

In the Supreme Court of the United States

ML GENIUS HOLDINGS LLC, PETITIONER

v.

GOOGLE LLC, ET AL.

*ON PETITION FOR A WRIT OF CERTIORARI
TO THE UNITED STATES COURT OF APPEALS
FOR THE SECOND CIRCUIT*

BRIEF FOR THE UNITED STATES AS AMICUS CURIAE

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QUESTION PRESENTED

Section 301(a) of Title 17 states that

all legal or equitable rights that are equivalent to any of the exclusive rights within the general scope of copyright as specified by section 106 in works of authorship that are fixed in a tangible medium of expression and come within the subject matter of copyright as specified by sections 102 and 103 * * * are governed exclusively by

Title 17. 17 U.S.C. 301(a). Section 301(a) further provides that “no person is entitled to any such right or equivalent right in any such work under the common law or statutes of any State.” *Ibid.* As relevant here, Section 106 states that “the owner of [a] copyright * * * has the exclusive right[] to * * * reproduce the copyrighted work.” 17 U.S.C. 106(1).

This case involves a “browsewrap” agreement. At the bottom of each webpage of petitioner’s website is a link to petitioner’s terms of service. Individuals can visit petitioner’s website and read the content posted there without clicking on the link or otherwise expressly agreeing to abide by those terms. Petitioner has alleged that, by copying for commercial purposes content posted on petitioner’s website, in violation of petitioner’s terms of service, respondents committed breaches of contract that are actionable under New York law. The question presented is as follows:

Whether petitioner’s state-law breach-of-contract claims seeking to enforce its terms of service are preempted by Section 301(a).

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INTEREST OF THE UNITED STATES

This brief is submitted in response to the Court’s order inviting the Solicitor General to express the views of the United States. In the view of the United States, the petition for a writ of certiorari should be denied.

STATEMENT

1. The Intellectual Property Clause of the Constitution authorizes Congress “[t]o promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries.” U.S. Const. Art. I, § 8, Cl. 8. Congress exercised that authority in enacting the Copyright Act of 1976 (Copyright Act), 17 U.S.C. 101 *et seq.*

Before that time, copyrightable works were covered by a “dual system” in which “unpublished works” were protected by state “common law copyright” and

“published works” were protected by federal “statutory copyright.” H.R. Rep. No. 1476, 94th Cong., 2d Sess. 129 (1976) (House Report). The Copyright Act replaced that “anachronistic, uncertain, impractical, and highly complicated dual system” with “a single Federal system” to promote “national uniformity in copyright protection.” *Ibid.*; see *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*, 489 U.S. 141, 162 (1989) (describing the “promot[ion of] national uniformity in the realm of intellectual property” as “[o]ne of the fundamental purposes behind the Patent and Copyright Clauses of the Constitution”).

To preempt state copyright laws and thereby establish a single federal copyright system, Congress enacted Section 301(a) of Title 17. Section 301(a) states that

all legal or equitable rights that are equivalent to any of the exclusive rights within the general scope of copyright as specified by section 106 in works of authorship that are fixed in a tangible medium of expression and come within the subject matter of copyright as specified by sections 102 and 103 * * * are governed exclusively by

Title 17. 17 U.S.C. 301(a). Section 301(a) further provides that “no person is entitled to any such right or equivalent right in any such work under the common law or statutes of any State.” *Ibid.* And Section 106 grants “the owner of [a] copyright * * * the exclusive right[] * * * to reproduce the copyrighted work.” 17 U.S.C. 106(1).

As relevant here, Section 102 confers copyright protection on “original works of authorship fixed in any tangible medium of expression,” including “literary works.” 17 U.S.C. 102(a)(1). But “the scope of the

Copyright Act’s subject matter” for purposes of Section 301(a) “is broader than the scope of the Act’s protections.” *Wrench LLC v. Taco Bell Corp.*, 256 F.3d 446, 455 (6th Cir. 2001), cert. denied, 534 U.S. 1114 (2002). Preemption under Section 301(a) encompasses “all works of a type covered by sections 102 and 103, even if federal law does not afford protection to them.” *Ibid.* (citation omitted); see House Report 131 (“As long as a work fits within one of the general subject matter categories of sections 102 and 103, [Section 301(a)] prevents the States from protecting it even if it fails to achieve Federal statutory copyright because it is too minimal or lacking in originality to qualify, or because it has fallen into the public domain.”).

2. Petitioner’s website displays lyric transcriptions of numerous songs. Pet. App. 4a. Those lyrics are either compiled by “music fans [who] transcribe song lyrics” or “‘obtain[ed] * * * directly’ from artists.” *Id.* at 4a, 20a (citation omitted). Petitioner licenses its lyrics database to other companies and monetizes visits to its website through advertising revenue. *Id.* at 20a. Because petitioner does not hold the copyrights for the original lyrics, it pays the copyright holders for licenses to publicly display the transcriptions. *Id.* at 11a n.3, 19a-20a.

The terms of service for petitioner’s website state that all website visitors “agree not to display, distribute, license, perform, publish, reproduce, duplicate, copy, create derivative works from, modify, sell, resell, exploit, transfer or transmit for any commercial purpose” any lyrics on the website, unless authorized by petitioner. Pet. App. 20a n.1 (citation omitted). A link to those terms of service appears at the bottom of each webpage of petitioner’s website. *Id.* at 20a, 103a.

Because website visitors need not click on the link or otherwise expressly accept the terms of service in order to view petitioner’s transcriptions, petitioner’s terms of service are a “browsewrap” agreement. See *Meyer v. Uber Techs., Inc.*, 868 F.3d 66, 75 (2d Cir. 2017). “The defining feature of browsewrap agreements is that the user can continue to use the website or its services without visiting the page hosting the browsewrap agreement or even knowing that such a webpage exists.” *Nguyen v. Barnes & Noble Inc.*, 763 F.3d 1171, 1176 (9th Cir. 2014) (citation omitted).¹

In 2014, respondent Google changed its search engine so that when a user searches for song lyrics, lyrics are displayed in “[i]nformation [b]ox[es]” that appear above standard search results. Pet. App. 21a (citation omitted); see *id.* at 73a. Google asserts that it obtains those lyrics from respondent LyricFind Inc., and that LyricFind and Google have licenses from copyright holders to display those lyrics. Br. in Opp. 6-7; see Pet. App. 19a.

3. Petitioner sued respondents in New York state court for, *inter alia*, breach of contract. Pet. App. 3a-4a. Petitioner alleges that, by visiting its website, respondents accepted its terms of service and thereby entered into a binding contract not to display, distribute, or copy its lyric transcriptions for commercial use. See *id.* at 33a-34a; 103a-105a. Petitioner further alleges that respondents breached that contract by copying lyrics from petitioner’s website and using them in Google’s information boxes. See *id.* at 4a, 104a-105a. Petitioner

¹ Unlike a browsewrap agreement, a “clickwrap agreement” requires a website user “to click on an ‘I agree’ box” and thereby “affirmatively acknowledge the agreement before proceeding with use of the website.” *Nguyen*, 763 F.3d at 1175-1176.

claims that respondents' actions substantially reduced the number of visits to petitioner's website, significantly decreasing petitioner's advertising revenue. See *id.* at 4a, 21a-22a, 102a.

a. Respondents removed the case to federal district court, asserting that petitioner's claims are preempted by Section 301(a) and that removal was appropriate under the complete-preemption doctrine. Pet. App. 25a-26a; see *Beneficial Nat'l Bank v. Anderson*, 539 U.S. 1, 8 (2003). Petitioner moved to remand the case to state court, arguing that Section 301(a) does not preempt its claims. Pet. App. 26a.

The district court held that petitioner's breach-of-contract claims are preempted by Section 301(a), denied petitioner's motion to remand, and dismissed the case. Pet. App. 18a-65a. The court found petitioner's claims preempted because they "alleg[e] that [respondents] made unauthorized reproductions of [petitioner's] lyric transcriptions and profited off of those unauthorized reproductions, which is behavior that falls under federal copyright law." *Id.* at 42a. The court also concluded "that the 'complete preemption doctrine' extends to the Copyright Act." *Id.* at 64a (citation omitted).

b. The court of appeals affirmed in a nonprecedential summary order. Pet. App. 1a-17a.

Relying on circuit precedent, the court of appeals understood Section 301(a) to be a complete-preemption statute that can provide a basis for federal removal jurisdiction. Pet. App. 4a (citing *Briarpatch Ltd. v. Phoenix Pictures, Inc.*, 373 F.3d 296, 305 (2d Cir. 2004), cert. denied, 544 U.S. 949 (2005)). The court further held that petitioner's breach-of-contract claims fall "within the subject matter of copyright," 17 U.S.C. 301(a), because

they concern song lyrics, which are “literary works” under 17 U.S.C. 102(a)(1). Pet. App. 6a-8a.

The court of appeals concluded that petitioner’s asserted contractual rights are “equivalent to * * * the exclusive rights within the general scope of copyright,” 17 U.S.C. 301(a). Pet. App. 8a-13a. The court found that, because petitioner’s claims concern the “copying and reproduction of [petitioner’s] content,” the right petitioner “seeks to protect is coextensive with an exclusive right already safeguarded by the Act—namely, control over reproduction and derivative use of copyrighted material.” *Id.* at 10a-11a (brackets and citations omitted). The court acknowledged that, under circuit precedent, “[e]ven if a claim otherwise satisfies the general scope requirement, a claim is not preempted if it ‘includes any extra elements that make it qualitatively different from a copyright infringement claim.’” *Id.* at 9a (brackets and citation omitted). But the court concluded that the “‘extra element[s]’” that petitioner had identified—“‘mutual assent,’” “‘valid consideration,’” and the limitation that petitioner can assert its claims only against contractual counterparties—are “not sufficient here to avoid preemption.” *Id.* at 11a-12a (citations omitted). In reaching that conclusion, the court of appeals stated that, “[i]f the promise in a contract amounts only to a promise to refrain from reproducing, performing, distributing or displaying the work, then the contract claim is preempted.” *Ibid.* (quoting *Wrench*, 256 F.3d at 457) (brackets omitted).

DISCUSSION

Petitioner argues that the contractual nature of the claims it asserts takes those claims outside Section 301(a)’s preemptive scope. Section 301(a) often will not preclude the enforcement of private contractual

agreements, including those that impose conditions on a right to use a work, a physical item, or documents. Such state-law contract rights ordinarily are not “equivalent,” 17 U.S.C. 301(a), to rights under Section 106. Petitioner’s own breach-of-contract claims are atypical, however, because access to petitioner’s website is not conditioned on any express promise to abide by petitioner’s terms of service, and petitioner does not contend that respondents made any such express promise here.

For those reasons and others, this case would be a poor vehicle for clarifying Section 301(a)’s application to breach-of-contract claims generally. There is little indication that any other court of appeals would reach a different outcome in this case. And if the Court granted certiorari, it would need to resolve the threshold jurisdictional question whether this case was properly removed to federal court based on a complete-preemption theory. The petition for a writ of certiorari should be denied.

A. Section 301(a) Preempts State Laws That Grant Rights That Are Equal In Substance To, Or Have Similar Or Identical Effects To, A Right Conferred Under 17 U.S.C. 106

1. Section 301(a) preempts state-law rights that (1) are asserted in “works of authorship” that “come within the subject matter of copyright” and (2) “are equivalent to any of the exclusive rights within the general scope of copyright as specified by section 106.” 17 U.S.C. 301(a). The exclusive rights protected by Section 106 include the right to reproduce a copyrighted work. See 17 U.S.C. 106(1). The term “equivalent” generally means “[e]qual in substance, degree, value, force, or meaning” or “[h]aving similar or identical effects.”

The American Heritage Dictionary of the English Language 443 (1976).

Application of Section 301(a) to a particular case therefore turns on a comparison between the state-law rights that the plaintiff asserts and the exclusive rights protected by Section 106. Courts of appeals have generally conducted that inquiry by asking whether the plaintiff's state-law claim contains an "extra element" beyond what must be proved in a copyright-infringement suit.² Courts often use that test to help determine whether a particular state-law right is "equivalent" to one of the rights protected by Section 106. See, e.g., *Wrench*, 256 F.3d at 455-459 (discussing the extra-element inquiry as part of the equivalency analysis); *Lipscher v. LRP Publ'ns, Inc.*, 266 F.3d 1305, 1311-1312, 1318-1319 (11th Cir. 2001) (similar); *National Car Rental Sys., Inc. v. Computer Assocs. Int'l, Inc.*, 991 F.2d 426, 432 (8th Cir.), cert. denied, 510 U.S. 861 (1993) (similar).

That approach is generally sound because a comparison between the elements of a state-law claim and the elements of a copyright-infringement claim is usually relevant to determining whether the two rights are equal in substance or have similar or identical contours.

² See, e.g., *Data Gen. Corp. v. Grumman Sys. Support Corp.*, 36 F.3d 1147, 1164-1165 (1st Cir. 1994); *Dun & Bradstreet Software Servs., Inc. v. Grace Consulting, Inc.*, 307 F.3d 197, 217-218 (3d Cir. 2002), cert. denied, 538 U.S. 1032 (2003); *Alcatel USA, Inc. v. DGI Techs., Inc.*, 166 F.3d 772, 787 (5th Cir. 1999); *Wrench*, 256 F.3d at 456; *Grosso v. Miramax Film Corp.*, 383 F.3d 965, 968 (9th Cir. 2004), opinion amended on denial of reh'g, 400 F.3d 658 (9th Cir. 2005), cert. denied, 546 U.S. 824 (2005); *Gates Rubber Co. v. Bando Chem. Indus., Ltd.*, 9 F.3d 823, 847-848 (10th Cir. 1993); *Sturdza v. United Arab Emirates*, 281 F.3d 1287, 1304 (D.C. Cir. 2002); see also *Toney v. L'Oreal USA, Inc.*, 406 F.3d 905, 910 (7th Cir. 2005).

A plaintiff cannot defeat preemption, however, simply by establishing that his state-law claim includes *some* element that need not be proved in a Copyright Act infringement suit. “Only when an extra element changes the nature of the action so that it is qualitatively different from a copyright infringement claim is preemption avoided.” *OpenRisk, LLC v. Microstrategy Servs. Corp.*, 876 F.3d 518, 524-525 (4th Cir. 2017), cert. denied, 138 S. Ct. 1575 (2018) (citation, emphasis, and internal quotation marks omitted); see *Computer Assocs. Int’l, Inc. v. Altai, Inc.*, 982 F.2d 693, 717 (2d Cir. 1992) (“An action will not be saved from preemption by [extra] elements such as awareness or intent, which alter ‘the action’s scope but not its nature.’”) (citation omitted).

2. Section 301(a) does not generally preempt state-law rights to impose conditions on access to or use of a work, a physical item, or particular documents. For example, a video-rental store might require its customers to sign contracts that forbid the customers from copying the rented videos. If a customer then copies a video and the store sues the customer for breach of contract, that claim would not be preempted. Section 301(a) would be inapplicable because, *inter alia*, the store’s rights stem from its ownership of (and attendant ability to control access to) a particular item of physical property—not from any intellectual-property right in the underlying copyrighted work (the film). A state-law right to enforce the contract and obtain damages for its breach therefore would not be equal in substance to or have similar or identical effects to the copyright holder’s exclusive right to reproduce the film. Cf. *ProCD, Inc. v. Zeidenberg*, 86 F.3d 1447, 1454 (7th Cir. 1996) (indicating that a hypothetical video-store rental contract would be enforceable). That would be so even though

the customer’s act of unauthorized copying would simultaneously violate both the store’s right to control access to a particular video and the copyright holder’s exclusive right to reproduce the work. Suits filed by the store and copyright owner in that scenario would be governed by different bodies of law, and the measure of damages in the two suits would be different as well.

Similarly, a business might negotiate an agreement with a potential merger partner that permits the potential partner to review some of the business’s confidential documents, on the condition that the potential partner not disseminate or use the documents or the information they contain. Contractual confidentiality agreements are not uncommon in business. Such a contract would limit the ability of others to copy the information, and the documents might be protected by copyright. But a state law authorizing enforcement of that contract would not create the equivalent of a Section 106 right. Such a contract would protect confidentiality rather than intellectual-property rights, and it would apply only against persons who had agreed to the restriction. See *Barclays Capital Inc. v. Theflyonthewall.com, Inc.*, 650 F.3d 876, 909 (2d Cir. 2011) (Raggi, J., concurring) (“[C]laims based on * * * contractual promises of confidentiality * * * often survive preemption because ‘the underlying right they seek to vindicate is the right to redress violations of’ a particular duty or promise different from an exclusive right protected by copyright.”) (citation omitted); *Brevet Holdings, LLC v. Enascor, LLC*, No. 21-cv-1540, 2022 WL 3916376, at *3-*4 (S.D.N.Y. Aug. 31, 2022) (holding that a breach-of-contract claim based on misuse of confidential materials was not preempted); *Lennon v. Seaman*, 63 F. Supp. 2d 428, 437-438 (S.D.N.Y. 1999) (similar).

B. Petitioner Has Not Identified Any Substantial Distinction Between The State-Law Right It Asserts And Rights Protected By Section 106

1. The court of appeals stated that, “[i]f the promise in a contract amounts only to a promise to refrain from reproducing, performing, distributing or displaying the work, then the contract claim is preempted.” Pet. App. 11a-12a (brackets and citation omitted). The court also referred to a purported “rule that state law rights are preempted when they would be abridged by an act which in and of itself would infringe one of the exclusive rights of § 106.” *Id.* at 12a (citation omitted). At least viewed in isolation, those statements could suggest that the court understood Section 301(a) as categorically preempting all breach-of-contract claims in which the contractual term that is alleged to have been violated is a promise not to copy portions of a work of authorship.

Such a rule would sweep too broadly because it would encompass circumstances (like the video-rental scenario discussed above) in which the same act that infringes a copyright holder’s rights under Section 106 also violates a significantly different state-law right. Section 301(a) ordinarily does not preempt breach-of-contract claims premised on agreed-upon exchanges of access to works within the scope of copyright (or other similar benefits) for commitments not to use the accessed material in specified ways. The court of appeals’ analysis of petitioner’s state-law contract claims attached inadequate weight to the difference between a party’s voluntary promise and a prescriptive state-law command. Cf. *American Airlines, Inc. v. Wolens*, 513 U.S. 219, 233 (1995) (construing a different preemption provision not to encompass breach-of-contract suits,

and explaining that the “distinction between what the State dictates and what the [defendant] itself undertakes confines courts, in breach-of-contract actions, to the parties’ bargain, with no enlargement or enhancement based on state laws or policies external to the agreement”).

This Court, however, “reviews judgments, not statements in opinions.” *California v. Rooney*, 483 U.S. 307, 311 (1987) (per curiam) (citation omitted). That is especially so here, where the court below issued a nonprecedential summary order and cautioned that its preemption analysis was based on “the specific facts [petitioner] pleaded in its complaint.” Pet. App. 12a. And the circumstances of this case differ substantially from the more typical contracting scenarios described above. Visitors to petitioner’s website need not explicitly agree to petitioner’s terms of service in order to access petitioner’s transcriptions. And by purporting to limit all visitors’ ability to “display, distribute, license, perform, publish, reproduce, duplicate, copy, create derivative works from, modify, sell, resell, exploit, transfer or transmit for any commercial purpose” any lyrics on petitioner’s website, *id.* at 20a n.1 (citation omitted), petitioner’s terms of service appear to invoke copyright-like protections for its transcriptions through a notice appended to its website. Even assuming *arguendo* that the sequence of events alleged here created a valid and enforceable contract under New York law, any such contract is quite different from the paradigmatic bargained-for exchange.

2. Petitioner identifies three possible distinctions between its claimed state-law right and the exclusive rights protected by Section 106. None of those distinctions

provides a strong basis for concluding that the rights are not equivalent.

a. Petitioner argues that its claimed contract right can be asserted only against persons who visited and copied from petitioner’s website, while a copyright is a “right against the world.” Pet. 28 (citation omitted); see Pet. 28-29. There is disagreement among the courts of appeals regarding the significance of that distinction.³ That disagreement is not meaningfully implicated here, however, due to the atypical nature of petitioner’s asserted contract rights.

In determining whether a particular state-law right is “equivalent” to a Section 106 right, a court must examine the substance of the claimed right, which is “not determin[ed]” by state-law “label[s].” 1 Melville B. Nimmer, *Nimmer on Copyright* § 1.15, at 1-84 (Apr. 2021); see *Forest Park Pictures v. Universal Television Network, Inc.*, 683 F.3d 424, 432 (2d Cir. 2012). Petitioner

³ Compare, e.g., *ProCD*, 86 F.3d at 1454 (holding that a breach-of-contract claim was not preempted because a “copyright is a right against the world,” while “[c]ontracts, by contrast, generally affect only their parties” and therefore “do not create ‘exclusive rights’”), *Bowers v. Baystate Techs., Inc.*, 320 F.3d 1317, 1325 (Fed. Cir.) (similar), cert. denied, 539 U.S. 928 (2003), and *Lipscher*, 266 F.3d at 1318 (finding that “claims involving two-party contracts are not preempted because contracts do not create exclusive rights, but rather affect only their parties,” and holding that a contract claim was not preempted), with *Universal Instruments Corp. v. Micro Sys. Eng’g, Inc.*, 924 F.3d 32, 49 (2d Cir. 2019) (holding that a contract claim was preempted, and explaining that the parties’ “contractual privity does nothing to change the fact that vindication of an exclusive right under the Copyright Act” asserted through a breach-of-contract claim “is preempted by the Copyright Act”), and *Wrench*, 256 F.3d at 457 (“If the promise amounts only to a promise to refrain from reproducing, performing, distributing or displaying the work, then the contract claim is preempted.”).

does not allege that respondents explicitly promised not to copy the lyric transcriptions on petitioner's website. Rather, on petitioner's view (Pet. 8-9), any person who visits its website *automatically* becomes a contractual counterparty who is deemed to have agreed to petitioner's terms of service, whether or not the visitor is aware of the browsewrap agreement or any of its specific provisions. See *Nguyen*, 763 F.3d at 1176. In substance, petitioner asserts a right to prevent commercial copying of its lyric transcriptions by all persons who gain access to them, without regard to any express manifestation of consent by website visitors.

b. Preemption analysis under Section 301(a) turns on whether claimed state-law rights in "works of authorship" are "equivalent" to rights protected by Section 106. 17 U.S.C. 301(a). In the video-rental hypothetical discussed above, see pp. 9-10, *supra*, the only relevant "work[] of authorship" is the underlying film. The store's contractual protection against copying from a particular physical videotape would cover a far narrower range of potential conduct than does the copy-right holder's exclusive right to control reproduction of the original film. That difference would reinforce the conclusion that the store owner's right is not "equivalent" to an intellectual-property right in the underlying work.

Petitioner notes (Reply Br. 12) that its terms of service prohibit the copying of lyric transcriptions on its own website but do not prohibit anyone from copying the original lyrics from other sources. If the relevant "works of authorship" here are the original song lyrics, 17 U.S.C. 301(a), the state-law right that petitioner claims would be significantly more limited than the

copyrights in those works, which are infringed by unauthorized copying of the original lyrics from *any* source.

The transcriptions at issue here reflect petitioner’s effort to replicate the original lyrics as precisely as possible, and their value depends on website visitors’ perception that they accurately perform that function. Unlike a physical videotape of a copyrighted film, however, petitioner’s transcriptions *also* appear to qualify as *separate* “works of authorship” within the meaning of Section 301(a), even though the transcriptions are not entitled to copyright protection.⁴ 17 U.S.C. 301(a). And petitioner’s claimed state-law right to prevent commercial copying of its transcriptions *from its website* does not seem different in substance from a right to prevent petitioner’s transcriptions from being copied *at all*. At least if petitioner’s transcriptions are understood to be the relevant “works of authorship,” petitioner’s claimed right to control reproduction does not appear meaningfully different from a right against the world. Cf. *Peters v. West*, 692 F.3d 629, 633 (7th Cir. 2012).

The court of appeals did not focus on this question, and its opinion contains passages that point in both directions. On the one hand, the court stated that “the

⁴ While 17 U.S.C. 102(a) confers copyright protection on “original works of authorship fixed in any tangible medium of expression,” Section 301(a) conspicuously lacks the adjective “original.” That omission indicates that Section 301(a) extends to petitioner’s transcriptions because they “fit[] within one of the general subject matter categories of section[] 102.” House Report 131; see pp. 2-3, *supra*; *ProCD*, 86 F.3d at 1453 (“One function of § 301(a) is to prevent states from giving special protection to works of authorship that Congress has decided should be in the public domain, which it can accomplish only if ‘subject matter of copyright’ includes all works of a *type* covered by sections 102 and 103, even if federal law does not afford protection to them.”).

subject matter of [petitioner’s] claims is the content that appears on [petitioner’s] website—the lyrics transcriptions.” Pet. App. 8a; see *id.* at 30a (similar in district court opinion). But the court also described petitioner’s claimed contract right as “coextensive with an exclusive right already safeguarded by the [Copyright] Act—namely, control over reproduction and derivative use of *copyrighted material*.” *Id.* at 11a (emphasis added). The only “copyrighted material” implicated by petitioner’s terms of service is the original song lyrics. At the very least, the idiosyncratic character of the material that was allegedly copied further complicates the preemption analysis.

c. Petitioner notes (Pet. 33-34; Reply Br. 7) that it asserts a right only against copying for a “commercial purpose,” Pet. App. 20a n.1 (citation omitted), while the reproduction right protected by Section 106(1) extends to non-commercial copying. Courts of appeals have divided on whether a commercial-use element of a state-law claim is relevant to preemption analysis under Section 301(a).⁵ But a state-law right that requires proof of commercial use may still be equal in substance or have similar or identical effects to a right protected by Section 106.

For example, if the holder of a copyright in a novel discovered that a company had unlawfully copied the manuscript and had sold some copies of the novel for a

⁵ Compare, *e.g.*, *Jackson v. Roberts*, 972 F.3d 25, 53 (2d Cir. 2020) (explaining that a commercial-use restriction does not constitute an “extra element” because “commercial interests have always played an enormous role in copyright law,” and collecting cases) (citation omitted), with *Toney*, 406 F.3d at 910 (finding that a “commercial purpose” element required to state a state-law claim helped the claim avoid preemption).

profit while donating other copies to libraries, the copyright holder could bring infringement claims based on both types of unauthorized distribution. See 17 U.S.C. 501, 504. Accordingly, Section 301(a) would preempt a state law that purported to grant the copyright holder a cause of action *only* for unauthorized sales of the novel, because that law would grant rights having a similar or identical effect to rights granted by the Copyright Act. In and of themselves, commercial-use restrictions therefore do not ordinarily save otherwise equivalent state-law rights from preemption under Section 301(a).

C. Further Review Is Not Warranted

The atypical circumstances of this case make it an unsuitable vehicle for clarifying Section 301(a)'s application to state-law contract claims generally. Moreover, it is not apparent that any disagreement among the courts of appeals on the governing legal principles would be outcome-determinative on these facts. It is also unclear whether respondents' alleged conduct gave rise to a valid contract under New York law. Finally, the subject-matter jurisdiction of the courts below, and consequently this Court's authority to resolve the merits question, depend on whether Section 301(a) is a complete-preemption statute. The need to resolve that threshold jurisdictional issue, and the possibility that jurisdiction would be found lacking, provide a further reason to deny review.

1. a. Petitioner's question presented asks whether Section 301(a) "allow[s] a business to invoke traditional state-law contract remedies to enforce a promise not to copy and use its content." Pet. i. Petitioner argues (Pet. 28-32) that contract rights are not equivalent to Section 106 rights because they run solely against contractual

counterparties, not against the world. Petitioner is correct that the courts of appeals are divided as to the significance of that distinction. See p. 13 & n.3, *supra*. But this case is an unsuitable vehicle for clarifying Section 301(a)'s application to contract claims generally because of the distinct issues posed by petitioner's browsewrap agreement. Petitioner argues (Pet. 8-9, 31) that, simply by accessing petitioner's website, respondents implicitly agreed not to copy petitioner's lyrics transcriptions. The contract claims in this case therefore are similar to a "right against the world," see pp. 13-15, *supra*, and are substantially different from more typical contracts that involve express manifestations of consent from both parties.

The vehicle problem here is not simply that it is uncertain whether New York courts would find that an enforceable contract exists. See p. 20, *infra*. If the Court grants review in this case, it might hold that the state-law right that petitioner asserts is equivalent to a Section 106 right because the state-law right does not depend on respondents' express manifestation of consent, but rather runs against all persons who access petitioner's website. Such a holding would not clarify Section 301(a)'s application to more typical contract claims. And petitioner does not contend that any question regarding the application of Section 301(a) specifically to browsewrap agreements warrants this Court's review.

b. Petitioner asserts (Pet. 36) that "[t]his case would have come out differently" under decisions of other courts of appeals, particularly under the Seventh Circuit's decision in *ProCD*, *supra*. But given the differences between the contract at issue in *ProCD* and the browsewrap agreement here, it is not clear how the Seventh Circuit would resolve this case.

In *ProCD*, a software company compiled thousands of telephone directories onto a CD and sold it at two prices, “one for personal use, [and] a higher price for commercial use.” 86 F.3d at 1454. The consumer version contained a “shrinkwrap license”: the outside of the CD’s packaging indicated that the CD “c[ame] with restrictions stated in an enclosed license.” *Id.* at 1450. The terms of the license were inside the packaging and “appear[ed] on a user’s screen every time” the CD was used, and they limited the use of the CD to noncommercial purposes. *Ibid.* The software company brought a breach-of-contract claim against an individual who had purchased the consumer version of the CD and later used it for commercial purposes. *Ibid.*

The Seventh Circuit held that Section 301(a) did not preempt the software company’s claim. *ProCD*, 86 F.3d at 1453-1455. In reaching that conclusion, the court extensively analyzed the shrinkwrap agreement and found that the noncommercial-use restriction was an enforceable contract term; noted that “[s]omeone who found a copy of [the consumer version of the CD] would not be affected by the shrinkwrap license”; and emphasized that contracts “generally affect only their parties.” *Id.* at 1454; see *id.* at 1450-1453. The court “refrain[ed] from adopting a rule that anything with the label ‘contract’ is necessarily outside the preemption clause” because “the variations and possibilities are too numerous to foresee.” *Id.* at 1455.

Unlike in *ProCD*, where the existence of a contract was apparent (the customer had paid money and had received a CD in return) and the court found that the noncommercial-use restriction was a valid contractual term, here it is uncertain whether a contract exists. See p. 20, *infra*. Indeed, petitioner’s browsewrap agreement

resembles a hypothetical scenario that the Seventh Circuit distinguished, in which an individual happened upon a CD without receiving notice of the accompanying license. And while the Seventh Circuit focused on the fact that contract rights generally run only against counterparties, the rights that petitioner asserts here look markedly similar to rights against the world. Petitioner therefore has not demonstrated that this case would come out differently in the Seventh Circuit or in any of the other courts of appeals that have adopted a similar approach.

c. It is not clear whether petitioner could ultimately prove the existence of a valid contract under applicable state law. See *Nguyen*, 763 F.3d at 1177 (explaining that under New York law, if “there is no evidence that the website user had actual knowledge of the agreement, the validity of the browsewrap agreement turns on” “constructive notice,” which “depends on the design and content of the website and the agreement’s webpage,” and that “[w]here the link to a website’s terms of use is buried at the bottom of the page or tucked away in obscure corners of the website where users are unlikely to see it, courts have refused to enforce the browsewrap agreement”). If petitioner cannot prove that a valid contract exists, this Court’s resolution of the preemption question would not be outcome-determinative. A case involving a contract that is clearly valid under state law would be a better vehicle.

2. Petitioner filed this action in state court, and the suit was removed to federal district court pursuant to Section 301(a). See Pet. App. 4a, 25a-27a, 63a. Respondents’ theory of removal was that this case “is a civil action containing purported state law claims which are preempted by Section 301(a) * * * and thus within

the exclusive jurisdiction of” the federal district court. *Id.* at 26a (citation omitted).

The district court’s jurisdiction over this suit, and therefore this Court’s jurisdiction to resolve the preemption question, depends on whether Section 301(a) is a complete-preemption statute. Complete preemption is a narrow exception to the rule that “[f]ederal preemption is ordinarily a federal defense to the plaintiff’s suit[,] * * * does not appear on the face of a well-pleaded complaint, and, therefore, does not authorize” federal-question removal under 28 U.S.C. 1331 and 1441(a). *Metropolitan Life Ins. Co. v. Taylor*, 481 U.S. 58, 63 (1987). Removal based on federal preemption is appropriate only when Congress “so completely preempt[s] a particular area that any civil complaint raising” claims within that sphere “is necessarily federal in character.” *Id.* at 63-64.

Relying on circuit precedent, the court of appeals upheld the district court’s exercise of removal jurisdiction on the theory that petitioner’s claims are “completely preempted by the Copyright Act.” Pet. App. 4a (brackets and citation omitted). The three other courts of appeals that have addressed the complete-preemption issue in published opinions have reached the same conclusion. See *GlobeRanger Corp. v. Software AG*, 691 F.3d 702, 705-706 (5th Cir. 2012); *Ritchie v. Williams*, 395 F.3d 283, 285-287 (6th Cir. 2005); *Rosciszewski v. Arete Assocs., Inc.*, 1 F.3d 225, 230-233 (4th Cir. 1993).

Other courts, however, have expressed doubt as to that conclusion. In a recent unpublished decision, the Eleventh Circuit “assume[d] * * * that the Copyright Act is completely preemptive” with respect to state-law claims that *could have* been brought as copyright claims. *Poet Theatricals Marine, LLC, v. Celebrity*

Cruises, Inc., No. 21-10410, 2023 WL 3454614, at *4 (May 15, 2023) (per curiam). The court held, however, that the plaintiffs’ own claim was not *completely* preempted, and that the preemption question therefore “belong[ed] in state court,” because the plaintiffs there (like petitioner in this case) had no registered copyright and therefore “couldn’t have brought a copyright claim.” *Id.* at *4, *7. The Third Circuit held in an unpublished decision that Section 301(a) does not “wholly displace” state-law rights to public records and that the complete-preemption doctrine was inapplicable. *Board of Chosen Freeholders of Burlington v. Tombs*, 215 Fed. Appx. 80, 82 (2006). The Seventh Circuit indicated in dicta that it was “not so certain” that Section 301(a) effects complete preemption. *Wisconsin Interscholastic Athletic Ass’n v. Gannett Co.*, 658 F.3d 614, 620 (2011). And a district court held that Section 301(a) is not a complete-preemption provision and extensively discussed its reasons for that conclusion. *Badhwa v. Veritec, Inc.*, 367 F. Supp. 3d 890, 898-905 (D. Minn. 2018).

If the Court grants certiorari, it may wish to request briefing on the jurisdictional issue so that it can “independent[ly] * * * determine whether subject-matter jurisdiction exists.” *Arbaugh v. Y & H Corp.*, 546 U.S. 500, 514 (2006). And the presence of a potential jurisdictional issue would further complicate review of, and might ultimately prevent this Court from resolving, the question presented in the certiorari petition.

CONCLUSION

The petition for a writ of certiorari should be denied.

Respectfully submitted.

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