# **EXHIBIT B**

# FOURTH ESTATE PUBLIC CORP v. WALL-STREET.COM, LLC Cite as 139 S.Ct. 881 (2019)

to 100 percent and so Rimini's reading of the word "full" now adds nothing to "costs." If we assume that Congress in 1976 did not intend "full" to be surplusage, Oracle argues that Congress must have employed the term "full" to mean expenses beyond the costs specified in §§ 1821 and 1920.

For several reasons, that argument does not persuade us.

To begin with, even if the term "full" lacked any continuing significance after 1976, the meaning of "costs" did not change. The term "costs" still means those costs specified in §§ 1821 and 1920. It makes little sense to think that Congress in 1976, when it made the award of full costs discretionary rather than mandatory, silently expanded the kinds of expenses that a court may otherwise award as costs in copyright suits.<sup>3</sup>

Moreover, Oracle's interpretation would create its own redundancy problem by rendering the second sentence of § 505 largely redundant. That second sentence provides: "Except as otherwise provided by this title, the court may also award a reasonable attorney's fee to the prevailing party as part of the costs." 17 U.S.C. § 505. If Oracle were right that "full costs" covers all of a party's litigation expenditures, then the first sentence of § 505 would presumably already cover attorney's fees and the second sentence would be largely unnecessary. In order to avoid some redundancy, Oracle's interpretation would create other redundancy.

- [5] Finally, even if Oracle is correct that the term "full" has become unnecessary or redundant as a result of the 1976 amendment, Oracle overstates the significance of statutory surplusage or redundan-
- 3. Rimini further suggests that "full" still has meaning after 1976 because the statute gives the district court discretion to award either full costs or no costs, unlike statutes that refer

cy. Redundancy is not a silver bullet. We have recognized that some "redundancy is 'hardly unusual' in statutes addressing costs." Marx v. General Revenue Corp., 568 U.S. 371, 385, 133 S.Ct. 1166, 185 L.Ed.2d 242 (2013). If one possible interpretation of a statute would cause some redundancy and another interpretation would avoid redundancy, that difference in the two interpretations can supply a clue as to the better interpretation of a statute. But only a clue. Sometimes the better overall reading of the statute contains some redundancy.

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The Copyright Act authorizes federal district courts to award "full costs" to a party in copyright litigation. That term means the costs specified in the general costs statute, §§ 1821 and 1920. We reverse in relevant part the judgment of the Court of Appeals, and we remand the case for further proceedings consistent with this opinion.

It is so ordered.



# FOURTH ESTATE PUBLIC BENEFIT CORPORATION, Petitioner

V

# WALL-STREET.COM, LLC, et al. No. 17-571

Supreme Court of the United States.

Argued January 8, 2019

Decided March 4, 2019

Background: Licensor filed copyright infringement action against former licensee

only to "costs," which allow courts to award any amount of costs up to full costs. In light of our disposition of the case, we need not and do not consider that argument.



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and its owner. The United States District Court for the Southern District of Florida, No. 0:16-cv-60497-RNS, Robert N. Scola, Jr., J., dismissed complaint, and licensor appealed. The Court of Appeals for the Eleventh Circuit, William Pryor, Circuit Judge, 856 F.3d 1338, affirmed. Certiorari was granted.

Holding: The Supreme Court, Justice Ginsburg, held that registration of a copyright claim occurs, and a copyright claimant may commence an infringement suit, when the Copyright Office registers a copyright, not when a copyright owner submits the application, materials, and registration fee to the Copyright Office, abrogating Cosmetic Ideas, Inc. v. IAC/Interactivecorp., 606 F.3d 612.

Affirmed.

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Upon registration of a copyright, the copyright owner can recover for infringement that occurred both before and after registration. 17 U.S.C.A. § 411(a).

## 2. Copyrights and Intellectual Property ≈50.30

Register of Copyrights is the director of the Copyright Office of the Library of Congress, and is appointed by the Librarian of Congress. 17 U.S.C.A. § 701(a).

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Copyright Act delegates to the Register of Copyrights all administrative functions and duties under title 17. 17 U.S.C.A. § 701(a).

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Under the Copyright Act, as amended, copyright protection attaches to "original works of authorship," prominent among them, literary, musical, and dra-

matic works fixed in any tangible medium of expression. 17 U.S.C.A. § 102(a).

## 5. Copyrights and Intellectual Property \$\iiii 36\$

Under the Copyright Act, an author gains "exclusive rights" in her work immediately upon the work's creation, including rights of reproduction, distribution, and display. 17 U.S.C.A. § 106.

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Copyright Act entitles a copyright owner to institute a civil action for infringement of her exclusive rights. 17 U.S.C.A. § 501(b).

## 7. Copyrights and Intellectual Property ⊕75.5

Before pursuing an infringement claim in court, a copyright claimant generally must comply with the requirement of the Copyright Act that registration of the copyright claim has been made. 17 U.S.C.A. § 411(a).

# 8. Copyrights and Intellectual Property \$\infty 75.5\$

Although a copyright owner's rights exist apart from registration, registration is akin to an administrative exhaustion requirement that the owner must satisfy before suing to enforce ownership rights. 17 U.S.C.A. §§ 408(a), 411(a).

# 9. Copyrights and Intellectual Property \$\infty\$50.16, 75.5

In limited circumstances, copyright owners may file an infringement suit before undertaking registration; for example, if a copyright owner is preparing to distribute a work of a type vulnerable to predistribution infringement, notably, a movie or musical composition, the owner may apply for preregistration. 17 U.S.C.A. § 408(f)(2); 37 C.F.R. § 202.16(b)(1).



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If a copyright owner has applied for preregistration, the Copyright Office will conduct a limited review of the application and notify the claimant upon completion of the preregistration. 17 U.S.C.A. § 408(f)(2); 37 C.F.R. §§ 202.16(c)(7), 202.16(c)(10).

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Once preregistration has been made, a copyright claimant may institute a suit for infringement. 17 U.S.C.A. § 411(a).

# 12. Copyrights and Intellectual Property 50.16 □ 50.16

Preregistration of a copyright claim serves only as a preliminary step prior to a full registration. 17 U.S.C.A. § 408(f)(2).

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Infringement suit brought in reliance on preregistration risks dismissal unless the copyright owner applies for registration promptly after the preregistered work's publication or infringement. 17 U.S.C.A. § 408(f)(3)-(4).

# 14. Copyrights and Intellectual Property 50.16, 75.5

Copyright owner may sue for infringement of a live broadcast before registration has been made, but faces dismissal of her suit if she fails to make registration for the work within three months of its first transmission. 17 U.S.C.A. § 411(c).

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Even in the exceptional scenarios when copyright owners may file an infringement suit before undertaking registration, an owner must eventually pursue registration in order to maintain a suit for infringement. 17 U.S.C.A. §§ 408(f)(2), 411(c).

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"Registration" of a copyright claim occurs, and a copyright claimant may commence an infringement suit, when the Copyright Office registers a copyright, not when a copyright owner submits the application, materials, and registration fee to the Copyright Office; abrogating *Cosmetic Ideas*, *Inc. v. IAC/Interactivecorp.*, 606 F.3d 612. 17 U.S.C.A. § 411(a).

See publication Words and Phrases for other judicial constructions and definitions.

#### 17. Statutes €=1375

In reading statute, court would resist "improbable construction" that would require implausible assumption that Congress gave a word different meanings in consecutive, related sentences within a single statutory provision.

# 18. Copyrights and Intellectual Property \$\infty 75.5\$

Preregistration allows the author of a work vulnerable to predistribution copyright infringement to enforce her exclusive rights in court before obtaining registration or refusal thereof. 17 U.S.C.A. § 408(f)(2).

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In enacting the section of the Copyright Act providing that a copyright claimant may not commence an infringement suit until registration of the copyright claim has been made in accordance with title 17, Congress both reaffirmed the general rule that registration must precede an infringement suit, and added an exception to cover instances in which registration is refused. 17 U.S.C.A. § 411(a).



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Copyright Act safeguards copyright owners, irrespective of registration, by vesting them with exclusive rights upon creation of their works and prohibiting infringement from that point forward. 17 U.S.C.A. §§ 106, 408(a).

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If infringement occurs before a copyright owner applies for registration, that owner may eventually recover damages for the past infringement, as well as the infringer's profits; she must simply apply for registration and receive the Copyright Office's decision on her application before instituting suit. 17 U.S.C.A. § 504.

# 22. Copyrights and Intellectual Property ∞71, 75.5, 86

Once the Register of Copyrights grants or refuses registration, the copyright owner may seek an injunction barring the infringer from continued violation of her exclusive rights and an order requiring the infringer to destroy infringing materials. 17 U.S.C.A. §§ 502, 503(b).

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Copyright Office allows copyright claimants to seek expedited processing of a claim for an additional \$800 fee.

# 24. Copyrights and Intellectual Property ⊕75.5

Delays in the Copyright Office's processing of applications, though unfortunate and sometimes resulting in registration processing times of many months, did not permit court to revise the congressionally composed text of the section of the Copyright Act providing that a copyright claimant may not commence an infringement suit until registration of the copyright claim has been made. 17 U.S.C.A. § 411(a).

#### Syllabus\*

Petitioner Fourth Estate Public Benefit Corporation (Fourth Estate), a news organization, licensed works to respondent Wall-Street.com, LLC (Wall-Street), a news website. Fourth Estate sued Wall-Street and its owner for copyright infringement of news articles that Wall-Street failed to remove from its website after canceling the parties' license agreement. Fourth Estate had filed applications to register the articles with the Copyright Office, but the Register of Copyrights had not acted on those applications. Title 17 U.S.C. § 411(a) states that "no civil action for infringement of the copyright in any United States work shall be instituted until ... registration of the copyright claim has been made in accordance with this title." The District Court dismissed the complaint, and the Eleventh Circuit affirmed, holding that "registration ... has [not] been made" under § 411(a) until the Copyright Office registers a copyright.

Held: Registration occurs, and a copyright claimant may commence an infringement suit, when the Copyright Office registers a copyright. Upon registration of the copyright, however, a copyright owner can recover for infringement that occurred both before and after registration. Pp. 887 – 892.

(a) Under the Copyright Act of 1976, as amended, a copyright author gains "exclusive rights" in her work immediately upon the work's creation. 17 U.S.C. § 106. A copyright owner may institute a civil

the reader. See *United States v. Detroit Timber & Lumber Co.*, 200 U.S. 321, 337, 26 S.Ct. 282, 50 L.Ed. 499.



<sup>\*</sup> The syllabus constitutes no part of the opinion of the Court but has been prepared by the Reporter of Decisions for the convenience of

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