

WITHHOLDING INJUNCTIONS IN COPYRIGHT CASES:
IMPACTS OF *EBAY*

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ABSTRACT

Before the Supreme Court's 2006 decision in eBay Inc. v. MercExchange, L.L.C., which ruled that courts should exercise equitable discretion when considering whether to issue permanent injunctions in patent infringement cases, courts routinely granted injunctions in copyright cases when plaintiffs proved that defendants had infringed or had likely infringed copyrights. Such findings triggered presumptions of irreparable harm, which were almost never rebutted. Only rarely would courts consider a balancing of hardships or effects of injunctions on public interests.

In the first several years after eBay, commentators reported that eBay had had little impact on the availability of injunctive relief in copyright cases. However, after a key Second Circuit ruling in 2010 concluded that eBay requires plaintiffs to prove all four factors and that eBay had overturned presumptions of irreparable harm, courts have dutifully followed the dictates of eBay and have more frequently denied injunctions in four types of cases: (1) when copyright owners failed to offer persuasive evidence of irreparable harm and/or inadequacy of legal remedies, (2) when a balance of hardships favored defendants, (3) when public interests would be better served by denying the requested injunctions, and (4) when the plaintiff was

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seeking to vindicate non-copyright interests. While injunctions are still quite common in simple piracy cases, eBay has radically changed the injunctive relief calculus for copyright plaintiffs.

Although numerous private law scholars have criticized eBay for its departures from traditional principles of equity, this Article explains why the post-eBay copyright rulings comport with those principles. It concludes that the eBay four-factor test has had, by and large, salutary effects on the exercise of equitable discretion in considering injunctions in copyright infringement cases. eBay notwithstanding, there are numerous reasons why courts in copyright cases continue to be reluctant to grant damage-only awards. After eBay, courts have eschewed categorical pro-injunction rules and induced them to carefully tailor copyright infringement remedies.

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INTRODUCTION

The Supreme Court's 2006 *eBay Inc. v. MercExchange, L.L.C.* ruling has had transformative effects on the availability of injunctive relief for intellectual property (IP) infringements.¹ That decision held that courts should deny injunctions in patent infringement cases unless plaintiffs have shown that (1) without an injunction, they would suffer irreparable harm; (2) compensatory remedies at law would be inadequate; (3) a balance of hardships tips in their favor; and (4) "the public interest would not be disserved by" the issuance of an injunction.² The Court rejected the Federal Circuit's

1. 547 U.S. 388 (2006); see Matthew Sag & Pamela Samuelson, *The Hysteresis Thesis: An Empirical Study of Copyright Injunctions After eBay* 19 (Aug. 2, 2021) (unpublished manuscript), https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3898460 [<https://perma.cc/3643-C9KM>] (empirical study showing that courts have granted injunctions less frequently in copyright cases post-*eBay*). As of August 31, 2021, the *eBay* decision had been cited 4,392 times in the subsequent case law, *Citing References*, THOMSON REUTERS WESTLAW, (search "547 U.S. 388" in search box; then select "citing references" hyperlink; then select "cases" hyperlink), 3,163 of which matched the Westlaw key number for the four-factor test. *Citing References*, THOMSON REUTERS WESTLAW, (search "547 U.S. 388" in search box; then select "citing references" hyperlink; then select "cases" hyperlink; then select "filter" hyperlink; then select "headnote topics" hyperlink; then select "patents" hyperlink). The most recent empirical study on the impact of *eBay* in patent cases shows that courts deny permanent injunctions in more than a quarter of the cases. See Christopher B. Seaman, *Permanent Injunctions in Patent Litigation After eBay: An Empirical Study*, 101 IOWA L. REV. 1949, 1983 (2016). *eBay* has also significantly affected injunctive relief in trademark cases. See, e.g., Mark A. Lemley, *Did eBay Irreparably Injure Trademark Law?*, 92 NOTRE DAME L. REV. 1795, 1796-1800 (2017). This is likely to change because Congress amended trademark law to impose a rebuttable presumption of irreparable harm in infringement cases. See Trademark Modernization Act of 2020, Pub. L. No. 116-260, § 226; see also Elizabeth A. Rowe, *eBay, Permanent Injunctions, and Trade Secrets*, 77 WASH. & LEE L. REV. 553, 557 (2020) (reporting that *eBay* has had a modest impact in trade secret cases). The impact of *eBay* has been significant beyond IP cases. See, e.g., Mark P. Gergen, John M. Golden & Henry E. Smith, *The Supreme Court's Accidental Revolution? The Test for Permanent Injunctions*, 112 COLUM. L. REV. 203, 214-16 (2012) (noting the impact of *eBay* beyond IP cases). See generally DAN B. DOBBS & CAPRICE L. ROBERTS, *LAW OF REMEDIES: DAMAGES—EQUITY—RESTITUTION* § 2.11(2) (3d ed. 2017).

2. *eBay*, 547 U.S. at 391. The *eBay* decision misstated the first factor by saying that plaintiffs must show that they "ha[ve] suffered" irreparable harm. *Id.* Remedies scholar Douglas Laycock criticized *eBay* for this focus on past rather than future harm. DOUGLAS LAYCOCK, *MODERN AMERICAN REMEDIES: CASES AND MATERIALS* 428 (4th ed. 2010). Later Supreme Court decisions have clarified that injunctions are forward-looking, that is, they aim to prevent future irreparable harm. See, e.g., *Winter v. Nat. Res. Def. Council, Inc.*, 555 U.S. 7, 20 (2008). I have taken the liberty of restating the *eBay* test with the proper phrasing.

“categorical rule” that injunctions should virtually always issue upon a finding of infringement.³ In addition to pointing out that both the patent and copyright statutes provide that courts “may” issue injunctions,⁴ not that they must, the Court relied on three of its copyright precedents for the proposition that injunctions need not always be issued in IP cases.⁵ Note 10 of *Campbell v. Acuff-Rose Music, Inc.* said that the public interest is not always served by injunctive relief when defendants raise plausible fair use defenses.⁶ This Article assesses how the *Campbell* footnote and the *eBay* four-factor test have affected the availability of injunctions as a remedy for copyright infringement in the decades that followed.⁷

Part I shows that prior to the *Campbell* decision, courts routinely issued permanent injunctions when plaintiffs had proven that defendants infringed copyrights and preliminary injunctions when plaintiffs showed a likelihood of success on the merits,⁸ although courts sometimes denied injunctions because of unreasonable delay or a plaintiff’s unclean hands.⁹ Courts occasionally decided that

3. *eBay*, 547 U.S. at 393-94.

4. *Id.* at 392 (citing 35 U.S.C. § 283); *see also* 17 U.S.C. § 502(a).

5. *eBay*, 547 U.S. at 392-93 (citing *N.Y. Times Co. v. Tasini*, 533 U.S. 483, 505 (2001); *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 578 n.10 (1994); *Dun v. Lumbermen’s Credit Ass’n*, 209 U.S. 20, 23-24 (1908)). These decisions are discussed *infra* Parts I.B, II.A, II.C.

6. 510 U.S. at 578 n.10.

7. Some early articles concluded that *eBay* had had little impact on the availability of injunctions in copyright infringement cases. *See, e.g.*, Jiarui Liu, *Copyright Injunctions After eBay: An Empirical Study*, 16 LEWIS & CLARK L. REV. 215, 218 (2012); Jake Phillips, Note, *eBay’s Effect on Copyright Injunctions: When Property Rules Give Way to Liability Rules*, 24 BERKELEY TECH. L.J. 405, 407 (2009). Liu’s study focused on the first four years of cases after *eBay*, and Phillips’s study focused on the more immediate aftermath of *eBay*. Liu, *supra*, at 28; Phillips, *supra*, at 419. In the past decade, however, courts have taken the *eBay* decision more seriously, especially after the Second and Ninth Circuits, which are the leading copyright jurisdictions, ruled that *eBay* had changed the injunction rules in copyright cases. *See infra* Part III.B-D; *see also* Sag & Samuelson, *supra* note 1, at 19 (showing statistically significant lower injunction grant rates in past decade of copyright infringement cases).

8. *See, e.g.*, 4 MELVILLE B. NIMMER & DAVID NIMMER, NIMMER ON COPYRIGHT § 14.06[A][2][a], [B][1][a] (Matthew Bender, rev. ed. 2021). The Copyright Act of 1976 (1976 Act) authorizes the grant of “temporary and final” injunctions. 17 U.S.C. § 502(a). This Article conforms to the more widely used terms of “preliminary” and “permanent” injunctions.

9. Laches is an equitable defense that typically depends on a judge’s determination that the plaintiff unreasonably delayed in filing suit which resulted in prejudice to the defendant (for example, because of stale evidence or change of position). *See, e.g.*, *Petrella v. Metro-Goldwyn-Mayer, Inc.*, 572 U.S. 663, 667-68 (2014); *see also infra* notes 81-86 and accompanying text for an example of unclean hands as a rationale for withholding injunctive relief in a copyright case.

unusual circumstances warranted denying injunctive relief, as when harm was trivial,¹⁰ when the infringement was of small parts of larger works,¹¹ and when injunctive relief would be too difficult to tailor or administer.¹² Judges had mixed opinions about whether withholding injunctive relief was appropriate in close but ultimately unsuccessful fair use cases.¹³

Part II explains that the Court's *Campbell* decision transformed fair use jurisprudence by recognizing that parodies and other transformative uses of copyrighted works favored fair use defenses. Yet, its endorsement of withholding injunctions in close fair use cases was rarely followed. Several withholding injunctive relief cases in the post-*Campbell*, pre-*eBay* period involved architectural works in which the courts decided that the balance of hardships tipped toward infringers or that the requested injunction would have negative impacts on third parties (such as innocent tenants). In one high-profile technology case, courts denied a requested preliminary injunction because they viewed the dispute as more about the parties' contractual obligations than about copyright infringement.¹⁴

Part III suggests that courts took several years before they began taking seriously that *eBay* had much, if any, relevance in deciding whether to grant injunctions in copyright cases. Since 2010, courts have more frequently denied injunctions in four types of cases: (1) when copyright owners fail to offer persuasive evidence of irreparable harm and/or when courts perceive legal remedies to be adequate, (2) when the balance of hardships favors defendants, (3) when the public interest would be better served by denying the requested injunctions, and (4) when the plaintiff seeks to vindicate non-copyright interests. While injunctions are still quite common in simple piracy cases, *eBay* has radically changed the injunctive relief calculus for copyright plaintiffs in cases in which defendants had plausible defenses.¹⁵ In the past decade, courts have generally been

10. See, e.g., *Consumers Union of U.S., Inc. v. Hobart Mfg. Co.*, 189 F. Supp. 275, 278 (S.D.N.Y. 1960).

11. See, e.g., *Belushi v. Woodward*, 598 F. Supp. 36, 37 (D.D.C. 1984).

12. See, e.g., *Universal City Studios, Inc. v. Sony Corp. of Am.*, 659 F.2d 963, 976 (9th Cir. 1981), *rev'd*, 464 U.S. 417 (1984).

13. See *infra* Part I.D.

14. *Sun Microsystems, Inc. v. Microsoft Corp.*, 81 F. Supp. 2d 1026, 1033 (N.D. Cal. 2000).

15. See, e.g., 4 NIMMER & NIMMER, *supra* note 8, § 14.06[A][3][a] (describing *eBay* as

dutifully analyzing each of the *eBay* factors and seem to be granting injunctions less frequently now than before *eBay*.¹⁶

Part IV.A considers how the post-*eBay* copyright rulings comport with traditional principles of equity. Although private law and remedies scholars have lodged several criticisms against *eBay*,¹⁷ this Article concludes that the *eBay* four-factor test has had, by and large, salutary effects on judicial decisions as to whether to issue injunctions in copyright infringement cases. Part IV.B speculates about why *eBay* has not caused courts to withhold injunctions more frequently.

I. PRE-CAMPBELL CASE LAW ON INJUNCTIVE RELIEF

Prior to the Supreme Court's decision in *Campbell*, courts routinely granted injunctive relief when plaintiffs had either proven copyright infringement or shown a likelihood of success on the merits.¹⁸ Some courts went so far as to say that plaintiffs in such cases were "entitled" to injunctive relief.¹⁹ These decisions were consistent with the conception of copyright's exclusive rights as creating an entitlement to an exclusionary remedy (that is, an injunction).²⁰ In the pre-*Campbell* and pre-*eBay* periods, courts

effecting a "sea change" in copyright cases with respect to equitable discretion to issue injunctions). The Goldstein treatise states that *eBay* "unsettled long-accepted standards for copyright injunctions, both temporary and permanent." 3 PAUL GOLDSTEIN, GOLDSTEIN ON COPYRIGHT § 13.1.2.2 (3d ed. 2019). Yet, it relies upon Liu's 2012 empirical study, *supra* note 7, as evidence that *eBay* has, in fact, had little impact on the grant of injunctions in copyright infringement cases. *Id.* § 13.2.1.1. This Article's analysis, as well as empirical data from Sag & Samuelson, *supra* note 1, suggest that Liu's conclusion was premature.

16. Sag & Samuelson, *supra* note 1, at 26-27 (showing a decline in grant rates for both preliminary and permanent injunctions).

17. See, e.g., Gergen et al., *supra* note 1, at 211 (noting that *eBay*'s four factors "operate[] as a doctrinal straitjacket").

18. See 4 NIMMER & NIMMER, *supra* note 8, § 14.06[A][2][a], [B][1][a]; Mark A. Lemley & Eugene Volokh, *Freedom of Speech and Injunctions in Intellectual Property Cases*, 48 DUKE L.J. 147, 159 (1998) (criticizing the "collapse[]" of the four-factor test for preliminary injunctions into one focused only on the likelihood of success on merits).

19. See, e.g., *Olan Mills, Inc. v. Linn Photo Co.*, 23 F.3d 1345, 1349 (8th Cir. 1994); *Walt Disney Co. v. Powell*, 897 F.2d 565, 567 (D.C. Cir. 1990); *Apple Comput., Inc. v. Franklin Comput. Corp.*, 714 F.2d 1240, 1254 (3d Cir. 1983).

20. See, e.g., Shyamkrishna Balganes, *Demystifying the Right to Exclude: Of Property, Inviolability, and Automatic Injunctions*, 31 HARV. J.L. & PUB. POL'Y 593, 598-99, 601-06 (2008) (discussing this conception of exclusive rights).

typically presumed that plaintiffs would suffer irreparable injury based on a finding of infringement or a showing of a likelihood of success on the merits.²¹ Only rarely were other factors, such as a balance of hardships as between the plaintiff or defendant and the public interest, taken into account.²² However, a long delay in seeking injunctive relief and insignificant harm sometimes influenced courts to deny requested injunctions.²³ In addition, courts sometimes denied injunctions when the defendant had made significant investments in creating their works and the infringing element constituted a relatively small part of a larger work.²⁴ More mixed, however, were judicial views about whether injunctive relief was appropriate in close but ultimately unsuccessful fair use cases.²⁵

21. Prior to *eBay*, courts in all circuits except the Fifth Circuit presumed irreparable harm once plaintiffs showed likely or actual success on the merits. See 6 WILLIAM F. PATRY, PATRY ON COPYRIGHT § 22:44 (2021). Indeed, courts commonly presumed irreparable harm once plaintiffs presented a prima facie case of infringement. See 4 NIMMER & NIMMER, *supra* note 8, § 14.06[A][2][b]; *Rushton v. Vitale*, 218 F.2d 434, 436 (2d Cir. 1955). *But see* Lemley & Volokh, *supra* note 18, at 154-58 (noting that early American copyright cases were reluctant to grant preliminary injunctions, and tracing the evolution of the presumption of irreparable injury in the twentieth century); EATON S. DRONE, A TREATISE ON THE LAW OF PROPERTY IN INTELLECTUAL PRODUCTIONS IN GREAT BRITAIN AND THE UNITED STATES 515-18, 521-27 (Boston, Little, Brown & Co. 1879) (discussing temporary and permanent injunctions). Drone said nothing about presuming irreparable harm upon a showing of likely or actual infringement. See *id.* Some modern cases before *eBay* rejected the idea that defendants could rebut the presumption of irreparable harm by showing sufficiency of compensatory relief. See, e.g., *Cadence Design Sys., Inc. v. Avant! Corp.*, 125 F.3d 824, 827 (9th Cir. 1997). The Patry treatise criticized *Cadence* on this point. 6 PATRY, *supra*, § 22:52 (“Contrary to *Cadence* and Nimmer, denial of a preliminary injunction on the ground that damages can be calculated is the precise reason preliminary injunction requests have been denied for over 400 years.”). *But see* H. Tomás Gómez-Arostegui, *What History Teaches Us About Copyright Injunctions and the Inadequate-Remedy-At-Law Requirement*, 81 S. CAL. L. REV. 1197, 1200-01 (2008) (asserting that *Cadence* is correct on this issue). The *eBay* decision has made courts more receptive to compensatory remedies as an alternative to injunctive relief. See *infra* Part III.C-D.

22. See *Abend v. MCA, Inc.*, 863 F.2d 1465, 1478-79 (9th Cir. 1988) (finding balance of hardships favored defendant, *aff'd sub nom.* *Stewart v. Abend*, 495 U.S. 207 (1990)); *Apple Barrel Prods., Inc. v. Beard*, 730 F.2d 384, 389 (5th Cir. 1984) (denying a preliminary injunction because of hardship to defendant). For further discussion of *Abend*, see *infra* text accompanying notes 45-60. Courts in equity in the nineteenth century sometimes considered hardships to defendants. DRONE, *supra* note 21, at 524-25.

23. See *infra* Part I.A.

24. See *infra* Part I.B.

25. See *infra* Part I.D.

A. Unreasonable Delay and Triviality Defenses to Injunctive Relief

The most common basis for judicial denials of injunctive relief in the pre-*Campbell* era was a plaintiff's unreasonable delay in seeking relief.²⁶ In *Love v. Kwitny*, for instance, the court denied Love's request for a permanent injunction, even though the court was convinced that Kwitny had unlawfully copied eleven pages of Love's unpublished manuscript.²⁷ Yet, because Love had failed to seek a preliminary injunction during six years of litigation, the court found his claim of imminent, irreparable injury unpersuasive.²⁸ Commercial interest in Kwitny's book had, moreover, waned over time, so any future injury to Love from further sales of Kwitny's book was too "trifling" to justify issuance of an injunction.²⁹

Another case denying a motion for a preliminary injunction because the infringement caused only trivial harm was *Consumers Union of United States, Inc. v. Hobart Manufacturing Co.*³⁰ Consumers Union had wanted to stop Hobart from quoting from a Consumer Reports (CR) review of its dishwashers in a bulletin to its sales force.³¹ Hobart copied the passages to inform its distributors about the positive parts of the CR review and to explain why Hobart thought it should have gotten the top billing.³² Even if the Union

26. See, e.g., *Bourne Co. v. Tower Recs., Inc.*, 976 F.2d 99, 101 (2d Cir. 1992) (denying preliminary injunction for use of song in videocassette trailer because of delay), *aff'd sub nom.* *Bourne v. Walt Disney Co.*, 68 F.3d 621 (2d Cir. 1995); *Tr. Co. Bank v. Putnam Publ'g Grp.*, No. CV8707393, 1988 WL 62755, at *2-3 (C.D. Cal. Jan. 4, 1988) (publisher knew for years about the intended publication of the allegedly infringing work); see also 3 GOLDSTEIN, *supra* note 15, § 13.1 n.4 (citing cases); 4 NIMMER & NIMMER, *supra* note 8, § 14.06 [A][3][c][ii] n.131 (citing cases); DRONE, *supra* note 21, at 504-06 (discussing unreasonable delay as reason to deny injunctions). Courts also sometimes denied injunctive relief when convinced there was a low risk of future infringement. See, e.g., *Marisa Christina, Inc. v. Bernard Chau, Inc.*, 808 F. Supp. 356, 360 (S.D.N.Y. 1992) (finding risk of future infringement was minimal because plaintiff no longer sold infringing sweaters); *Dolori Fabrics, Inc. v. Ltd., Inc.*, 662 F. Supp. 1347, 1358 (S.D.N.Y. 1987) (denying permanent injunction against further infringement of copyrights in fabric designs because of business arrangements between the litigants).

27. 772 F. Supp. 1367, 1370, 1375 (S.D.N.Y. 1991), *aff'd*, 963 F.2d 1521 (2d Cir. 1992) (mem.).

28. *Id.* at 1374.

29. *Id.* at 1375. In the post-*eBay* case law, trivial harm is likely to be compensable by money damages.

30. 189 F. Supp. 275, 279 (S.D.N.Y. 1960).

31. *Id.* at 278.

32. *Id.*

was correct that this copying infringed its copyright, the court calculated that the maximum actual damage suffered from the infringement was forty-eight dollars, which was too trivial to justify an injunction.³³ The court was also unpersuaded by the Union's theory of irreparable injury that Hobart's use of this content in its sales bulletins would undermine "the confidence of its subscribers in its impartiality."³⁴ This was not a type of harm that copyright law was designed to prevent.³⁵

B. Substantial Investments in Non-Infringing Elements

In a few pre-*Campbell* cases, courts denied injunctions because the defendants had made significant investments in producing new works whose value principally lay in their non-infringing parts. An early example is the Supreme Court's 1908 decision in *Dun v. Lumbermen's Credit Ass'n*.³⁶ Dun charged that Lumbermen's Credit Association (LCA) infringed copyright by copying numerous entries from its directory of data about North American businesses in LCA's similar directory focused on lumber-related businesses.³⁷ Because LCA had expended considerable effort in obtaining data about lumbering businesses independent of Dun's directory, the Court affirmed dismissal of Dun's suit in equity which sought to enjoin

33. *Id.* The court did not say there was an adequate remedy at law, but perhaps this was implied. *See id.* at 279.

34. *Id.* at 279. Consumers Union later succeeded with a similar claim. *See Amana Refrigeration, Inc. v. Consumers Union of U.S., Inc.*, 431 F. Supp. 324, 326-27 (N.D. Iowa 1977) (granting preliminary injunction for quotes from a CR review). *But see Consumers Union of U.S., Inc. v. Gen. Signal Corp.*, 724 F.2d 1044, 1049-51 (2d Cir. 1983) (reversing preliminary injunction for quoting CR product review in broadcast ads about vacuum cleaner; quoted parts held to be fair use).

35. *But see Consumers Union of U.S., Inc. v. Theodore Hamm Brewing Co.*, 314 F. Supp. 697, 700 (D. Conn. 1970) (granting preliminary injunction against quoting from CR in an advertisement, in part because of irreparable harm to Consumer Union's reputation for impartiality). In the post-*eBay* case law, courts have denied injunctions aimed at preventing non-copyright harms, even those that are irreparable. *See infra* Part III.F.

36. 209 U.S. 20 (1908). The Supreme Court cited *Dun* in *eBay* in support of its ruling that injunctions need not issue in copyright infringement cases. *eBay Inc. v. MercExchange, L.L.C.*, 547 U.S. 388, 392-93 (2006); *see also* DRONE, *supra* note 21, at 525-27 (discussing cases in which courts denied injunctions when the infringing part was a small part of otherwise non-infringing works).

37. *Dun*, 209 U.S. at 21.

LCA's directory.³⁸ Although the Court accepted that LCA had copied some elements from Dun's directory, it agreed with the circuit court's conclusion that issuing an injunction would be "unconscionable" given the defendant's considerable investment in gathering and adding new information to its directory.³⁹ Dun could, however, seek damages for the infringement in a court of law.⁴⁰

A more recent example is *Belushi v. Woodward*, which denied the plaintiff's request for a temporary restraining order (TRO) to stop further distribution of copies of Bob Woodward's book about John Belushi that included a photograph of the actor in which Belushi's widow claimed copyright.⁴¹ Because a TRO would significantly disrupt the publisher's marketing strategy, the balance of hardships tipped to Woodward.⁴² While protecting copyrights is in the public interest, the court noted that "there is a competing public interest in this case: the promotion of free expression and robust debate."⁴³ It mattered that the photograph constituted a very small part of Woodward's book.⁴⁴

In *Abend v. MCA, Inc.*, the Ninth Circuit gave considerable weight to significant investments MCA had made in creating a valuable derivative work having many non-infringing elements.⁴⁵ MCA made the classic film "Rear Window" in 1954 after acquiring the right to make a movie based on a Cornell Woolrich short story.⁴⁶ Woolrich died before the renewal right vested, so he could not fulfill his contractual obligation to assign the renewal right to MCA.⁴⁷ Woolrich bequeathed his property, including his copyrights, to Columbia University.⁴⁸ On behalf of the university, an executor assigned the motion picture renewal right to Abend for 650 dollars

38. *Id.* at 23-24.

39. *Id.* A number of post-*eBay* cases have treated the small-infringement-of-a-larger-work within the adequate remedy at law or balance of hardships factors. See *infra* Part III.C.1-2.

40. See *Dun*, 209 U.S. at 24.

41. 598 F. Supp. 36, 36-37 (D.D.C. 1984). The court doubted that Belushi had suffered irreparable harm. *Id.* at 37.

42. *Id.* at 37.

43. *Id.*

44. See *id.*

45. 863 F.2d 1465, 1478 (9th Cir. 1988), *aff'd sub nom.* *Stewart v. Abend*, 495 U.S. 207 (1990).

46. *Id.* at 1467.

47. *Id.* at 1472.

48. *Id.* at 1467.

and 10 percent of any proceeds Abend could procure from exercising that right.⁴⁹

After MCA authorized television broadcasts of “Rear Window” in the 1970s, Abend sued MCA for copyright infringement in New York, a litigation that ended with a \$25,000 settlement.⁵⁰ In 1977, the Second Circuit resolved a similar renewal rights dispute by holding that equitable considerations favored allowing the author of an authorized derivative work to continue to exploit it.⁵¹ Relying on that precedent, MCA resumed authorizing public performances of “Rear Window.”⁵² Abend challenged this as copyright infringement in a California district court.⁵³ The trial judge agreed with the Second Circuit’s decision and granted MCA’s motion for summary judgment.⁵⁴ On appeal, the Ninth Circuit disagreed with the Second Circuit’s analysis and held that MCA’s acts infringed Abend’s copyright, which the Supreme Court affirmed.⁵⁵

The Ninth Circuit was, however, mindful of MCA’s concerns about the hardships it would suffer if Abend obtained an injunction.⁵⁶ The court attributed the “tremendous success” of the movie to its many non-infringing elements.⁵⁷ Enjoining exhibition of that film “would cause a great injustice” as it would not only “effectively foreclose [MCA] from enjoying legitimate profits derived from exploitation of the ‘new matter’ comprising the derivative work,” but would also “cause public injury by denying the public the opportunity to view a classic film for many years to come.”⁵⁸ Monetary compensation for MCA’s continued exploitation of the film would, the court opined,

49. *Id.* Woolrich died in 1968 before his renewal right vested, so the right vested in his estate, free from his contractual commitment to convey the renewal copyright to the defendants. *Id.*

50. *Id.* at 1467-68.

51. *Rohauer v. Killiam Shows, Inc.*, 551 F.2d 484, 493 (2d Cir. 1977) (“[A] person who with the consent of the author has created an opera or a motion picture film will often have made contributions literary, musical and economic, as great as or greater than the original author.”).

52. *Abend*, 863 F.2d at 1467-68.

53. *Id.* at 1468.

54. *Id.*

55. *Id.* at 1473-79; *Stewart v. Abend*, 495 U.S. 207, 238 (1990).

56. *Abend*, 863 F.2d at 1479.

57. *Id.* at 1478.

58. *Id.* at 1479.

be an adequate remedy at law for Abend.⁵⁹ Granting injunctive relief in this case would be contrary to copyright law's dissemination objectives and encourage rights holders to make "exorbitant" demands, such as Abend's "demand for 50% of [MCA's] future gross proceeds."⁶⁰ In today's parlance, Abend might be characterized as a copyright troll.

C. Difficulty in Fashioning an Appropriate Remedy

Abend was not the first case in which the Ninth Circuit considered the possibility of a compensatory remedy for copyright infringement as an alternative to injunctive relief. Several years earlier, it did so in *Universal City Studios, Inc. v. Sony Corp. of America*.⁶¹ That decision reversed a trial court ruling that Sony was not liable for contributory infringement for making and selling Betamax videotape recorders that it knew consumers would use to make unauthorized copies of their favorite television programs, including movies that Universal had licensed for network television broadcasts.⁶² The Ninth Circuit concluded that Sony was indirectly liable for these acts of infringement and disagreed with the lower court's ruling that consumers' copying of programs for time-shifting purposes was fair use.⁶³

The Ninth Circuit's *Sony* decision acknowledged that "[t]he relief question is exceedingly complex" and suggested that "the difficulty in fashioning relief may well have influenced the district court's evaluation of the liability issue."⁶⁴ That difficulty should not, "however, dissuade the federal courts from affording appropriate relief to those whose rights have been infringed."⁶⁵ Ordinarily, Universal would be entitled to a permanent injunction for such

59. *Id.* at 1479-80.

60. *Abend*, 495 U.S. at 228 (quoting from a Columbia Pictures amicus curiae brief). The Supreme Court was less receptive to this concern than the Ninth Circuit, saying that such arguments would be better addressed by Congress. *Id.* The Court perceived Abend to have an incentive to negotiate so he could profit from further exploitation of the work. *Id.*

61. 659 F.2d 963, 976 (9th Cir. 1981), *rev'd*, 464 U.S. 417 (1984).

62. *Id.* at 964, 969.

63. *Id.* at 974.

64. *Id.* at 976.

65. *Id.*

infringements.⁶⁶ However, the Ninth Circuit accepted that *Sony* might be a case in which a damage award or a continuing royalty might be a more suitable remedy given the substantial public injury that would result from an injunction.⁶⁷

Unlike the trial court, the Ninth Circuit in *Sony* did not address Universal's demand for a permanent injunction that would have forbidden Sony from selling further Betamax machines and required it to recall machines already sold, or forced it to redesign these machines to render them incapable of recording television programs.⁶⁸ The trial court was reluctant to issue such an order, even if home copying of television programs did infringe, given that Universal had stipulated that it had suffered no actual harm from Betamax copying and proffered only speculations about future harms.⁶⁹ That court recognized that such an injunction would affect not only Sony, but also members of the public who might want to make copies of programs as well as copyright owners who did not object to time-shift copies.⁷⁰ The court concluded that "[a]n injunction against the Betamax would be inefficient and unwise" because "[i]ts enforcement would be nearly impossible and in any event highly intrusive."⁷¹ If the court ordered Sony to recall Betamax machines, as Universal requested, "this order would be unenforceable without extensive inquiry into the activities of Betamax owners in their homes."⁷²

The Ninth Circuit did not address the potential impacts of an injunction on home copiers. However, it was unsympathetic to concerns about the impact of a remedial order on Sony: "A defendant has no right to expect a return on investment from activities which violate the copyright laws. Once a determination has been made that an infringement is involved, the continued profitability of [Sony's] businesses is of secondary concern."⁷³ By the barest of

66. *Id.*

67. *Id.*

68. *Universal City Studios, Inc. v. Sony Corp. of Am.*, 480 F. Supp. 429, 463, 468 (C.D. Cal. 1979).

69. *Id.* at 468-69.

70. *Id.* at 468.

71. *Id.*

72. *Id.*

73. *Universal City Studios, Inc. v. Sony Corp. of Am.*, 659 F.2d 963, 976 (9th Cir. 1981), *rev'd*, 464 U.S. 417 (1984).

majorities, the Supreme Court reversed the Ninth Circuit's decision on the fair use issue, making a discussion of remedies unnecessary.⁷⁴

D. Mixed Views About Injunctions in Close Fair Use Cases

Sony was not the only close fair use case in the pre-*Campbell* era in which judges were disinclined to issue injunctive relief.⁷⁵ In *Rosemont Enterprises, Inc. v. Random House, Inc.*, the Second Circuit vacated a preliminary injunction that forbade publication of a biography of Howard Hughes because Random House had a strong fair use defense and could answer in damages if an eventual trial resulted in a finding of infringement.⁷⁶

Although the biography copied numerous elements from three *Look* magazine articles about Hughes's life, the Second Circuit expressed doubts that the portions copied were "material and substantial portion[s]" of the articles.⁷⁷ It criticized the trial court for taking an unduly narrow view of fair use as available only to scholarly works of scientific or educational value and for giving too much weight to Random House's commercial motive in publishing a book aimed at a popular audience.⁷⁸ It added that the injunction would deprive the public of "an opportunity to become acquainted with the life of a person endowed with extraordinary talents who, by exercising these talents, made substantial contributions in the fields to which he chose to devote his unique abilities."⁷⁹ Moreover, the court noted that Cowles Media, which sold its copyrights in the *Look* articles to Rosemont, had done nothing with them in the dozen years since the articles' publication, and there was no indication

74. *Sony Corp. of Am. v. Universal City Studios, Inc.*, 464 U.S. 417, 456 (1984). The majority held that making time-shift copies of TV programs was fair use. *See id.* Because Betamax machines had substantial non-infringing use, Sony was not contributorily liable. *Id.* The dissenters agreed with the Ninth Circuit that time-shifting was unfair and that monetary compensation might be an adequate remedy. *See id.* at 499-500 (Blackmun, J., dissenting).

75. *See, e.g.,* *Monster Commc'ns, Inc. v. Turner Broad. Sys., Inc.*, 935 F. Supp. 490, 491, 496-97 (S.D.N.Y. 1996) (denying preliminary injunction to stop broadcast of documentary that included forty-one seconds to two minutes from Monster's film as it was likely fair use).

76. 366 F.2d 303, 306, 311 (2d Cir. 1966).

77. *Id.* at 306.

78. *Id.* at 304, 306-07.

79. *Id.* at 309.

that the defendant's biography competed with or lessened the articles' value.⁸⁰

A concurring opinion offered an additional reason to withhold injunctive relief: Rosemont had come to equity with unclean hands.⁸¹ The firm had been formed "principally for the purpose of suppressing the biography of Hughes."⁸² The concurrence observed that "[i]t has never been the purpose of the copyright laws to restrict the dissemination of information about persons in the public eye even though those concerned may not welcome the resulting publicity."⁸³ Moreover, "[i]t would be contrary to the public interest to permit any man to buy up the copyright to anything written about himself and to use his copyright ownership to restrain others from publishing biographical material concerning him."⁸⁴ The concurrence invoked "[t]he spirit of the First Amendment" to admonish courts to construe copyright law to thwart "any attempted interference with the public's right to be informed regarding matters of general interest."⁸⁵ Indeed, no one should be able to assert copyrights to suppress critical commentary, for the law "was designed to protect interests of quite a different nature."⁸⁶

A turning point in the law of fair use, as well as on the availability of injunctive relief in copyright cases, transpired in *New Era Publications International, ApS v. Henry Holt & Co.*,⁸⁷ as various judges within the Second Circuit considered another copyright claim that, as in *Rosemont*, aimed to suppress publication of a critical commentary.⁸⁸ As the owner of copyrights in the writings of the Church of Scientology founder L. Ron Hubbard, New Era sued Holt

80. *Id.* at 310-11.

81. *Id.* at 313 (Lumbard, C.J., concurring).

82. *Id.* at 311. Hughes granted Rosemont the exclusive right to publish Hughes's story. *Id.* at 312. Rosemont had attempted to squelch not only the Random House book, but other books as well. *Id.* at 312-13.

83. *Id.* at 311.

84. *Id.*

85. *Id.*

86. *Id.*

87. *New Era I*, 684 F. Supp. 808 (S.D.N.Y. 1988) (denying a temporary restraining order on laches grounds). A second opinion addressed Holt's fair use defense and New Era's demand for a permanent injunction. *New Era Publ'ns Int'l, ApS v. Henry Holt & Co. New Era II*, 695 F. Supp. 1493 (S.D.N.Y. 1988), *aff'd*, *New Era III*, 873 F.2d 576 (2d Cir. 1989), *rehearing en banc denied*, *New Era IV*, 884 F.2d 659 (2d Cir. 1989).

88. *See New Era II*, 695 F. Supp. at 1497.

to stop it from distributing copies of Russell Miller's highly critical biography, *Bare-Faced Messiah: The True Story of L. Ron Hubbard*, which quoted extensively from Hubbard's published and unpublished writings.⁸⁹ Judge Leval ruled that Holt had a viable fair use defense for the quotations from Hubbard's published works and for some but not all of the quotations from his unpublished works (such as diaries and letters).⁹⁰ However, Judge Leval declined to issue a permanent injunction largely because of the legitimate public interest in getting access to this "interesting and valuable historical study."⁹¹

Judge Leval's fair use analysis in *New Era* was noticeably constrained by a Second Circuit precedent case, *Salinger v. Random House, Inc.*, that had overturned another of his rulings that upheld a biographer's fair use defense for quoting from its subject's unpublished letters.⁹² The Second Circuit in *Salinger* agreed with Judge Leval that the biographer's research purpose favored his fair use defense; however, it disagreed with his analysis of the other three fair use factors.⁹³

Invoking the Supreme Court's decision in *Harper & Row Publishers, Inc. v. Nation Enterprises*,⁹⁴ the Second Circuit panel in *Salinger* noted that "the tenor of the Court's entire discussion of unpublished works conveys the idea that such works normally enjoy complete protection against copying any protected expression."⁹⁵ Although the Court had not entirely ruled out the possibility that fair use could be made of unpublished works, the *Salinger* decision opined that it had "diminished [the] *likelihood* that copying will be fair use when

89. *New Era* produced a sixty-five-page table of quotations from the book and passages from Hubbard's writings, forty-three of which featured quotations from Hubbard's unpublished works. *Id.* at 1498.

90. *Id.* at 1497, 1527-28.

91. *Id.* at 1525-28 (discussing the rationale for denying injunctive relief).

92. 650 F. Supp. 413, 422, 428 (S.D.N.Y. 1986), *rev'd*, 811 F.2d 90 (2d Cir. 1987). Judge Newman wrote the Second Circuit's *Salinger* opinion for himself and Judge Miner. A third panel member died before the opinion issued. Newman and Miner later came to loggerheads in *New Era* about the proper interpretation of fair use in unpublished work cases. *See infra* text accompanying notes 132-35.

93. *Salinger*, 811 F.2d at 97-99.

94. 471 U.S. 539, 564 (1985) (holding that verbatim copying of three hundred words from Gerald Ford's unpublished memoir in news magazine was unfair).

95. *Salinger*, 811 F.2d at 97. Unlike the yet-to-be-published Ford memoirs in *Harper & Row*, the *Salinger* letters were available to the public in university libraries. *See id.* at 93.

the copyrighted material is unpublished.”⁹⁶ The court also concluded that the biographer had taken too much from the letters.⁹⁷ Because the biography copied “virtually all of the most interesting passages of the letters, including several highly expressive insights about writing and literary criticism,”⁹⁸ it was likely to undercut the market for an authorized collection of Salinger’s letters.⁹⁹ The Second Circuit directed Judge Leval to enjoin publication of the Salinger biography.¹⁰⁰

In *New Era II*, New Era argued that the *Harper & Row* and *Salinger* rulings meant that fair use defenses were never, or almost never, available as to unpublished works; hence, the nature-of-the-work factor was “virtually determinative” against Holt’s defense.¹⁰¹ Judge Leval conceded that the scope of fair use was narrower as to unpublished works.¹⁰² To succeed with a fair use defense, he thought a biographer needed to show that the quoted material was “reasonably necessary to the communication and demonstration of significant points being made about the subject and must have no significant adverse effect on the market for the copyrighted work.”¹⁰³ He worried that public figures such as Hubbard could otherwise use copyright law “as an aggressive weapon to prevent the publication of embarrassing revelations and to obstruct criticism.”¹⁰⁴

This concern was especially pertinent in *New Era II* because Miller’s thesis was that “Hubbard was dishonest, pretentious, boastful, paranoid, cowardly, cruel, disloyal, aggressive, bizarre, and finally even insane in his pseudoscientific fantasies and his obsessions.”¹⁰⁵ Judge Leval noted that “[o]ften it is the *words used* by the public figure (or the particular manner of expression) that are the

96. *Id.* at 97.

97. *Id.* at 98-99. Approximately 40 percent of the book consisted of quotations or paraphrases from Salinger’s letters. *Id.*

98. *Id.* at 99.

99. *Id.* Because Salinger was a notoriously private person who did not want any biography to be written in his lifetime and objected to every single quotation and paraphrase of his words in the book at issue, it was highly unlikely that Salinger would have authorized publication of a compilation of his letters.

100. *Id.* at 100.

101. 695 F. Supp. 1493, 1498, 1500 (S.D.N.Y. 1988).

102. *Id.* at 1503.

103. *Id.* at 1504.

104. *Id.* at 1502.

105. *Id.* at 1498 (footnote omitted).

facts calling for comment.”¹⁰⁶ To illustrate why Miller needed to quote extensively from Hubbard’s works, Judge Leval’s *New Era II* opinion quoted at length from *Bare-Faced Messiah*.¹⁰⁷

Judge Leval thought that Miller had generally taken only “insignificant fragment[s]” from Hubbard’s unpublished works.¹⁰⁸ The only market harm that Judge Leval foresaw from publication of these quotes was the prospect that some readers would lose interest in buying Hubbard’s works after learning how “dishonest, conniving, opportunistic and insane” Hubbard was.¹⁰⁹ This was not the kind of harm to markets that copyright law was designed to protect.

Yet, because Miller had not justified all of his quotes from Hubbard’s unpublished writings, Judge Leval concluded that the book infringed *New Era*’s copyrights to some extent.¹¹⁰ He recognized that injunctions routinely issue in copyright cases involving exact or near-exact copying because harm from infringement may be difficult to measure and incentives to create would be eroded unless infringements were enjoined.¹¹¹ However, he perceived *New Era* as a “drastically different” type of case, having “nothing in common with such opportunistic free riding.”¹¹² Because Miller had mostly quoted Hubbard’s writings “to substantiate the argument of a laboriously researched, well-constructed biography,” Judge Leval concluded that it was “a valuable commentary on a subject of public importance.”¹¹³

According to Judge Leval, granting an injunction “would diminish public knowledge. It would suppress an interesting, well-researched, provocative study of a figure who, claiming both scientific and religious credentials, has wielded enormous influence over millions of people.”¹¹⁴ Enjoining publication of a book when only small parts infringed “implicates concerns of the First Amendment,” which

106. *Id.* at 1502.

107. *Id.* at 1508-20.

108. *Id.* at 1520.

109. *Id.* at 1523.

110. *Id.* at 1524-25.

111. *Id.* at 1525.

112. *Id.*

113. *Id.*

114. *Id.*

abhors prior restraints.¹¹⁵ This principle “is so powerful a force in shaping so many areas of our law, it would be anomalous to presume casually its appropriateness for all cases of copyright infringement.”¹¹⁶ Money damages, he concluded, could suffice as a remedy.¹¹⁷ Judge Leval perceived New Era, like Rosemont, to be trying to suppress publication of an unauthorized biography, not trying to protect the kinds of economic interests for which Congress has made copyright protection available.¹¹⁸

As in *Salinger*, the Second Circuit in *New Era III* agreed with Judge Leval that the purpose factor weighed in favor of Holt’s defense.¹¹⁹ But as in *Salinger*, the panel viewed the unpublished nature of many quotations as weighing heavily against fair use.¹²⁰ In its view, unpublished works “normally enjoy complete protection,” adding that there is a “strong presumption” against the fairness of appropriating expression from unpublished works.¹²¹ Because New Era planned to authorize a Hubbard biography and to make his unpublished works available to that biographer, the panel thought the harm factor also cut against Holt’s fair use defense.¹²²

The *New Era III* panel opined that courts should issue an injunction whenever a defendant copied more than a minimal amount of expression from unpublished works.¹²³ It disagreed that the public interest favored withholding injunctive relief or that a conflict existed between copyright and the First Amendment that would justify denying an injunction.¹²⁴ Nevertheless, the Second Circuit affirmed the lower court’s denial of a permanent injunction because of New Era’s unjustified delay in bringing the lawsuit.¹²⁵

115. *Id.*

116. *Id.*

117. *Id.* at 1527.

118. *Id.* at 1527 n.14.

119. 873 F.2d 576, 583 (2d Cir. 1989).

120. *Id.*

121. *Id.*

122. *Id.*

123. *Id.* at 584.

124. *Id.*

125. *Id.* By the time New Era sought a temporary restraining order, Holt had printed 12,000 copies of the book, 9,000 of which Holt had shipped to distributors. *Id.* at 577. Judge Leval concluded that granting the TRO would “subject [Holt] to very great harm and loss that would have been altogether avoidable if [New Era] had moved more promptly.” *New Era I*, 684 F. Supp. 808, 809 (S.D.N.Y. 1988).

A concurring opinion expressed considerable support for Judge Leval's fair use analysis as well as his reasoning about injunctive relief.¹²⁶ It identified four rationales for withholding a permanent injunction in *New Era*: First, the economic purpose of issuing injunctions would be ill-served when the use would not cause demonstrable harm to the future market value of the works being quoted.¹²⁷ Second, there is a public interest in the availability of critical biographies of public figures.¹²⁸ Third, awarding money damages was a better way to balance the copyright and First Amendment interests at stake in cases such as *New Era*.¹²⁹ Fourth, *New Era*'s delay in bringing the lawsuit was a significant factor weighing against the grant of an injunction.¹³⁰

The Second Circuit denied Holt's petition for a rehearing en banc.¹³¹ Judge Newman wrote a strong dissent criticizing the *New Era III* panel decision for taking an unduly narrow view of fair use as applied to unpublished works, saying that the decision "risks deterring [authors and publishers] from entirely lawful writings in the fields of scholarly research, biography, and journalism."¹³² He argued that copying unpublished expression should be lawful when necessary to report facts accurately.¹³³ He contended that neither the fair use nor the injunctive relief analyses in *New Era III* should represent the Second Circuit's positions.¹³⁴ Judge Miner, who authored the *New Era III* decision, wrote a short defense of the rehearing denial and of the views expressed in the panel's decision.¹³⁵ Perhaps because of the deep split among the Second Circuit judges in *New Era*, Holt petitioned the Supreme Court to review the fair use ruling, but the Court declined to review it.¹³⁶

126. *New Era III*, 873 F.2d at 591-98 (Oakes, C.J., concurring).

127. *Id.* at 596-97.

128. *Id.*

129. *Id.*

130. *Id.*

131. *New Era IV*, 884 F.2d 659, 660 (2d Cir. 1989).

132. *Id.* at 662 (Newman, J., dissenting). Three judges joined Newman's dissent. *Id.*

133. *Id.* at 663-64.

134. *Id.*

135. *Id.* at 660-62 (Miner, J., concurring).

136. *Henry Holt & Co. v. New Era Publ'ns Int'l, ApS*, 493 U.S. 1094 (1990) (denying certiorari).

E. Aftermath of the New Era Decision

A year after *New Era IV*, yet another unpublished-work fair use case reached the Second Circuit in *Wright v. Warner Books, Inc.*¹³⁷ Richard Wright's widow sued the publisher of a biography of Wright because the book included several quotes and close paraphrases from the novelist's journal and letters.¹³⁸ The district court granted the publisher's motion for summary judgment, finding that all four fair use factors weighed in its favor.¹³⁹

A Second Circuit panel affirmed the district court's ruling, although criticizing it for giving insufficient weight to the unpublished nature of the quotations and paraphrases.¹⁴⁰ The appellate court may have been influenced by amicus curiae briefs filed in support of Warner's fair use defense by the Association of American Publishers, PEN American Center, the Authors Guild, and several scholarly societies.¹⁴¹

Not content with the relatively narrow fair use victory in *Wright*, representatives of publisher, author, and scholarly organizations lobbied Congress for an amendment to the fair use provision that would repudiate *New Era's* "strong presumption" against fair use in cases involving unpublished works. The *Salinger* and *New Era* decisions were, they said, having chilling effects on their work and impeding fulfillment of the constitutional purpose of copyright law.¹⁴² Shortly thereafter, Congress amended the 1976 Act by adding a sentence to the end of the fair use provision¹⁴³: "The fact that

137. 953 F.2d 731 (2d Cir. 1991).

138. *Id.* at 734.

139. *Wright v. Warner Books, Inc.*, 748 F. Supp. 105 (S.D.N.Y. 1990), *aff'd*, 953 F.2d 731 (2d Cir. 1991). As in *Salinger*, the unpublished materials were available to the public in a university library collection. *Id.* at 110.

140. *Wright*, 953 F.2d at 737-38. One judge would have given less weight to the unpublished nature of the excerpts from Wright's writings. *Id.* at 743 (Van Graafeiland, J., concurring).

141. *Id.* at 733 (list of attorneys and law firms).

142. H.R. REP. NO. 102-836, at 4-6 (1992) (explaining concerns about the *Salinger* and *New Era* decisions).

143. Fair Use of Copyrighted Works, Pub. L. No. 102-492, 106 Stat. 3145 (1992). The legislative history of this provision is discussed in Daniel E. Wanat, *Fair Use and the 1992 Amendment to Section 107 of the 1976 Copyright Act: Its History and an Analysis of Its Effect*, 1 VILL. SPORTS & ENT. L.F. 47 (1994).

a work is unpublished shall not itself bar a finding of fair use if such finding is made upon consideration of all of the above factors.”¹⁴⁴

Another consequence in the aftermath of the *New Era* controversy was the publication of four law review articles by judges who participated in the *New Era* case.¹⁴⁵ The most influential of these articles was Judge Leval’s *Toward a Fair Use Standard*, which argued that “transformative” uses of other authors’ works should weigh in favor of fair use because such works foster ongoing creativity and enrich society.¹⁴⁶ Four years later, the Supreme Court heartily embraced Judge Leval’s conception of transformative fair uses in its *Campbell* decision.¹⁴⁷

One section of Judge Leval’s article focused on the “unfortunate tendencies” in copyright infringement cases to decide that a “rejection of a fair use defense necessarily implicates the grant of an injunction.”¹⁴⁸ This was unfortunate not only for defendants whose contributions to knowledge were being suppressed, but also for the public, which would be denied the new knowledge the suppressed work would have revealed.¹⁴⁹ Plaintiffs too might suffer because judges may be more inclined to find fair use in close cases to avoid issuing an injunction.¹⁵⁰

144. 17 U.S.C. § 107.

145. See Pierre N. Leval, *Toward a Fair Use Standard*, 103 HARV. L. REV. 1105 (1990); Jon O. Newman, *Not the End of History: The Second Circuit Struggles with Fair Use*, 37 J. COPYRIGHT SOC’Y USA 12 (1989); James L. Oakes, *Copyrights and Copyremedies: Unfair Use and Injunctions*, 38 J. COPYRIGHT SOC’Y USA 63 (1990). All three articles supported broader fair use for unpublished works and withholding injunctions in close fair use cases. *But see* Roger J. Miner, *Exploiting Stolen Text: Fair Use or Foul Play?*, 37 J. COPYRIGHT SOC’Y USA 1 (1989) (defending the *New Era III* decision).

146. Leval, *supra* note 145, at 1111-12; *see also* Pierre N. Leval, *Fair Use or Foul? The Nineteenth Donald C. Brace Memorial Lecture*, 36 J. COPYRIGHT SOC’Y USA 167, 179 (1989) (“If an injunction would impoverish society, and the copyright owner can be appropriately protected by money damages, an injunction should not be granted.”); Lloyd L. Weinreb, *Fair’s Fair: A Comment on the Fair Use Doctrine*, 103 HARV. L. REV. 1137 (1990); Wanat, *supra* note 143, at 48 n.7 (citing articles).

147. *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 579 (1994) (quoting Leval, *supra* note 145, at 1111). The Court cited approvingly to Judge Leval’s article or fair use decisions more than a dozen times in *Campbell*. *Id.* at 576-79.

148. Leval, *supra* note 145, at 1130-31.

149. *Id.* at 1131.

150. *Id.* Judge Leval thought this might explain his fair use ruling in *Salinger*. *Id.* at 1131 n.114. As the Ninth Circuit noted in *Universal City Studios, Inc. v. Sony Corp. of America*, 659 F.2d 963, 976 (9th Cir. 1981), *rev’d*, 464 U.S. 417 (1984), the difficulty of fashioning a remedy may influence a trial court’s fair use decision.

Judge Leval accepted that courts should presume irreparable injury in cases involving “simple piracy,” which was typical in the “vast majority” of copyright cases.¹⁵¹ Defendants who parasitically copy other authors’ works and sell cheap copies undermine copyright owners’ markets; courts should consequently enjoin these acts to preserve authorial incentives to create and disseminate copyrighted works.¹⁵² However, close fair use cases were “worlds apart” from piratical copying.¹⁵³ Courts should recognize that historians and journalists, among others, need to quote from others’ writings in order to produce effective commentary about them.¹⁵⁴ These authors may not be absolutely certain they have remained within fair use boundaries. When putative fair users inadvertently overstep these bounds, Leval suggested that courts carefully assess the need for injunctive relief because there may be a “strong public interest” in publication of their works.¹⁵⁵ The statute, after all, says that courts “may” issue injunctions, not that they must.¹⁵⁶

Judge Leval’s article cited numerous commentaries urging courts to exercise discretion in issuing injunctions because sometimes money damages will adequately compensate copyright owners for uses beyond the bounds of fair use.¹⁵⁷ The article concluded that injunctions should issue in close fair use cases only if necessary to preserve copyright incentives.¹⁵⁸ Decisions about injunctive relief, like those about fair use, should be consistent with the “utilitarian, public-enriching objectives of copyright.”¹⁵⁹

151. Leval, *supra* note 145, at 1132. Judge Leval reported having decided between 150 and 200 copyright cases, all but about ten of which were, in his view, simple piracy cases. *Id.* at 1134 n.123.

152. *Id.* at 1132.

153. *Id.*

154. *Id.* Judge Leval reported self-censoring his Harvard article because of *Salinger*. An earlier draft quoted numerous passages from *Bare-Faced Messiah* to show that the best way to prove that Hubbard was a liar was by quoting from his writings. Reproducing those passages, even in a law review article, could have subjected him and *Harvard Law Review* to copyright liability under the standard set forth in the *Salinger* and *New Era* decisions. *Id.* at 1113 n.39.

155. *Id.* at 1132.

156. 17 U.S.C. § 502.

157. Leval, *supra* note 145, at 1131 n.112.

158. *Id.* at 1134.

159. *Id.* at 1135. In the article, Judge Leval “deliberately refrained from invoking the support of the first amendment’s opposition to prior restraints,” not because this consideration was irrelevant, but because this was “unnecessary and risk[ed] importing confusion” into the

II. THE EVOLUTION OF INJUNCTIVE RELIEF FROM *CAMPBELL TO EBAY*

The Supreme Court's decision in *Campbell v. Acuff-Rose Music, Inc.* is justly famous for its profound influence on the evolution of substantive fair use law, due in no small part to its endorsement of the transformative character of a challenged use as favoring fair use.¹⁶⁰ *Campbell* heartily embraced Judge Leval's conception of fair use, quoting numerous passages from his article when explaining how and why transformativeness matters in fair use cases, not just with respect to the purpose and character of the use, but also in relation to the other factors.¹⁶¹ Yet, *Campbell* also notably quoted from Judge Leval's article about the possibility that the public interest may be disserved by grants of injunctions in close fair use cases.¹⁶²

Section A reviews the *Campbell* decision and its note 10. One might have expected the Court's endorsement of withholding injunctions in close fair use cases to have considerable influence in the subsequent case law, but as Section B shows, the impact of this endorsement in the pre-*eBay* fair use case law was quite modest. Section C reviews several post-*Campbell*, pre-*eBay* cases in which judges denied injunctive relief in other types of infringement cases because of public interests and the likely impact of injunctions on third parties and/or hardships on defendants. Section D considers a high-profile case in which an appellate court overturned an injunction because it viewed copyright infringement claims as premised on breach of a license.

As one might expect, courts in the post-*Campbell*, pre-*eBay* period denied injunctive relief for the same conventional reasons as were

analysis. *Id.*

160. 510 U.S. 569, 579 (1994). For a discussion of the influence of *Campbell* on fair use law, see, e.g., Pamela Samuelson, *Possible Futures of Fair Use*, 90 WASH. L. REV. 815, 818-24 (2015), identifying key contributions of *Campbell* beyond its endorsement of transformative purposes. The Supreme Court has recently reaffirmed *Campbell*'s endorsement of transformative purposes in fair use cases in *Google LLC v. Oracle Am., Inc.*, 141 S. Ct. 1183, 1202-04 (2021) (finding reuse of Java declarations in smartphone software transformative because of creativity this reuse enabled).

161. *Campbell*, 510 U.S. at 579-91.

162. *Id.* at 578 n.10.

common in the pre-*Campbell* era, including laches or unreasonable delay,¹⁶³ a low risk of future infringement,¹⁶⁴ and occasionally, the sufficiency of a damage award.¹⁶⁵

A. *The Campbell Decision and Its Note 10*

In *Campbell*, the Court reversed a Sixth Circuit ruling that 2 Live Crew's rap parody of "Pretty Woman" had made an unfair use of Roy Orbison's song.¹⁶⁶ The Sixth Circuit decided that none of the fair use factors weighed in favor of Campbell's fair use defense.¹⁶⁷ Because Campbell's use of Orbison's song had a commercial purpose, the court presumed the use was unfair and presumed that this commercial use would irreparably harm the market for Orbison's work.¹⁶⁸ It invoked the Supreme Court's *Sony* and *Harper & Row* decisions as supporting these presumptions.¹⁶⁹ Moreover, Campbell

163. See, e.g., *Clonus Assocs. v. DreamWorks, LLC*, 417 F. Supp. 2d 248 (S.D.N.Y. 2005) (finding allegedly infringing movie had already been widely disseminated, so harm had already occurred); *Richard Feiner & Co. v. Turner Ent. Co.*, 98 F.3d 33, 34 (2d Cir. 1996) ("An unreasonable delay suggests that the plaintiff may have acquiesced in the infringing activity, or that any harm suffered by the plaintiff is not so severe as to be 'irreparable.'").

164. See, e.g., *Harolds Stores, Inc. v. Dillard Dep't Stores, Inc.*, 82 F.3d 1533 (10th Cir. 1996) (finding agreement between the parties made future infringement unlikely); *Boisson v. Banian Ltd.*, 280 F. Supp. 2d 10 (E.D.N.Y. 2003) (denying permanent injunction in light of defendant's cooperation in ceasing sales of infringing products).

165. See, e.g., *Sony Comput. Ent., Inc. v. Connectix Corp.*, 203 F.3d 596, 608 n.11 (9th Cir. 2000) (finding injunction inappropriate as damages would suffice (citing *Campbell*, 510 U.S. at 578 n.10)); see also *Silverstein v. Penguin Putnam, Inc.*, 368 F.3d 77, 84 (2d Cir. 2004) (quoting 4 NIMMER & NIMMER, *supra* note 8: "where great public injury would be worked by an injunction ... the courts could ... award damages or a continuing royalty instead of an injunction").

166. *Campbell*, 510 U.S. at 572.

167. *Acuff-Rose Music, Inc. v. Campbell*, 972 F.2d 1429, 1439 (6th Cir. 1992), *rev'd*, 510 U.S. 569 (1994). One judge dissented. *Id.* at 1439-46 (Nelson, J., dissenting). As Judge Leval has noted, many leading fair use cases have involved multiple reversals and split decisions, including *Sony*, *Harper & Row*, and the 4-4 split in *Williams & Wilkins Co. v. United States*, 420 U.S. 376 (1975). Leval, *supra* note 145, at 1106-07 nn.9-10.

168. *Acuff-Rose*, 972 F.2d at 1437-39. The Sixth Circuit accepted the trial court's finding that the 2 Live Crew song was a parody, even though it did not perceive Campbell's song as a parody. *Id.* at 1435 n.8.

169. *Id.* at 1436-37 (citing and quoting *Sony Corp. of Am. v. Universal City Studios, Inc.*, 464 U.S. 417, 451 (1984); *Harper & Row Publishers, Inc. v. Nation Enters.*, 471 U.S. 539, 562, 568 (1985)).

had copied the “heart” of a creative work, which also disfavored Campbell’s fair use defense.¹⁷⁰

The Supreme Court disagreed with the Sixth Circuit on virtually every point. The purpose and character of a challenged use should, the Court ruled, be primarily focused on whether the defendant has “add[ed] something new, with a further purpose or different character, altering the first with new expression, meaning, or message; it asks, in other words, whether and to what extent the new work is ‘transformative.’”¹⁷¹ Copyright’s overall goal, “to promote science and the arts, is generally furthered by the creation of transformative works,” which “lie at the heart of the fair use doctrine’s guarantee of breathing space within the confines of copyright.”¹⁷² The Court observed that “the more transformative the new work, the less will be the significance of other factors, like commercialism, that may weigh against a finding of fair use.”¹⁷³ It regarded transformative uses as posing less risk of supplanting demand for the original; hence, it was inappropriate to presume unfairness from this kind of commercial use.¹⁷⁴ Parodies were transformative critical commentaries whose purpose will generally favor fair use.¹⁷⁵

Campbell renounced “bright-line rules” in fair use cases, saying that there must always be a case-by-case assessment about whether a challenged use was fair or unfair.¹⁷⁶ In addition, courts should not treat each factor in isolation, and no one factor should be dispositive.¹⁷⁷ All factors must be considered and should be weighed in light of each other.¹⁷⁸ Moreover, according to *Campbell*, if a use is transformative, courts should consider whether the amount taken was reasonable in light of the user’s purpose.¹⁷⁹ Courts should not presume market harm in transformative use cases, but should

170. *Id.* at 1437-38.

171. *Campbell*, 510 U.S. at 579 (citing Leval, *supra* note 145, at 1111).

172. *Id.*

173. *Id.*

174. *Id.* at 579, 584-85.

175. *Id.* at 579-82. The Court concluded that Campbell’s song “reasonably could be perceived” as a parody. *Id.* at 583.

176. *Id.* at 577.

177. *Id.* at 578.

178. *Id.*

179. *Id.* at 588-89. The Court recognized that to be effective, parodies must copy enough to “conjure up” the original. *Id.* at 588.

conclude this factor disfavors fair use only when there is a substantial likelihood that the challenged work would supplant demand for the original.¹⁸⁰

Campbell's fair use analysis has been very influential in the subsequent case law.¹⁸¹ By embracing Judge Leval's conception of fair use as an important limit on copyright law that provides breathing room for new creations, and by abjuring presumptions about unfairness and market harm in commercial-use cases, the *Campbell* decision has emboldened follow-on creators to engage in many types of transformative uses.¹⁸²

For purposes of this Article, *Campbell* is mainly of interest because of its endorsement of judicial discretion to withhold injunctions in close fair use cases.¹⁸³ Here is note 10 in full:

Because the fair use enquiry often requires close questions of judgment as to the extent of permissible borrowing in cases involving parodies (or other critical works), courts may also wish to bear in mind that the goals of the copyright law, "to stimulate the creation and publication of edifying matter," Leval 1134, are not always best served by automatically granting injunctive relief when parodists are found to have gone beyond the bounds of fair use. See 17 U.S.C. §502(a) (court "may ... grant ... injunctions on such terms as it may deem reasonable to prevent or restrain infringement") (emphasis added); Leval 1132 (while in the "vast majority of cases, [an injunctive] remedy is justified because most infringements are simple piracy," such cases are

180. *Id.* at 590-92. The Court recognized that a parody might harm markets for the parodied work because its criticism was effective, but this is not the type of harm that copyright law aims to avert. *Id.* at 591-92. It noted that *Campbell* had not presented evidence about possible harms to the market for rap derivatives of songs such as Orbison's. *Id.* at 590.

181. See Clark D. Asay, Arielle Sloan & Dean Sobczak, *Is Transformative Use Eating the World?*, 61 B.C. L. REV. 905 (2020); Samuelson, *supra* note 160, at 825-39.

182. See, e.g., *Authors Guild v. Google, Inc.*, 804 F.3d 202 (2d Cir. 2015) (holding that digitizing books to index their contents and make snippets available was transformative); *Kelly v. Arriba Soft Corp.*, 336 F.3d 811 (9th Cir. 2003) (holding that search engine copying of images for purposes of making them more accessible was transformative); *Sony Comput. Ent., Inc. v. Connectix Corp.*, 203 F.3d 596 (9th Cir. 2000) (holding that reverse engineering software to discern interface information was transformative).

183. *Campbell's* note 10 has been cited numerous times for the proposition that an injunctive remedy is justified in cases involving simple piracy. See, e.g., *Buena Vista Home Ent., Inc. v. Video Pipeline, Inc.*, 342 F.3d 191, 207 (3d Cir. 2003) (defendant monetized clips of Disney copyrighted films); *Woods v. Universal City Studios, Inc.*, 920 F. Supp. 62, 65 (S.D.N.Y. 1996) (movie copied set design from plaintiff's book).

“worlds apart from many of those raising reasonable contentions of fair use” where “there may be a strong public interest in the publication of the secondary work [and] the copyright owner’s interest may be adequately protected by an award of damages for whatever infringement is found”); *Abend v. MCA, Inc.*, 863 F.2d 1465, 1479 (CA9 1988) (finding “special circumstances” that would cause “great injustice” to defendants and “public injury” were injunction to issue), *aff’d sub nom. Stewart v. Abend*, 495 U.S. 207 (1990).¹⁸⁴

If upon remand the trial court found that Campbell took too much or caused harm to the market for rap derivative works,¹⁸⁵ the Court’s note 10 opened the door to a compensatory award rather than injunctive relief.

B. The Modest Impact of Campbell’s Note 10 on the Availability of Injunctive Relief Before eBay

In the first dozen years after the *Campbell* decision, courts withheld injunctive relief on account of plausible or strong fair use defenses in only three cases that cited to *Campbell*’s note 10.¹⁸⁶

Campbell’s conception of transformative fair uses and of injunctive relief in close fair use cases made the most profound difference in *Suntrust Bank v. Houghton Mifflin Co.*¹⁸⁷ Suntrust held the copyright in Margaret Mitchell’s novel *Gone with the Wind* (GWTW).¹⁸⁸ It sued Houghton Mifflin for copyright infringement because Alice Randall’s forthcoming book, *The Wind Done Gone*

184. *Campbell*, 510 U.S. at 578 n.10.

185. *Id.* at 593-94 (remanding for further fact-finding on possible harms to that market).

186. See *Suntrust Bank v. Houghton Mifflin Co.*, 268 F.3d 1257 (11th Cir. 2001); *Am. Geophysical Union v. Texaco, Inc.*, 60 F.3d 913, 932 n.19 (2d Cir. 1994) (finding Texaco researchers’ photocopying of journal articles likely unfair use, but noting “[t]hrough neither the limited trial nor this appeal requires consideration of the publishers’ remedy if infringement is ultimately found, we note that the context of this dispute appears to make ill-advised an injunction, which, in any event, has not been sought. If the dispute is not now settled, this appears to be an appropriate case for exploration of the possibility of a court-imposed compulsory license.”); *Hofheinz v. AMC Prods., Inc.*, 147 F. Supp. 2d 127 (E.D.N.Y. 2001) (denying preliminary injunction because documentary’s use of clips from movies was likely fair use).

187. 268 F.3d at 1276-77 (holding trial court should not have issued a preliminary injunction to stop the book’s publication).

188. *Id.* at 1259.

(*TWDG*), drew heavily from *GWTW*.¹⁸⁹ It told much the same story, albeit from the vantage point of an enslaved person rather than slaveholders.¹⁹⁰ Randall appropriated characters, major plot elements, and several scenes from *GWTW*, as well as some verbatim dialogue and descriptions.¹⁹¹

Because the taking from *GWTW* was so substantial, the trial court ruled that Suntrust had established a likelihood of success on the merits, which triggered a presumption of irreparable harm, and so it ordered Houghton Mifflin to discontinue its planned publication of *TWDG*.¹⁹² The Eleventh Circuit vacated the preliminary injunction, characterizing it as an “unlawful prior restraint in violation of the First Amendment.”¹⁹³ In a subsequent opinion, the court declared that injunctive relief was inappropriate because Houghton Mifflin raised a plausible fair use defense.¹⁹⁴

Channeling *Campbell*, the Eleventh Circuit characterized *TWDG* as a “parody,” saying this term included works whose “aim is to comment upon or criticize a prior work by appropriating elements of the original in creating a new artistic, as opposed to scholarly or journalistic, work.”¹⁹⁵ The court characterized Randall’s book as “highly transformative,” for it was “not a general commentary upon the Civil-War-era American South, but a specific criticism of and rejoinder to the depiction of slavery and the relationships between blacks and whites” as presented in *GWTW*; its goal was to “explode the romantic, idealized portrait of the antebellum South during and after the Civil War.”¹⁹⁶ To parody a work such as *GWTW*, as Randall did, it was necessary to copy enough from that work to make the parody effective.¹⁹⁷ Although Suntrust argued that

189. *Id.*

190. *Id.* at 1259, 1267, 1270.

191. *Id.* at 1259, 1266-67.

192. *Suntrust Bank v. Houghton Mifflin Co.*, 136 F. Supp. 2d 1357, 1383-84, 1386 (N.D. Ga. 2001). The trial court presumed irreparable harm from plaintiff’s prima facie showing of infringement. *Id.* at 1384. Although that court cited to *Campbell*’s note 10 regarding injunctive relief, *id.* at 1371, it concluded that on balance, copyright interests in the first work outweighed public access to the second work, *id.* at 1385.

193. *Suntrust Bank v. Houghton Mifflin Co.*, 252 F.3d 1165, 1166 (11th Cir. 2001) (per curiam).

194. *Suntrust*, 268 F.3d at 1276-77 (citing *Campbell*, 510 U.S. at 578 n.10).

195. *Id.* at 1268-69. *TWDG* is a critical commentary on *GWTW*, not a parody.

196. *Id.* at 1269-70.

197. *Id.* at 1270, 1273-74.

Randall's book would negatively impact the market value of licenses it had granted or could grant to create derivative works, it had proffered little evidence that *TWDG* would supplant demand for the types of derivative works Suntrust was willing to license.¹⁹⁸ Nor had Suntrust otherwise proven it would suffer irreparable harm absent an injunction.¹⁹⁹ The Eleventh Circuit concluded that any harm to Suntrust's copyright interests could be adequately compensated by a monetary award.²⁰⁰

Further channeling *Campbell*, the court noted that *Campbell* had recognized that the public interest is not always served by the issuance of an injunction.²⁰¹ Going beyond *Campbell*, the Eleventh Circuit stated "that the public interest is always served in promoting First Amendment values and in preserving the public domain from encroachment."²⁰² Given that Houghton Mifflin had a plausible fair use defense, the lower court's injunction was "a prior restraint on speech because the public had not had access to Randall's ideas or viewpoint in the form of expression that she chose."²⁰³ Had Acuff-Rose prevailed in *Campbell*, the Eleventh Circuit would likely have had a much less favorable view of Houghton Mifflin's fair use defense.

Much stronger and more conventional was the fair use defense in *Hofheinz v. AMC Productions, Inc.*²⁰⁴ AMC had paid Hofheinz \$36,000 for rights to use several clips from her late husband's films

198. *Id.* at 1275. Judge Marcus's concurrence pointed out that Suntrust would not have authorized Randall's book because it featured miscegenation and homosexuality, of which Suntrust disapproved. *Id.* at 1277, 1282 (Marcus, J., concurring).

199. *Id.* at 1276 (majority opinion). The Eleventh Circuit criticized the district court for presuming irreparable injury. *Id.* (citing *Campbell*, 510 U.S. at 578 n.10).

200. *Id.* at 1277.

201. *Id.* at 1276-77.

202. *Id.* at 1276.

203. *Id.* at 1277. Judge Marcus's concurrence stated that Suntrust "may not use copyright to shield [*GTW*] from unwelcome comment, a policy that would extend intellectual property protection "into the precincts of censorship." *Id.* at 1283 (Marcus, J., concurring) (quoting Pat Conroy, *id.* at 1282 n.6, an author whom Suntrust had once considered as a candidate to write a *GTW* sequel). The *Suntrust* case later settled. See David D. Kirkpatrick, *Mitchell Estate Settles "Gone With the Wind" Suit*, N.Y. TIMES (May 10, 2002), <https://www.nytimes.com/2002/05/10/business/mitchell-estate-settles-gone-with-the-wind-suit.html> [<https://perma.cc/69LU-7MDZ>]. Randall has since written and published five additional novels to date. *About, ALICE RANDALL*, <https://www.alicerandall.com/about> [<https://perma.cc/2PWF-B67J>].

204. 147 F. Supp. 2d 127 (E.D.N.Y. 2001).

in a documentary.²⁰⁵ To qualify for an Academy Award, AMC had to show the documentary for seven days in theatres, a type of public performance not contemplated in the original agreement.²⁰⁶ Even though AMC paid her an additional sum, Hofheinz claimed that the final film's use of the clips went beyond the licensed uses.²⁰⁷

The court concluded that AMC's use was transformative and that the challenged uses were "too few, too short, and too small in relation to the whole" to undercut the market for Hofheinz's works.²⁰⁸ Because Hofheinz had not proven a likelihood of success on the merits or irreparable harm, the court denied her request for a preliminary injunction.²⁰⁹ The public's interest in being able to see the documentary weighed against Hofheinz's infringement claim.²¹⁰ The court cited to *Campbell's* note 10 in support of this proposition, although *Hofheinz* was not really a close fair use case.²¹¹

Another close fair use case, albeit one in which that defense failed, was *Elvis Presley Enterprises, Inc. v. Passport Video*.²¹² Passport spent more than \$2 million to prepare a sixteen-hour video documentary about the life of Elvis Presley with sixteen episodes, each on a different theme.²¹³ Passport interviewed 200 people on various aspects of Elvis's life, often using photographs or video clips from television programs to illustrate its points without clearing rights to them.²¹⁴ The video clips were generally a few seconds to thirty seconds long.²¹⁵ The trial court concluded that the plaintiffs had shown a likelihood of success on the merits because of the commerciality of Passport's project, the creativity of the plaintiff's works, and the frequency with which clips permeated the documentary,

205. *Id.* at 130-31.

206. *Id.* at 131.

207. *Id.* at 133.

208. *Id.* at 140 (quoting *Monster Commc'ns, Inc. v. Turner Broad. Sys., Inc.*, 935 F. Supp. 490, 495 (S.D.N.Y. 1996)).

209. *Id.* at 141.

210. *Id.*

211. *Id.* The court cited to *Campbell's* note 10 because an injunction would, on balance, cause irreparable harm to the defendant, whereas plaintiff could be fully compensated with monetary damages. *Id.* at 141 n.13.

212. 349 F.3d 622 (9th Cir. 2003).

213. *Id.* at 624-27.

214. *Id.* at 625.

215. *Id.*

often showing the “heart” of the works.²¹⁶ Hence, the trial court preliminarily enjoined distribution of the documentary.²¹⁷

Although the Ninth Circuit viewed *Passport Video* as a close case, a panel majority ruled that the trial court had not abused its discretion in rejecting Passport’s fair use defense and granting a preliminary injunction.²¹⁸ The panel was unconvinced by Passport’s argument that the First Amendment was a separate basis for withholding preliminary injunctions in close fair use cases.²¹⁹ It quickly disposed of that argument by saying that any First Amendment concerns had been subsumed by the fair use analysis.²²⁰

Judge Noonan’s dissent chastised the trial court for its “demonstrably wrong” analysis of Passport’s fair use defense as well as for its inattention to the public interest and balance of hardship factors.²²¹ Because the case involved “the biography of a man with an immense following,” Judge Noonan thought that the trial court should have “ke[pt] in mind that injunctions are a device of equity and are to be used equitably, and that a court suppressing speech must be aware that it is trenching on a zone made sacred by the First Amendment.”²²² The Noonan dissent did not invoke *Campbell*’s note 10 as a basis for withholding injunctive relief, relying instead on the Ninth Circuit’s earlier endorsement of a compensatory remedy in *Abend*.²²³

216. *Id.* at 625-30.

217. *Id.* at 626.

218. *Id.* at 628-31. The majority mentioned *Campbell* in relation to the significance of transformativeness in fair use cases, but not in relation to injunctions. *Id.* at 628. The Ninth Circuit later “proclaim[ed] that the ‘King’ is dead, referring to *Elvis Presley* the case—to the extent it supported the use of a presumption of irreparable harm in issuing injunctive relief.” *Flexible Lifeline Sys., Inc. v. Precision Lift, Inc.*, 654 F.3d 989, 995 (9th Cir. 2011).

219. *Passport Video*, 349 F.3d at 626.

220. *Id.*

221. *Id.* at 631-34 (Noonan, J., dissenting). Judge Noonan later filed an amended dissent. See *Elvis Presley Enters., Inc. v. Passport Video*, 357 F.3d 896, 897-99 (9th Cir. 2004).

222. *Id.* at 899 (citing *Lemley & Volokh*, *supra* note 18).

223. *Id.* at 899 (citing *Abend v. MCA, Inc.*, 863 F.2d 1465, 1479 (9th Cir. 1988)); see *supra* text accompanying notes 45-60 (discussing *Abend*); see also *Richard Feiner & Co. v. Turner Ent. Co.*, 98 F.3d 33, 35 n.3 (2d Cir. 1996) (suggesting that trial court should consider compensation instead of injunctive relief for Turner’s failure to get renewal license for Laurel and Hardy videos in its film, as in *Abend*).

C. Other Public Interest and Balance of Hardships Rationales for Withholding Injunctions Pre-eBay

Close fair use cases were not the only post-*Campbell*, pre-*eBay* litigations in which courts considered denying injunctive relief, despite findings of infringement, when this would be contrary to the public interest or when injunctions would have detrimental effects on third parties.

The Supreme Court itself heeded a public interest concern when considering the prospect of injunctive relief in its affirmation of a Second Circuit ruling that the *New York Times* had infringed copyrights in freelancer articles by licensing their articles to online databases without getting permission in *New York Times Co. v. Tasini*.²²⁴ The *Times*'s main argument was that it had the right to license freelancers' stories to online databases under the re-publication privilege established in 17 U.S.C. § 201(c).²²⁵ But it also argued that the grant of an injunction following an infringement ruling would have "devastating" consequences for preservation of the historical record of news events because the databases would have to delete the freelancers' stories.²²⁶

Invoking *Campbell*'s note 10, the Court in *Tasini* observed that "it hardly follows from today's decision that an injunction against the inclusion of these Articles in the Databases (much less all freelance articles in any databases) must issue."²²⁷ Because the freelancers

224. 533 U.S. 483 (2001). It was rare, but not unknown, for post-*Campbell*, pre-*eBay* decisions to invoke access-to-information interests when denying injunctions. See *Prac. Mgmt. Info. Corp. v. Am. Med. Ass'n*, 121 F.3d 516, 519 (9th Cir. 1997), *as amended*, 133 F.3d 1140 (9th Cir. 1998) (citing *Abend* for the proposition that trial court could order PMIC to pay reasonable royalty for use of the AMA copyrighted codes instead of granting an injunction, given that federal regulations required use of AMA codes).

225. Under § 201(c), owners of copyrights in collective works (for example, newspapers) have the right to "reproduc[e] and distribut[e] the contribution [to a collective work] as part of that particular collective work, any revision of that collective work, and any later collective work in the same series." 17 U.S.C. § 201(c). Because the freelancer articles were not arranged in databases as they had been in the printed newspapers, the Court held that the § 201(c) privilege did not apply. *Tasini*, 533 U.S. at 504.

226. *Tasini*, 533 U.S. at 504. Documentary filmmaker Ken Burns, among others, filed an amicus curiae brief in support of the *Times* on this ground. *Id.* at 505. Justice Stevens also expressed concern about preserving the public record of historical events. See *id.* at 520 (Stevens, J., dissenting).

227. *Id.* at 505 (quoting *Campbell*'s note 10 for the proposition that the goals of copyright law are "not always best served by automatically granting injunctive relief"). The Court also

would have an interest in having their work kept available to the public, the Court surmised that the litigants should be able to reach an agreement retaining the articles in the databases.²²⁸ Failing this, the lower court could decide on a compensatory remedy.²²⁹ The Court observed that “speculation about future harms is no basis for this Court to shrink authorial rights.”²³⁰

Campbell had no influence, though, in several architectural work cases in the pre-*eBay* case law in which courts denied injunctive relief that would have stopped or required modifications of construction projects. Prior to 1990, no comparable cases existed because architectural works were ineligible for U.S. copyright protection.²³¹ Courts sometimes found defendants liable for infringing copyrighted architectural plans, but limited injunctive relief to ordering defendants to make no further use of infringing plans.²³² Courts could not enjoin the construction of buildings.²³³

After the passage of the Architectural Work Copyright Protection Act of 1990,²³⁴ courts now had authorization to enjoin the construction of infringing buildings.²³⁵ For projects that had yet to start or

observed that 17 U.S.C. § 502(a) provided that courts “may” issue injunctions. *Id.*

228. *Id.*

229. *Id.* Ironically, it was the *New York Times*, not the freelancers, that proposed to delete the infringing articles from the online databases. The newspaper said it would do this unless the freelancers signed a waiver of claims against it. *See Tasini v. N.Y. Times Co.*, 184 F. Supp. 2d 350 (S.D.N.Y. 2002) (granting the *Times*’s motion to dismiss because Tasini did not sign the waiver, so he lacked standing to sue).

230. *Tasini*, 533 U.S. at 505-06.

231. Prior to 1990, buildings were considered “useful articles” lacking aesthetic elements separable from their utilitarian aspects. *See* David E. Shipley, *The Architectural Works Copyright Protection Act at Twenty: Has Full Protection Made a Difference?*, 18 J. INTELL. PROP. L. 1, 3 (2010). Prior to enactment of the Architectural Work Copyright Protection Act of 1990 (AWCPA), some buildings could be protected by copyright law as sculptures if monumental and nonfunctional. *See* H.R. REP. NO. 101-735, at 20 n.43 (1990); *see also Circular 41: Copyright Registration of Architectural Works*, U.S. COPYRIGHT OFF., <https://www.copyright.gov/circs/circ41.pdf> [<https://perma.cc/6FP5-6LGJ>].

232. *See* Shipley, *supra* note 231, at 3.

233. *See, e.g., Demetriades v. Kaufmann*, 680 F. Supp. 658, 670 (S.D.N.Y. 1988) (ordering impoundment of infringing plans, but not enjoining construction of house of that design).

234. Pub. L. No. 101-650, 104 Stat. 5089, 5133. The Act added “architectural works” to copyright’s subject matter provision, 17 U.S.C. § 102(a)(5), and a new limitation on exclusive rights in architectural works, 17 U.S.C. § 120.

235. One early bill would have made injunctions available only when construction of the allegedly infringing building had not yet begun. H.R. 3990, 101st Cong. (1990). At a congressional hearing, some recommended that Congress not limit the availability of injunctions. *See Architectural Design Protection: Hearing on H.R. 3998 and H.R. 3991 Before*

were in early stages, courts have indeed issued injunctions to stop constructions that would infringe copyrights in the buildings' designs.²³⁶ However, courts have been reluctant to enjoin projects that were quite far along or nearing completion. Sometimes this was because of the effects an injunction would have on third parties, a balance of hardships tipped in the defendants' favor, or a public interest supporting denial of injunctive relief.

An exemplary third-party effects case was *Balsamo/Olson Group, Inc. v. Bradley Place Ltd. Partnership*.²³⁷ Bradley infringed Balsamo's copyright by using the architects' design to construct sixty units of affordable housing for senior citizens.²³⁸ Fifty-four units had been completed and certificates for their occupancy had been granted.²³⁹ Bradley did not object to being enjoined against future infringements, but opposed Balsamo's requested injunction that would have forbidden Bradley from completing the last six units in the complex, which were more than 95 percent finished.²⁴⁰

The court was persuaded that Balsamo had proven irreparable harm from the infringement and that the public interest favored protecting copyrighted works.²⁴¹ Yet it recognized that the requested injunction would have adverse effects "on nonparties who have a significant interest in the completion of the low income senior housing," including "senior citizens who have signed leases and who expect to occupy the units within a few days" as well as the interests of "institutional investors upon whose financial backs this housing program for needy senior citizens depends."²⁴² The balance

the Subcomm. on Cts., Intell. Prop., & the Admin. of Just. of the H. Comm. on the Judiciary, 101st Cong. 18-19, 117, 125, 147 (1990).

236. See, e.g., *Ronald Mayotte & Assocs. v. MGC Bldg. Co.*, 885 F. Supp. 148, 153-54 & n.4 (E.D. Mich. 1994); *Value Grp., Inc. v. Mendham Lake Ests., L.P.*, 800 F. Supp. 1228, 1235 (D.N.J. 1992).

237. 966 F. Supp. 757 (C.D. Ill. 1996); see also *Flying J, Inc. v. Cent. CA Kenworth*, 45 F. App'x 763, 767 (9th Cir. 2002) (denying permanent injunction against further operation of the infringing truck stop in part because of prejudice to nonparty competing franchisor).

238. *Balsamo/Olson*, 966 F. Supp. at 759.

239. *Id.*

240. *Id.* at 760.

241. *Id.* at 763-64. The impacts of an injunction on third parties should be considered under the public interest factor. The balance of hardships factor typically focuses on the relative impacts of an injunction on the litigants.

242. *Id.* at 764. The court noted that completing the units might enable Balsamo to collect damages from Bradley. *Id.*

of hardships consequently weighed against an injunction to stop completion of the units.²⁴³

Trueblood v. Davis was an architectural work infringement case from this period in which the court denied an injunction that would have required the defendant to modify the design of a house under construction so that it would not infringe.²⁴⁴ Trueblood contracted with the Raper family to design a distinctive house, granting them the exclusive right to control construction of houses of that design within a one-hundred-mile radius to ensure the uniqueness of their home.²⁴⁵ The Davis family managed to obtain a copy of the Raper floor plans which the Davises used to construct a nearly identical home within the one-hundred-mile zone.²⁴⁶ Both Trueblood and the Rapers sued the Davises for infringement.²⁴⁷

The main question in *Trueblood* was what, if any, injunctive relief to order.²⁴⁸ The plaintiffs recognized that it would be unreasonable to ask the court to order the Davis house to be destroyed, but they wanted the court to order the Davises to modify the design of their nearly completed home so that it would no longer infringe.²⁴⁹ Because the requested modifications would cost \$298,000, the court concluded this hardship to the Davises outweighed the irreparable injury to the Rapers of lost uniqueness.²⁵⁰

More mixed was the outcome of an architecture infringement lawsuit in *Palmetto Builders & Designers, Inc. v. Unireal, Inc.*²⁵¹ Palmetto owned exclusive rights to build houses of certain

243. *Id.* at 764-65.

244. No. 2:97-CV-125, 1997 WL 34611647, at *3-5 (M.D.N.C. June 12, 1997); *see also* Bonner v. Dawson, No. Civ.A. 502CV00065, 2003 WL 22432941, at *8 (W.D. Va. Oct. 14, 2003) (rejecting request for permanent injunction to destroy or require modifications to the infringing building, as there was an adequate remedy at law).

245. *See Trueblood*, 1997 WL 34611647, at *1.

246. *See id.* at *2.

247. *Id.* at *1.

248. *Id.*

249. *Id.* at *4 n.3; *see* 17 U.S.C. § 503(b) (authorizing the destruction of infringing copies).

250. *Id.* at *4-5. *But see* *Yankee Candle Co. v. New Eng. Candle Co.*, 14 F. Supp. 2d 154, 161 (D. Mass. 1998) (injunction required the defendant to undertake structural modifications to its store to avoid infringement). Although the parties ultimately settled, the court nevertheless issued a consent decree forbidding the defendant from including certain design features in its stores. *Yankee Candle Co. v. New Eng. Candle Co.*, 29 F. Supp. 2d 44 (D. Mass. 1998).

251. *See* 342 F. Supp. 2d 468 (D.S.C. 2004).

designs.²⁵² Palmetto showed some of these designs to two prospective clients who then took Palmetto's plans to Unireal and arranged for that firm to build houses of those designs instead of hiring Palmetto.²⁵³ Because one of the houses was nearing completion and the homeowners were getting ready to move in, the court refused to enjoin Unireal from finishing that construction project.²⁵⁴ However, the court enjoined it from further construction on the other infringing house until the design was modified to be non-infringing.²⁵⁵

As against the homeowners whose home design infringed, the court in *Palmetto* decided that "because the constructed homes constitute infringing copies of the Plaintiff's copyrighted works, they cannot be lawfully resold without the Plaintiff's permission."²⁵⁶ The court reasoned that the right to resell one's copy of a copyrighted work is statutorily limited to owners of "lawfully made" copies.²⁵⁷ The court emphasized that "[a]n *infringing* copy ... does not fit within the 'first sale' doctrine embodied in 17 U.S.C. § 109(a) and cannot be resold without the resale causing an additional act of infringement."²⁵⁸ If the homeowners in *Palmetto* sold their infringing houses, that would "constitute an act of infringement for which the copyright owner could bring suit."²⁵⁹ The court, therefore, enjoined them from selling their home without Palmetto's permission.²⁶⁰

252. *Id.* at 469.

253. *Id.* at 470.

254. *Id.* at 474.

255. *Id.*

256. *Id.* at 473. The owners of the home that the court ordered to be modified to avert infringement should be able to resell without Palmetto's permission. See *infra* text accompanying notes 351-54 for further discussion of the resales of infringing house issue.

257. *Palmetto*, 342 F. Supp. 2d at 473; see 17 U.S.C. § 109(a).

258. *Palmetto*, 342 F. Supp. 2d at 473.

259. *Id.* The court considered sale of an infringing house to be distribution of a copy under 17 U.S.C. § 106(3). *Id.*

260. *Id.* at 474. The court believed that any resale of the infringing house during the duration of the copyright term would infringe. *Id.* at 473. It did not address whether purchasers of an infringing house would themselves infringe if they resold or rented that house. See *id.* For an argument that such actions should not constitute infringement, see Shyamkrishna Balganes, *Copyright and Good Faith Purchasers*, 104 CALIF. L. REV. 269 (2016).

D. Withholding Injunctions in Disputes Over License Agreements

Courts may be wary about granting an injunction when litigants have disagreements about the proper interpretation of a contract. This was tested in a lawsuit between Sun Microsystems, developer of Java technologies, and one of its licensees, Microsoft Corporation, over the latter's failure to abide by its contractual commitment to distribute software that was compatible with the Java Native Interface (JNI). When Microsoft began distributing a "polluted" version of Java that broke Sun's "write once, run everywhere" objective for Java technologies, Sun sued it for copyright and trademark infringement, as well as for breach of contract and unfair competition.²⁶¹

Sun moved for a preliminary injunction to forbid Microsoft from distributing the incompatible version of Java in its software.²⁶² It persuaded the district court that Microsoft's distribution of incompatible software constituted copyright infringement.²⁶³ The court granted the injunction because Sun had shown a likelihood of success on the merits of this claim, hence it was proper to presume irreparable harm if an injunction did not issue.²⁶⁴ The order:

barred Microsoft from, among other things: (1) distributing any operating systems or internet browsers containing Java technology unless they supported JNI; (2) distributing any Java development tools unless they supported JNI and included a compiler with a default mode that disabled Microsoft's incompatible modifications; (3) incorporating any additional Microsoft keyword extensions or compiler directives into its Java software development tools.²⁶⁵

261. *Sun Microsystems, Inc. v. Microsoft Corp.*, 188 F.3d 1115, 1118-19 (9th Cir. 1999). In the post-*eBay* period, it became more common for courts to deny injunctions in contract dispute cases. *See infra* Part III.D.2.

262. *See Sun Microsystems*, 188 F.3d at 1117.

263. *See id.*

264. *Compare id.*, with *Perfect 10, Inc. v. Google, Inc.*, 653 F.3d 976, 979-81 (9th Cir. 2011) (observing that cases such as *Sun Microsystems* that relied on the presumption were effectively overruled by *eBay*).

265. *Sun Microsystems*, 188 F.3d at 1118-19. Microsoft was also barred from conditioning its product or logo licenses on the exclusive use of either Microsoft's Java virtual machine or Microsoft's native code interfaces. *Id.* at 1119.

The Ninth Circuit vacated this injunction.²⁶⁶ Although agreeing with the district court that Sun was likely to succeed on the merits of its claim that Microsoft had not abided by the license's compatibility requirements, the appellate court was not persuaded that these commitments were conditions of the license, breach of which constituted copyright infringement, rather than, as Microsoft insisted, a breach of license covenants.²⁶⁷ Because the district court had not addressed this issue when granting the preliminary injunction, the Ninth Circuit remanded for reconsideration of the preliminary injunction motion.²⁶⁸

On remand, the district court ruled that the compatibility provisions of Sun's license with Microsoft were indeed covenants, the breach of which did not support Sun's copyright claim; consequently, it denied Sun's motion for reissuance of the preliminary injunction.²⁶⁹ However, that court later reissued a preliminary injunction against Microsoft's distribution of Java-incompatible software under California unfair competition law.²⁷⁰

III. THE IMPACTS OF *EBAY* ON INJUNCTIONS IN COPYRIGHT CASES

The Supreme Court's statements in *Campbell* and *Tasini* that injunctions need not always issue in copyright infringement cases went "largely unheeded" until *eBay* "elevated the discussion from dicta and footnotes and incidental commentary, to full text and center stage."²⁷¹ *eBay* was, of course, a patent, not a copyright case.²⁷² Yet, in *eBay* the Court relied on three of its copyright cases—*Dun*, *Campbell*, and *Tasini*—in support of its ruling that courts should exercise discretion in considering whether to issue injunctions in patent infringement cases.²⁷³ From this, it should

266. *Id.* at 1123.

267. *Id.* at 1121-22.

268. *Id.* at 1123-24.

269. *Sun Microsystems, Inc. v. Microsoft Corp.*, 81 F. Supp. 2d 1026, 1032-33 (N.D. Cal. 2000).

270. *Sun Microsystems, Inc. v. Microsoft Corp.*, 87 F. Supp. 2d 992, 1006-07 (N.D. Cal. 2000).

271. Richard Dannay, *Copyright Injunctions and Fair Use: Enter eBay—Four-Factor Fatigue or Four-Factor Freedom?*, 55 J. COPYRIGHT SOC'Y USA 449, 456 (2008).

272. *eBay* was also a permanent, not a preliminary, injunction case; this caused some courts to think it inapplicable to copyright preliminary injunctions. See *infra* note 308.

273. The Court's invocation of copyright precedents in *eBay* on the discretionary nature of

have been obvious that the Justices thought the *eBay* standard should apply in both types of IP cases.

Notwithstanding the Court's reliance on these copyright precedents, courts in copyright cases largely ignored *eBay* for the first several years after that decision.²⁷⁴ Over time, however, all but one of the circuit courts have recognized that the old precept that courts should presume irreparable harm based on proof of a likelihood or actuality of copyright infringement was no longer sound law, and district courts now generally heed this proscription.²⁷⁵

Although post-*eBay* courts generally issue permanent injunctions in simple piracy cases,²⁷⁶ *eBay* has reinforced judicial discretion to withhold injunctions in appropriate cases. If plaintiffs fail to offer proof of irreparable harm, this is now likely to result in a denial of injunctive relief. Courts in the post-*eBay* period have also become more comfortable withholding injunctions when persuaded that damage awards would be an adequate remedy. Consideration of hardships to defendants or third parties and the impact of an injunction on the public interest are also more common after *eBay*. Courts are much less likely to grant injunctions when the irreparable harms that copyright claimants seek to prevent pertain to non-copyright interests, such as the protection of the plaintiff's privacy.

Of course, as in the pre-*Campbell* and *Campbell-to-eBay* periods, courts in the post-*eBay* period have often relied upon conventional rationales for denying injunctive relief, as when there was a low

injunctive relief is of interest because the *Campbell* and *Tasini* endorsements of withholding injunctions were dicta. Yet after *eBay*, this recognition of the discretionary nature of injunctions and tests for issuance eventually migrated back to copyright from patent law. See *infra* Part III.B-D.

274. Liu, *supra* note 7, at 218; Phillips, *supra* note 7, at 407; see also Christina Bohannon, *Copyright Harm and Injunctions*, 30 CARDOZO ARTS & ENT. L.J. 11, 17 (2012). There were, however, some exceptions. See *Christopher Phelps & Assocs., LLC v. Galloway*, 492 F.3d 532, 543 (4th Cir. 2007) (following *eBay* in denying permanent injunction in architectural work case); *Magna-Rx, Inc. v. Holley*, No. CV 05-3545-PHX, 2008 WL 5068977, at *4 (D. Ariz. Nov. 25, 2008) (following *eBay*, denying plaintiff's request for permanent injunction in default judgment copyright case); *infra* text accompanying notes 345-56 (discussing *Galloway*).

275. See, e.g., *Salinger v. Colting*, 607 F.3d 68, 75-76 (2d Cir. 2010) (vacating preliminary injunction because trial court failed to consider *eBay* factors and presumed irreparable harm from likely success on the merits). For further discussion of *Colting*, see *infra* Part III.B.

276. See *infra* Part III.E; see also 4 NIMMER & NIMMER, *supra* note 8, § 14.06[B][1][c][ii].

likelihood of success on the merits²⁷⁷ or of future infringements,²⁷⁸ when plaintiffs unduly delayed seeking relief,²⁷⁹ and sometimes a combination of these factors.²⁸⁰

A. eBay v. MercExchange

MercExchange sued eBay for infringing its patent on an electronic market system to facilitate sales of goods between private individuals through a central authority capable of securing the transactions.²⁸¹ A jury found the patent valid and infringed.²⁸² However, a district court denied MercExchange's request for a permanent injunction that would have shut down eBay's auction service.²⁸³ Because MercExchange was a nonpracticing entity whose business consisted of licensing patents, the district court thought damages would be an adequate remedy.²⁸⁴ The Court of Appeals for the Federal Circuit reversed, citing its general rule that injunctions should issue upon a finding of patent infringement absent exceptional circumstances for which eBay didn't qualify.²⁸⁵

277. See, e.g., *Enchant Christmas Light Maze & Mkt., Ltd. v. Glowco, LLC*, 958 F.3d 532, 535 (6th Cir. 2020) (describing "thin" copyright in Christmas light sculpture in animal shapes); *CCA & B, LLC v. F + W Media, Inc.*, 819 F. Supp. 2d 1310, 1318 (N.D. Ga. 2011) (finding parody of CCA's book likely fair use); *Lennon v. Premise Media Corp., L.P.*, 556 F. Supp. 2d 310, 328 (S.D.N.Y. 2008) (finding use of fifteen seconds of "Imagine" in documentary likely fair use).

278. See *infra* note 332 (listing citations to several such cases).

279. See, e.g., *Gowan Co. v. Aceto Agric. Chems.*, No. CV-09-1124-PHX, 2009 WL 2028387, at *5 (D. Ariz. July 10, 2009) (delay in filing complaint undermined claim of irreparable harm from copying of chemical label); *Berlent v. Focus Features, LLC*, No. Civ. 2834, 2006 WL 1594478, at *1, *3 (S.D.N.Y. June 8, 2006) (delay undermined claim of irreparable harm for alleged infringement of song in movie).

280. See, e.g., *Battelle Energy All., LLC v. Southfork Sec., Inc.*, 980 F. Supp. 2d 1211, 1219 (D. Idaho 2013) (finding weak evidence of software infringement; laches weakened irreparable harm argument); *Scott-Blanton v. Universal City Studios Prods. LLLP*, 495 F. Supp. 2d 74, 78-80 (D.D.C. 2007) (finding weak likelihood of success that movie infringed copyright in plaintiff's story; delay in seeking injunction weighed against irreparable harm finding).

281. *MercExchange, L.L.C. v. eBay, Inc.*, 500 F. Supp. 2d 556, 559 (E.D. Va. 2007).

282. *Id.*

283. *Id.*

284. *MercExchange, L.L.C. v. eBay, Inc.*, 275 F. Supp. 2d 695, 712-13 (E.D. Va. 2003).

285. *MercExchange, L.L.C. v. eBay, Inc.*, 401 F.3d 1323, 1338 (Fed. Cir. 2005), *vacated*, 547 U.S. 388 (2006). On remand, the district court once again denied MercExchange's motion for a permanent injunction, in part because of questions about validity of patent and in part because of MercExchange's willingness to license patents. *MercExchange*, 500 F. Supp. 2d at 568-70.

The Supreme Court's *eBay* decision rejected the Federal Circuit's "categorical rule" that injunctions should virtually always issue after a finding of patent infringement as well as the district court's "categorical rule" that injunctions should not issue against non-practicing entities whose business consisted of licensing patents.²⁸⁶ The Court endorsed the general principle that granting injunctive relief is always subject to equitable discretion.²⁸⁷ *eBay* characterized the statutory "right to exclude" as being "distinct" from whether the plaintiff had a "right" to an injunctive remedy.²⁸⁸ Citing to some of its non-IP precedents,²⁸⁹ the Court ruled that to get an injunction, a plaintiff must always prove:

(1) that it has suffered an irreparable injury; (2) that remedies available at law, such as monetary damages, are inadequate to compensate for that injury; (3) that, considering the balance of hardships between the plaintiff and defendant, a remedy in equity is warranted; and (4) that the public interest would not be disserved by a permanent injunction.²⁹⁰

The Court asserted that "[t]hese familiar principles apply with equal force to disputes arising under the Patent Act."²⁹¹ Because

286. See *eBay*, 547 U.S. at 393. Christopher Seaman's empirical study of the post-*eBay* case law shows that courts rarely issue injunctions in nonpracticing entity patent infringement cases. See Seaman, *supra* note 1, at 1987-88.

287. *eBay*, 547 U.S. at 391.

288. *Id.* at 392. Under this view, violation of an exclusive IP right does not, by itself, cause irreparable harm. For a discussion of differing conceptions of exclusive rights as they bear on the availability of injunctive relief, see Balganes, *supra* note 20, at 602-06.

289. *eBay*, 547 U.S. at 391 (citing *Amoco Prod. Co. v. Vill. of Gambell*, 480 U.S. 531, 541-44 (1987) (error to presume irreparable harm in environmental protection case; discussing equitable considerations that should inform the exercise of discretion in deciding whether to issue preliminary injunctions); *Weinberger v. Romero-Barcelo*, 456 U.S. 305, 311-13 (1982) (concluding that Congress did not intend to limit the exercise of equitable discretion in granting injunctions when enacting water pollution laws)).

290. *eBay*, 547 U.S. at 391. Although *eBay* directed courts to find whether the plaintiff "has suffered" an irreparable injury, *id.*, the Court subsequently clarified that the focus should be on whether the plaintiff "is likely to suffer" irreparable harm in the absence of an injunction. See *Winter v. Nat. Res. Def. Council, Inc.*, 555 U.S. 7, 20 (2008).

291. *eBay*, 547 U.S. at 391. Remedies scholar Douglas Laycock has criticized *eBay*'s four-factor test for the issuance of permanent injunctions as having been adapted from a common test for preliminary injunctive relief, saying that this test "make[s] no sense as applied to permanent injunctions." LAYCOCK, *supra* note 2, at 426.

that statute provides that courts “may” issue injunctions,²⁹² the Court inferred that Congress must have intended for these principles to apply in patent cases, as the Court had previously recognized in *Dun*,²⁹³ *Campbell*,²⁹⁴ and *Tasini*²⁹⁵ in respect of copyright infringements.

Justice Kennedy’s concurring opinion observed that some patent owners whose business models are based on licensing, not the production and sale of goods or services, had used the threat of an injunction “and the potentially serious sanctions arising from its violation ... as a bargaining tool to charge exorbitant fees” for use of their patent rights.²⁹⁶ Because patents often cover small components of larger products, the threat of injunctive relief against manufacture of the infringer’s whole product gave patentees “undue leverage in negotiations,” when the public interest might be better served by a damage award.²⁹⁷ Other considerations bearing on the exercise of equitable discretion, Justice Kennedy said, were the “potential vagueness” of the IP right and the “suspect validity” of such rights.²⁹⁸

In two of its subsequent decisions, the Court reinforced *eBay*’s emphasis on the exercise of equitable discretion when considering injunctive relief. The first and most significant was the Court’s 2008 decision in *Winter v. Natural Resources Defense Council, Inc.*²⁹⁹ It

292. 35 U.S.C. § 283. The Court pointed to one of the Federal Circuit’s precedents recognizing that grants of injunctions were subject to equitable discretion. *eBay*, 547 U.S. at 394 (citing *Roche Prods., Inc v. Bolar Pharm. Co.*, 733 F.2d 858, 865 (Fed. Cir. 1984)). The Roberts concurrence observed that injunctions had issued in the vast majority of patent infringement cases and this page of history should be respected. *Id.* at 394-95 (Roberts, C.J., concurring). Justices Scalia and Ginsburg joined this concurrence.

293. *See supra* text accompanying notes 36-40.

294. *See supra* text accompanying notes 166-85.

295. *See supra* text accompanying notes 224-30.

296. *eBay*, 547 U.S. at 395-96 (Kennedy, J., concurring). Justices Stevens, Souter and Breyer joined this concurrence. *Abend* presented a comparable scenario in the copyright context. *See supra* text accompanying notes 45-60.

297. *eBay*, 547 U.S. at 396 (Kennedy, J. concurring). The small-part-of-a-complex-product issue has arisen in cases such as *Belushi* and *Tasini*. *See supra* text accompanying notes 41-44, 224-30.

298. *eBay*, 547 U.S. at 397 (Kennedy, J. concurring). The scope of copyrights is often vaguer than the scope of patents. Although the invalidity of rights is less an issue in copyright than in patent cases, some copyrights have such a thin scope that courts should decline to grant an injunction, as in *Dun v. Lumberman’s Credit Ass’n*. *See* 209 U.S. 20, 23-24 (1908).

299. 555 U.S. 7, 20, 24 (2008). In *Winter*, the Court made clear that equitable considerations affect grants of preliminary as well as permanent injunctions. *Id.* at 32 (“The

articulated a four-factor test for deciding whether to grant preliminary injunctions under which the plaintiff must show (1) a likelihood of success on the merits, (2) a likelihood of irreparable harm in the absence of an injunction, (3) a balance of equities tipping in its favor, and (4) the public interest not being disserved by an injunction.³⁰⁰ *Winter* characterized injunctive relief as an “extraordinary remedy.”³⁰¹ It criticized lower courts for holding that irreparable harm need merely be a “possibility” when there was a strong likelihood of success on the merits; *Winter* says that irreparable harm must be “likely.”³⁰²

Moreover, even when harm is irreparable, *Winter* said that the balance of hardships and the public interest factors might outweigh that harm, for injunctive relief is “an extraordinary remedy never awarded as of right.”³⁰³ The Court vacated a lower court’s injunction against the Navy’s use of sonar technology because it had failed to consider the balance of equities and public interest factors.³⁰⁴ The Court thought those factors tipped in favor of the Navy, even if National Resource Defense Council (NRDC) had shown a

standard for a preliminary injunction is essentially the same as for a permanent injunction with the exception that the plaintiff must show a likelihood of success on the merits rather than actual success.” (quoting *Amoco Prod. Co. v. Vill. of Gambell*, 480 U.S. 531, 546 n.12 (1987))). As of August 29, 2021, *Winter* had been cited 14,337 times for its articulation of the four-factor test on Westlaw. *Citing References*, THOMSON REUTERS WESTLAW, (search “555 U.S. 7;” then select “citing references” hyperlink; then filter by “cases” and “headnote topic 212k1092 k”). This is more than four times the number of citations to *eBay*, which was cited 3,220 times. *Citing References*, THOMSON REUTERS WESTLAW, (search “547 U.S. 388;” then select “citing references” hyperlink; then filter by “cases” and “headnote topic 212k1032 k”). *Winter* is, however, less frequently cited in copyright injunction cases than *eBay*. See *Sag & Samuelson*, *supra* note 1, at 21.

300. *Winter*, 555 U.S. at 20. Unlike *eBay*, *Winter* did not treat the (in)adequacy of legal remedies as a separate factor. By stating that preliminary injunctions should only issue if plaintiffs have proven likely success on the merits, *id.*, *Winter* cast doubt about whether courts can issue preliminary injunctions when there is a serious question going to the merits and a balance of equities that tips toward the plaintiff. *Cf.* *Real Truth About Obama, Inc. v. Fed. Election Comm’n*, 575 F.3d 342, 345-46 (4th Cir. 2009), *vacated on other grounds*, 559 U.S. 1089 (2010) (likelihood of success on the merits necessary); *Salinger v. Colting*, 607 F.3d 68, 79 (2d Cir. 2010) (accepting a serious question going to the merits as an alternative basis for a preliminary injunction). Justice Ginsburg’s dissent in *Winter* did not perceive the majority as having rejected the sliding-scale standard used in several circuits. 555 U.S. at 51 (Ginsburg, J., dissenting).

301. *Winter*, 555 U.S. at 24 (majority opinion).

302. *Id.* at 21-22.

303. *Id.* at 24.

304. *Id.* at 32-33.

strong likelihood that the Navy had violated U.S. environmental laws.³⁰⁵

Another of the Court's significant post-*eBay* remedy-related decisions was *Petrella v. Metro-Goldwyn-Mayer, Inc.*, in which the Court ruled that a long delay (in that case, eighteen years) in bringing a lawsuit was not a complete defense to copyright infringement claims.³⁰⁶ That delay could, however, be considered when deliberating about whether to issue an injunction.³⁰⁷

B. The Slow Demise of the Presumption of Irreparable Harm

In the first few years after *eBay* and *Winter*, courts in copyright cases seem to have paid little attention to *eBay*, and some questioned whether *eBay*'s four-factor test should be applied in copyright cases.³⁰⁸ An empirical study of the post-*eBay* case law published in 2012 reported that a large percentage of copyright infringement cases decided in the first three years after the *eBay* decision ignored

305. *Id.* at 26-28. Environmental law scholars have expressed reservations about decisions such as *eBay* and *Winter* insofar as they have made enforcement of environmental laws more difficult. *See, e.g.*, Craig N. Johnston, *Ensuring Compliance: Equitable Relief in the Face of Violations of Substantive Environmental Standards*, 49 ENV'T L. 793, 794-95, 802-03 (2019). Professor Richard Hasen considers *eBay* and *Winter* to be part of a larger trend of Supreme Court conservative majorities making it harder to get injunctions in public law cases in which governments are the defendants. E-mail from Richard L. Hasen, Chancellor's Professor of L., U.C. Irvine Sch. of L., to Pamela Samuelson, Richard M. Sherman Professor of L., U.C. Berkeley Sch. of L. (Mar. 24, 2021, 4:39 PM) (on file with author). He characterized *eBay* as having put a "new thumb on the scale" against injunctions. *Id.* This kind of thumb on the scale may be justifiable in copyright cases because of the First Amendment and fair use issues that arise in them, but more problematic as applied to remedies for other types of legal wrongs that aim to vindicate public law interests. *See id.*

306. 572 U.S. 663, 686 (2014).

307. *Id.* at 687. *Petrella* cited approvingly to *Chirco v. Crosswinds Cmtys., Inc.*, 474 F.3d 227, 235-36 (6th Cir. 2007) (denying injunctive relief in architectural work infringement case because plaintiff had not promptly sought relief).

308. *See, e.g.*, Phillips, *supra* note 7, at 420 (reporting *eBay*'s impact in copyright cases as "minimal"). Some courts questioned whether *eBay*'s four-factor test applied to copyright preliminary injunction cases. *See, e.g.*, Lennon v. Premise Media Corp., L.P., 556 F. Supp. 2d 310, 319 n.1 (S.D.N.Y. 2008) ("A presumption temporarily removing the need to prove irreparable harm may serve the ends of equity at this early stage of the litigation even if it would be inappropriate where the record is complete" because "the record on a motion for a preliminary injunction is to some degree incomplete."); *Christiana Indus. v. Empire Elecs., Inc.*, 443 F. Supp. 2d 870, 884 (E.D. Mich. 2006) (declining to apply *eBay* in preliminary injunction ruling).

eBay altogether.³⁰⁹ The study reported that only 11 percent cited *eBay* at all,³¹⁰ and those that did generally applied its factors “in a very cursory and mechanical way.”³¹¹ As will become clear in Sections C and D, courts have taken *eBay* much more seriously in the past decade.

By ignoring or narrowly construing *eBay* and *Winter*, courts in the early years continued to presume irreparable harm whenever copyright plaintiffs had shown a likelihood or actuality of success on the merits. Consider the 2009 district court ruling in *Salinger v. Colting*, which preliminarily enjoined publication of Colting’s book imagining Salinger’s fictional character, Holden Caulfield, from *Catcher in the Rye* as an old man.³¹² That court relied on Second Circuit precedents that presumed irreparable harm when a plaintiff was likely to succeed on the merits.³¹³ Colting argued that the presumption was no longer sound law after *eBay* and that all four

309. Liu, *supra* note 7, at 218. Liu reported that of the 506 copyright injunction cases in his sample, only 11 percent cited to *eBay*. *Id.* at 228. *But see* Sag & Samuelson, *supra* note 1, at 19-21 (showing that *eBay* was cited more frequently in the first few years of copyright injunction cases than Liu reported).

310. Liu, *supra* note 7, at 228.

311. *Id.* at 218. More than forty commentaries have cited Liu for these propositions, often assuming his conclusions still hold. *See, e.g.*, 3 GOLDSTEIN, *supra* note 15, §§ 13.1.2.2, 13.2.1 (2021) (quoting Liu article at length); Alfred C. Yen, *Rethinking Copyright’s Relationship to the First Amendment*, 100 B.U. L. REV. 1215, 1225 n.64 (2020) (citing Liu as showing that plaintiffs establishing copyright infringement get injunctive relief over 90 percent of time); Amy Adler & Jeanne C. Fromer, *Taking Intellectual Property Into Their Own Hands*, 107 CALIF. L. REV. 1455, 1499-1500 (2019) (“That said, [successful copyright and trademark plaintiffs] generally do [get injunctive relief], and one empirical study after the Supreme Court’s 2006 decision found that courts almost never withhold injunctive relief from successful copyright plaintiffs.” (citing Liu)). *But see* Sag & Samuelson, *supra* note 1, at 19, 26-27 (showing statistically significant lower injunction grant rates in the past decade of copyright infringement cases).

312. 641 F. Supp. 2d 250, 253-54, 269 (S.D.N.Y. 2009), *vacated*, 607 F.3d 68 (2d Cir. 2010). In an earlier article, I argued that this presumption should not apply in transformative fair use cases. *See* Pamela Samuelson & Krzysztof Bebenek, *Why Plaintiffs Should Have to Prove Irreparable Harm in Copyright Preliminary Injunction Cases*, 6 I/S: J.L. & POL’Y FOR INFO. SOC’Y 67, 68 (2010). Some commentators assert that *eBay* need not be read as rejecting presumptions of irreparable harm in copyright cases. *See, e.g.*, David McGowan, *Irreparable Harm*, 14 LEWIS & CLARK L. REV. 577, 580 (2010); Andrew F. Spillane, Comment, *The Continuing Vitality of the Presumption of Irreparable Harm in Copyright Cases*, 15 MARQ. INTELL. PROP. L. REV. 257, 260 (2011) (“[C]ourts should graft a rebuttable presumption of irreparable harm onto the first *eBay* factor.”).

313. *Colting*, 641 F. Supp. 2d at 268 n.6.

eBay factors should be considered, but the district court thought that *eBay* had no relevance in copyright cases.³¹⁴

In 2010, the Second Circuit vacated the preliminary injunction in *Colting* and remanded the case for reconsideration in light of *eBay* and *Winter*.³¹⁵ It stated that *eBay* should be understood as having repudiated the presumption of irreparable harm in copyright cases and mandated that courts must consider all four *eBay* factors before granting injunctive relief.³¹⁶ The *Colting* decision found further support for these propositions in *Winter*, which put the burden on plaintiffs to make a showing on the four factors to support issuance of a preliminary injunction.³¹⁷ The court also recognized that when defendants raised colorable fair use defenses, both the plaintiff and defendant had First Amendment interests at stake that should be considered in preliminary injunction proceedings.³¹⁸

Soon thereafter, two Ninth Circuit decisions expressed agreement with *Colting* that presuming irreparable harm based on a likelihood of success on the merits was inconsistent with *eBay* and *Winter* and that all four factors must be addressed. The first was *Perfect 10, Inc. v. Google, Inc.*, which affirmed denial of a preliminary injunction against Google for displaying and allowing display of thumbnail versions of Perfect 10's photographs.³¹⁹ Invoking *eBay* and *Winter*, the Ninth Circuit rejected Perfect 10's argument that a court must

314. *Salinger v. Colting*, 607 F.3d 68, 74 (2d Cir. 2010).

315. *Id.* at 79.

316. *Id.* at 77-83. The Second Circuit did not question the district court's conclusion that *Salinger* was likely to prevail on the merits. *Id.* at 83.

317. *Id.* at 78 (citing *Winter v. Nat. Res. Def. Council, Inc.*, 555 U.S. 7 (2000)).

318. *Id.* at 81. *Colting* cited approvingly to Lemley & Volokh, *supra* note 18, at 199-202, which characterized preliminary injunctions in plausible copyright fair use cases as prior restraints on speech. 607 F.3d at 76, 80-81. For commentary praising *Colting* for its greater attention to freedom of expression values in copyright cases, see, e.g., Kathleen K. Olson, *Injunctions and the Public Interest in Fair Use Cases After eBay*, 17 COMM'N L. & POL'Y 235, 236 (2012) (praising *Colting* for "put[ting] an end to the traditional practice of near-automatic grants of injunctive relief" and "offer[ing] courts the opportunity to rectify the existing imbalance between copyright plaintiffs and defendants with credible fair use claims and restor[ing] the public interest as an integral factor in granting injunctive relief"); Bohannon, *supra* note 274, at 17-18 (emphasizing the free expression interests at stake and praising *eBay* and *Colting* for requiring proof of irreparable harm instead of presuming it in copyright cases). *But see* Andrew Gilden, *Copyright Essentialism and the Performativity of Remedies*, 54 WM. & MARY L. REV. 1123, 1130-31 (2013) ("The court's rhetoric expresses sensitivity toward free speech interests ... but the decision itself does little to dislodge the permissions-based norms that prompted remedy reforms in the first place.").

319. 653 F.3d 976, 977-78 (9th Cir. 2011).

presume, when there is a likelihood of success on the merits, that plaintiff will suffer irreparable harm should injunctive relief be withheld.³²⁰ It concluded that the circuit's longstanding rule for a presumption was "effectively overruled" by the Supreme Court's decision in *eBay*.³²¹ Perfect 10 proffered evidence that it was in financial jeopardy, surely a type of irreparable harm, but it had not shown that Google's acts had caused that harm or that an injunction would mitigate it, so the court concluded that Perfect 10 had presented insufficient evidence of irreparable harm caused by the claimed infringement to justify issuance of an injunction.³²²

A week later, another Ninth Circuit panel also disavowed the irreparable harm presumption in *Flexible Lifeline Systems, Inc. v. Precision Lift, Inc.*³²³ It reversed a district court's grant of a preliminary injunction prohibiting Precision from using Flexible's copyrighted technical drawings for aircraft or vehicle maintenance stands and platforms because the court had presumed irreparable harm instead of requiring Flexible to prove it.³²⁴ The Ninth Circuit rejected Flexible's argument that the presumption survived *eBay* and *Winter* with respect to copyright infringement claims and ruled that the Supreme Court decisions had made the presumption impermissible.³²⁵ The court directed the district court to address all four factors before issuing an injunction.³²⁶

The Second and the Ninth Circuits were not the first appellate courts to reject the presumption of irreparable harm in copyright cases or to embrace full consideration of the *eBay* factors. The Fourth Circuit had done so in 2007 and the First and Eleventh Circuits in 2008.³²⁷ Yet because the Second and Ninth Circuits have

320. *Id.* at 979-81. The Ninth Circuit acknowledged that many of its prior decisions had endorsed a presumption of irreparable harm from a showing of likely success on the merits of copyright infringement claims. *Id.* at 979.

321. *Id.* at 981 (quoting *Miller v. Gammie*, 335 F.3d 889, 893 (9th Cir. 2003) (en banc)).

322. *Id.* at 981-82; see also *Sony Comput. Ent., Inc. v. Connectix Corp.*, 203 F.3d 596, 608 n.11 (9th Cir. 2000) (reversing grant of preliminary injunction because alleged infringement played minimal role in developing emulation platform and damages would be adequate).

323. 654 F.3d 989, 1000 (9th Cir. 2011) (per curiam).

324. *Id.* at 991, 993, 1000.

325. *Id.* at 995-98. The court also relied on the Second Circuit's *Colting* decision. See *id.* at 998-99.

326. *Id.* at 1000.

327. The first was *Christopher Phelps & Assocs., LLC v. Galloway*, 492 F.3d 532, 543 (4th Cir. 2007). The second and third were *CoxCom, Inc. v. Chaffee*, 536 F.3d 101, 111-12 (1st Cir.

long been the leading appellate courts in copyright cases³²⁸ and the *Colting* and *Flexible Lifeline Systems* decisions were especially well-reasoned, other circuits have relied upon them when newly considering the impact of *eBay* on the availability of injunctive relief in copyright cases.³²⁹ The Third Circuit was the most recent to join this chorus.³³⁰ Only the Sixth Circuit still presumes irreparable harm in copyright infringement cases.³³¹

In view of the now-considerable consensus about *eBay*'s implications for injunctions in copyright cases and its abrogation of presumptions of irreparable harm, courts have been much more receptive to defense arguments that plaintiffs have failed to satisfy the *eBay* and *Winter* standards for issuance of injunctions in the past decade, as numerous cases below illustrate.

C. Post-*eBay* Cases Denying Permanent Injunctions Despite Infringement

Although most post-*eBay* decisions addressing the proper *eBay* and *Winter* injunctive relief tests have involved requests for

2008), and *Peter Letterese & Assocs., Inc. v. World Inst. of Scientology Enters., Int'l*, 533 F.3d 1287, 1323 (11th Cir. 2008). See *infra* text accompanying notes 345-56 (discussing *Galloway*).

328. See, e.g., Gergen et al., *supra* note 1, at 218 n.74 (noting that Second and Ninth Circuits are leading jurisdictions in copyright cases). As of August 29, 2021, the *Colting* decision had been cited 601 times (at least once in every circuit except the D.C. Circuit), *Citing References*, THOMSON REUTERS WESTLAW, (search "607 F.3d 68;" then select "citing references" hyperlink; then filter by "cases" and "jurisdiction"), 406 times for its repudiation of the presumption of irreparable harm, *Citing References*, THOMSON REUTERS WESTLAW, (search "607 F.3d 68;" then select "citing references" hyperlink; then filter by "cases" and "headnote topic 99k1139(2) k"), and 457 times for the four-factor test, *Citing References*, THOMSON REUTERS WESTLAW, (search "607 F.3d 68;" then select "citing references" hyperlink; then filter by "cases" and "headnote topic 99k1127(2) k"); *Flexible Lifeline Systems* had been cited 282 times in all but the D.C. Circuit, *Citing References*, THOMSON REUTERS WESTLAW, (search "654 F.3d 989;" then select "citing references" hyperlink; then filter by "cases" and "jurisdiction").

329. See, e.g., *Flava Works, Inc. v. Gunter*, 689 F.3d 754, 755 (7th Cir. 2012) (vacating preliminary injunction because lower court presumed irreparable harm; post-*eBay*, a court must consider all factors).

330. *TD Bank N.A. v. Hill*, 928 F.3d 259, 279 (3d Cir. 2019). See *infra* text accompanying notes 357-73 (discussing *TD Bank*).

331. See *Enchant Christmas Light Maze & Mkt. Ltd. v. Glowco, LLC*, 958 F.3d 532, 536 n.1 (6th Cir. 2020) (acknowledging that the irreparable harm presumption was on its "last legs"). Although declining to repudiate the presumption, the Sixth Circuit stressed the extraordinary nature of the injunction remedy and the "clear showing" that the movant must make to qualify for this remedy. *Id.* at 539.

preliminary injunctions, some, like *eBay*, have involved motions for permanent injunctions. Actual success on the merits no longer guarantees that plaintiffs can obtain permanent injunctions.³³² A failure to prove irreparable harm or adequacy of compensatory relief, a balance of hardships tipping toward defendants, and the public interest have been given serious consideration in several post-*eBay* copyright infringement decisions.

1. Failure to Prove Irreparable Harm and Inadequacy of Legal Remedies

Even though a jury found that Robin Thicke and Pharrell Williams's song "Blurred Lines" infringed copyright in Marvin Gaye's "Got to Give It Up," a district court denied the Gaye heirs' motion for a permanent injunction in *Williams v. Bridgeport Music, Inc.* for failing to prove irreparable harm and inadequacy of legal remedies.³³³ Invoking the Ninth Circuit's *Perfect 10* decision for the proposition that injunctions are "extraordinary and drastic" and "never awarded as of right," the trial court dutifully reviewed *eBay*'s four factors.³³⁴ Gaye's heirs contended that they were suffering irreparable harm because of the infringement, but the court concluded that they failed to offer proof of such harm, as *eBay* required.³³⁵ Although the prospect of future infringement was certain unless an injunction issued, the court decided that awarding

332. See, e.g., *Berry v. Dillon*, 291 F. App'x 792, 794-96 (9th Cir. 2008) (holding permanent injunction unnecessary because there was no risk of continued violations; defendants reasonably believed their use of plaintiff's freight control system software was non-infringing); *Getty Images (US), Inc. v. Microsoft Corp.*, 61 F. Supp. 3d 296, 296-97 (S.D.N.Y. 2014) (denying injunction because Microsoft voluntarily withdrew widget after Getty complained that it caused infringement); *Vargas v. Viacom Int'l, Inc.*, 366 F. Supp. 3d 578, 582-84 (S.D.N.Y. 2019) (denying preliminary injunction because defendant had stopped making infringing video available and tried to stop third parties from doing the same, so there was no prospect of future irreparable harm).

333. No. LA CV13-06004 (AGRx), 2015 U.S. Dist. LEXIS 97262, at *125-26 (C.D. Cal. July 14, 2015), *aff'd sub nom.* *Williams v. Gaye*, 895 F.3d 1106 (9th Cir. 2018).

334. *Id.* at *122 (quoting *Perfect10, Inc. v. Google, Inc.*, 653 F.3d 976, 980 (9th Cir. 2011)).

335. *Id.* at *125-27; see also *Greg Young Publ'g, Inc. v. Zazzle, Inc.*, No. 2:16-cv-04587 (KSx), 2020 WL 3871451, at *2-6 (C.D. Cal. July 9, 2020) (denying permanent injunction even though jury found website's hosting of infringing photos was willful because plaintiff's claims of irreparable harm were unconvincing and defendant could answer in damages).

an ongoing 50 percent royalty would sufficiently compensate the Gaye heirs for future infringement harms.³³⁶

Williams and Thicke argued that the public interest would be served by withholding injunctive relief because the public loved their song and there was considerable creativity in the song beyond the infringing part.³³⁷ Although the court accepted that these considerations had a bearing on the public interest, it concluded that the public interest factor slightly favored the Gaye heirs because enforcing copyrights serves the public interest.³³⁸ Yet, because the Gaye heirs had failed to prove irreparable harm and had an adequate remedy at law, the court denied the requested injunction.³³⁹

Adequacy of compensatory relief explained another post-*eBay* decision, *Mon Cheri Bridals, Inc. v. Wu*, in which a court denied a permanent injunction despite a finding of infringement.³⁴⁰ Wu made and sold wedding dresses, some of which infringed lace patterns in which Mon Cheri owned copyrights.³⁴¹ Mon Cheri asked the court to issue an injunction against further infringements; it also wanted the infringing dresses in Wu's possession or under his control impounded.³⁴² The court rejected both requests, regarding the jury award of \$324,000 as having provided Mon Cheri with a meaningful remedy for the infringement.³⁴³ Another consideration was the impossibility of enjoining the sale of the infringing parts of the dresses without also enjoining the non-infringing parts.³⁴⁴

2. Balance of Hardships Tipping to Defendants

The balance-of-hardships factor played a key role in denial of a permanent injunction in *Christopher Phelps & Associates, LLC v.*

336. *Williams*, 2015 U.S. Dist. LEXIS 97262, at *132-40. The court cited the Ninth Circuit's *Abend* decision in support of the ongoing royalty remedy, but not *Campbell*'s note 10. *Id.* The Ninth Circuit affirmed the running royalty award without comment. *Williams*, 895 F.3d at 1130.

337. *Williams*, 2015 U.S. Dist. LEXIS 97262, at *128-29.

338. *Id.* at *128-30.

339. *Id.* at *122-27.

340. No. 04-1739, 2008 WL 4534191, at *3, *6 (D.N.J. Oct. 7, 2008).

341. *Id.* at *1.

342. *Id.* at *6.

343. *Id.* The court recited the four *eBay* factors, but did not analyze each. *Id.*

344. *Id.*

Galloway.³⁴⁵ When Phelps sued Galloway for infringing his architectural design, Galloway's house was only half finished.³⁴⁶ Phelps initially sought a preliminary injunction to stop further construction of the infringing house or to require Galloway to modify the design to avoid infringement, but the trial court denied both requests.³⁴⁷ After winning a jury verdict in its favor, Phelps sought a permanent injunction against the lease or sale of the infringing house, inspired perhaps by the pre-*eBay Palmetto* decision, but the district court also denied this motion.³⁴⁸

On appeal, Phelps argued that he was entitled to a permanent injunction because Galloway had so clearly infringed.³⁴⁹ The Fourth Circuit concluded that *eBay* foreclosed this argument.³⁵⁰ As for Phelps's request to enjoin Galloway from selling or leasing the infringing house, the court characterized the requested injunction as "overbroad, as it would encumber a great deal of property unrelated to the infringement," such as the land on which the house sat, "the swimming pool, the fence, and other non-infringing features."³⁵¹ In addition, the house had "a predominantly functional character," beyond the design features protected by copyright.³⁵²

While agreeing with Phelps that Galloway would inevitably sell or otherwise transfer the house before the copyright expired, the court was unpersuaded that a transfer would infringe.³⁵³ Enjoining the resale or lease of the house, the court declared, would "take on a fundamentally punitive character" and "impose a draconian

345. 492 F.3d 532, 544 (4th Cir. 2007). After seeing a Phelps-designed house, Galloway contacted the builder to get a copy of the plans and acted as his own general contractor to build it. *Id.* at 535-36. Phelps found out about the infringement because some subcontractors contacted him for clarification about construction details. *Id.*

346. *Id.* at 536.

347. *Id.* at 542-43. The trial court concluded that "there [was] no likelihood that completion of the house [would] result in further infringement." *Id.* at 542.

348. *Id.* at 537; see *supra* text accompanying notes 251-60 (discussing *Palmetto*).

349. *Galloway*, 492 F.3d at 537.

350. *Id.* at 543. However, the Fourth Circuit remanded the case for consideration of Phelps's request for an injunction requiring Galloway to return the infringing plans to Phelps or to destroy them. *Id.* at 546-47.

351. *Id.* at 545.

352. *Id.* at 544.

353. *Id.* (opining that resale of an infringing house is not a distribution of a copy within the meaning of 17 U.S.C. § 106 (citing 1 PATRY, *supra* note 21, § 3.111)); see *supra* text accompanying notes 256-60 (discussing *Palmetto* court's conclusion that resale or lease of an infringing house would violate an exclusive right under copyright law).

burden on Galloway, effectively creating a *lis pendens* on the house and subjecting him to contempt proceedings simply for selling his own property.”³⁵⁴

The court concluded that the balance of hardships did not support issuance of the requested injunction.³⁵⁵ Besides, the \$20,000 actual damage award had “fully and adequately compensated [Phelps] for the copying and use of its design as manifested in the single Galloway house.”³⁵⁶

3. Public Interest Considerations

Phelps was not the only copyright owner whose effort to permanently enjoin an infringer smacked of vindictiveness. In *TD Bank N.A. v. Hill*, the public interest factor loomed large in the Third Circuit’s decision to reverse a permanent injunction in a “bitter feud” between a bank and its “rock star” former CEO.³⁵⁷ Years before, Hill had prepared a book manuscript about his business philosophy and experience whose copyright he assigned to the bank.³⁵⁸ After starting another bank, Hill wrote *FANS! Not Customers: How to Create Growth Companies in a No-Growth World*, which included substantial portions of the unpublished manuscript; Hill made the book available through numerous online booksellers and publicized it through mass media.³⁵⁹

When TD Bank found out about the new book, it registered its copyright claim in the manuscript, sent takedown notices to twenty

354. *Galloway*, 492 F.3d at 544-45 (“Congress manifested an expectation that injunctions will not be routinely issued against substantially completed houses whose designs violated architectural copyrights.”).

355. *Id.* at 544-46.

356. *Id.* at 544. Strangely enough, the Fourth Circuit stated that Phelps had shown an inadequate remedy at law and shown irreparable harm. *Id.* I disagree with both conclusions. Phelps offered no evidence of irreparable harm from the infringement, and it is inconsistent with *eBay* to conclude that violating an exclusive right is, of itself, irreparable injury. There was, moreover, no likelihood of future infringement by this defendant. *See id.* at 546. Money damages sufficed.

357. 928 F.3d 259, 265-66, 284-86 (3d Cir. 2019). Hill was a founder and past CEO of a bank that merged with TD Bank. *Id.* at 266-67. For the sake of simplicity, I refer here to the two banks as one entity.

358. The bank had originally planned to publish the book with Penguin Books, but changed its mind after it and Hill had a falling-out. *Id.*

359. *Id.* Hill copied 16 percent of the manuscript in the new book. *Id.* at 267.

retailers, and filed a copyright complaint against Hill.³⁶⁰ The trial court granted TD Bank's summary judgment motion on the copyright claim, but initially declined to issue an injunction because TD Bank failed to show a likelihood of continued infringement.³⁶¹ However, after Hill recommenced promotion of *FANS!*, TD Bank moved for a permanent injunction, which the trial court granted, concluding that TD Bank had been irreparably injured by being deprived of its right to withhold the unpublished work from the public.³⁶²

The Third Circuit acknowledged that before *eBay*, it would have been appropriate to presume irreparable harm once infringement had been found.³⁶³ However, after *eBay*, the Third Circuit concluded that this presumption was no longer sound law³⁶⁴: “[When] considering the propriety of a copyright injunction [courts] should no longer place a ‘thumb on the scales’ in favor of injunctive relief and inquire merely whether ‘there is good reason why an injunction should *not* issue.’”³⁶⁵

The Third Circuit was unpersuaded by the lower court's theory of irreparable harm.³⁶⁶ The bank was, in its view, pursuing an injunction “not to safeguard the commercial marketability” of the unpublished manuscript, “but merely to suppress unwelcome speech.”³⁶⁷ Because TD Bank had no intention of publishing the manuscript, it had suffered no harm from the infringement.³⁶⁸ An adequate remedy at law could be had through a reasonable royalty award or a share of Hill's profits from sales of *FANS!*³⁶⁹

Although the Third Circuit thought that the balance of equities favored neither party,³⁷⁰ it decided that the public interest factor weighed heavily against upholding the injunction.³⁷¹ Hill had a story

360. *Id.*

361. *Id.*

362. *Id.* at 268.

363. *Id.* at 279.

364. *Id.* (citing cases from the First, Second, Fourth, Seventh, Ninth and Eleventh Circuits).

365. *Id.* (quoting *Monsanto Co. v. Geertson Seed Farms*, 561 U.S. 139, 157-58 (2010)).

366. *Id.* at 282-83.

367. *Id.* at 284.

368. *Id.* at 264.

369. *Id.* at 282.

370. *Id.* at 284.

371. *Id.* at 284-86. In support of this proposition, the court cited *Campbell's* note 10, the

to tell, said the court, and people wanted to hear it.³⁷² Hill should not have to risk being found in contempt by sounding too much like himself when rewriting the infringing parts.³⁷³

The public's interest in access to infringing copies weighed heavily in the Second Circuit's decision in *Cariou v. Prince*.³⁷⁴ The district court found that Richard Prince had infringed copyrights in thirty of Patrick Cariou's photographs by incorporating them in his appropriation artworks.³⁷⁵ It permanently enjoined further infringement and ordered the infringing works still in the defendant's possession to be impounded and destroyed.³⁷⁶ The Second Circuit concluded that Prince's fair use defense should prevail as to twenty-five of the thirty works in question and remanded the case for further proceedings as to the other five works.³⁷⁷ However, the court directed that

[i]n the event that Prince and Gagosian are ultimately held liable for copyright infringement, and in light of all parties' agreement at oral argument that the destruction of Prince's artwork would be improper and against the public interest, a

Ninth Circuit's *Abend* decision, as well as *Rosemont* and *Suntrust*. *Id.* at 285. Relatively few post-*eBay* fair use cases cite to *Campbell*'s note 10 for recognizing that the public interest is not always served by injunctions. *But see* *Salinger v. Colting*, 607 F.3d 68, 78, 80-81 (2d Cir. 2010) (citing *eBay*'s cite to *Campbell* regarding injunctions and citing *Campbell* to characterize the difficulty in assessing the merits of fair use claims at the preliminary stage); *Warner Bros. Ent. Inc. v. RDR Books*, 575 F. Supp. 2d 513, 553 (S.D.N.Y. 2008) (citing *Campbell* on this point but concluding that defendants had taken too much from plaintiffs' works and granting permanent injunction).

372. *TD Bank*, 928 F.3d at 285. *But see* *Cohen v. G & M Realty L.P.*, 988 F. Supp. 2d 212 (E.D.N.Y. 2013) (denying preliminary injunction to preserve 5Pointz graffiti art on side of owner's building, which plaintiffs alleged should be protected from destruction as works of recognized stature under 17 U.S.C. § 106A). After the court denied the injunction, G&M white-washed the building; thereafter, the court ordered a very large statutory damage award. *See* *Cohen v. G & M Realty L.P.*, 320 F. Supp. 3d 421, 427, 447 (E.D.N.Y. 2018), *aff'd*, 950 F.3d 155 (2d Cir. 2020), *as amended* (Feb. 21, 2020), *cert. denied*, 141 S. Ct. 363 (2020).

373. *See* *TD Bank*, 928 F.3d at 285.

374. 714 F.3d 694, 712 n.5 (2d Cir. 2013).

375. *Cariou v. Prince*, 784 F. Supp. 2d 337, 354 (S.D.N.Y. 2011) (rejecting Prince's fair use defense), *rev'd in part and vacated in part*, 714 F.3d at 694. The trial court also found Gagosian Gallery liable for vicarious and contributory infringement because it had publicly displayed the infringing paintings and prepared an exhibition catalog with reproductions of Prince's works. *Id.* at 354-55.

376. *Id.* at 355-56.

377. *Cariou*, 714 F.3d at 712.

position with which we agree, the district court should revisit what injunctive relief, if any, is appropriate.³⁷⁸

4. *Administrability Considerations*

Difficulties in fashioning appropriate relief help to explain yet another decision denying injunctive relief, despite a finding of indirect copyright infringement, in *BMG Rights Management (US) LLC v. Cox Communications, Inc.*³⁷⁹ Cox, an internet access provider, ignored hundreds of thousands of robotic notices sent by BMG informing Cox that particular customers were infringing music copyrights by peer-to-peer filesharing.³⁸⁰ BMG wanted Cox to send infringement notices to those customers with BMG's offer to settle the music copyright claims.³⁸¹ When Cox refused, BMG sued it for indirect infringement.³⁸² A jury returned a verdict in BMG's favor and awarded it a substantial sum.³⁸³ BMG also sought a permanent injunction directing Cox to refrain from contributing to further infringements by its users.³⁸⁴ The court denied the requested injunction as overbroad, vague, and unduly intrusive on Cox's business.³⁸⁵

378. *Id.* at 712 n.5 (citing *eBay Inc. v. MercExchange, L.L.C.*, 547 U.S. 388, 391 (2006), and *Salinger v. Colting*, 607 F.3d 68, 77 (2d Cir. 2010), but not *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 578 n.10 (1994)); *see also* *Andy Warhol Found. for the Visual Arts v. Goldsmith*, 992 F.3d 99, 127 (2d Cir. 2021), *as amended*, 11 F.4th 26, 54 (2d Cir. 2021) (Jacobs, J., concurring) (anticipating that damages would suffice to remedy Warhol's infringement of Goldsmith's derivative work right). Thereafter Cariou and Prince settled. *See* Randy Kennedy, *Richard Prince Settles Copyright Suit with Patrick Cariou over Photographs*, N.Y. TIMES ARTSBEAT (Mar. 18, 2014, 6:23 PM), <https://artsbeat.blogs.nytimes.com/2014/03/18/richard-prince-settles-copyright-suit-with-patrick-cariou-over-photographs> [<https://perma.cc/6A49-LXJM>].

379. 199 F. Supp. 3d 958, 994-95 (E.D. Va. 2016). The Fourth Circuit reversed the liability ruling in *Cox* and remanded the case for retrial. *See* *BMG Rts. Mgmt. (US) LLC v. Cox Commc'ns, Inc.*, 881 F.3d 293, 315 (4th Cir. 2018). The parties settled prior to retrial, followed by another, similar suit; after plaintiffs won a \$1 billion jury award, Cox again appealed the liability ruling. *See* *Sony Music Ent. v. Cox Commc'ns, Inc.*, 464 F. Supp. 3d 795 (E.D. Va. 2020), *appeal docketed*, No. 21-01168 (4th Cir. Feb. 16, 2021).

380. *Cox*, 199 F. Supp. at 968.

381. *Id.* at 967-68.

382. *Id.* at 963.

383. *Id.* at 969.

384. *Id.* at 994.

385. *Id.* at 994-98. Administrability considerations may tip the balance against the grant of an injunction. *See, e.g.*, Douglas Rendleman, *The Inadequate Remedy at Law Prerequisite*

D. Post-eBay Cases Denying Preliminary Injunctions

After *eBay*, preliminary injunctions also became harder to get because copyright owners could no longer rely on the presumption of irreparable harm. Courts looked more closely to see if money damages would suffice. Courts also took seriously a balancing of hardships, both to the defendant's business and to third parties. The public interest factor was less commonly invoked as a basis for denying a preliminary injunction, but in some cases, this factor became salient enough to weigh against the requested grant.

1. Failure to Prove Irreparable Harm and Inadequate Legal Remedies

Post-*eBay*, it has become relatively common for courts to deny preliminary injunctions when convinced that damages would be an adequate remedy or claims of irreparable harm lacked evidentiary support.³⁸⁶ For example, in *Jacobsen v. Katzer*, the court was persuaded that a software developer had shown a strong likelihood of success on the merits of his copyright infringement claim, but the court nonetheless denied his preliminary injunction motion because Jacobsen failed to prove he would be irreparably harmed absent an injunction.³⁸⁷

Jacobsen involved a claim of infringement of model train software that Jacobsen had made available under an open source license that included certain restrictions.³⁸⁸ Katzer was the CEO of a company that incorporated Jacobsen's software into its commercial product

for an Injunction, 33 FLA. L. REV. 346, 354 (1981).

386. See, e.g., *ABKCO Music, Inc. v. William Sagan, Norton, LLC*, No. 15 Civ. 4025 (ER), 2018 U.S. Dist. LEXIS 60026, at *65-68 (S.D.N.Y. Apr. 9, 2018) (finding compensatory damages adequate); *Joseph Paul Corp. v. Trademark Custom Homes, Inc.*, No. 3:16-CV-1651-L, 2016 WL 4944370, at *15-17 (N.D. Tex. Sept. 16, 2016) (finding compensatory damages adequate); *Hoge v. Schmalfeldt*, No. 14-1683, 2014 WL 3052489, at *16 (D. Md. July 1, 2014) (finding compensatory damages adequate); *Greene v. Ablon*, No. 09-10937, 2013 WL 4714344, at *7 (D. Mass. Aug. 28, 2013) (finding compensatory damages adequate); *IBM v. BGC Partners, Inc.*, No. 10 Civ. 00128 (FM), 2010 WL 1924715, at *1 (S.D.N.Y. May 12, 2010) (finding that plaintiff failed to prove irreparable harm and that damages were an adequate remedy).

387. 609 F. Supp. 2d 925, 938 (N.D. Cal. 2009), *dismissed*, 449 F. App'x 8 (Fed. Cir. 2010). The facts are related in *Jacobsen v. Katzer*, 535 F.3d 1373, 1375-77 (Fed. Cir. 2008).

388. *Jacobsen*, 535 F.3d at 1380 (quoting the license terms).

marketed to model railroad enthusiasts.³⁸⁹ Jacobsen claimed that Katzer's breach of the open source license was a condition, not a covenant, of the license, so Katzer's use of the software infringed Jacobsen's copyright.³⁹⁰

Jacobsen appealed the denial of his motion for a preliminary injunction to the Federal Circuit, which agreed that the license restrictions were a condition of the grant, breach of which could result in infringement.³⁹¹ The Federal Circuit directed the lower court to presume irreparable harm when reconsidering Jacobsen's renewed motion for a preliminary injunction.³⁹²

On remand, Jacobsen argued that breach of an open source license could cause irreparable harm, even if nonmonetary in character.³⁹³ Yet, because the Supreme Court had recently decided *Winter*, the district court did not follow the Federal Circuit's direction to presume that Katzer's infringement had caused irreparable harm.³⁹⁴ It felt bound instead to follow *Winter*'s renunciation of this presumption. In the court's view, Jacobsen had proffered only speculation, not proof, that any such harm was likely, thereby failing to satisfy the *Winter* standard.³⁹⁵

Despite Fox having shown a likelihood of success on one of its copyright claims, a court denied its motion for a preliminary injunction in *Fox Broadcasting Co. v. Dish Network, L.L.C.*³⁹⁶ Fox's main claims concerned Dish's development of a system to enable

389. *Id.* at 1376.

390. *Id.* at 1377.

391. *Id.* at 1380-82.

392. *Id.* at 1383.

393. *Jacobsen v. Katzer*, 609 F. Supp. 2d 925, 937 (N.D. Cal. 2009). The Federal Circuit agreed with Katzer's irreparable harm argument. *Jacobsen*, 535 F.3d at 1376.

394. *Jacobsen*, 609 F. Supp. 2d at 936. The Federal Circuit signaled that presuming irreparable harm might need to be rethought in light of *eBay*, but directed its use in this case, perhaps because the Ninth Circuit had not yet disavowed the presumption. *See Jacobsen*, 535 F.3d at 1378.

395. *Jacobsen*, 609 F. Supp. 2d at 937-38. The court did not address the balance of hardships or public interest factors. Despite this preliminary injunction denial, Jacobsen negotiated a favorable settlement with Katzer under which Katzer agreed to refrain from reproducing, modifying, or distributing the software and to pay Jacobsen \$100,000 plus costs and attorney fees. Joint Administrative Motion Regarding Settlement, *Jacobsen v. Katzer*, 609 F. Supp. 2d 925 (N.D. Cal. 2009) (No. C06-1905).

396. 905 F. Supp. 2d 1088 (C.D. Cal. 2012), *aff'd*, 747 F.3d 1060 (9th Cir. 2014). The Ninth Circuit denied Fox's petition for rehearing and for rehearing en banc. *Fox Broad Co. v. Dish Network, L.L.C.*, 747 F.3d 1060, 1063 (9th Cir. 2014).

customers to build home-taped libraries of prime-time television programs and to use Dish's tool to skip commercial ads in the taped programs.³⁹⁷ Fox claimed this system infringed copyrights and breached contracts authorizing Dish, the third largest subscription TV provider, to disseminate Fox programming.³⁹⁸ The district court decided that because Dish's customers, not Dish, made the copies, the home-taping was fair use, so Dish was neither directly nor indirectly liable on this claim.³⁹⁹ As for commercial skipping, the court found that the quality assurance copies that Dish staff prepared for the purpose of testing when to skip commercials were likely infringing.⁴⁰⁰ However, the court decided that Fox failed to show those copies were irreparably harming it.⁴⁰¹ The court thought that a damage award would be more appropriate for this copying; it regarded the dispute between Fox and Dish as mainly contractual in nature.⁴⁰² The Ninth Circuit decided that the district court had not abused its discretion in denying the requested injunction.⁴⁰³

The adequacy of legal remedies likewise doomed a photographer's motion for a preliminary injunction in *Frerck v. John Wiley & Sons, Inc.*⁴⁰⁴ Frerck had licensed Wiley to use his photographs in Wiley textbooks; each license defined the number of permissible copies, image size, distribution area, form of media, and duration for each book.⁴⁰⁵ Frerck claimed that Wiley's uses exceeded the number permitted by the licenses and that Wiley had used some photographs without seeking permission.⁴⁰⁶ The court opined that Frerck had a "significant chance" of prevailing on the merits of his claims.⁴⁰⁷ However, it was unconvinced by Frerck's argument that

397. *Fox*, 747 F.3d at 1064-65.

398. *Fox*, 905 F. Supp. 2d at 1093, 1096.

399. *Id.* at 1098, 1102.

400. *Id.* at 1104-06.

401. *Id.* Because Fox did not own copyrights in the commercials, it could not claim infringement based on the commercial skipping functionality.

402. *Id.* at 1110-11.

403. *Fox Broad. Co. v. Dish Network, LLC*, 747 F.3d 1060, 1072-73 (9th Cir. 2014).

404. 850 F. Supp. 2d 889, 893 (N.D. Ill. 2012). Courts denied similar motions in *Grant Heilman Photography, Inc. v. John Wiley & Sons, Inc.*, 864 F. Supp. 2d 316 (E.D. Pa. 2012); *Psihoyos v. John Wiley & Sons, Inc.*, No. 11 Civ. 1416, 2011 U.S. Dist. LEXIS 115835 (S.D.N.Y. Oct. 4, 2011).

405. *Frerck*, 850 F. Supp. 2d at 891.

406. *Id.*

407. *Id.* at 892-93.

he would suffer irreparable harm unless an injunction issued even if Wiley would likely continue to infringe these copyrights in the future.⁴⁰⁸ The court held that Frerck failed to show that the harm from Wiley's infringement could not be fully redressed through an award of money damages.⁴⁰⁹

2. Balance of Hardships: Considering the Effects of an Injunction on the Defendant's Business or Third Parties

In several post-*eBay* cases, courts decided against issuing preliminary injunctions mainly because the injunction requested would have harmful effects on the defendants' businesses or on third parties.⁴¹⁰ Before *eBay*, courts rarely took into account the impact of a preliminary injunction on the defendant's ability to carry on its business except when a plaintiff's delay in suing or moving for injunctive relief had led the defendant to make significant investments in commercializing the work alleged to infringe.⁴¹¹

Softech Worldwide, LLC v. Internet Technology Broadcasting Corp. was a post-*eBay* case that withheld a preliminary injunction because of its likely effects on third parties.⁴¹² Softech had subcontracted with Internet Technology Broadcasting Corp. (ITBC) to develop software for a project that ITBC had undertaken for the Veterans Administration (VA) to assist in electronic distribution of

408. *Id.* at 894.

409. *Id.* at 893-94.

410. *See, e.g.,* Psihoyos v. John Wiley & Sons, Inc., No. 11 Civ. 1416, 2011 U.S. Dist. LEXIS 115835, at *17 (S.D.N.Y. Oct. 4, 2011) (finding injunction might harm students using textbooks in which infringing photographs appeared); *Auto Inspection Servs., Inc. v. Flint Auto Auction, Inc.*, No. 06-15100, 2006 WL 3500868, at *9 (E.D. Mich. Dec. 4, 2006) (denying preliminary injunction because it would be "disastrous" to the defendant's business); *see also* *SAS Inst., Inc. v. World Programming Ltd.*, 874 F.3d 370, 387-88 (4th Cir. 2017) (affirming denial of permanent injunction in copyright and contract case because of likely "ruinous" effects on WPL's business); *HarperCollins Publishers LLC v. Open Road Integrated Media, LLP*, 58 F. Supp. 3d 380, 386-87 (S.D.N.Y. 2014) (affirming injunction against an infringing publisher of ebooks, but narrowing the scope of the injunction so as not to "impose unnecessary burdens on lawful activity"); *Gilden, supra* note 318, at 1170-71 (discussing case in which tattoo artist was likely to succeed on the merits for Warner's unlicensed use of his tattoos in movie, but denying preliminary injunction because of hardship to Warner).

411. *See, e.g., New Era III*, 873 F.2d 576, 584 (2d Cir. 1989); *see also supra* text accompanying note 125 (discussing *New Era's* delay in bringing suit).

412. 761 F. Supp. 2d 367 (E.D. Va. 2011).

materials to VA staff.⁴¹³ After a falling-out between the parties, ITBC continued to maintain the software for the VA over Softech's objection.⁴¹⁴ Noting that ITBC had raised plausible defenses,⁴¹⁵ the court denied the injunction, perceiving no irreparable harm because the software at issue was not for sale on the open market, so there was no risk of further infringement.⁴¹⁶ ITBC's work "in servicing the software in this case [was] essential to that software's useful functioning for the VA," and "the VA would suffer harm to its software infrastructure" if the court issued the injunction.⁴¹⁷ The court was persuaded that a damages award would be an adequate remedy if Softech eventually prevailed.⁴¹⁸

Harm to the defendant's business also factored into a denial of injunctive relief in *Allora, LLC v. Brownstone, Inc.*⁴¹⁹ Allora, an architect, sued Brownstone for infringement after the developer breached geographic license restrictions on where it could build three houses of Allora's design.⁴²⁰ Upon learning of this breach, Allora revoked the licenses and insisted that Brownstone cease construction of the infringing houses.⁴²¹ When the court heard Allora's motion for preliminary injunction, the three houses were, respectively, 95 percent, 60 percent, and 30 percent complete.⁴²² The court concluded that allowing Brownstone to complete construction would cause only "very slight" harm to Allora, but an injunction would cause "massive damage" to Brownstone.⁴²³ An injunction would also "destroy [its] reputation[] with financial institutions" and with its subcontractors who "would be deprived of their means to make a living."⁴²⁴ The neighborhood would, moreover, be "left

413. *Id.* at 370-71.

414. *Id.*

415. *Id.* at 375-76. Softech had been paid \$3.3 million for developing this software. *Id.* at 373.

416. *Id.* at 377.

417. *Id.*; see also *Flexible Lifeline Sys., Inc. v. Precision Lift, Inc.*, 654 F.3d 989, 993 (9th Cir. 2011) (denying injunction against defendant's continued use of accused drawings so it could perform responsibilities under government contract).

418. *Softech*, 761 F. Supp. 2d at 377.

419. No. 1:07CV87, 2007 WL 1246448 (W.D.N.C. Apr. 27, 2007).

420. *Id.* at *1-2.

421. *Id.*

422. *Id.* at *8.

423. *Id.* at *7.

424. *Id.* at *7-8.

with the unpleasant site and potential hazards associated with incomplete construction projects for an undetermined and likely lengthy amount of time.”⁴²⁵ As in *Softech*, the court thought a damage award would address harm to the uniqueness of Allora’s designs.⁴²⁶

Lilith Games (Shanghai) Co. v. uCool, Inc. was much less convincing than *Allora* of the post-*eBay* cases withholding preliminary injunctive relief because of the effects on a defendant’s business.⁴²⁷ Lilith claimed that uCool had copied source code and some nonliteral elements of its videogame as well as having misappropriated trade secrets.⁴²⁸ Despite being persuaded that Lilith had shown likely success on the merits, the court denied its preliminary injunction motion.⁴²⁹ By the time Lilith sued, uCool’s game had become very popular in the United States, and some users posted comments online suggesting that Lilith must have copied uCool’s game because the two firms’ games were so similar.⁴³⁰ Having been unable to make a deal with an exclusive distributor because uCool’s game was already established in the U.S. market, Lilith argued it had been irreparably harmed by uCool’s infringement.⁴³¹ But the court concluded that Lilith had failed to show irreparable harm because its game did not have a reputation in the United States.⁴³² The court noted that granting Lilith’s motion would mean that “uCool would be forced to take down its most popular game, threatening uCool’s viability as a company.”⁴³³ Protecting an American business that has likely infringed copyrights and misappropriated trade secrets seems wrong.⁴³⁴

425. *Id.* at *8.

426. *Id.*

427. *See* No. 15-CV-01267, 2015 U.S. Dist. LEXIS 128619 (N.D. Cal. Sept. 23, 2015).

428. *Id.* at *4.

429. *Id.* at *38-39.

430. *Id.* at *3-4.

431. *Id.*

432. *Id.* at *33-44.

433. *Id.* at *34. The court said that this would irreparably harm uCool and result in a significant loss of goodwill. *Id.* at *35.

434. The court asserted that Lilith’s delay in filing suit was another reason for denying the injunction. *Id.* at *35-36. Another court might have been more tolerant of the delay given that Lilith was a startup company just trying to enter the U.S. market and was worried about the high costs of litigation; it had made an effort to negotiate with uCool and to make a deal with an exclusive distributor. *Id.* at *3-4.

3. *Considering the Public Interest in Close Cases*

The public interest has played a less significant role in the post-*eBay* preliminary injunction case law than one might have expected.⁴³⁵ The D.C. Circuit may have implicitly heeded this factor when it vacated a district court's grant of partial summary judgment and a takedown injunction in an important, close post-*eBay* access-to-information case, *American Society for Testing & Materials, Inc. v. Public.Resource.org, Inc.*⁴³⁶

American Society for Testing and Materials (ASTM) and five other standard-setting organizations sued Public.Resource for infringement because it posted their copyrighted technical standards for a wide variety of fields, such as building, product safety, energy efficiency, and educational testing, on its website.⁴³⁷ Public.Resource challenged the validity of the plaintiffs' copyright claims, arguing that once legislatures incorporated the standards by reference into laws, the standards were no longer copyright-protectable because no one can own the law and the public has a right to free access to the laws that govern them.⁴³⁸ Alternatively,

435. *But see* *White v. Alcon Film Fund, LLC*, 955 F. Supp. 2d 1381 (N.D. Ga. 2013) (denying injunctive relief in case alleging film infringed book copyright because of public interest in competition); *Molinelli-Freytes v. Univ. of P.R.*, 792 F. Supp. 2d 150, 163 (D.P.R. 2010) (denying preliminary injunction because the defendant's use of plaintiff's work advanced scientific research). It is common for courts to assert that the public interest is best served by enforcing copyrights. *See, e.g.*, *Klitzner Indus., Inc. v. H. K. James & Co.*, 535 F. Supp. 1249, 1259-60 (E.D. Pa. 1982) ("[I]t is virtually axiomatic that the public interest can only be served by upholding copyright protections."). Even after *eBay*, courts sometimes express similar sentiments. *See, e.g.*, *Warner Bros. Ent., Inc. v. WTV Sys., Inc.*, 824 F. Supp. 2d 1003, 1015 (C.D. Cal. 2011) (stating that "it is virtually axiomatic" that preliminary injunction would serve the public interest); *see also* 1 GOLDSTEIN, *supra* note 15, § 13.1.2 (quoting *Klitzner* and explaining that "where the probability of success is high, temporary relief is required to protect the integrity of the copyright law and of investments made in reliance on the copyright law"). *But see* 6 PATRY, *supra* note 21, § 22:64 (criticizing *Klitzner* dicta).

436. 896 F.3d 437, 458 (D.C. Cir. 2018); *see also* Code Revision Comm'n for Gen. Assembly of Ga. v. *Public.Resource.Org, Inc.*, 906 F.3d 1229, 1255 (11th Cir. 2018) (vacating injunction against online posting of Official Code of Georgia Annotated because the annotations were closely intertwined with the statutes and approved by the Georgia legislature), *aff'd sub nom.* *Georgia v. Public.Resource.Org, Inc.*, 140 S. Ct. 1498 (2020).

437. *Am. Soc'y for Testing & Materials*, 896 F.3d at 441, 444.

438. *Id.* at 446-47. The D.C. Circuit declined to rule on Public.Resource's challenge to the copyrightability of codes adopted as laws. *Id.* at 447. On remand, the district court in *ASTM* will have to consider the implications of the Court's uncopyrightability-of-law ruling in *Georgia*.

Public.Resource claimed that its posting of the ASTM incorporated-standards-as-laws was fair use.⁴³⁹ The district court was unpersuaded by these defenses and permanently enjoined Public.Resource from all unauthorized use of the standards.⁴⁴⁰

The D.C. Circuit ordered the district court to reconsider Public.Resource's fair use defense in keeping with its more favorable analysis of the fair use factors.⁴⁴¹ Although the circuit court invoked the *Campbell* decision in its substantive analysis of fair use,⁴⁴² it did not cite to *eBay*, *Campbell*, or *Tasini* in ruling that the lower court had erred in issuing the injunction.⁴⁴³

E. Injunctions Remain Common in "Simple Piracy" Cases

In the post-*eBay* period, courts have generally issued injunctions in what Judge Leval once termed "simple piracy" cases.⁴⁴⁴ Injunctions have, for instance, frequently issued against defendants who have engaged in or facilitated infringements through file-sharing or BitTorrent sites.⁴⁴⁵ Courts have also enjoined other types of online distributions of infringing copies of textbooks, photographs, and movies.⁴⁴⁶ Literal infringement of software copyrights has generally

439. *Id.* at 446.

440. *Id.* at 444-45.

441. *Id.* at 458.

442. *Id.* at 452-53.

443. *Id.* at 458.

444. Recall that *Campbell* endorsed Judge Leval's statement that courts should presume irreparable harm in simple piracy cases. *See supra* note 184. However, *eBay* and *Winter* have seemingly overridden that presumption in all injunction cases.

445. *See, e.g.*, *Columbia Pictures Indus., Inc. v. Fung*, 710 F.3d 1020 (9th Cir. 2013) (facilitating BitTorrent infringements); *Malibu Media, LLC v. Flanagan*, No. 2:13-CV-5890, 2014 U.S. Dist. LEXIS 89224 (E.D. Pa. June 30, 2014) (BitTorrent infringement); *Patrick Collins, Inc. v. Gillespie*, No. 11-cv-01776, 2012 U.S. Dist. LEXIS 25755 (S.D. Ma. Feb. 22, 2012) (BitTorrent infringement). *But see* *Cell Film Holdings LLC v. Acosta*, No. 2:16-CV-01853-VCF, 2017 U.S. Dist. LEXIS 195864 (D. Nev. Nov. 29, 2017) (concluding that damages would suffice as a remedy). Injunctions are also commonly granted in default judgment cases. *See, e.g.*, *Getty Images (US), Inc. v. Virtual Clinics*, No. C13-0626, 2014 U.S. Dist. LEXIS 37611 (W.D. Wash. Mar. 20, 2014) (enjoining infringement of Getty photographs on defendant's website).

446. *See, e.g.*, *Comerica Bank & Tr. NA v. Habib*, 433 F. Supp. 3d 79 (D. Mass. 2020) (enjoining upload of Prince concert videos); *Elsevier, Inc. v. Stew Yee Chew*, No. 17 Civ. 6225 (JGK), 2019 U.S. Dist. LEXIS 196 (S.D.N.Y. Jan. 2, 2019) (enjoining distribution of counterfeit textbooks); *Designer Skin, LLC v. S & L Vitamins, Inc.*, No. CV 05-3699-PHX, 2008 WL 4174882 (D. Ariz. Sept. 5, 2008) (enjoining online posting of photographs).

resulted in injunctive relief.⁴⁴⁷ The collective rights management organization, Broadcast Music Inc., was often able to obtain injunctions to restrain bars and other establishments from unlicensed public performances of music from its repertoire.⁴⁴⁸ Unlicensed performance of music in karaoke bars has similarly been enjoined in the post-*eBay* period.⁴⁴⁹

Courts in several post-*eBay* cases granted injunctions to stop technology companies from engaging in what they perceived to be “simple piracy.”⁴⁵⁰ Several cases involved services engaged in unlicensed transmissions of broadcast television programs over the internet.⁴⁵¹ Also enjoined was a defendant’s distribution of an app enabling users to gain unauthorized access to cable television programs.⁴⁵² A movie studio got a preliminary injunction against an online videostreaming service that aimed to make movies more

447. *See, e.g.*, *QueTel Corp. v. Abbas*, 819 F. App’x 154 (4th Cir. 2020) (enjoining source code copying in competing product); *Microsoft Corp. v. Matrurano*, No. 1:06cv1747 OWW, 2009 WL 1530040 (E.D. Cal. May 27, 2009); *see also Oracle USA, Inc. v. Rimini St., Inc.*, 324 F. Supp. 3d 1157 (D. Nev. 2018) (granting permanent injunction after jury verdict), *aff’d in part, rev’d in part*, 879 F.3d 948 (9th Cir. 2018) (vacating injunction and remanding for reconsideration to address *eBay* factors), *rev’d in part on other grounds*, 139 S. Ct. 873 (2019).

448. *See, e.g.*, *Broad. Music Inc. v. Blk, III LLC*, No. CV-19-01358-PHX, 2020 U.S. Dist. LEXIS 83266 (D. Ariz. May 12, 2020). *But see Broad. Music, Inc. v. PAMDH Enters.*, No. 13-CV-2255, 2014 U.S. Dist. LEXIS 84409 (S.D.N.Y. June 19, 2014) (concluding that money damages sufficed).

449. *See, e.g.*, *Elohim EFP USA, Inc. v. Aceplus, Inc.*, No. CV 14-05428 (EX), 2015 U.S. Dist. LEXIS 194240 (C.D. Cal. Jan. 2, 2015).

450. *See supra* note 184.

451. *See, e.g.*, *Fox Television Stations, Inc. v. FilmOn X LLC*, 966 F. Supp. 2d 30 (D.D.C. 2013) (issuing preliminary injunction against unlicensed internet retransmission of television programs); *Fox Television Stations, Inc. v. BarryDriller Content Sys., PLC*, 915 F. Supp. 2d 1138 (C.D. Cal. 2012) (issuing a preliminary injunction). These defendants were emboldened by Aereo’s early success in fending off a preliminary injunction for such transmissions. *See Am. Broad. Cos. v. Aereo, Inc.*, 874 F. Supp. 2d 373 (S.D.N.Y. 2012), *aff’d sub nom. WNET, Thirteen v. Aereo, Inc.*, 712 F.3d 676 (2d Cir. 2013), *rev’d sub nom. Am. Broad. Cos. v. Aereo, Inc.*, 573 U.S. 431 (2014) (holding that Aereo’s system of transmitting broadcast TV programs to customers’ internet-connected devices infringed public performance rights in the programming; remanded for further proceedings). The district court in *Aereo* thoroughly reviewed the *eBay* factors in explaining why it denied the preliminary injunction. *See Aereo*, 874 F. Supp. 2d at 381-405. Upon remand from the Court’s decision, the district court enjoined Aereo from continuing to provide this service. *Am. Broad. Cos. v. Aereo, Inc.*, Nos. 12-cv-1540, 12-cv-1543, 2014 WL 5393867, at *10 (S.D.N.Y. Oct. 23, 2014).

452. *See China Cent. TV v. Create New Tech. (HK) Ltd.*, No. CV 15-01869 (AJWx), 2015 U.S. Dist. LEXIS 189052 (C.D. Cal. Dec. 7, 2015).

family friendly by modifying their contents after making master copies of movies “ripped” from DVDs and BluRay disks.⁴⁵³

When presented with novel questions of copyright law, courts may initially be reluctant to issue preliminary injunctions, even though permanent injunctions are likely if the novel questions are resolved in the plaintiff’s favor, as in *Capitol Records, LLC v. ReDigi, Inc.*⁴⁵⁴ The novel question in *ReDigi* was whether that firm’s platform that allowed owners of copies of digital music to “resell” their copies to others was sheltered by the first sale rule or a fair use defense.⁴⁵⁵ The district court ruled that neither defense was persuasive; yet, it denied Capitol Records’ request for a preliminary injunction.⁴⁵⁶ After the Second Circuit affirmed the lower court finding of copyright infringement, ReDigi was enjoined from further operation of its platform.⁴⁵⁷

Fox News Network, LLC v. TVEyes, Inc. posed another novel fair use question as to whether TVEyes infringed by making clips of Fox News programs searchable and downloadable by its customers.⁴⁵⁸ The Second Circuit reversed a lower court’s ruling that some of the watch functionality of the TVEyes news clipping service was fair use and directed that court to issue an injunction to restrain the watch-related functionality that TVEyes had enabled of clips of Fox News programming, which the court concluded infringed Fox’s copyrights.⁴⁵⁹

F. No Preliminary Injunction to Protect Non-Copyright Interests

The longstanding pre-*eBay* presumption of irreparable harm once plaintiffs showed actual or likely infringement has meant that

453. *Disney Enters., Inc. v. VidAngel, Inc.*, 869 F.3d 848 (9th Cir. 2017).

454. 934 F. Supp. 2d 640 (S.D.N.Y. 2013), *aff’d*, 910 F.3d 649 (2d Cir. 2018).

455. *Id.* at 652.

456. The trial court denied Capitol Records’ motion for a preliminary injunction despite the likelihood of success on the merits because of *Colting* and *eBay*. See Gildea, *supra* note 318, at 1171-72 (reporting on *ReDigi* preliminary injunction decision).

457. *ReDigi*, 910 F.3d at 655, 664. ReDigi filed a petition for writ of certiorari, which the Supreme Court denied. *ReDigi Inc. v. Capitol Records, LLC*, 139 S. Ct. 2760 (2019).

458. 883 F.3d 169 (2d Cir. 2018).

459. *Id.* at 181-82. Fox did not contest the legality of what the Second Circuit characterized as TVEyes’s search functionality. *Id.* at 182. TVEyes is still in business as a search engine for broadcast news programming. *Welcome to TVEyes.*, TVEYES, <https://tveyes.com/about-us-2/> [<https://perma.cc/84UW-A3V8>].

courts in copyright cases rarely analyzed or reflected on whether the harms being enjoined were of the sort that copyright law was designed to protect against.⁴⁶⁰ Post-*eBay*, courts have had to be more thoughtful about the kinds of harms that justify issuance of injunctions.⁴⁶¹ When plaintiffs ask for an injunction to vindicate non-copyright harms, courts have denied injunctive relief.

The most prominent decision of this sort was *Garcia v. Google, Inc.*, in which a Ninth Circuit en banc panel reversed an earlier panel ruling that would have ordered Google to take down the “Innocence of the Muslims” video, which Garcia claimed infringed a copyright interest that she had in her performance in the video.⁴⁶² The first panel agreed with Garcia that she had an independently copyright-protectable interest in her performance, which had been infringed by the video producer’s alteration of the performance and use beyond the implied license granted when she acted in the video.⁴⁶³ The first panel found persuasive Garcia’s plea for an injunction because she was suffering irreparable harm as the recipient of multiple death threats arising from her unwitting performance as part of an anti-Muslim video that had caused outrage and violence in the Middle East.⁴⁶⁴

460. See, e.g., *Salinger v. Colting*, 641 F. Supp. 2d 250, 268-69 (S.D.N.Y. 2009) (presuming irreparable harm with scant discussion and granting preliminary injunction).

461. It is far from uncommon for copyright claims to be asserted in an effort to vindicate non-copyright interests. See, e.g., Cathay Y.N. Smith, *Weaponizing Copyright*, 35 HARV. J.L. & TECH. 193 (2021) (identifying five common non-copyright objectives when bringing such suits: “to silence and erase facts, suppress criticism and speech, punish and retaliate, protect reputation and moral rights, and preserve privacy”); see also Jeanne C. Fromer, *Should the Law Care Why Intellectual Property Rights Have Been Asserted?*, 53 HOUS. L. REV. 549 (2015) (expressing concern about attempted exercises of IP rights to vindicate non-IP objectives); Eric Goldman & Jessica Silbey, *Copyright’s Memory Hole*, 2019 BYU L. REV. 929.

462. 786 F.3d 733 (9th Cir. 2015) (en banc), *rev’g* 766 F.3d 929 (9th Cir. 2014); see also *supra* texts accompanying notes 345-73 (discussing *Galloway* and *TD Bank*, in which plaintiffs wanted injunctive relief to wreak vengeance rather than to vindicate copyright interests). *Consumers Union* was an early example of this kind of unsuccessful claim. See *supra* text accompanying notes 30-35.

463. *Garcia v. Google, Inc.*, 766 F.3d 929, 933-38 (9th Cir. 2014).

464. *Id.* at 932, 938-40. A majority of the panel thought all four *eBay* and *Winter* factors tipped in favor of the injunction. *Id.* at 940. One judge was unpersuaded that Garcia had a copyright interest in her performance or that the *eBay* and *Winter* factors favored issuance of an injunction. *Id.* at 940-49 (Smith, J., dissenting).

The en banc *Garcia* decision is mostly known for its ruling that *Garcia* did not have a copyright-protectable interest in her performance after it was integrated into the video.⁴⁶⁵ But it also ruled that courts should only issue injunctions when plaintiffs have shown irreparable harms to their authorial copyright interests.⁴⁶⁶ Although the en banc court did not “take lightly threats to life or the emotional turmoil *Garcia* has endured, her harms are untethered from—and incompatible with—copyright and copyright’s function as the engine of expression.”⁴⁶⁷

While the en banc panel could have reversed on this basis alone, it characterized the earlier panel decision’s takedown order as “unwarranted and incorrect as a matter of law” and objectionable because it “gave short shrift to the First Amendment values at stake,” for the injunction “censored and suppressed a politically significant film—based upon a dubious and unprecedented theory of copyright.”⁴⁶⁸ In so doing, the earlier decision “deprived the public of the ability to view firsthand, and judge for themselves, a film at the center of an international uproar.”⁴⁶⁹ *Garcia* shows that suppressing lawful speech is not the proper role for copyright law, even when that speech is offensive.

Another case in which a plaintiff sought an injunction to address non-copyright harms was *Bollea v. Gawker Media, LLC*.⁴⁷⁰ Widely known as the professional wrestler Hulk Hogan, Bollea sued Gawker Media for copyright infringement because it published a video of him having sex with a woman who was not his wife.⁴⁷¹ He

465. *Garcia*, 786 F.3d at 740-44. The en banc court likened *Garcia*’s theory that her performance was independently copyrightable to “copyright cherry picking,” which would enable any contributor from a costume designer down to an extra or best boy to claim copyright in random bits and pieces of a unitary motion picture without satisfying the requirements of the Copyright Act.” *Id.* at 737.

466. *Id.* at 745.

467. *Id.*

468. *Id.* at 746-47.

469. *Id.* at 747. The en banc panel called the takedown order “a ... prior restraint of speech.” *Id.*

470. 913 F. Supp. 2d 1325 (M.D. Fla. 2012); see also *Lennon v. Premise Media Corp.*, 556 F. Supp. 2d 310 (S.D.N.Y. 2008). Lennon’s heirs objected to Premise’s use of fifteen seconds of Lennon’s song, including the lyric “[a]nd no religion too,” juxtaposed with a photo of Stalin, in a documentary critiquing scientists for skepticism about creationism. *Lennon*, 556 F. Supp. 2d at 316-17.

471. *Bollea*, 913 F. Supp. 2d at 1326-27. Bollea acquired the copyright from the videographer. *Id.* at 1327.

sought a preliminary injunction against Gawker Media’s further use of the video, claiming that he was irreparably harmed by Gawker’s publication.⁴⁷²

Even if Bollea could establish a likelihood of success on the merits and even if the balance of hardships tipped in his favor, the court decided that no injunction should issue, for Bollea had “produced no evidence demonstrating that he [would] suffer irreparable harm in the copyright sense absent a preliminary injunction.”⁴⁷³ Any harm to his professional image or to him personally was due only “to the ‘private’ nature of the Video’s content,” which did not “constitute irreparable harm in the context of copyright infringement.”⁴⁷⁴ Bollea’s copyright claim was “nothing more than a belated attempt to bolster his previous claims based on the common-law right to privacy.”⁴⁷⁵

IV. REFLECTIONS ON *EBAY* AND EQUITABLE PRINCIPLES

Having canvassed the case law on denials of injunctive relief in three different periods—before *Campbell*, from *Campbell* to *eBay*, and post-*eBay*—the Article turns now to considering, first, whether the post-*eBay* copyright case law is consistent with traditional principles of equity, and second, why *eBay* seems not to have opened the floodgates to damages-only remedies for copyright infringement.

Section A suggests that even if *eBay*’s critics are right that the Court deviated from certain traditional principles of equity, courts in the post-*eBay* copyright infringement cases have only rarely been led astray because of these mistakes. If anything, the *eBay* decision has had corrective effects on how courts in copyright cases assess whether to issue injunctions. Section B discusses several reasons

472. *Id.* at 1326-27.

473. *Id.* at 1329. The court thought that none of the *eBay* factors favored Bollea, in part because he had no intention of commercializing the video. *Id.* at 1328-31.

474. *Id.* at 1329 (footnote omitted). The court quoted from *Salinger v. Colting*, 607 F.3d 68, 81 (2d Cir. 2010), and from Judge Leval’s decision in *New Era II*, 695 F. Supp. 1493, 1526 (S.D.N.Y. 1988), for the proposition that copyright protects authorial commercial interests and should not be exercised “to coddle artistic vanity or to protect secrecy.” *Id.* at 1329-30.

475. *Id.* at 1330. See *Gawker Media, LLC v. Bollea*, 129 So. 3d 1196 (Fla. Dist. Ct. App. 2014) (large damage award for invasion of Bollea’s privacy); Nick Madigan & Ravi Somaiya, *Hulk Hogan Awarded \$115 Million in Privacy Suit Against Gawker*, N.Y. TIMES (Mar. 18, 2016), <https://www.nytimes.com/2016/03/19/business/media/gawker-hulk-hogan-verdict.html> [<https://perma.cc/3KF8-NJ7E>].

why courts are still reluctant to withhold injunctive relief when infringement has been found or found to be likely, *eBay* and its progeny notwithstanding.

A. *Effects of eBay's Departure from Traditional Equitable Principles*

Private law and remedies scholars have heavily criticized the *eBay* decision for what they charge are its numerous departures from traditional principles of equity when considering whether to issue injunctions.⁴⁷⁶ One article criticized *eBay* for having “swept aside long-settled presumptions about when injunctions should issue,” presumptions that courts have long used to “structure or streamline” injunction analyses.⁴⁷⁷ Especially criticized has been *eBay's* rejection of a presumption of irreparable harm when IP rights have been infringed.⁴⁷⁸

The presumption of irreparable harm has traditionally performed a useful burden-shifting function.⁴⁷⁹ Once plaintiffs showed that their rights had been or were likely infringed, this presumption

476. See, e.g., Gergen et al., *supra* note 1, at 207-08; see also Richard L. Hasen, *Anticipatory Overrulings, Invitations, Time Bombs, and Inadvertence: How Supreme Court Justices Move the Law*, 61 EMORY L.J. 779, 792-93 (2012) (giving *eBay* as an example of how the Supreme Court has inadvertently effected a change in the legal standard for issuance of injunctions); Douglas Laycock, *How Remedies Became a Field: A History*, 27 REV. LITIG. 161, 168 (2008) (deeming *eBay* “a spectacular example of the confusion that can result from litigating a remedies issue without a remedies specialist”); Doug Rendleman, *Remedies: A Guide for the Perplexed*, 57 ST. LOUIS L.J. 567, 582 (2013) (characterizing *eBay* as a “judicial blunder[.]”); Caprice L. Roberts, *The Restitution Revival and the Ghosts of Equity*, 68 WASH. & LEE L. REV. 1027, 1034 (2011) (describing *eBay* as a “move backward[.]”). See generally Doug Rendleman, *The Trial Judge's Equitable Discretion Following eBay v. MercExchange*, 27 REV. LITIG. 63 (2007); Tracy Thomas, *eBay Rx*, 2 AKRON INTELL. PROP. J. 187 (2008). But see Samuel L. Bray, *The Supreme Court and the New Equity*, 68 VAND. L. REV. 997, 1025-26 (2015) (explaining that each part of the *eBay* test has “deep roots in the history of equity”).

477. Gergen et al., *supra* note 1, at 205, 212. But see Bray, *supra* note 476, at 1043 (“Although [cases such as *eBay*] can easily be read as absolutely rejecting any presumptions about equitable remedies, a narrower reading is also plausible. The Court could be understood as insisting that lower courts resist any presumptions that would make the injunction decision effectively automatic.”); McGowan, *supra* note 312, at 582 (“Rebuttable presumptions economize on litigation costs by economizing on information costs.”).

478. Gergen et al., *supra* note 1, at 212.

479. But see DOUGLAS LAYCOCK, *THE DEATH OF THE IRREPARABLE INJURY RULE 4-5* (1991) (casting doubt on the meaningfulness of the irreparable harm rule that courts frequently invoke but evade).

shifted the burden onto defendants to offer rebuttal evidence.⁴⁸⁰ The *Campbell* decision is more compatible with these principles than *eBay* in its assertion that a presumption of irreparable injury is sound in “simple piracy” cases.⁴⁸¹ Although courts continued to support this presumption in the first several years after *eBay*, the predominant view now is that *eBay* overturned that presumption, as Part III.B showed.

However sound this criticism may be, *eBay*’s repudiation of this presumption has had largely salutary effects in copyright cases because courts prior to *eBay* had treated the presumption as though it was virtually irrebuttable.⁴⁸² It was akin to the Federal Circuit’s categorical pro-injunction rule in patent cases that the Court overturned in *eBay*.⁴⁸³ Courts in copyright cases are now more willing to make a meaningful assessment about what harms have resulted from the infringement, whether they can be remedied through monetary relief, and whether future infringements are likely before deciding whether the irreparable harm evidence favors or disfavors injunctive relief.⁴⁸⁴ During the period in which the hard presumption prevailed, courts had no need to articulate what kinds of harms from copyright infringement were irreparable and why.⁴⁸⁵ The demise of that presumption has meant that courts have had to start explaining why some harms are indeed irreparable.⁴⁸⁶

A second criticism of *eBay* concerns its separation of irreparable injury and inadequacy of legal remedies as two factors when in equity, these considerations have traditionally been considered two

480. *See, e.g.*, *Paramount Pictures Corp. v. Carol Publ’g Grp.*, 11 F. Supp. 2d 329, 338 (S.D.N.Y. 1998) (explaining the traditional rule for burden shifting).

481. *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 578 n.10 (1994) (quoting *Leval*, *supra* note 145, at 1132).

482. *See* 6 PATRY, *supra* note 21, § 22:1 (“[I]n the lower courts injunctions [in copyright cases] are too often handed out as freely as swag at a celebrity event.”).

483. *See supra* text accompanying notes 285-86.

484. *See supra* Part III.C-D.

485. *See supra* text accompanying note 460.

486. *See, e.g.*, *Salinger v. Colting*, 607 F.3d 68, 81 (2d Cir. 2010) (noting harm may be irreparable “for many reasons, including that [such] a loss is difficult to replace or difficult to measure or that it is a loss that one should not be expected to suffer”); *Metro-Goldwyn-Mayer Studios, Inc. v. Grokster, Ltd.*, 518 F. Supp. 2d 1197, 1210-19 (C.D. Cal. 2007) (extensively discussing irreparable harm standard in copyright cases); *see also* GOLDSTEIN, *supra* note 15, § 13.1.2.2 (discussing circumstances demonstrating irreparable harm in copyright cases); McGowan, *supra* note 312, at 587-95 (discussing the same).

elements of the same inquiry.⁴⁸⁷ Even though *Winter*'s four-factor test for preliminary injunctive relief dropped inadequacy of legal remedies as a separate factor,⁴⁸⁸ courts in copyright cases have generally continued to treat the inadequate legal remedies factor as distinct from the irreparable harm factor.⁴⁸⁹

Criticizing *eBay* for treating irreparable harm and inadequate legal remedies as separate factors may also be sound. However, the *eBay* Court's insistence on separating them has had positive effects in copyright cases because courts have been much more willing to think carefully about whether monetary relief would suffice.⁴⁹⁰ In the past decade, it has consequently become more common for courts to withhold injunctions because of the adequacy of legal remedies.⁴⁹¹

A third cluster of criticisms has been that *eBay* does not acknowledge equitable defenses, such as unclean hands, laches, and estoppel, which have historically been important considerations when courts decide whether to issue injunctions.⁴⁹² There is, moreover, no place in the *eBay* framework for a related set of equitable principles that guard against "anti-opportunism; not using an injunction as a tool of oppression; preventing repetitive, continuous, or threatened harm; preventing repeat litigation; and protecting the court's ability to adjudicate."⁴⁹³ The *eBay* four-factor test also ignores consideration of the good or bad faith of an infringer, which has historically influenced judicial decisions about injunctive relief and shifts the

487. Gergen et al., *supra* note 1, at 209 (characterizing the first and second factors as "redundant").

488. *Winter v. Nat. Res. Def. Council, Inc.*, 555 U.S. 7, 20 (2008).

489. *See supra* note 386 and accompanying text (listing cases).

490. Professor Rendleman has observed that a compensatory award is "a cleaner, more impersonal remedy to enforce" as compared to injunctions. Rendleman, *supra* note 385, at 356-57.

491. *See supra* Part III.C.1, D.1. The "rough consensus" among remedies scholars prior to *eBay* had been that the no-adequate-remedy-at-law requirement was "outdated" and that "the distinction between legal and equitable remedies is disappearing and should disappear." Bray, *supra* note 476, at 1006, 1008 (emphasis omitted). The Court revived the importance of this requirement in *eBay*. *Id.* at 1004. Bray asserts that "on the whole, the Court has constructed an idealized history of equity that is well suited to judicial decisionmaking" that is "largely consistent with traditional equitable principles." *Id.* at 1001.

492. Gergen et al., *supra* note 1, at 208.

493. *Id.* at 233.

burden on the public interest factor to plaintiffs when that burden was conventionally on defendants.⁴⁹⁴

As valid as these criticisms may be, courts have taken these equitable defenses and principles seriously in the last decade of post-*eBay* copyright cases, even though they do not fit within the *eBay* test framework. Numerous cases refused to issue injunctions on laches and other equitable grounds.⁴⁹⁵ The Fourth Circuit rejected Phelps's requested injunction to forbid Galloway from reselling or leasing the infringing house because, among other things, doing so would be punitive, not equitable.⁴⁹⁶ The Third Circuit's *TD Bank* decision likewise found the bank's request for injunctive relief to be oppressive.⁴⁹⁷ In some cases, courts have declined to enjoin defendants whom they regarded as innocent.⁴⁹⁸ Also attentive to equitable principles have been cases that considered negative impacts of injunctive relief on innocent third parties.⁴⁹⁹

Lilith is the one post-*eBay* copyright case that failed to conform to traditional equitable principles.⁵⁰⁰ The court was persuaded that *Lilith* had shown a likelihood that uCool's copying of source code and elements of *Lilith*'s user interface violated *Lilith*'s videogame copyright.⁵⁰¹ Under traditional equitable principles, the court should have presumed irreparable harm in this "simple piracy" case and put the burden on uCool to offer rebuttal evidence.⁵⁰² The burden would have been difficult to meet because *Lilith* also showed that

494. *Id.* at 239 ("[I]njunctions tend to be particularly appropriate for bad-faith violators—in the sense of violators with notice—but a distinction between good-faith and bad-faith violations seems at least facially orthogonal to the *eBay* test."); Hasen, *supra* note 476, at 794 (stating that the burden conventionally on defendants to show public interest is not disserved by injunction).

495. *See supra* notes 279-80 and accompanying text.

496. *See supra* Part III.C.2.

497. *See supra* Part III.C.3.

498. *See, e.g.*, *Broad. Music, Inc. v. Hill, LLC*, No. 3:16-CV-230, 2017 WL 10398725, at *7 (E.D. Tenn. July 17, 2017). Moreover, when a defendant voluntarily ceased the objectionable conduct after the plaintiff complained, the court found no need for an injunction. *See Getty Images (US), Inc. v. Microsoft Corp.*, 61 F. Supp. 3d 296 (S.D.N.Y. 2014).

499. *See, e.g., supra* Part III.D.2 (discussing *Softtech*).

500. *See Lilith Games (Shanghai) Co. v. uCool, Inc.*, No. 15-CV-01267, 2015 WL 5591612 (N.D. Cal. Sept. 23, 2015).

501. *Id.* at *4.

502. *Id.* at *2.

this infringement had interfered with its ability to negotiate an exclusive contract with a U.S. distributor.⁵⁰³

Critics have also faulted *eBay* for “operat[ing] as a doctrinal straitjacket of a sort that courts sitting in equity have commonly resisted.”⁵⁰⁴ These critics have pointed to language in *eBay* suggesting that *eBay*’s four factors are prongs, such that a plaintiff’s failure of proof as to any one factor would doom the plaintiff’s motion for injunctive relief instead of weighing the factors together in a holistic way.⁵⁰⁵ Courts in the post-*eBay* copyright case law have, however, treated the factors as a balancing test.⁵⁰⁶ In *Galloway* and *TD Bank*, for example, some factors supported injunctive relief, while others disfavored it.⁵⁰⁷

B. Why Don’t Courts Withhold Injunctions More Often in Copyright Cases?

For decades, legal commentators have endorsed the idea that courts should sometimes deny requested injunctive relief in copyright infringement cases.⁵⁰⁸ The Supreme Court’s endorsement of this option in *Campbell*, *Tasini*, and *eBay* has seemingly made this idea more salient. As Part III has shown, courts in the past decade have indeed become more willing to award damages instead of almost always ordering injunctions.⁵⁰⁹

503. See *supra* text accompanying note 431.

504. Gergen et al., *supra* note 1, at 211.

505. *Id.* at 208, 213.

506. See *supra* note 410 and accompanying text (listing cases). Pre-*eBay* architecture cases also nicely illustrate this. See *supra* Part II.C. But see *Splitfish AG v. Bannco Corp.*, 727 F. Supp. 2d 461, 465-69 (E.D. Va. 2010) (interpreting *Winter* and a subsequent Fourth Circuit decision as requiring plaintiffs to satisfy all four steps of the *eBay* test, although finding that *Splitfish* had done so and granting a preliminary injunction).

507. See *supra* notes 345-73 and accompanying text.

508. See, e.g., Leval, *supra* note 145, at 1131 (citing older sources). For more contemporary examples, see, e.g., Paul Edward Geller, *Beyond the Copyright Crisis: Principles for Change*, 55 J. COPYRIGHT SOC’Y USA 165 (2008); Jane C. Ginsburg, *Fair Use for Free, or Permitted-but-Paid?*, 29 BERKELEY TECH. L.J. 1383 (2014); Alex Kozinski & Christopher Newman, *What’s So Fair About Fair Use?*, 46 J. COPYRIGHT SOC’Y USA 513, 525-26 (1999); Jed Rubenfeld, *The Freedom of Imagination: Copyright’s Constitutionality*, 112 YALE L.J. 1 (2002); John Tehranian, *Whither Copyright? Transformative Use, Free Speech, and an Intermediate Liability Proposal*, 2005 BYU L. REV. 1201; Jacob Victor, *Utility-Expanding Fair Use*, 105 MINN. L. REV. 1887 (2021).

509. See, e.g., Ronald T. Coleman Jr., Trishanda L. Treadwell & Elizabeth A. Loyd,

The most common fact patterns in the injunction denial cases have concerned disputes in which the litigants had a falling-out during a contractual or other relationship,⁵¹⁰ in which the infringing element was a small part of a larger work and the defendant made substantial investments in the overall project,⁵¹¹ in which the claimed irreparable harm was for injuries not cognizable in copyright cases,⁵¹² and in which courts took into account the hardships an injunction would impose on third parties or the defendant.⁵¹³ Much rarer have been injunction denials in close fair use cases and other cases in which courts were persuaded that the public interest would be served by allowing public access to the infringing works.⁵¹⁴ Courts occasionally invoke the First Amendment as a consideration in whether injunctions should issue.⁵¹⁵

Applicability of the Presumption of Irreparable Harm After eBay, 32 FRANCHISE L.J. 3, 9 (2012) (“*eBay* also has made a difference by serving to remind lower courts that injunctive relief is truly an extraordinary remedy that should be granted only when money damages cannot make the plaintiff whole. This renewed focus is particularly important at the preliminary injunction stage, where many intellectual property cases are won or lost as a practical matter.”).

510. See, e.g., *Sun Microsystems, Inc. v. Microsoft Corp.*, 188 F.3d 1115 (9th Cir. 1999); *Softtech Worldwide, LLC v. Internet Tech. Broad. Corp.*, 761 F. Supp. 2d 367 (E.D. Va. 2011); see *supra* notes 261-70, 412-18 and accompanying text.

511. See, e.g., *Abend v. MCA, Inc.*, 863 F.2d 1465 (9th Cir. 1988); *Frerck v. John Wiley & Sons, Inc.*, 850 F. Supp. 2d 889 (N.D. Ill. 2012); see *supra* text accompanying notes 45-60, 404-09. Injunctions are also less common in “thin” copyright cases. See, e.g., *Dun v. Lumbermen’s Credit Ass’n*, 209 U.S. 20, 23-24 (1908); *Silverstein v. Penguin Putnam, Inc.*, 368 F.3d 77, 84 (2d Cir. 2004) (“[A]ny protectible interest Silverstein may have [in his compilation] would be so slight that it cannot properly be enforced by a preliminary or permanent injunction.”).

512. See, e.g., *Garcia v. Google, Inc.*, 786 F.3d 733 (9th Cir. 2015) (en banc), *rev’g* 766 F.3d 929 (9th Cir. 2014); *Consumers Union of U.S., Inc. v. Hobart Mfg. Co.*, 189 F. Supp. 275 (S.D.N.Y. 1960); see *supra* notes 30-35, 463-70 and accompanying text.

513. See, e.g., *Christopher Phelps & Assocs. v. Galloway*, 492 F.3d 532 (4th Cir. 2007); *Balsamo/Olson Grp., Ltd. v. Bradley Place L.P.*, 966 F. Supp. 757 (C.D. Ill. 1996); see *supra* notes 237-43, 345-56 and accompanying text.

514. See, e.g., *Cariou v. Prince*, 714 F.3d 694, 712 n.5 (2d Cir. 2013); *Suntrust Bank v. Houghton Mifflin Co.*, 268 F.3d 1257 (11th Cir. 2001), *rev’g*, 136 F. Supp. 2d 1357 (N.D. Ga. 2001); see *supra* notes 187-203, 374-78 and accompanying text.

515. See, e.g., *Garcia*, 786 F.3d at 747; *Suntrust Bank v. Houghton Mifflin Co.*, 252 F.3d 1165, 1166 (11th Cir. 2001) (per curiam), *vacating as moot*, 136 F. Supp. 2d 1357 (N.D. Ga. 2001); *Rosemont Enters. v. Random House, Inc.*, 366 F.2d 303, 311 (2d Cir. 1966). See *supra* notes 85, 193, 469 and accompanying text. It is interesting that Judge Leval invoked the First Amendment in support of withholding an injunction in *New Era II*, but grounded his article’s parallel proposition in the constitutional purpose of copyright law. Leval, *supra* note 145, at 1134-35; see *supra* text accompanying notes 114-18, 158-59.

Nonetheless, it is worth speculating about why courts in copyright cases do not order damages instead of injunctions more frequently. After all, *Colting* and *Flexible* recognized that *Winter* spoke of injunctive relief as an “extraordinary remedy” and put significant burdens on plaintiffs to make “clear showing[s]” that injunctive relief was warranted.⁵¹⁶ As Professor Bray has pointed out, these statements should not be taken to indicate that injunctive relief is or should be “rare or unusual,”⁵¹⁷ but rather that injunctions are “departure[s] from the norm” that legal remedies are generally adequate to rectify wrongs.⁵¹⁸

Even so, compensatory remedies may be inadequate for a host of reasons, which is why injured parties often seek relief in equity with its power to order a wrongdoer to act or cease acting to prevent irreparable harm.⁵¹⁹ Harm may, for instance, be irreparable when the copyright owner does not have an existing licensing market for uses such as those the infringer has exploited.⁵²⁰ The owner may also simply be unwilling to license a particular use being complained of or to license a particular person or entity.⁵²¹ In both types of situations, courts may be at a loss to assess an appropriate compensatory award.⁵²²

516. *Salinger v. Colting*, 607 F.3d 68, 79 (2d Cir. 2010) (quoting *Winter v. Nat. Res. Def. Council*, 129 S. Ct. 365, 375-76 (2008)); *accord Flexible Lifeline Sys., Inc. v. Precision Lift, Inc.*, 654 F.3d 989, 996 (9th Cir. 2011).

517. Bray, *supra* note 476, at 1038.

518. *Id.* This conception of injunctive relief places it in a hierarchy under which injunctive remedies are conditioned on and unavailable unless legal remedies are inadequate. Rendleman, *supra* note 385, at 348.

519. Samuel L. Bray, *The System of Equitable Remedies*, 63 UCLA L. REV. 530, 552-53 (2016). Courts have sometimes said that the standard for issuing mandatory injunctions (that is, ones that direct the wrongdoer to do something) is stricter than the standard for prohibitory injunctions (that is, ones that direct the wrongdoer to stop doing something), although it is not clear exactly how much higher the standard is. *See, e.g., DOBBS & ROBERTS, supra* note 1, § 2.9(1).

520. *See, e.g., 4 NIMMER & NIMMER, supra* note 8, § 14.06[B].

521. *See, e.g., Beastie Boys v. Monster Energy Co.*, 87 F. Supp. 3d 672, 677-79 (S.D.N.Y. 2015) (granting permanent injunction to musicians who suffered irreparable harm because they were unwilling to license their music for product advertising).

522. When copyright owners sue states or state-related institutions for infringement, injunctive relief may be the only available remedy. The Supreme Court’s Eleventh Amendment jurisprudence precludes awards of damages or infringer profits in cases involving states or state-related institutions. *See, e.g., Allen v. Cooper*, 140 S. Ct. 994 (2020).

Although a number of commentators have endorsed damage-only remedies for unlicensed derivative works,⁵²³ this would, if applied across the board, undermine the copyright owner's right to decide whether, when, to whom, and on what terms to license rights for derivatives in a particular market segment.⁵²⁴ The unlicensed derivative may unfairly compete with the author's own derivative work or one that the author would have licensed but for the infringement; the unlicensed derivative may also be of inferior quality to that which the author would have licensed; or it may disrupt the author's planned rollout of derivatives.⁵²⁵

In general, authors will be interested in licensing derivative works, such as translations or motion picture versions of stories, but what if the author does not want to license derivative works at all? It is a tricky question whether a damages-only award is the right solution to this kind of unlicensed derivative work problem. After all, there would be no market harm to the author's own or licensed derivatives, and awarding the author a share of the infringer's profits might be an equitable outcome, both for the author and for the public, who might benefit from the derivative work's availability. Because U.S. copyright law does not generally protect the moral rights of authors, but only their economic interests, harms to authors' reputational or dignitary interests caused by unlicensed derivatives might seem irrelevant.

Courts have, however, sometimes opined that authors should not be, in effect, forced to license derivatives. The Supreme Court in *Harper & Row* stated that authors have a First Amendment right not to speak, which was why the Court thought that President Ford and his publisher should enjoy the right to control the first publication of excerpts from his memoirs.⁵²⁶ Along similar lines, the Second Circuit opined in *Colting* that authors have a First Amendment right not to be compelled to speak, which the court thought would result if Salinger could not stop publication of *Colting's* sequel to

523. See, e.g., Geller, *supra* note 508, at 187-89; Kozinski & Newman, *supra* note 508, at 525-26.

524. See, e.g., Pamela Samuelson, *The Quest for a Sound Conception of Copyright's Derivative Work Right*, 101 GEO. L.J. 1505, 1527-28 (2013); Dannay, *supra* note 271, at 452-53.

525. Samuelson, *supra* note 524, at 1530-31.

526. *Harper & Row, Publishers, Inc. v. Nation Enters.*, 471 U.S. 539, 559-60 (1985).

Catcher in the Rye.⁵²⁷ Although the Third Circuit in *TD Bank* questioned the “compelled speech” dicta in *Colting*,⁵²⁸ that case was distinguishable in that the bank was acting vindictively and the infringing work’s author simply wanted to reuse parts of his prior manuscript in a subsequent book.⁵²⁹

Some commentators have balked at proposals to award damages as an alternative to injunctive relief for copyright infringement, describing such proposals as creating “an ersatz species of compulsory licenses.”⁵³⁰ While some might say that only Congress can authorize such licenses,⁵³¹ *eBay* and its progeny have provided courts with the opportunity to provide a damages alternative to injunctive relief on a case-by-case basis instead of making across-the-board rules as congressionally adopted compulsory licenses must do.⁵³²

Another objection to damages as an alternative to injunctive relief has been a concern that damage awards would inadequately deter infringement. It would seem to condone an “infringe now, pay later” attitude.⁵³³ Professor Rendleman has observed that “[m]onetary

527. *Salinger v. Colting*, 607 F.3d 68, 81 (2d Cir. 2010) (deferring to a copyright owner’s decision not to license derivative works).

528. *TD Bank N.A. v. Hill*, 928 F.3d 259, 281 n.11 (3d Cir. 2019).

529. *See id.* at 267.

530. 4 NIMMER & NIMMER, *supra* note 8, § 14.06[B][1][b][iv]; *see also* Phillips, *supra* note 7, at 409 (referencing “forced judicial licensing”); Spillane, *supra* note 312, at 260. Yet, numerous commentators have expressed support for liability over property rules in some contexts. *See, e.g.*, Guido Calabresi & A. Douglas Melamed, *Property Rules, Liability Rules and Inalienability: One View from the Cathedral*, 85 HARV. L. REV. 1089 (1972). As applied to IP remedies, *see, e.g.*, Mark A. Lemley & Philip J. Weiser, *Should Property or Liability Rules Govern Information?*, 85 TEX. L. REV. 783, 786 (2007); J.H. Reichman, *Legal Hybrids Between the Patent and Copyright Paradigms*, 94 COLUM. L. REV. 2432, 2529-43 (1994).

531. *See, e.g.*, H. Tomás Gómez-Arostegui, *Prospective Compensation in Lieu of a Final Injunction in Patent and Copyright Cases*, 78 FORDHAM L. REV. 1661, 1663-65 (2010) (questioning whether courts have authority to grant future damage awards or continuing royalties). The “Blurred Lines” case, *Williams v. Bridgeport Music, Inc.*, is the only post-*eBay* case that ordered payment of an ongoing royalty in lieu of an injunction. No. LA CV13-06004 (AGR), 2015 U.S. Dist. LEXIS 97262 (C.D. Cal. July 14, 2015), *aff’d sub nom.* *Williams v. Gaye*, 895 F.3d 1106 (9th Cir. 2018); *see supra* text accompanying notes 333-39.

532. 17 U.S.C. §§ 111-12, 115-16, 118-19, 122 (2018).

533. *Woods v. Universal City Studios, Inc.*, 920 F. Supp. 62, 65 (S.D.N.Y. 1996). The court granted Woods’s motion for an injunction against public performance of the infringing movie, even though the infringing scene was visible for only a few minutes. *Id.* However, no injunction ultimately issued because the parties settled for monetary compensation after the court asked Woods to draft an injunction. Phillips, *supra* note 7, at 433. In cases like *Woods*, when the infringing element is a small part of a larger non-infringing product, enjoining the

compensation tolerates the wrong and allows the perpetrator to buy injustice.”⁵³⁴

Courts may sometimes be inclined to issue injunctions because they realize that injunctive relief may induce the litigants to settle their dispute; the prospect of that injunction may give plaintiffs some leverage that the prospect of a damages-only remedy will not.⁵³⁵ *eBay* may have had some effects on the willingness of litigants to settle infringement disputes because plaintiffs have somewhat less leverage now than they did in the pre-*eBay* period. It is, however, impossible to measure the extent of that effect.

Another consideration that may explain why there are not more damages-instead-of-injunction remedies in copyright cases may be the reluctance of defendants to make the alternative argument out of concern that it might undermine their chances of success with other defenses: “Your honor, my client did not infringe because its use of the plaintiff’s work was fair and non-infringing—but please, your honor, if you disagree, only order it to pay this modest amount as damages.” This may not seem like a winning strategy.

Yet, because fair use rulings are typically decided on summary judgment, the argument-in-the-alternative consideration would seem to have relatively little explanatory power. In the aftermath of *Campbell*, moreover, courts have become much more receptive to fair use defenses.⁵³⁶ As Judge Leval noted in his famous article, courts may be inclined to rule in favor of fair use in close cases when they think an injunction would disserve the overall purposes of copyright law.⁵³⁷

whole work is likely “to drive settlement rates far above what would be socially optimal.” *Id.* at 415.

534. Rendleman, *supra* note 385, at 352.

535. *See, e.g.*, Dannay, *supra* note 271, at 459 (asserting that the threat of injunctive relief is the “800-pound gorilla” in fair use cases). The Kennedy concurrence in *eBay* also expressed concern about “undue leverage.” *eBay Inc. v. MercExchange, L.L.C.*, 547 U.S. 388, 396 (2006) (Kennedy, J., concurring). Other commentators are more sanguine about injunctions as inducements to private settlements. Rendleman, *supra* note 385, at 352.

536. *See, e.g.*, Asay et al., *supra* note 181 (empirical study showing significance of transformativeness tipping in favor of fair use defenses).

537. Leval, *supra* note 145, at 1131 & n.114. *But see* Gilden, *supra* note 318, at 1149-50 (expressing concern that courts will construe the scope of copyright more broadly if they think it is unnecessary to issue injunctions because monetary compensation would remedy harm to the plaintiff).

CONCLUSION

In the past decade, the *eBay* decision has had a considerable impact on the issuance of injunctions in copyright cases. The previously common view that any violation of an exclusive right entitles copyright owners to injunctive relief because that violation, like a trespass to land, constitutes irreparable harm cannot be reconciled with *eBay*'s conception of exclusive rights and remedies as "distinct" from one another.⁵³⁸

eBay has meant that copyright owners now bear a much stiffer burden of proof when seeking injunctive relief. It is no longer enough to show actual or likely success on the merits. The long-standing presumption of irreparable harm is no more, and plaintiffs who fail to offer meaningful proof of such harm are likely to be denied this remedy. It is fair to say that *eBay* resurrected irreparable harm as a key factor in judicial decisions about whether to exercise discretion to order this remedy for infringement. Even so, *Campbell*'s endorsement of presuming irreparable harm in "simple piracy" cases (that is, when the defendant has made exact or near-exact copies of the plaintiff's work that is undercutting the market for legitimate copies) should perhaps be revived as a reasonable exception to *eBay*'s general rule against presumptions.

Courts are also more attentive now to hardships that injunctions impose on defendants as a balancing factor. Defendants have more opportunity to counter plaintiffs' arguments about hardships. The public interest, however, has so far played a lesser role in the post-*eBay* cases, except in close or novel issue cases. Going forward, courts should pay closer attention to the effects of injunctive relief on public interests and consider harms that injunctions would cause to innocent third parties as part of the public-interest factor rather than in the hardship-balancing factor.

The burdens on judges are greater now also. They cannot just invoke the old presumption of irreparable harm and ignore the hardship-balancing and public-interest factors. They are required to explain their reasoning as to each of the four factors and describe

538. *eBay*, 547 U.S. at 392.

how they have weighed factors together when some favor the plaintiff and some the defendant.

The Supreme Court's decision in *Campbell* may have helped to pave the way for the ruling in *eBay*. However, as this Article has shown, *Campbell*'s note 10 had much less impact on court decisions in the years leading up to the *eBay* decision than one might have expected from one of the foundational cases in copyright jurisprudence. At the very least, *eBay*'s reliance on *Campbell* and other copyright cases seemingly clarified the relevance of its holding on requests for injunctive relief in copyright disputes.

Overall, *eBay* has had a positive effect on judicial consideration of injunctive relief in copyright cases. Before *eBay*, courts almost automatically issued injunctions when copyright owners had shown that the defendants had likely or actually infringed their rights. They too easily presumed from this finding that the infringement or likely infringement had caused irreparable harm without considering a balancing of hardships or the public interest. Yet, *eBay* has rarely hindered the issuance of injunctions in simple piracy cases. This is as it should be.