing and selling music-producing machines, *otherwise free to the world*.³⁹

Congress believed that the compulsory licensing provision was the solution to (1) providing adequate compensation to the composer while (2) keeping music available to all:

The only way to effect both purposes . . . was, after giving the composer the exclusive right to prohibit the use of his music by the mechanical reproducers, to provide that if he used or permitted the use of his music for such purpose then, upon the payment of a reasonable royalty, *all who desire might reproduce the music*.⁴⁰

Section 1(e) of the Copyright Act reads in pertinent part:

*Provided . . . as a condition of extending the copyright control to such mechanical reproductions, that whenever the owner of a musical copyright has used or permitted or knowingly acquiesced in the use of the copyrighted work upon the parts of instruments serving to reproduce mechanically the musical work, any other person may make similar use of the copyrighted work upon the payment to the copyright proprietor of a royalty of 2 cents on each such part manufactured, to be paid by the manufacturer thereof*⁴¹

Before proceeding further, the reader is invited to conjecture as to the meaning of the word "similar" with regard to defining the rights, if any, of the "pirate" under section 1(e). Does the term (1) prohibit piracy, (2) permit piracy or (3) neither? Does

³⁶ No legislative body in the world has as yet taken such advanced ground in . . . securing the rights of composers in the matter of the reproduction by mechanical means of their music as is contemplated by this bill.

Id. at 5.

³⁷ In 1895, Austria clearly favored the mechanical reproduction of copyrighted compositions: "The manufacture and public use of instruments for mechanical reproduction of music records *shall be no infringement* of the copyrighted music." *Id.* (emphasis added).

³⁸ *Id.* at 6.

³⁹ *Id.* at 7 (emphasis added).

⁴⁰ *Id.* at 6 (emphasis added).

⁴¹ Copyright Act, 17 U.S.C. § 1(e) (1909).

“similar” refer to the act of recording? Or does it characterize the style or the content of the “similar” recording?

A few years after the passage of the Copyright Act of 1909, a federal district court in *Aeolian Co. v. Royal Music Roll Co.*,⁴² held that section 1(e) does not permit a pirate to duplicate the piano rolls of the first authorized mechanical reproducer. After *Aeolian* and until the era of *Jondora Music Publishing Co. v. Melody Recordings, Inc.*,⁴³ (in favor of the pirate), *Duchess Music Corp. v. Stern*⁴⁴ and *Fame Publishing Co. v. S & S Distributors, Inc.*⁴⁵ and *Marks* (the latter three against the pirate), the issue of record piracy and its relationship to section 1(e) has not been extensively litigated.

In 1971, Congress became increasingly aware of the growth and extent of tape piracy⁴⁶ and enacted the federal record piracy act⁴⁷ which became effective on February 15, 1972, for a trial period of 5 years. The act is prospective only and is not retroactive. For the first time, it permits a statutory copyrightable interest in a recording. Before passage of this act, no statutory copyright could be obtained on a recording based on the Supreme Court decision in *Apollo*. The federal record piracy act permits a record manufacturer to obtain copyright protection by placing a symbol on each recording. The act, however, pertains only to protection for the record manufacturer and does not give the composition copyright owner a copyright interest in the recording.

II. CRITIQUE AND ANALYSIS OF THE CASES DEALING WITH RECORD OR TAPE PIRACY

This section briefly analyzes and comments upon the more significant cases in which the issue of record or tape piracy and section 1(e) has been considered. The cases that have held in favor of a copyright owner and against the “pirate” are first discussed. The authors use the term “pirate” throughout this comment not to connote possible wrongdoing, but rather as a term of convenience indicating one who duplicates a recording of another.

⁴² 196 F. 926 (W.D.N.Y. 1912).

⁴³ 351 F. Supp. 572 (D.N.J. 1972).

⁴⁴ 458 F.2d 1305 (9th Cir. 1972).

⁴⁵ 363 F. Supp. 984 (N.D. Ala. 1973).

⁴⁶ The volume of business conducted each year by “pirates” exceeds \$100 million. *International Tape Mfg'r's Ass'n v. Gerstein*, 344 F. Supp. 38, 48 n.36 (1972).

⁴⁷ Act of Oct. 15, 1971, Pub. L. No. 92-140, 85 Stat. 391, amending 17 U.S.C. §§ 1, 2, 5, 19, 20, 26, 101 (1970) [hereinafter cited as the federal record piracy act].

A. *Aeolian*, *Duchess*, *Fame*, and *Marks Sequence*

In *Aeolian* the pirate duplicated perforated music rolls embodying copyrighted music that the plaintiff had recorded with permission of the copyright owner.⁴⁸ The district court's decision in favor of both the plaintiff and, in dicta, the copyright holder is unenlightening since it merely sets forth a conclusion that is devoid of detailed legal reasoning and citation of authority:

The provision of the statute [section 1(e)] that "any other person may make similar use of the copyrighted work" becomes automatically operative by the grant of the license; but the subsequent user does not thereby secure the right to copy the perforated rolls or records. He cannot avail himself of the skill and labor of the original manufacturer of the perforated roll or record by copying or duplicating the same, but must resort to the copyrighted composition or sheet music, and not pirate the work of a competitor who has made an original perforated roll.⁴⁹

The court is literally correct in stating above that a subsequent user under section 1(e) "does not thereby secure the right to copy." The court, however, neglected to add that section 1(e) does not mention copying, either implicitly or explicitly, and, it therefore obviously neither gives nor denies anybody the right to copy anything. Section 1(e) merely permits a subsequent user to make "a similar use" of the copyrighted work. Thus, the conclusion of *Aeolian* that he must "not pirate the work of a competitor" would appear to be judicial pronouncement rather than a well-reasoned decision.

In *Duchess*, the pirate duplicated recordings issued by the plaintiff who was also the copyright owner of the recorded compositions. The Ninth Circuit held against the pirate:

The statute provides that anyone who properly invokes the license provision "may make *similar use* of the copyrighted work." Rosner admits that she duplicates appellants' copyrighted compositions. She does not make "similar use" of them, she makes exact and identical copies of them. This is clearly outside the scope of the compulsory license scheme.

• • • •

Given our view that exact duplication is not "similar use," we need not decide when a prospective licensee must invoke the compulsory license scheme and file his notice of intention to use.⁵⁰

⁴⁸ *Aeolian Co. v. Royal Music Roll Co.*, 196 F. 926 (W.D.N.Y. 1912).

⁴⁹ *Id.* at 927.

⁵⁰ 458 F.2d at 1310.

The essence of the above reasoning in *Duchess* is:

- (1) that section 1(e) permits only a similar use;
- (2) that copying or duplicating is an identical and not a similar use; and
- (3) that copying is, therefore, outside the scope of section 1(e).

The validity of this syllogistic reasoning rests entirely on the court's premise that the term "identical" is not encompassed by the scope of the term "similar." It is submitted that the court's definition of terms may be seriously questioned on a number of grounds.

First, from a common sense reading of section 1(e), it could be argued that "similar" merely refers to the act of recording. Consequently, after a copyright owner permits a first recording to be made, subsequent recordings can be made by anyone who gives the required notice and pays the required 2-cent royalty. The legislative history of the act and the intent of Congress would appear to support this interpretation.⁵¹ Congress was primarily concerned about preventing record manufacturers/composition copyright owners from becoming giant "music trusts."⁵² The term "similar" presumably had no special meaning attached to it by Congress, other than that the subsequent recordings need not be identical to the first, but may deviate to some extent to take advantage of the compulsory licensing provision and to prevent the formation of "music trusts."

Secondly, an argument can be made that the *Duchess* definition of "similar" conflicts with historical precedence. Shafter⁵³ analyzed the term "similar" and found it to permit some latitude or deviation beyond being identical for subsequent reproducers. He implied that "similar" not only includes "identical" reproductions, but also those reproductions deviating from an "identical" reproduction. Shafter's reasoning rested upon an analysis of English and Canadian copyright law wherein the record that is first recorded *must be identically* reproduced by subsequent recordings without any variations unless permitted by the copyright owner.⁵⁴ The American copyright law by using the word

⁵¹ See text accompanying note 34 *supra*.

⁵² HOUSE REPORT at 8.

⁵³ A. SHAFER, MUSICAL COPYRIGHT 330-35 (2d ed. 1939).

⁵⁴ *Id.* at 333.

“similar” was a liberalization of the English and Canadian views. According to Shafter, in the 1910’s and 1920’s, American musical copyright owners attempted to narrow the deviation given to subsequent recorders by arguing for a definition of “similar” that in essence was indistinguishable from “identical.” Now, with availability of sophisticated electronic duplicating equipment, copyright owners apparently have changed their position to the opposite view by arguing, as was held in *Duchess*, that “similar” does not mean “identical.”⁵⁵

A third argument that can be made against the *Duchess* definition of “similar” is based on a dictionary definition of the term. In one authority a number of cases are cited supporting the proposition that “similar” means “exactly like; identical; exactly corresponding.”⁵⁶ Another authority supports the proposition that the general class of “similar” objects includes the subclass of “identical” objects.⁵⁷

If any or all of the above arguments are correct, then the *Duchess* view of “similar” is in error and the making of subsequent “identical” recordings is one of the similar uses included within the scope of the term “similar” as used in section 1(e). This, of course, does not mean that section 1(e) authorizes piracy. It only means that a pirate must pay 2-cents per record.

If these arguments concerning the use of the term “similar” are wrong and the definition in *Duchess* is correct, then a plethora of definitional issues could be raised in the future regarding the meaning of the term:

(1) *Similarity of the rendition vehicle.*⁵⁸

If the first recording was instrumental, must the second recording be instrumental or can it be both instrumental and vocal? Can it be vocal alone?

(2) *Similarity of rendition style.*⁵⁹

If the first recording was rock and roll, must the second re-

⁵⁵ *Id.*

⁵⁶ BLACK’S LAW DICTIONARY 1554 (4th ed. 1957) defines it as “[a]lso, sometimes, exactly alike; identical; exactly corresponding (at least in all essential particulars).”

The word similar is often used to denote a partial resemblance only. But it is also often used to denote sameness in all essential particulars.

Commonwealth v. Fountain, 127 Mass. 452, 454 (1879).

⁵⁷ WEBSTERS SEVENTH NEW COLLEGIATE DICTIONARY 810 (1970).

⁵⁸ See, e.g., *Standard Music Roll Co. v. F.A. Mills, Inc.*, 241 F. 360 (3d Cir. 1917).

⁵⁹ See, e.g., *Stratchborneo v. Arc Music Corp.*, 357 F. Supp. 1393 (S.D.N.Y. 1973).

ording be rock and roll, or can it be a waltz?

(3) *Similarity of the recording medium.*⁶⁰

If the first recording was a record, can the second recording be a tape?

(4) *Similarity of the record speed.*⁶¹

If the first recording was at 33 RPM, must all subsequent recordings be at the same speed?

(5) *Similarity of the recording material.*

If the first record was made of shellac, can the second recording be of acetate composition?

In summary, the validity of the *Duchess* court's reasoning rests entirely upon the logic of its definition of the term "similar." If "similar" does encompass "identical," as urged by the authors, the court is wrong. The preceding discussion has argued that the *Duchess* definition of "similar" is contrary to its plain meaning, to historical precedence, and to present-day legal and grammatical definitions of the term.

In *Fame Publishing Co. v. S & S Distributors, Inc.*,⁶² the pirate duplicated authorized recordings and attempted to comply with the notice and royalties provisions of section 1(e) by tendering a check for the statutory amount to the plaintiff/composition copyright owner. The plaintiff returned the proffered royalty and sued for infringement, and requested a preliminary injunction. The court held for the plaintiff by following the *Duchess* view that "similar" does not include "identical."

Especially interesting is the court's statement that:

A compulsory licensee acquires no right to duplicate or reproduce the recordings of another. Anyone who seeks to rely on the compulsory license premium *must* hire some musicians, take them into a studio and make his own recording.⁶³

Unfortunately, *Fame* did not cite any authority for this startling pronouncement which, in itself, would appear to raise a number of interesting questions. For example, why *must* only "musicians" be hired—what about a recording of a solo vocalist without

⁶⁰ See, e.g., *Standard Music Roll Co. v. F.A. Mills, Inc.*, 241 F. 360 (3d Cir. 1917).

⁶¹ See 1 M. NIMMER, NIMMER ON COPYRIGHT § 108.4611 (1974) [hereinafter cited as NIMMER].

⁶² 363 F. Supp. 984 (N.D. Ala. 1973).

⁶³ *Id.* at 988 (emphasis added)(citation omitted).

musicians? Why *must* the musicians be “hired”—what about amateur musicians donating their services free of charge? Why *must* the hired musicians be brought “into a studio”—what about recording a marching band in a street parade?

Although these comments might appear to be unduly critical, they do illustrate the potential danger of loose language in court decisions. Such loose language can have its genesis in a first decision, be quoted and followed by successive decisions, and ultimately become the “law of the land” even though the original language is devoid of legal support or reasoning. Such a legal evolution occurred with *Aeolian*, which was a judicial proclamation regarding the meaning of the word “similar.” This decision was based upon no cited legal authority, was adopted in full by *Duchess*, and later adopted from *Duchess* by *Fame*. In addition, *Aeolian* pertained only to a cause of action brought by a licensee/record manufacturer. *Duchess* and *Fame* concerned the rights of the copyright holder upon whose rights *Aeolian* expounded in *obiter dicta*.

In justifying its decision *Fame* concluded:

It is not lightly to be inferred that *Congress*, in carving out the compulsory licensing exception to the otherwise exclusive rights of the copyright proprietor, *intended thereby to sanction the type of activity in which defendants engage*. The compulsory licensing system was designed to encourage various recordings of musical composition. To permit duplication of existing recordings under compulsory licensing would have the opposite effect. Rather than encourage a multiplicity of recordings it would obviously discourage the production of new recordings.⁶⁴

The court might be correct regarding what Congress intended had it given any consideration to the piracy problem. Unfortunately, if this was the intent of Congress, it was never expressed either in proscriptive legislation or guiding legislative history. Consequently, the wording of section 1(e) in no way supports this statement by the *Fame* court.

Marks is the most recent case following *Aeolian*, *Duchess*, and *Fame*. *Marks* as copyright owner had authorized several recording companies to make recordings. Colorado Magnetics, with no authorization from *Marks*, but fulfilling the notice and 2-cent royalty tender requirements of section 1(e), purchased the au-

⁶⁴ *Id.* (emphasis added).

thorized hit records on the open market, duplicated them with recording equipment, and then sold the duplicated recordings at a substantially lower price. Marks then brought a copyright infringement action against Colorado Magnetics seeking damages and injunctive relief.

The majority in *Marks* embraced the *Duchess* reasoning:

In *Duchess*, the majority held that the phrase "similar use" within the meaning of the Act of 1909 does not include the "right to copy" the recordings of others. We agree and are generally persuaded that the majority opinion in *Duchess* sets forth the proper interpretation of the statute.⁶⁵

The validity of the argument that a "similar use" is not an "identical use" has already been discussed in connection with *Duchess*.

Marks contains a number of additional observations and conclusions of questionable validity. Consider the assertion that a subsequent recorder may not use a third party's record but must begin with the raw material (*i.e.*, the copyrighted composition) in a manner "similar" to that employed by the first recording:

This means, to us, that one who complies with royalty payment called for by the statute, though not having any authorization from the copyright owner, may nonetheless then "use," not a third party's record, but the copyrighted composition, which has been characterized as the "raw material," in a manner "similar" to that employed by the recording company which did have authorization from the copyright owner. . . .⁶⁶

While this may be what section 1(e) means to the court, it is not expressly so stated in section 1(e) and the court did not cite any authority indicating how it arrived at this conclusion.

In another portion of the opinion, the court noted that section 1(e) does not affirmatively authorize duplication:

There is, of course, nothing in the statute which affirmatively authorizes Magnetics to duplicate and copy the recording of one licensed by the copyright owner to reproduce his composition. . . .⁶⁷

While this is literally correct, it is equally correct to state that the statute does not affirmatively prohibit duplication. A more accurate statement would be that the statute is totally silent on the subject and neither authorizes nor prohibits duplication.

⁶⁵ 497 F.2d at 289.

⁶⁶ *Id.* at 288.

⁶⁷ *Id.*

The *Marks* court apparently modified the holding of *Fame* which advanced the incredible proposition that in order to be a "similar use," a subsequent user *must* "hire musicians." The Tenth Circuit changed the mandatory "must" to the permissive "may" and stated:

However, under the statute Magnetics *may* "use" the copyright composition in a manner "similar" to that made by the licensed recording company. All of which means, to us, that Magnetics *may* make its own arrangements, hire its own musicians and artists, and then record. It does not mean that Magnetics may use the composer's copyrighted work by duplicating and copying the record of a licensed recording company. Such, in our view, is not a *similar* use.⁶⁸

The court's comment is somewhat irrelevant since the issue before it was, in essence, *must* "musicians be hired" (not *may*) in order to constitute a "similar use" under section 1(e).

And finally, *Marks* found the compulsory licensing provision of section 1(e) to be an exception to or a limitation of the general policy in the Copyright Act of extending the protection to the owner of the copyrighted composition. Apparently worried about the prevalence of tape piracy, *Marks* holds:

It is the general rule that a proviso should be strictly construed to the end that an exception does not devour the general policy which a law may embody.⁶⁹

Using such strict construction, the court thereupon construed the words "similar use" in the compulsory licensing provision as not "authorizing" Magnetics to copy or duplicate the recordings originally authorized by *Marks*.

In summary, *Marks* sets forth no new reasoning or citation of authority in ruling for the copyright owner and against the pirate. The decision appears to be a mixture of earlier cases holding the same way. In particular, it adopts the views of *Duchess* that "similar" does not encompass "identical" as well as the *Fame* theory that "one must (may) go out and hire musicians."

B. Jondora

The remaining portion of this section discusses a decision which held that section 1(e) does not prohibit tape or record

⁶⁸ *Id.* (emphasis added).

⁶⁹ *Id.*, citing *Shilkret v. Musicraft Records, Inc.*, 131 F.2d 929 (2d Cir. 1942). Professor Nimmer objects to this construction, saying "[t]his position appears to be tenuous in terms of statutory language and contrary to the expressed legislative intent." NIMMER at § 108.4621 n.320.

piracy. The District Court of New Jersey in *Jondora Music Publishing Co. v. Melody Recordings, Inc.*,⁷⁰ which was decided after *Duchess* but before *Marks*, severely criticized *Aeolian* and *Duchess*.⁷¹

The plaintiff/copyright owners in *Jondora* sued the defendant/pirates for copyright infringement, and the pirates moved to dissolve the preliminary injunction. The district court granted the pirates' motion, and in essence, held that piracy is not prohibited by section 1(e).

Jondora defined the legal issue as follows:

[D]id Congress by the Copyright Act of 1909 grant to musical composition copyright holders the power to prevent third persons from copying a particular performance of that composition, where (a) with the copyright holder's permission, the performance has already been fixed on a physical object capable of reproducing it, and (b) the third person has complied with the compulsory license provisions of the Act by filing and serving notices of intention and paying royalties to the copyright holders?⁷²

In resolving this issue, the court concluded:

It is my view that the *Duchess* opinion . . . erroneously interprets the "compulsory license" provision of the Copyright Act. Simply stated, that court believed that because a musical composition is copyrighted, the unauthorized reproduction of the performance embodied in the sound recording of that composition is, and ought to be, prohibited by federal copyright laws. But that clearly was not the law when *Duchess* was decided. Neither performance nor recording was copyrightable. It might have been unethical, or, in some states, because there was a felt necessity for statutory intervention, a crime to "steal" a recording of a performance and thereafter sell it as your own. But clearly the licensee-manufacturer had no claim under the Copyright Act.⁷³

Jondora supported its disagreement with *Duchess* by the following quote from Nimmer:

Assuming such a record pirate duly serves a notice of intent to use, and pays the compulsory license royalties, the somewhat astounding result is that as to those sound recordings fixed prior to February 15, 1972, he is not an infringer under the Copyright Act. The only portion of that which he has recorded which is protectible under the Copyright Act, with respect to sound recordings fixed prior to February 15, 1972, is the musical composition itself, and that he is author-

⁷⁰ 351 F. Supp. 572 (D.N.J. 1972).

⁷¹ *Id.* at 578.

⁷² *Id.* at 577.

⁷³ *Id.* at 580 (citations omitted).

ized to use for recording purposes upon payment of the statutory royalties. All of the other elements contained in the original record which he has without authority duplicated are not copyrightable, and hence his use of such other elements does not give rise to an action for copyright infringement.⁷⁴

The court then discussed at length the new federal record piracy act and supported its decision in favor of the pirate by observing that Congress obviously did not intend section 1(e) to prohibit tape piracy:

I also find persuasive defendant's argument that if Congress had intended to make duplicators liable after October 15, 1971, for infringement of musical composition copyrights, regardless of whether the duplicator complied with the compulsory license provision, Congress could have simply amended § 1(e) by excluding from the benefits thereof those making an "exact" or "identical" copy of a pre-existing recording. Thus, if Congress had desired to make all duplicators immediately liable for infringement of musical composition copyrights, it easily could have done so by restricting the compulsory license privilege in some fashion. Instead, Congress created a new copyright in the sound recordings of performances of copyrighted musical works, effective, however, only with respect to performances on recordings that were "fixed, published and copyrighted" four months after the effective date of the 1971 Amendment.⁷⁵

The *Jondora* court supports its findings with reasonable precision by analyzing legislative intent and judicial precedents, and by strictly interpreting section 1(e). Even though the decision is rather lengthy, the specific holding of *Jondora* is that section 1(e) of the Copyright Act of 1909 does not prohibit tape piracy and that it, therefore, does not provide the composition copyright owner the right to sue a tape pirate for copyright infringement.

The authors respectfully submit, in agreement with the dissent in *Marks*,⁷⁶ that *Jondora* correctly construed section 1(e) with regard to a reasonable meaning of the words used in the statute as well as to the possible legislative intent of Congress in enacting section 1(e). While the authors abhor such sharp business practices as record and tape piracy, they believe that the problem should not be solved by court decisions which read into

⁷⁴ 351 F. Supp. at 580, quoting NIMMER § 108.4621 at 432-33.

⁷⁵ 351 F. Supp. at 584.

⁷⁶ Chief Judge Lewis stated in his dissent:

I am in complete accord with the views of Judge Lacey set forth in [Jondora] . . . I would affirm on this aspect of the case only.

497 F.2d at 291-92.

the statute that which is not there or which distort the plain meaning of the words used in the statute.

III. STATE ANTI-PIRACY REMEDIES

The purpose of this section is not to review the prolific litigation and commentary on the right of a state to protect record manufacturers (as opposed to copyright holders) against piracy.⁷⁷ A brief review of unfair competition and state anti-piracy statutes, however, in relation to section 1(e) will present the remedies available to the record manufacturer and not available to the copyright holder.

A. *Unfair Competition*

At least seven states⁷⁸ enjoin record piracy by relying on the theory of misappropriation as set forth in *International News Service v. Associated Press*⁷⁹ ("INS"). The Wisconsin Supreme Court⁸⁰ in adopting the rule of *INS* stated the elements of misappropriation to be

[t]he defendant's use of the plaintiff's product, into which the plaintiff has put time, skill, and money; and the defendant's use of the plaintiff's product or a copy of it in competition with the plaintiff and gaining an advantage in that competition because the plaintiff, and not the defendant, has expended the energy to produce it. *The wrong is not in the copying, but in the appropriation of the plaintiff's time, effort and money.*⁸¹

Tape pirates defend against an *INS* cause of action with *Sears, Roebuck & Co. v. Stiffel Co.*,⁸² and *Compco Corp. v. Day-*

⁷⁷ See, e.g., Goldstein, *Federal System Ordering of the Copyright Interest*, 69 COLUM. L. REV. 49 (1969); Yankwich, *Unfair Competition as an Aid to Equity in Patent, Copyright & Trade-Mark Cases*, 32 NOTRE DAME LAWYER 438 (1957); Note, *Copyrights: States Allowed to Protect Works Not Copyrightable Under Federal Law*, 58 MINN. L. REV. 316 (1973); Note, *Goldstein v. California: A New Outlook For the Misappropriation Doctrine*, 8 U. SAN FRAN. L. REV. 199 (1973); Comment, *Performers' Rights & Copyright: The Protection of Sound Recordings From Modern Pirates*, 59 CALIF. L. REV. 548 (1971).

⁷⁸ See *Capitol Records, Inc. v. Erickson*, 2 Cal. App. 3d 526, 82 Cal. Rptr. 798 (1969); *Capitol Records, Inc. v. Spies*, 130 Ill. App. 2d 429, 264 N.E.2d 874 (1970); *NBC v. Nance*, 506 S.W.2d 483 (Mo. Ct. App. 1974); *Liberty/UA, Inc. v. Eastern Tape Corp.*, 11 N.C. App. 20, 180 S.E.2d 414, cert. denied, 278 N.C. 702, 181 S.E. 2d 600 (1971); *Capitol Records, Inc. v. Greatest Records, Inc.*, 43 Misc. 2d 878, 252 N.Y. Supp. 2d 553 (Sup. Ct. 1964); *CBS v. Custom Recording Co.*, 258 S.C. 465, 189 S.E.2d 305, cert. denied, 409 U.S. 1007 (1972); *Mercury Record Prods., Inc. v. Economic Consultants, Inc.*, 64 Wis. 2d 163, 218 N.W.2d 705 (1974).

⁷⁹ 248 U.S. 215 (1918).

⁸⁰ *Mercury Record Prods., Inc. v. Economic Consultants, Inc.*, 64 Wis. 2d 163, 218 N.W.2d 705 (1974).

⁸¹ *Id.* at 710 (emphasis added).

⁸² 376 U.S. 225 (1964).

Brite Lighting, Inc.,⁸³ by maintaining that the Supreme Court in *Sears* and *Compco* overruled or severely restricted *INS*.

Sears and *Compco* held that unpatented mechanical devices such as lamp fixtures and lamps may be sold freely even though their designs are copied and that state unfair competition laws have no effect on the sales. The Court concluded in *Sears* that the purpose of the federal patent system was to promote invention and to preserve free competition by securing a monopoly for a *limited* time, and, therefore, under the supremacy clause, state unfair competition laws could not be permitted to give *perpetual* monopoly protection.⁸⁴

Tape pirates defend their actions by relying upon dicta in *Sears* and *Compco* as it pertains to copyrights. They maintain that to permit the record manufacturer to use the *INS* misappropriation doctrine is to give him a perpetual monopoly that is in direct contradiction to the Constitution's mandate "to fix for limited times." The issue became more complex with the Supreme Court's decision in *Goldstein v. California*.⁸⁵

In *Goldstein* the Supreme Court held that the Constitution neither explicitly precludes states from granting copyrights, nor grants exclusive authority in this field to the federal government. *Goldstein* upheld a California tape piracy penal statute on the basis that, until Congress acts, the states are free to provide protection without worry of federal preemption.⁸⁶

After *Goldstein*, tape pirates defend against an unfair competition claim by arguing that *Goldstein* in light of *Sears* and *Compco* should be narrowly interpreted to include *only* statutory enactments and not common-law adjudications.⁸⁷ The resolution of this issue is not of concern for the present analysis of section 1(e) and the *Marks* case.

B. State Statutory Enactments

Even though section 1(e) was not the central issue litigated, the case of *International Tape Manufacturers Association v. Gerstein*⁸⁸ is of interest with respect to the present discussion.

⁸³ 376 U.S. 234 (1964).

⁸⁴ 376 U.S. at 230-31.

⁸⁵ 412 U.S. 546 (1973).

⁸⁶ *Id.* at 560.

⁸⁷ *Mercury Record Prods., Inc. v. Economic Consultants, Inc.*, 64 Wis. 2d 163, 218 N.W.2d 705 (1974).

⁸⁸ 344 F. Supp. 38 (S.D. Fla. 1972).

Gerstein was a class action suit by tape pirates against the Attorney General of Florida. The pirates sought relief from future prosecutions under a Florida anti-tape piracy statute by maintaining that the statute was unconstitutional.⁸⁹ Their claim was based on the immunity found in the federal copyright laws. The court in *Gerstein* agreed with the pirates and found the Florida statute unconstitutional.

Gerstein observed that, in its opinion, the validity of *INS* was severely eroded by *Sears* and *Compco*. The court relied on an oft-quoted portion of *Compco*:⁹⁰

[W]hen an article is unprotected by a patent or a copyright, state law may not forbid others to copy that article. To forbid copying would interfere with the federal policy, found in Art. 1, § 8, cl. 8, of the Constitution and in the implementing federal statutes, of allowing free access to copy whatever the federal patent and copyright laws leave in the public domain.⁹¹

The *Gerstein* finding of the Florida anti-tape piracy statute to be unconstitutional was essentially overruled when the Supreme Court in *Goldstein* upheld the constitutionality of a similar California statute.

The Supreme Court in *Goldstein* granted certiorari to review Goldstein's conviction under a California statute making it a criminal offense to pirate recordings of others. The California statute protected owners of a master recording from piracy for an unlimited duration. The Court eliminating any doubt that this created a perpetual monopoly stated:

No limitation is placed on the use of the music, lyrics, or arrangement employed in making the master recording. Petitioners are not precluded from hiring their own musicians and artists and recording an exact imitation of the performance embodied on the master recording. Petitioners are even free to hire the same artists who made the initial recording in order to duplicate the performance. In essence, the statute thus provides copyright protection solely for the specific expressions which compose the master record or tape.⁹²

The Court discussed, in depth, the history, origin, and constitutional objectives of the copyright clause and concluded that both a national and a state copyright system can coexist without conflict.

⁸⁹ FLA. STAT. ANN. § 543.041 (1972).

⁹⁰ *Id.* at 49.

⁹¹ 376 U.S. 234, 237 (1964).

⁹² 412 U.S. at 550.

Although the Copyright Clause thus recognizes the potential benefits of a national system, it does not indicate that all writings are of national interest or that state legislation is, in all cases, unnecessary or precluded. The patents granted by the States in the 18th century show, to the contrary, a willingness on the part of the States to promote those portions of science and the arts which were of local importance. Whatever the diversity of people's backgrounds, origins and interests and whatever the variety of business and industry in the 13 Colonies, the range of diversity is obviously far greater today in a country of 210 million people in 50 States. In view of that enormous diversity, it is unlikely that all citizens in all parts of the country place the same importance on works relating to all subjects. Since the subject matter to which the Copyright Clause is addressed may thus be of purely local importance and not worthy of national attention or protection, we cannot discern such an unyielding national interest as to require an inference that state power to grant copyrights has been relinquished to *exclusive* federal control.⁹³

As we have seen, the language of the Constitution neither explicitly precludes the States from granting copyrights nor grants such authority exclusively to the Federal Government. The subject matter to which the Copyright Clause is addressed may at times be of purely local concern. No conflict will necessarily arise from a lack of uniform state regulation, nor will the interest of one State be significantly prejudiced by the actions of another. No reason exists why Congress must take affirmative action either to authorize protection of all categories of writings or to free them from all restraint. We therefore conclude that, under the Constitution, the States have not relinquished all power to grant to authors "the exclusive Right to their respective Writings."⁹⁴

In relation to section 1(e), *Goldstein* stated:

Petitioners do not argue that § 653h [the California statute at issue] conflicts with [section 1(e)]. . . .

Assuming, *arguendo*, that petitioners' use of the composition they duplicated constitutes a "similar use," . . . We do not see in these statutes the direct conflict necessary to render a state statute invalid.⁹⁵

While the above statement is *obiter dicta*, it is interesting that the Supreme Court upon a reading of section 1(e) implied that pirate duplication is a permissible "similar use" under section 1(e), and that the state anti-piracy statutes do not conflict with section 1(e). The first implication is opposite to the interpre-

⁹³ *Id.* at 556-57 (footnotes omitted).

⁹⁴ *Id.* at 560.

⁹⁵ *Id.* at 566, n.23.

tation of "similar use" by the Tenth Circuit in *Marks*. In regards to the second implication, *Aeolian*, as it pertains to the record manufacturer, is overruled. In *Aeolian*, the manufacturer of records was found to have a "copyright" interest in his recording which would support a claim of infringement against the pirate. If this were viable law, then the California statute in *Goldstein* would, of necessity, be unconstitutional and pre-empted under the supremacy clause. The Court in *Goldstein* found no such "direct conflict" thus overruling *Aeolian* by an assumption *arguendo*.

In summary, *Goldstein* opened the door for states to provide statutory protection against the tape pirate who duplicates another's recording.

However, in view of the federal record piracy act, there appears to be a diminishing need for state statutory action in this field since all records recorded after February 15, 1972, are protected by the federal act.⁹⁶

CONCLUSION

The status of the law regarding tape piracy depends on a number of factors including the time the copies of the recording were originally recorded, the place the act of piracy occurred, and the person claiming a cause of action against the pirate.

With regards to a record manufacturer, the federal record piracy act protects records that are first fixed, published and copyrighted on and after February 15, 1972. Therefore, the status of the law of piracy with respect to such recordings is well settled. The pirating of such records is prohibited and the manufacturer has a cause of action against the pirate.

Also, the law is well settled for recordings first fixed prior to the federal record piracy act in those states having a record or tape piracy act. In such states civil or criminal remedies may be available for the record manufacturer against the pirate. In those states not having anti-piracy statutes, unfair competition remedies may be provided the record manufacturer under the *INS* misappropriation doctrine. Some states, however, have adopted neither the *INS* doctrine nor appropriate statutory remedies. Therefore, in some states a pirate may legally duplicate the recordings of a record manufacturer prior to February 15, 1972, on

⁹⁶ Act of Oct. 15, 1971, Pub. L. No. 92-140, 85 Stat. 391, amending 17 U.S.C. §§ 1, 2, 5, 19, 20, 26, 101 (1970).

those recordings which do not have the required copyright notice.

With regards to the composition copyright owner who is also the record manufacturer, it is clear that he has recourse to all of the above listed remedies due to his role as record manufacturer. The remedies of one who is only a composition copyright owner under section 1(e) are unsettled.

The circuits are split as to whether section 1(e) provides the owner of the composition copyright a right to sue for copyright infringement or take any other legal action against a pirate. *Jondora* held that the copyright owner does not have any such right; the *Marks*, *Duchess*, *Fame*, and *Aeolian* courts support the contrary view. The reasoning of *Jondora* was based on legislative and judicial precedents as well as the observation that section 1(e) does not expressly prohibit piracy.

Duchess followed *Aeolian* and held that the term "similar" does not include "identical" recordings. Therefore, since pirated recordings are "identical," they are not a similar use permitted by section 1(e). *Fame* and *Marks* agreed with the *Duchess* definition of "similar." The Supreme Court should accept the petition for certiorari and settle the above conflict as to the construction of section 1(e).

POSTSCRIPT

Subsequent to the writing of the above comment, the United States Court of Appeals for the Third Circuit reversed the district court's decision in *Jondora* and held against the tape pirate.⁹⁶ The Third Circuit majority in *Jondora* adhered to the *Marks* and *Duchess* definition of "similar use" and strongly emphasized that

duplicators or pirates do not "use" the composer's work at all. It is a recording which is used. Rather than permit the use of a recording of the composition, the statute only authorizes the use of the copyrighted work, that is the written score.⁹⁷

Judge Gibbons, however, strongly dissented:

It is apparent that both the Ninth and Tenth Circuits have attempted to provide a remedy which was not envisaged by the 1909 Act. . . . The Third Circuit should not follow like children of Homelin their erroneous piping.⁹⁸

The Solicitor General filed the amicus brief requested by the Supreme Court in the *Marks* case and recommended denial of

⁹⁶ 506 F.2d 392 (3d Cir. 1974).

⁹⁷ *Id.* at 395.

⁹⁸ *Id.* at 396, 401 (Gibbons, J., dissenting).

certiorari.⁹⁹ In recommending denial of certiorari the Solicitor General agreed with the *Duchess*, *Marks*, and *Jondora* reasoning of "similar use" and further stated:

There is no conflict among the circuits, and, although "piracy" is an important law enforcement problem, the importance of the issues will steadily diminish. The construction of Section 1(e) is now important only with respect to recordings issued before February 15, 1972. The music on these discs and tapes will gradually become less popular, and therefore less attractive to "pirates."¹⁰⁰

Although the Supreme Court did not grant certiorari,¹⁰¹ the authors believe that their arguments concerning the judicial pronouncements of *Aeolian*, *Duchess*, *Marks*, and, now, *Jondora*, as well as the congressional intent in passing section 1(e), are still valid.

⁹⁹ BNA, A-21, No. 210 (Jan. 9, 1975).

¹⁰⁰ *Id.* at A-22.

¹⁰¹ *Id.*