Constitutional Concerns with NO FAKES and Similar Acts

The recently introduced NO FAKES Act would create an intellectual property right in an individual's voice or visual likeness. Under the Act, the individual would have a property right to authorize the creation and distribution of digital replicas of the individual's voice of visual likeness. Congress does not have the authority to enact this legislation either under the Intellectual Property Clause or the Commerce Clause. Unfortunately, the Copyright Office completely ignored this issue in its recent study on digital replicas.

The ability of Congress to enact a new IP right in uncopyrightable subject matter was a central issue in the debate over the adoption of database protection between 1996 and 2004. In the wake of the Supreme Court's rejection of "sweat of the brow" protection for compilations in *Feist v. Rural Telephone*, 499 U.S. 340 (1991), and the EU's adoption of a database directive that created sui generis protection for non-original databases, large database publishers sought enactment in Congress of legislation creating *sui generis* protection for databases.[1] Scholars, the Clinton Administration, and members of Congress questioned the constitutionality of prohibiting the copying of unoriginal material. These questions would apply with equal force to a right in an individual's voice or visual likeness. Circuit court opinions issued in the meantime do not change the analysis.

The Limits on Congressional Authority Recognized in the Database Debate.

In *Feist v. Rural Telephone*, 499 U.S. 340, 353 (1991), the unanimous Court held that "no one may copyright facts or ideas." The Court rejected the "sweat of the brow" doctrine, under which the copyright in a database extended to the facts it contained. The Court stated that the sweat of the brow doctrine "flouted basic copyright principles," *id.* at 354, and concluded that "only the compiler's selection and arrangement may be protected; the raw facts may be copied at will." *Id.* at 350. Significantly, the *Feist* Court based its ruling not on the Copyright Act, but on the Intellectual Property Clause of the U.S. Constitution. Article I, Section 8, cl. 8 authorizes Congress "To promote the Progress of Science and useful Arts, by securing for limited Times to Authors … the exclusive Right to their Respective Writings…" From this clause, the Court inferred that "[o]riginality is a constitutional requirement" for copyright protection, *Feist,* 499 U.S. at 346, and held that facts by definition are not original. They are discovered rather than created. *Id.* at 347. As the Court explained, "This result is neither unfair nor unfortunate. It is the means by which copyright advances the progress of science and art." *Feist,* 499 U.S. at 349-50.

Proponents of database legislation conceded that unoriginal material could not be protected under the Intellectual Property Clause per *Feist*. Nonetheless, they argued that Congress could still protect unoriginal material under the Commerce Clause. However, numerous legal scholars disagreed. *See, e.g*., Yochai Benkler, *Constitutional Bounds of Database Protection: The Role of Judicial Review in the Creation and Definition of Private Rights in Information*, 15 Berkeley Tech. L. J. 535 (2000); William Patry, *The Enumerated Powers Doctrine and Intellectual*

[1] *See* Jonathan Band and Makato Kono, *The Database Protection Debate in the 106th Congress*, 62 Ohio State L.J. 869 (2001); and Jonathan Band, *The Database Debate in the 108th Congress: The Saga Continues*, 27 European Intellectual Property Review 205 (2005), for a more detailed history of the database debate.

Property, 67 Geo. Wash. L. Rev. 360 (1999); Malla Pollock, *The Right to Know?: Delimiting Database Protection at the Juncture of the Commerce Clause, the Intellectual Property Clause, and the First Amendment*, 17 Cardozo Arts & Ent. L. J. 47 (1999); and Paul J. Heald & Suzanna Sherry, *Implied Limits on Legislative Power: The Intellectual Property Clause as an Absolute Restraint on Congress*, 2000 Ill. L. Rev. 1119 (2000). Each of these law review articles made the same basic point: Congress could not rely on its power under the Commerce Clause to pass an intellectual property law that violated a restriction on its power under the Intellectual Property Clause. The law review articles found that the Supreme Court had rejected this approach in *Railway Labor Executives' Ass'n. v. Gibbons*, 455 U.S. 457 (1982). Congress had enacted a statute purportedly pursuant to the Commerce Clause that provided protection to employees of a railroad in bankruptcy. The Court held that the statute was in fact a bankruptcy law, and was inconsistent with the uniformity requirement of the Bankruptcy Clause. *Id.* at 471. The Court further held that Congress could not avoid the particular requirements of one enumerated power by relying on another power; Congress could not pass a bankruptcy law that violated the uniformity requirement of the Bankruptcy Clause by relying on the generality of the Commerce Clause. *Id.* at 468-469.

Accordingly, under *Gibbons*, Congress could not invoke the commerce power to do what the Intellectual Property Clause barred it from doing: granting "exclusive Right[s]" in uncopyrightable subject matter. Congress could not avoid the originality requirement of the Intellectual Property Clause by relying on the general powers of the Commerce Clause. Stated differently, the Intellectual Property Clause constitutes not only a grant of power to Congress but also a limitation on Congress. *See Bonito Boats v. Thundercraft Boats*, 489 U.S. 141, 146 (1989) ("[a]s we have noted in the past, the [Intellectual Property] Clause contains both a grant of power and certain limitations upon the exercise of that power"); *Graham v. John Deere Co.,* 383 U.S. 1, 5-6 (1966) ("[t]he clause is both a grant of power and a limitation. . . . Congress may not authorize the issuance of patents whose effects are to remove existent knowledge from the public domain, or to restrict free access to materials already available."). The Intellectual Property Clause precluded Congress from providing protection against the copying of facts, and Congress could not use the Commerce Clause to avoid the implicit strictures of the Intellectual Property Clause, as interpreted by the Court in *Feist.*

The Office of Legal Counsel of the Justice Department reached the same conclusion in 1998 when examining database legislation:

> If the Intellectual Property Clause precluded Congress from providing protection against the copying of nonoriginal portions of factual compilations, even pursuant to a power other than conferred by that Clause, then Congress would not be able to use the Commerce Clause to avoid the implicit strictures of the Intellectual Property Clause that the Court in *Feist* could be said to have recognized, just as Congress may not use the Commerce Clause to avoid the Bankruptcy Clause's express requirement that bankruptcy laws be uniform....

Memorandum from William Michael Treanor, Deputy Assistant Attorney General, United States Department of Justice, to William P. Marshall, Associate White House Counsel (July 28, 1998). Congresswoman Zoe Lofgren made a similar argument when the House Judiciary Committee considered the legislation. *See* H.R. Rep. No. 105-525, at

28-31 (1998) (statement of dissenting views of Rep. Zoe Lofgren, Member, House Comm. on the Judiciary).

The reasoning of *Gibbons* applies with equal force to the NO FAKES Act. An individual's voice and visual likeness are unoriginal facts that cannot receive copyright protection—nor any protection under the Intellectual Property Clause. Congress cannot rely on its commerce power to create a property right in unoriginal material that cannot be protected under the Intellectual Property Clause.

Dastar Demonstrates That Congress Cannot Overturn _Feist_ Using the Commerce Power.

The Supreme Court's decision in *Dastar v. Twentieth Century Fox*, 123 S.Ct. 2041 (2003), reinforces the forgoing analysis concerning the limits on Congress's power. In *Dastar*, a unanimous Supreme Court ruled that Section 43(a) of the Lanham Act did not create a cause of action for plagiarism—the use of otherwise unprotected works and inventions (which enter the public domain and become free for all to use at the expiration of their copyright or patent term) without attribution. Justice Scalia, writing for the Court, asserted that "[t]o hold otherwise would be akin to finding that § 43(a) created a species of perpetual patent and copyright, which Congress may not do." *Id*. at 2049.

In support of the proposition that Congress cannot create a species of perpetual copyright protection, the Court cited its decision in *Eldred v. Ashcroft*, 537 U.S. 186, 208 (2003). In *Eldred*, the Court held that the Constitution's Intellectual Property Clause (which empowers Congress to grant exclusive rights only "for limited times") prevented Congress from adopting perpetual patent or copyright protection. The *Dastar* Court, therefore, held that § 43(a) cannot be interpreted to create a cause of action for plagiarism because to do so would in effect create a perpetual patent or copyright, which *Eldred* found is prohibited by the Constitution's Intellectual Property Clause.

Significantly, Congress adopted § 43(a) of the Lanham Act pursuant to its power under the Commerce Clause. Thus, the *Dastar* Court ruled that Congress could not rely on its power under the Commerce Clause to enact legislation that in effect creates a perpetual patent or copyright, because to do so would be prohibited by the Intellectual Property Clause.

This analysis can be extended to *Feist* and the NO FAKES Act. As noted above, in *Feist*, the Supreme Court held that the Intellectual Property Clause prohibited Congress from extending copyright protection to unoriginal material. Applying the reasoning of *Dastar* to *Feist*, Congress cannot rely on its power under the Commerce Clause to enact legislation that in effect prevents the replication of unoriginal material, because such an enactment is prohibited by the Intellectual Property Clause. Accordingly, Congress does not have the power to confer property rights in an individual's voice or visual likeness.

The Trademark and Anti-Bootlegging Statute Are Distinguishable from the NO FAKES Act

Congress has enacted statutes with facial similarities to IP laws under its commerce power, but these are distinguishable from the NO FAKES Act. After Congress passed the first federal

trademark law in 1870, the Supreme Court ruled that the statute was an unconstitutional exercise of the Intellectual Property Clause. The Court reasoned that the Intellectual Property Clause applied to writings and discoveries, but that trademarks were neither. Accordingly, Congress could not regulate trademarks pursuant to the Intellectual Property Clause. Congress subsequently enacted the Lanham Act under its commerce power.

However, the Supreme Court has made clear that trademark protection is qualitatively different from the protections afforded under the Intellectual Property Clause: its objective is the protection of consumers, not producers. *See Bonito Boats*, 489 U.S. at 157.[2] In contrast, the NO FAKES Act creates a right for the benefit of "the individual whose voice or visual likeness is at issue with respect to a digital replica and any other person that has acquired, through a license, inheritance, or otherwise, the right to authorize the use of such voice or visual likeness in a digital replica." § 2(a)(5). This licensable and inheritable right is described as "a property right." § 2(b)(2)(A)(i)(I). Liability attaches to the unauthorized production, publication, reproduction, display, distribution, or transmission of the digital replica, regardless of the likelihood of confusion by the public. Thus, the NO FAKES Act is structured as an exclusive right like copyright or patent rather than a consumer protection measure like trademark.

The NO FAKES Act also is distinguishable from the anti-bootlegging statute, 18 U.S.C. § 2319A. This provision criminalizes the trafficking in unauthorized recordings of live musical performances. It is thus a form of protection for the performances themselves (as distinct from any particular sound recording of the performances), which could not receive copyright protection under the IP clause because they are not "writings," i.e., fixed copies of an expressive work. Courts have found that Congress had the authority to enact this provision under its commerce power because it "does not create and bestow property rights upon authors or inventors, or allocate those rights to claimants to them." *U.S. v. Martignon*, 492 F.3d 140, 151 (2d Cir. 2007). Rather, it is a criminal statute that "creates a power in the government to protect the interest of performers from commercial predations." *Id*. The 11th Circuit upheld the anti-bootlegging statute on similar grounds, resolving the apparent "tension" with *Gibbons* by finding that 18 U.S.C. §2319A was "in no way inconsistent with the Copyright Clause" and "in harmony with the existing scheme that Congress has set up under the Copyright Clause." *U.S. v. Moghadam*, 175 F. 3d 1269, 1280 (11th Cir. 1999). The NO FAKES Act, conversely, explicitly creates and bestows a property right upon individuals, setting up a new IP regime that exists in tension with the existing copyright scheme by granting exclusive rights in factual material that would otherwise be part of the public domain. Congress does not have the power to do so under the Commerce Clause.

Congress Has the Power to Enact Narrower Legislation Regarding Digital Replicas

Although Congress does not have the power under the Intellectual Property or Commerce Clauses to create a property right in the digital replication of an individual's voice or visual

[2] Similarly, the purpose of trade secret protection, as provided by the Economic Espionage Act, is fundamentally different from that of the Intellectual Property Clause: to secure a "most fundamental right, that of privacy, [which] is threatened when industrial espionage is condoned or made profitable." *Kewanee Oil v. Bicron*, 416 U.S. 470 (1974).

likeness, it does have the power to enact narrower legislation prohibiting the creation and distribution of digital replicas that cause identified harm to the individual or the public at large. Accordingly, Congress could enact legislation prohibiting the use of digital replicas to humiliate an individual with non-consensual intimate imagery or to mislead the public concerning who is performing a particular song. What it cannot do is grant individuals a broad property right to authorize the use of their voice or visual likeness in a digital replica.

There likely are two reasons the bill's sponsors structured the NO FAKES Act as a property right. First, presumably they wanted the new right to fall within the federal intellectual property exception to the Section 230 safe harbor. But creating a property right is not necessary to achieve this objective. A more targeted bill could simply provide that online service providers could be liable under the legislation, notwithstanding Section 230.

Second, the bill's sponsors presumably wanted to establish a framework for the licensing of a right to create digital replicas. Such a market already exists, so there is no need to establish a framework for it. To the extent the sponsors wanted to ensure the ability of licensees to enforce rights, a narrower bill could just grant licensees the power to enforce the rights under the statute. Thus, a bill prohibiting the unauthorized use of a digital replica of an individual's voice or visual likeness to deceive the public could provide that authorized users had the right to enforce the prohibition.

To avoid constitutional challenge, the bill's sponsors should abandon the property right structure and instead focus on the specific harms they seek to address.