



American Intellectual Property Law Association

April 26, 2021

The Honorable Shira Perlmutter
Register of Copyrights and Director, U.S. Copyright Office
U.S. Copyright Office
101 Independence Avenue, SE
Washington, DC 20559-6000

**Re: Comments Submitted Pursuant to Notification of Inquiry Regarding
Copyright Alternative in Small-Claims Enforcement (“CASE”) Act
Regulations, 86. Fed Reg. 16156 (March 26, 2021)**

Dear Register Perlmutter:

The American Intellectual Property Law Association (AIPLA) is pleased to offer comments in response to the above-referenced U.S. Copyright Office Notification of Inquiry on issues related to CASE Act regulations.

Founded in 1897, AIPLA is a national bar association of approximately 8,500 members who are engaged in private or corporate practice, in government service, and in the academic community. AIPLA members represent a wide and diverse spectrum of individuals, companies, and institutions involved directly or indirectly in the practice of patent (utility and design), trademark, copyright, trade secret, and unfair competition law, as well as other fields of law affecting intellectual property. Our members represent both owners and users of intellectual property. Our mission includes helping to establish and maintain fair and effective laws and policies that stimulate and reward invention but that also balance the public’s interest in healthy competition, reasonable costs, and basic fairness. Our members have a key interest in an efficient and effective Copyright Office.

AIPLA offers the following responses and comments to certain of the questions and issues presented in the notice. As a general matter, AIPLA believes that it is important to keep the procedures as simple and accessible as possible given the nature of the claims the Copyright Claims Board (“CCB”) will hear and Congress’ intent that this be a new, simple, and low-cost process to resolve small copyright claims. We strongly believe that a user-friendly website with information on substantive copyright law and CCB procedure support fair proceedings for all parties (whether or not they are represented by counsel) and minimize the administrative burden on the Office.

For the same reason, as many states small claims courts do, we encourage the CCB to prepare and make available standardized forms and instructions to guide parties through the various steps of the CCB proceeding. It would be easier for a *pro se* party to complete a form with clearly written directions, for example, than to read procedural rules and create an original document from scratch. And, because *pro se* pleadings may be difficult to decipher, standardized forms will also help the CCB understand and manage claims efficiently.

A. Initiating CCB Proceedings, Notice, and Service of Notice and Claim

1. Content of Initial Notice

AIPLA believes that the Initial Notice must catch the attention of the recipients and impress upon them the potential consequences of failing to respond, and be easily understood. Rather than including substantive information about copyright law or the process within the Notice, AIPLA supports providing website links where such vital educational materials can be found. This helps balance the need to inform sufficiently against the need to not overwhelm the recipient and risk obscuring critical information regarding the opt-out procedure. We agree with the Office's inclination to require a Docket Number in this Notice; this will make it easier for a recipient to verify that the Notice is legitimate. We encourage the Office to consider providing links to versions of the Initial Notice in other languages. We also encourage the Office to provide the Notice in both paper and electronic form. Our proposed Initial Notice follows:

Docket Number: _____

Attention!

A [claim](#) has been filed against you before the Copyright Claims Board. A copy of the claim is enclosed. If you do not respond, up to \$30,000 may be awarded against you.

Para leer este aviso en español, visite: [\[LINK\]](#)

What is the Copyright Claims Board?

The Copyright Claims Board (“CCB”) is an administrative body (similar to a small claims court) run by the United States Copyright Office. It can decide certain types of copyright disputes.

To learn more about the copyright and the CCB, visit: [\[LINK\]](#)

What Do I Need to Do?

You have **60 days** from receipt (or waiver of service) of this Notice to decide whether you would like the CCB to hear this case or whether you would prefer to opt out of the CCB proceeding.

If you opt out of the CCB proceeding:

- The CCB will not hear this dispute and will not assess any damages against you.
- The claimant may still choose to bring a lawsuit against you in a federal court. In federal court, a claimant can seek *more than* \$30,000 in damages.

If you do not opt out, the CCB may hear this dispute. If it does:

- You will have an opportunity to have this claim decided in a lower cost and simpler procedure than those available in federal court for claims of this type.

- You will have an opportunity to respond to the allegations and present evidence to the CCB.
- You will have an opportunity to assert claims and defenses against the party who filed this claim.
- You will lose the opportunity to later dispute or litigate this claim in a federal court.
- You will lose the right to have a jury hear this claim.
- The CCB may award up to \$30,000 in damages if it finds you at fault.

To learn more about the differences between the CCB and federal court, visit: [\[LINK\]](#)

How Do I Opt Out?

You have 60 days from receipt (or waiver of service) of this Notice to opt out of this CCB proceeding. This deadline cannot be extended other than for exceptional circumstances. If you wish to opt out, there are 2 ways to do so:

- 1) Visit this link and follow the instructions: [\[LINK\]](#); **OR**
- 2) If you do not have internet access, you may complete and return the attached form. The form must be mailed before the expiration of the 60 days from when you received it.

You will need the Docket Number to complete the opt-out form. This can be found at the top of this notice. If there is no Docket Number, please call [\[PHONE NUMBER\]](#) for assistance.

2. CCB Respondent Notifications (Second Notice)

Though we are mindful of the resources this will require, AIPLA is in favor of the CCB sending a Second Notice. A notice from the government itself is more likely than a notice from a private party to be taken seriously by recipients. We agree that delivery through the U.S. Postal Service is sufficient. If the respondent has already opted out, however, the Second Notice need not be sent. We also encourage the Office to consider whether the Second Notice might include links to additional information tailored to the specific type of claim asserted. Specifically, it might point to information regarding possible defenses and the types of discovery that may be required.

3. Service of Process and Designated Agents

AIPLA is in favor of a Designated Agent directory modeled on the DMCA designated agent directory; we find that this works well in practice.

For documents other than the initial notice and claim, email service should be the default absent extraordinary circumstances or technical issues, or unless the parties agree otherwise.

Foreign claimants should be required to designate a domestic agent for service and provide this information in the claim.

B. Opt-Out Provisions

1. Respondent's Opt Out

Opting out of CCB proceedings should be easy. Online submission of opt-out notices would decrease costs and increase convenience and should be encouraged. Immediate electronic delivery of an opt-out notice would reduce the need for the CCB to send a Second Notice. Those who use the online form to opt out should be able to input their email address and receive a confirmation notice. A paper option should also be available for those respondents without internet access. AIPLA encourages the Office to consider incorporating an opt-out notice in the 1506(g)(6) waiver of personal service and/or the Second Notice by the CCB. A respondent could then opt out by marking, signing, and returning one of those forms. The required content of the notice should be minimal: the name of the respondent; the Docket Number; a clear statement that the respondent is opting out of the proceeding; and a signature. If the respondent is an entity, the form should also include the name of the filer and a statement under penalty of perjury that the filer has the right to act on behalf of the entity.

A publicly available list of entities or individuals who have opted out of prior proceedings and the number of times they have opted out would benefit all parties. It will make claimants better informed when deciding whether to file their claims and incur the initial filing fee; it will lessen the claims received by respondents who routinely opt out; and it will ease the administrative burden on the CCB by decreasing the filings of claims likely to be subject to opt out requests.

We agree with the Notice of Inquiry's suggestions that the Act does not appear to provide the Office with authority to grant blanket opt out status, other than by libraries and archives.

2. Library and Archives Opt Out Status

Libraries and Archives should be required to prove their qualification for section 108 and the blanket opt out, under penalty of perjury. If the CCB determines that a Library or Archive does not qualify, the Library or Archive should be permitted to appeal the decision for a fee (the statute only precludes a fee to apply, not to appeal when the application is denied).

A Library or Archive found by the CCB to qualify for the blanket opt out should be required to inform the Office of any changes that may call this status into question. Libraries and Archives are not required to renew their blanket opt out status. A decision by the Copyright Office that a Library or Archive qualifies for the section 108 exception could influence a court's assessment of section 108. Therefore, AIPLA recommends that anyone, including members of the public not bringing a CCB claim, should be permitted to challenge whether a Library or Archive qualifies. The Office should charge a fee for this kind of challenge, to be paid by the challenger if the CCB finds the Library or Archive still qualifies, and by the Library or Archive if it is found not to comply.

If, after a Library or Archive is placed on the blanket opt-out list, a federal court determines that the entity does not qualify for the section 108 exceptions, the Copyright Office should receive that information (from both the court and the entity) and reconsider blanket opt out status after giving the Library or Archive an opportunity to defend its status.

The CCB should make the list of Libraries and Archives that have opted out publicly available so potential claimants can avoid paying a filing fee for a claim that will be promptly dismissed. This will also decrease the administrative burden on the CCB.

Moreover, AIPLA believes that Libraries' and Archives' blanket opt out status should not extend to Library or Archive employees. Deciding whether to extend a blanket opt out to employees would require the CCB to determine *ex parte* whether employees were operating in the course of their employment. This would undermine the adversarial process and increase the burden on the CCB. Rather, those individuals may simply opt out of a particular proceeding if they so desire.

C. Additional CCB Practice and Procedures

AIPLA commends the Office for looking to the rules of other small claims and alternative dispute resolution procedures for guidance. To be sure, the small claims process is a well-established institution in many jurisdictions around the country, and the Office should avoid reinventing the wheel as much as possible.

Simplicity. One common theme among small claims bodies is that they are designed to provide simple, low-cost procedures that a participant may be able to navigate without the expense of retaining counsel. These procedures are typically designed with *pro se* litigants in mind. Although the CASE Act permits representation by an attorney or a law student, it does not require representation. If the Office adopts procedures for the CCB that are overly complex or inscrutable to one not trained in the law, it would disadvantage unrepresented parties, undermining a fundamental purpose of the CASE Act. For this reason, AIPLA urges the Office to adopt procedures that are as simple to execute, and easy to comprehend, as possible.

1. Discovery

The Act contemplates some degree of discovery in the form of document requests, interrogatories, and requests for admission. AIPLA is mindful that permitting extensive discovery could undermine the value of CCB proceedings. AIPLA is also wary of creating a complex discovery regime, as the proceedings should be easy for users to navigate. To strike an appropriate balance, AIPLA recommends meaningful oversight of the process through standardized, presumptive disclosure obligations, conferences with Copyright Claims Attorneys as appropriate, readily accessible and easy to follow educational materials and forms, limitations on discovery requests, templates, and mandatory disclosures. AIPLA recommends that the CCB require a standardized, initial disclosure of relevant information. Additional information may be requested only through a conference with a CCB Officer or Copyright Claims Attorney. At bottom, discovery should be only that which is reasonable and necessary in view of the issue and scope of the claims and defenses.

Specifically, AIPLA recommends requiring that each party provide certain basic information to the CCB and other parties through a standardized initial disclosure. This would include basic information about the work, its registration, the alleged infringement, any defenses, and potential damages. One or more forms or checklists should be created to help parties identify the information required in this initial disclosure. The parties should also be required to include in this initial disclosure any information in their possession on which they intend to rely to establish claims, defenses, and/or support their positions on damages. The forms and checklists

should be claim-specific such that a party will be required to disclose relevant information and documents depending on the claims or defenses they assert. The parties would then tender these initial disclosures and any accompanying documents.

AIPLA recommends that the initial disclosure include any documents within these specific categories as well as any other documents upon which the party intends to rely. To the extent this information is not in documentary form in which it may be produced, the party can provide a written statement identifying the information.

AIPLA recommends that these initial disclosures be made following an initial status conference with a CCB Officer or Copyright Claims Attorney at which the parties would discuss: (i) the schedule and process for the proceeding; (ii) the possibility of settlement; (iii) the specific discovery that will be provided by each party; (iv) whether either party requests any changes to a standard protective order (discussed below); and (v) whether any changes to the discovery schedule or procedure are necessary. Additional conferences could be scheduled as the need for additional discovery or changes in the process or schedule arise.

In proceedings before the Trademark Trial and Appeal Board, for example, it is optional to have an Interlocutory Attorney participate in the initial discovery conference. In practice, this option has proven to be particularly useful when one or both parties is *pro se*. A Copyright Claims Attorney can keep the discussion on track, answer procedural questions, and issue real-time determinations on discovery issues as they arise, without requiring expensive and time-consuming written submissions.

The CCB should have broad authority to modify the discovery obligations based on the scope and needs of the case. Should any party believe additional discovery is warranted, that party may request a further conference with a Copyright Claims Attorney or CCB Officer and provide a brief explanation of why the information is relevant and how it will help the CCB decide the case. AIPLA would recommend that such requests be granted only when necessary.

At either parties' request or on CCB's initiative, the CCB can set additional conferences to address any remaining discovery disputes, scheduling, or procedural issues. While CCB participation in these conferences will require resources, experience with other small claims and federal district court procedures establish that this type of active, informal management in which issues are identified, discussed, and resolved through informal telephonic or video hearings (instead of through written briefs and formal arguments) will substantially reduce the cost and burden of the proceedings.

Parties seeking substantial additional discovery, including discovery of electronically stored information (ESI), should be encouraged to file suit in federal court or to opt out. While some ESI may be provided at a reasonable level of effort, proportionate with the needs of the case, substantial discovery likely would not be. Forensic collection of documents, use of search terms to collect ESI, production in native form, and/or production of metadata should not be required as a matter of course. It would be overly burdensome for the CCB to oversee complex electronic discovery and manage the disputes that would inevitably arise. Moreover, imposing a complex discovery process on the parties would likely be disproportionate to the available remedies and relief.

In addition to oversight in the form of one or multiple conferences, AIPLA strongly recommends that the CCB offer specific guidance on the form of the standardized discovery (including definitions, instructions, and checklists) for each type of case the CCB hears and to make such materials available on its website. (See, e.g., Maryland’s form interrogatories and definitions for different types of claims: [https://govt.westlaw.com/mdc/Browse/Home/Maryland/MarylandCodeCourtRules?guid=ND-B9F07309CCE11DB9BCF9DAC28345A2A&originationContext=documenttoc&transitionType=Default&contextData=\(sc.Default\)](https://govt.westlaw.com/mdc/Browse/Home/Maryland/MarylandCodeCourtRules?guid=ND-B9F07309CCE11DB9BCF9DAC28345A2A&originationContext=documenttoc&transitionType=Default&contextData=(sc.Default))). The website should also offer easily to follow guidance on the overall process. (See, e.g., <https://www.washingtonlawhelp.org/resource/how-do-i-do-discovery-help-with-interrogatori#l>.)

2. Protective Orders

AIPLA strongly encourages the CCB to adopt a simple, standard, default protective order. As the Act does not appear to contemplate having the order in place automatically (as is the case, for example, in TTAB proceedings), we propose that adoption of the protective order be discussed at the initial conference. If both parties agree to it, or if either party can show good cause why it is necessary, it can be entered or modified at that time. The model protective order should be simple and concise.

3. Respondent’s Default and Claimant’s Failure to Prosecute

In requesting entry of damages upon default, a claimant should specify its election of either statutory or actual damages. In the event a claimant elects actual damages, the claimant should provide probative evidence of the claimed damages. If the claimant elects statutory damages, the claimant should provide evidence of any savings enjoyed by respondent because of the infringement, any losses suffered by claimant because of the infringement, the potential deterrent effect the award may have on respondent and others, and any other factor other than willfulness that the claimant believes might aid the CCB in making its determination.

We recommend that a form be created for this purpose.

4. Smaller Claims

There should be a strong presumption against the need for discovery in “smaller” claims proceedings. The parties may be required to produce information that they intend to rely upon and the CCB should consider carefully whether any additional discovery is proportionate to the needs of the smaller claim.

5. Other Rules of Practice and Procedure; Evidentiary Rules

By way of example, AIPLA encourages the Office to consider adopting simplified equivalents of Federal Rule of Civil Procedure 19 and 20 to accommodate cases involving multiple parties. For example:

The CCB may permit, in its discretion, multiple claimants or multiple respondents if there are common legal or factual issues involving all claimants or respondents.

For example, the CCB may permit a claimant to bring claims for infringement of her novel against a respondent who wrote an unauthorized screenplay and a respondent who turned that screenplay into a motion picture all in one proceeding.

The Office should expressly recognize that corporations and other legal entities may be represented by an officer, rather than an attorney, before the CCB. The default rule in federal courts is that legal entities may only be represented by an attorney. *See Rowland v. Cal. Men's Colony*, 506 U.S. 194, 201-02, 113 S. Ct. 716, 121 L. Ed. 2d 656 (1993) (“It has been the law for the better part of two centuries . . . that a corporation may appear in the federal courts only through licensed counsel.” (citation omitted)). This exception would, of course, swallow the rule that parties need not be represented before the CCB. The TTAB expressly permits partnerships, corporations, and other associations to represent themselves through a partner, officer, or other authorized person. *See* TBMP 114.01 (“However, because the governing practices and procedures in proceedings before the Board are quite technical and highly specialized, it is strongly recommended that an attorney knowledgeable about trademark law represent a party [before the TTAB].”). The CCB’s rules should not only expressly allow non-lawyers to represent legal entities, but they should also be simple enough that no warning about the desirability of legal counsel is warranted.

Regarding rules of evidence, AIPLA encourages the CCB to be flexible and permissive in allowing the introduction and consideration of evidence for whatever probative value it may have, irrespective of formalities. As the Notice of Inquiry acknowledges, the CASE Act expressly provides that formal rules of evidence do not apply to CCB proceedings. Yet, some types of evidence are more probative than others, and decisions should not be driven by unreliable evidence. The CCB’s rules should include a statement establishing guiding principles for the consideration of evidence. In this regard, AIPLA commends the example of the U.S. Immigration Courts. “Relevance and fundamental fairness are the only bars to admissibility of evidence in deportation cases.” EOIR IJ Benchbook – Evidence Guide at I (<https://www.justice.gov/eoir/page/file/988046/download>). “The general rule with respect to evidence in immigration proceedings favors admissibility as long as the evidence is shown to be probative of relevant matters and its use is fundamentally fair so as not to deprive the alien of due process of law.” *Id.* at I.A.2. “Hearsay is admissible, but its admission must be probative and not fundamentally unfair.” *Id.* at I.A.3.c. Basic, common-sense guidelines like these are sufficient for the CCB’s rules to be useful and comprehensible to *pro se* parties and Copyright Officers.

Finally, AIPLA is mindful that claimants and respondents may live in various time zones. We encourage the CCB to keep in mind the physical location of the parties when setting times for hearings.

While the foregoing suggestions are those that were most immediately contemplated, AIPLA is also generally in favor of any additional procedure or guidance in line with these suggestions of simplicity and ease of comprehension.

F. Fees

The Office has also requested comments to help it evaluate “whether fees to commence a proceeding should be staggered to require an initial fee and an additional fee once the proceeding is active (i.e., obligating claimants with proceedings that are likely to proceed to a

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determination to bear greater costs than claimants where respondents opt out).” AIPLA strongly urges the Office to stagger the initial fee and any subsequent fees for the reason stated in the NOI. No copyright holder should be discouraged from filing claims due to burdensome filing fees; therefore, the initial filing fee should be kept at or near an amount proportionate to the work done in connection with the Office’s initial review of the case. AIPLA suggests an initial fee in the range of \$35 to \$55. In addition, we expect some defendants to opt out, meaning the proceeding will not continue and the initial filing fee will be a lost investment for the claimant. That loss should be kept to a minimum so as not to discourage a claimant from filing another claim in the future. Moreover, when a proceeding does not continue, there are fewer costs to cover. It is fair and sensible that only parties who are engaged in proceedings that continue to a determination should bear the burden of the costs involved. For these reasons, AIPLA favors a fee schedule that is as staggered as possible. Allowing parties to “pay as they go” keeps costs commensurate with the incentives to use and enjoy the benefits of the CCB.

We would be happy to further discuss our views on these issues with the Office. Thank you for the opportunity to make these comments and we appreciate in advance your consideration of these views.

Sincerely,

A handwritten signature in cursive script, appearing to read "Joseph R. Re".

Joseph R. Re

President

American Intellectual Property Law Association