



American Intellectual Property Law Association

November 10, 2021

Mr. Kevin R. Amer
Acting General Counsel and Associate Register of Copyrights
U.S. Copyright Office
101 Independence Avenue, SE
Washington, DC 20559-6000

**Re: Comments Submitted Pursuant to Notice of Proposed Rulemaking:
Copyright Claims Board: Initiation of Proceedings and Related
Procedures, 86. Fed Reg. 53897 (September 29, 2021)**

Dear Mr. Amer:

The American Intellectual Property Law Association (AIPLA) is pleased to offer comments in response to the above-referenced U.S. Copyright Office Notice of Proposed Rulemaking (“NPRM”) 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 raised by the Office in the notice. As previously expressed, AIPLA strongly believes that the Copyright Claims Board (“CCB”) should be accessible and user-friendly, and we commend the Office’s efforts to establish procedures aimed at simplicity and clarity.

Content of Initial Notice (Section C.1)

The Office has requested feedback on requiring claimants to provide an email address and/or phone number in the initial notice form. AIPLA is mindful of privacy concerns associated with disclosing personal contact information. We note, too, that individuals filing claims against larger players may be apprehensive about being contacted directly by respondents or their counsel. On balance, however, as a matter of policy, we believe that fostering communication early in the proceeding stands to do more good than harm. If respondents are able to contact their accusers right away, this may foster early settlement discussions or

perhaps enable the parties to narrow the issues. More importantly, we are unaware of comparable forums in which a claimant would not need to provide their adversary with some form of contact information, and are concerned that permitting a claimant to invoke the CCB's jurisdiction without identifying themselves would raise serious due process concerns. We therefore recommend requiring this information.

Opt-Out Procedures (Section F)

The NPRM contemplates a mechanism whereby a respondent who has opted out of a CCB proceeding can change their mind and opt back in. While we appreciate the Office's desire to be flexible, AIPLA is wary of the administrative burden this would place on the Office. Moreover, while 17 U.S.C. 1504 (d)(2) permits the CCB to hear cases where district courts have granted stays of federal litigation for that purpose, it does not follow that a respondent who opted out and is then served with a lawsuit should be able to unilaterally force the proceeding back to the CCB. Indeed, a complainant who has gone to the trouble and expense of filing suit in federal court (possibly with the assistance of counsel retained for that purpose) after a respondent declined the opportunity to proceed before the CCB instead may well prefer to litigate in court. Further, once the jurisdiction of an Article III court has been invoked, it would appear to raise constitutional concerns to then permit a claimant to unilaterally withdraw a case from that court's jurisdiction. Any mechanism that permits respondents to change their minds must, therefore, also require the claimant's consent.

Response (Section G)

The Office has proposed that "the initial notice to the respondent be provided in a form that includes the information required by the statute as well as additional basic information about the claim and the parties." AIPLA supports this suggestion. Consistent with the comments noted at footnote 45 of the Office's notice of proposed rulemaking, however, AIPLA reiterates its belief that this "additional basic information" should include a list (or a hyperlink to a list) of the most common, available affirmative defenses.

Counterclaims (Section H)

The Office has invited comment as to whether an opt-out mechanism may or should be permitted for claimants who receive a counterclaim. AIPLA responds in the negative on both counts. First, AIPLA does not read the statute to permit such a post hoc decision by the claimant, who has already chosen to proceed in this forum knowing that a counterclaim could result. Second, even if such a mechanism were permissible, AIPLA does not believe that including one would be sound policy. AIPLA agrees with the Office's suggestion that such a mechanism would "constitute an inefficient use of time and resources," especially because the claimant "could reasonably expect a counterclaim," and because the scope of that counterclaim is limited to "the same transaction or occurrence" as the claim.

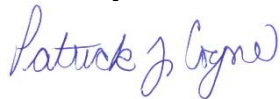
Fee for Filing a Claim (Section I.1)

The Office questions whether it can enact a two-tiered fee structure while charging the statutory minimum fee of \$100 because the fee charged in claims that do not move on to the second tier would not reach the statutory floor. In earlier comments, AIPLA urged the Office to adopt a staggered fee structure and suggested an initial fee in the range of \$35 to \$55. AIPLA believes the Office has the authority to charge an initial fee of less than \$100. The Senate Report demonstrates that legislators anticipated a two-tiered fee structure: "In recognition that a respondent may opt-out and therefore not require much involvement by Board staff, the initial filing fee itself should be smaller than the fee charged later when a proceeding becomes active." S. Rep. No. 116-105, at 4. Rather than a bottom limit on the initial filing fee, the Act sets a \$100 minimum on the "**sum total** of such filing fees[.]" 17 U.S.C. § 1510(c) (emphasis added). Thus, the door appears open for an initial fee of less than \$100. AIPLA again urges the Office to adopt a staggered fee structure, which would encourage use of the CCB and more fairly apportion the CCB's operational costs among claimants.

The Office also invited comments on whether it should charge filing fees for counterclaims. AIPLA supports such fees for three reasons. First, the Act requires the CCB undertake the same review and notification procedure for counterclaims that it mandates for initial claims. Filing fees for counterclaims will defray some of the administrative costs incurred. Second, a fee will discourage frivolous counterclaims. The Office notes that federal district courts do not charge filing fees for counterclaims. But most federal litigants are represented by attorneys who can filter out frivolous claims before pleadings reach the court. Because many respondents will not have counsel, AIPLA believes a small fee could serve as an important deterrent against frivolous counterclaims. Third, there is precedent in other analogous administrative litigation for charging a fee to file a counterclaim. The Trademark Trial and Appeal Board charges a fee for filing a counterclaim that is equivalent to the fee charged for filing the initial claim. See TBMP 313.02. The longstanding inclusion of this fee in the TTAB rules suggests that it is a valuable funding source and not an undue burden on respondents.

AIPLA appreciates the opportunity to provide these comments and would be happy to answer questions they may raise.

Sincerely,



Patrick J. Coyne

President

American Intellectual Property Law Association