

05-5943-cv(L); 06-0223(CON)
In re: Literary Works in Elec. Databases Litig.

1 UNITED STATES COURT OF APPEALS
2 FOR THE SECOND CIRCUIT

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5 August Term, 2006

6
7 (Argued: March 7, 2007

Decided: November 29, 2007)

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9 Docket Nos. 05-5943-cv(L), 06-0223-cv(CON)*

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12 IN RE: LITERARY WORKS IN ELECTRONIC DATABASES COPYRIGHT LITIGATION
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16 IRVIN MUCHNICK, ABRAHAM ZALEZNIK, CHARLES SCHWARTZ, JACK SANDS, TODD PITOCK,
17 JUDITH STACEY, JUDITH TROTSKY, CHRISTOPHER GOODRICH, KATHY GLICKEN
18 AND ANITA BARTHOLOMEW,

19 *Objectors-Appellants,*

20 —v.—

21 THOMSON CORPORATION, DIALOG CORPORATION, GALE GROUP, INC., WEST PUBLISHING
22 COMPANY, INC., DOW JONES & COMPANY, INC., DOW JONES REUTERS BUSINESS INTERACTIVE,
23 LLC, KNIGHT RIDDER INC., KNIGHT RIDDER DIGITAL, MEDIASTREAM, INC., NEWSBANK, INC.,
24 PROQUEST COMPANY, REED ELSEVIER INC., UNION-TRIBUNE PUBLISHING COMPANY, NEW YORK
25 TIMES COMPANY, COPLEY PRESS, INC., EBSCO INDUSTRIES, INC. AND PARTICIPATING PUBLISHER
26 TRIBUNE COMPANY,

27 *Defendants-Appellees,*

28 MICHAEL CASTLEMAN INC., E.L. DOCTOROW, TOM DUNKEL, ANDREA DWORKIN, JAY FELDMAN,
29 JAMES GLEICK, RONALD HAYMAN, ROBERT LACEY, RUTH LANEY, PAULA McDONALD, P/K
30 ASSOCIATES, INC., LETTY COTTIN POGREBIN, GERALD POSNER, MIRIAM RAFTERY, RONALD M.
31 SCHWARTZ, MARY SHERMAN, DONALD SPOTO, ROBERT E. TREUHAFT AND JESSICA L. TREUHAFT
32 TRUST, ROBIN VAUGHAN, ROBLEY WILSON, MARIE WINN, NATIONAL WRITERS UNION, THE
33 AUTHORS GUILD, INC. AND AMERICAN SOCIETY OF JOURNALISTS AND AUTHORS,
34

*The appeal filed under Docket No. 06-0223-cv(CON) was dismissed by Court Order on
May 17, 2006.

1 *Plaintiffs-Appellees,*

2
3 EDWARD ROEDER,

4
5 *Appellant.*

6
7 **B e f o r e :**

8 WINTER, WALKER, and STRAUB, *Circuit Judges.***

9
10 Appeal from an order and judgment of the United States District Court for the Southern
11 District of New York (George B. Daniels, *Judge*) certifying a class of freelance authors and
12 approving a settlement of their copyright infringement claims arising from the unauthorized
13 electronic reproduction of their work. The overwhelming majority of class members' claims
14 concern the infringement of unregistered copyrights. We hold that the District Court lacked
15 jurisdiction over those claims. We therefore vacate the certification and settlement approval, and
16 remand for proceedings consistent with this opinion.

17 Judge WALKER dissents in a separate opinion.

18
19 CHARLES D. CHALMERS, Fairfax, CA, *for Objectors-Appellants.*

20
21 CHARLES S. SIMS, Proskauer Rose LLP, New York, NY (Stephen Rackow Kaye,
22 Joshua W. Ruthizer, Proskauer Rose LLP; Kenneth Richieri, George Freeman, The
23 New York Times Company, New York, NY; Henry B. Gutman, Simpson Thacher &
24 Bartlett, New York, NY; James F. Rittinger, Satterlee Stephens Burke & Burke, New
25 York, NY; Jack Weiss, Gibson Dunn & Crutcher LLP, New York, NY; Juli Wilson
26 Marshall, Latham & Watkins, Chicago, IL; Ian Ballon, Greenberg Traurig LLP, Santa

**As putative members of the class, Judges Winter and Walker have filed contemporaneously a separate opinion explaining their decision against recusal in this case. *See In re: Literary Works in Elec. Databases Copyright Litig.*, — F.3d — (2d Cir. Nov. 19, 2007).

1 Monica, CA; Michael Denniston, Bradley, Arant, Rose & White, LLP, Birmingham,
2 AL; Christopher M. Graham, Levett Rockwood P.C., Westport, CT; Raymond
3 Castello, Fish & Richardson PC, New York, NY, *on the brief*), for *Defendants-*
4 *Appellees*.

5
6 MICHAEL J. BONI, Kohn Swift & Graf, P.C., Philadelphia, PA (Joshua D. Snyder,
7 Kohn Swift & Graf, P.C.; Diane S. Rice, Hosie MacArthur LLP, San Francisco, CA;
8 A.J. De Bartolomeo, Girard Gibbs & De Bartolomeo LLP, San Francisco, CA; Gary
9 Fergus, Fergus, A Law Firm, San Francisco, CA, *on the brief*), for *Plaintiffs-*
10 *Appellees*.

11
12 STRAUB, *Circuit Judge*:

13 This class action copyright litigation arises from the unauthorized electronic reproduction
14 of various written works. Named plaintiffs and class members consist mainly of freelance
15 writers who contracted with publishers to author the works for publication in print media, and
16 retained the copyrights in those works. The contracts did not grant the publishers the right to
17 electronically reproduce those works or license them for electronic reproduction by others. But
18 the publishers did so anyway.

19 Plaintiffs then brought this class action on the theory that such electronic reproduction
20 infringed their copyrights. After years of negotiations, class and defense counsel finally agreed
21 on a settlement. Following lengthy motion practice, the District Court for the Southern District
22 of New York certified a class and approved the settlement. We review that order and judgment
23 on this appeal.

24 The overwhelming majority of claims within the certified class arise from the
25 infringement of unregistered copyrights. We have held, albeit outside the class action context,
26 that district courts lack statutory subject matter jurisdiction over infringement claims arising from
27 unregistered copyrights. *See Well-Made Toy Mfg. Corp. v. Goffa Int'l Corp.*, 354 F.3d 112, 115

1 (2d Cir. 2003); *Morris v. Bus. Concepts, Inc.*, 259 F.3d 65, 72 (2d Cir. 2001). The District Court
2 never specifically addressed this potential jurisdictional flaw.

3 The precise issue on appeal is whether the District Court had jurisdiction to certify a class
4 consisting of claims arising from the infringement of unregistered copyrights and to approve a
5 settlement with respect to those claims. We hold that it did not. We therefore vacate its order
6 and judgment and remand the case for proceedings consistent with this opinion.

7 **BACKGROUND**

8 In *New York Times Co. v. Tasini*, 533 U.S. 483, 488 (2001), the Supreme Court held that
9 § 201(c) of the Copyright Act does not permit publishers to reproduce freelance works
10 electronically when they lack specific authorization to do so. *Tasini* effectively requires
11 publishers wishing to electronically reproduce written works to obtain a separate license to do so.
12 Shortly after the Court decided *Tasini*, three preexisting class action infringement suits, which
13 had been suspended pending the decision, were activated and consolidated in the Southern
14 District of New York. A fourth, nearly identical action was coordinated with that consolidated
15 action. Together, these claims comprise the instant litigation.

16 In this case there are basically two kinds of plaintiffs: individual authors and trade groups
17 representing authors. Defendants also fall into two classes: companies that publish original
18 electronic content, such as the New York Times Co., and companies that operate databases that
19 license content from publishers, such as Thomson Corporation, the owner of Westlaw.

20 The named plaintiffs, and the class members they purport to represent, produced written
21 works for certain defendants on a freelance basis. Based on their copyrights in those freelance
22 works, plaintiffs assert claims for two types of infringement. They first claim that publishers,

1 such as the New York Times Co., infringed their copyrights. This infringement allegedly
2 occurred when the publishers licensed the articles for print publication only but also reproduced
3 the articles in their electronic databases. Since the publishers needed but never received a license
4 for this second, electronic reproduction, plaintiffs allege that it constitutes infringement.

5 Plaintiffs next claim that the electronic database services infringed their copyrights. This
6 infringement allegedly occurred when those companies licensed the articles from the publishers
7 and then reproduced the articles in their own electronic databases. Because the publishers never
8 possessed the right to electronically reproduce the articles, plaintiffs urge, the publishers could
9 not grant any license for electronic reproduction. Thus, any such license that the publishers sold
10 to the aggregators and databases was legally ineffective. Consequently, according to plaintiffs,
11 the electronic reproduction by the databases is unauthorized and infringing.

12 Since *Tasini* established the basic soundness of plaintiffs' liability theory, the District
13 Court swiftly referred the parties to mediation. Before the mediator, defendants contended that
14 this litigation possessed scant settlement value because the District Court could never certify the
15 vast majority of the claims for inclusion in any proposed class. Defendants noted that section
16 411(a) of the Copyright Act provides that "no action for infringement of the copyright in *any*
17 United States work shall be *instituted* until preregistration or registration of the copyright claim
18 has been made in accordance with this title." 17 U.S.C. § 411(a) (emphases in defendants'
19 mediation submission). "That rule," defendants wrote, "whose language could hardly be clearer,
20 precludes the certification of any class respecting works in which a copyright has not been
21 registered." Defendants then cited authority for the proposition that the District Court "lacks
22 jurisdiction . . . to certify a class covering any unregistered works." Citing survey evidence

1 showing that freelancers register less than one percent of their works, defendants noted that this
2 jurisdictional failure likely affected more than 99 percent of the claims at issue.

3 Despite this looming jurisdictional issue, the desire to achieve global peace in the
4 publishing industry spurred the parties through more than three years of “often heated”
5 negotiations until they reached an agreement in 2005. The agreement defines the class, “for
6 settlement purposes only,” as follows:

7 All persons who, individually or jointly, own a copyright under the
8 United States copyright laws in an English language literary work that
9 has been reproduced, displayed, adapted, licensed, sold and/or
10 distributed in any electronic or digital format, without the person’s
11 express authorization by a member of the Defense Group or any
12 member’s subsidiaries, affiliates, or licensees (a) at any time on or
13 after August 15, 1997 (regardless of when the work first appeared in
14 an electronic database) or (b) that remained in circulation after
15 August 15, 1997, even if licensed prior thereto, including English
16 language works qualifying for U.S. copyright protection under an
17 international treaty (hereinafter “Subject Work”).
18

19 The parties agree that the large majority of “subject works” have not been registered with the
20 U.S. Copyright Office.

21 The settlement sorts plaintiffs’ claims into three groups. Category A claims concern
22 copyrights that were registered prior to any infringement. Because these copyrights were
23 registered before the infringing reproduction, they are eligible for statutory damages and
24 attorney’s fees under the Copyright Act. *See* 17 U.S.C. § 412. Category B claims concern
25 copyrights that were registered *after* the infringing reproduction but before December 31, 2002.
26 Under the Copyright Act, these claims qualify for actual damages only. *See id.* Category C
27 claims, by far the most numerous, regard copyrights registered after December 31, 2002 or not
28 registered at all.

1 The settlement also assigns a damages formula to each type of claim. Category A
2 claimants receive a flat fee. Category B claimants receive the greater of either a flat fee or a
3 percentage of the original price of the work. By and large, Category C claimants also receive the
4 greater of either a flat fee or a percentage of the original price of the work. Importantly, if the
5 cost of all claims (plus the cost of notice, administration, and attorney’s fees) exceeds \$18
6 million, then the amount paid to Category C claimants is reduced – potentially to zero – before
7 the claims of Category A and B claimants are affected. This feature is called the “C-reduction.”

8 Having reached an agreement, plaintiffs and defendants moved the District Court for
9 class certification and settlement approval. Objectors opposed the motion on the ground, *inter*
10 *alia*, that the settlement was inadequate and unfair to Category C claimants because they were
11 paid little and singled out for reduction if the total claims exceeded \$18 million. Objectors also
12 maintained that the disparate treatment of Category C claimants illustrates that named plaintiffs,
13 who each possess at least some registered copyrights, did not adequately represent those absent
14 class members who possess only unregistered copyrights.

15 Defendants responded that Category C claimants were adequately represented and treated
16 fairly because their claims were essentially worthless. In justifying the C-reduction, defendants
17 renewed their jurisdictional argument, urging that Category C claims mainly concerned “works in
18 which [the] copyright had never been registered, and which were not, therefore, within the
19 court’s subject matter jurisdiction.” Somewhat similarly, plaintiffs maintained that “freelance
20 authors typically did not register their works and thus lacked standing to bring an infringement
21 action.”

22 After prolonged proceedings, the District Court granted final class certification and final

1 settlement approval in September of 2005. The District Court never considered whether it had
2 jurisdiction to certify a class consisting mostly of claims arising from unregistered copyrights, or
3 to approve a settlement resolving those claims.

4 Objectors appealed, again challenging the settlement’s fairness and the adequacy of
5 named plaintiffs’ representation. Prior to oral argument, we became concerned that the District
6 Court and the parties had passed over a nettlesome jurisdictional question. We ordered the
7 parties to submit letter briefs “addressing the issue of whether the District Court had subject
8 matter jurisdiction over claims concerning the infringement of unregistered copyrights.” *In re*
9 *Literary Works in Elec. Databases Copyright Litig.*, No. 05-5943-cv (2d Cir. Jan. 31, 2007).
10 Those submissions were timely filed and we further questioned the parties at oral argument.

11 DISCUSSION

12 We review *de novo* whether the District Court had subject matter jurisdiction. *See, e.g.,*
13 *DiTolla v. Doral Dental IPA of New York*, 469 F.3d 271, 275 (2d Cir. 2006). In the following
14 sections, we first ask whether the Copyright Act’s registration requirement is jurisdictional and
15 then ask whether each claim within the class must satisfy that requirement. We answer both
16 questions affirmatively. Since most of the claims within this purported class do not satisfy the
17 registration requirement, we also analyze whether the supplemental jurisdiction statute, 28
18 U.S.C. § 1367, remedies that jurisdictional defect. We conclude that it does not. Based on those
19 determinations, we ultimately hold that the District Court lacked jurisdiction to certify the instant
20 class or approve the settlement.

21 I. The Copyright Act’s Registration Requirement Is Jurisdictional

22 Federal district courts possess only limited jurisdiction, which Congress regulates by

1 statute. *See* U.S. Const. art. III, § 1; *Exxon Mobile Corp. v. Allapattah Servs., Inc.*, 545 U.S. 546,
2 552 (2005). In a copyright action, a district court initially derives its jurisdiction from two
3 sources: 28 U.S.C. §§ 1331 and 1338. Section 1331 provides district courts with a general grant
4 of original jurisdiction over “all civil actions arising under the Constitution, laws, or treaties of
5 the United States.” Section 1338 more specifically grants district courts original jurisdiction over
6 “any civil action arising under any Act of Congress relating to . . . copyrights.”

7 But these provisions are not necessarily the end of the matter. Congress may supplement
8 or limit these basic provisions with additional requirements “expressed in a separate statutory
9 section from jurisdictional grants.” *Barnhart v. Peabody Coal Co.*, 537 U.S. 149, 159-60 n.6
10 (2003). Section 411(a) of the Copyright Act, which regulates a district court’s authority to
11 adjudicate a copyright claim, is one such additional provision. It provides that “no action for
12 infringement of the copyright in any United States work shall be instituted until preregistration or
13 registration of the copyright claim has been made in accordance with this title.” 17 U.S.C. §
14 411(a); *see also* 17 U.S.C. § 501.¹

15 Whether this requirement is jurisdictional is not up for debate in this Circuit. On two
16 recent occasions, we have squarely held that it is. *See Well-Made Toy Mfg. Corp. v. Goffa Int’l*
17 *Corp.*, 354 F.3d 112, 114, 115 (2d Cir. 2003) (affirming dismissal for lack of “subject matter
18 jurisdiction” because section 411(a)’s “registration requirement is jurisdictional”); *Morris v.*
19 *Business Concepts, Inc.*, 259 F.3d 65, 72, 73 (2d Cir. 2001) (holding “that subject matter

¹We note that only “United States works” must be registered. 17 U.S.C. § 411(a). Some claims within the class may arise from unregistered copyrights in foreign works, over which the District Court would possess jurisdiction. We leave it to the District Court and the parties to sort those claims on remand.

1 jurisdiction was lacking because the registration requirement of section 411(a) was not satisfied”
2 and affirming dismissal “for lack of subject matter jurisdiction”).

3 We are far from alone in this regard; there is widespread agreement among the circuits
4 that section 411(a) is jurisdictional. *See La Resolana Architects, PA v. Clay Realtors Angel Fire*,
5 416 F.3d 1195, 1200 (10th Cir. 2005) (“Section 411(a) is the jurisdictional lynchpin to copyright
6 infringement actions[.]”); *Positive Black Talk Inc. v. Cash Money Records Inc.*, 394 F.3d 357,
7 365 (5th Cir. 2004) (noting that section 411(a) “supplement[s]” the “broad underlying”
8 jurisdictional grants in 28 U.S.C. §§ 1331, 1338 and acts as an additional “jurisdictional
9 prerequisite”); *Xoom, Inc. v. Imageline, Inc.*, 323 F.3d 279, 283 (4th Cir. 2003) (“Copyright
10 registration is a jurisdictional prerequisite to bringing an action for infringement under the
11 Copyright Act.”); *Murray Hill Publ’ns, Inc. v. ABC Commc’ns, Inc.*, 264 F.3d 622, 630 n.1 (6th
12 Cir. 2001) (noting that while copyright protection exists prior to registration, “[t]he registration
13 requirement under section 411[a] is a jurisdictional prerequisite to the right of the holder to
14 enforce the copyright in federal court”); *Brewer-Giorgio v. Producers Video, Inc.*, 216 F.3d
15 1281, 1285 (11th Cir. 2000) (“It is well settled in this Court that the registration requirement is a
16 jurisdictional prerequisite to an infringement suit.” (internal quotation marks omitted and
17 alterations incorporated)); *Data Gen. Corp. v. Grumman Sys. Support Corp.*, 36 F.3d 1147, 1163
18 (1st Cir. 1994) (describing registration under section 411(a) as a “jurisdictional requirement”).

19 Given our own binding precedent, not to mention the persuasive authority of our sister
20 circuits, we again conclude that section 411(a)’s registration requirement limits a district court’s
21 subject matter jurisdiction to claims arising from registered copyrights only.

22 The parties advance several arguments that effectively ask us to overrule our holdings in

1 *Morris* and *Well-Made*. The short answer to these arguments is that this panel simply cannot
2 overrule a prior panel’s holding. *See Jones v. Coughlin*, 45 F.3d 677, 679 (2d Cir. 1995) (“A
3 decision of a panel of this Court is binding unless and until it is overruled by the Court *en banc*
4 or by the Supreme Court.”). Nevertheless, for the sake of completeness we explain why these
5 arguments fail.

6 The parties first urge that section 411(a) is jurisdictional in a very minimal sense. They
7 claim that if a plaintiff brings a single claim based on a registered copyright, the district court
8 acquires jurisdiction over any and all related copyright claims, even if those other claims arise
9 from unregistered copyrights. Defendants contend that “§ 411(a) is merely the plaintiff’s ticket
10 to court,” that once stamped, allows him to raise all sorts of claims arising from unregistered
11 copyrights. Although defendants are not necessarily bound by earlier arguments, their current
12 tact cuts against their position before the mediator and the District Court, where they broadly
13 maintained that “works in which [the] copyright had never been registered . . . were not . . .
14 within the court’s subject matter jurisdiction.”²

15 Anyway, our holding in *Well-Made* shuts the door on this line of argument. There, the
16 plaintiff brought two infringement claims: one based on the infringement of its *registered*
17 copyright in a 20-inch doll, the other based on the infringement of its *unregistered* copyright in a
18 derivative 48-inch doll. 354 F.3d at 115. The district court decided the first claim on the merits

²The parties have attempted to harmonize their positions by contending that while the District Court lacked jurisdiction to certify a litigation class, it nevertheless had jurisdiction to certify the settlement-only class. But the jurisdictional statutes do not draw this line. We believe that a district court’s jurisdiction must be proper in either event; the purpose of the certification does not alter fundamental – and constant – statutory jurisdictional requirements. *See infra* at 16-20.

1 but dismissed the second claim for lack of jurisdiction. *Id.* We affirmed on both scores. *Id.* at
2 115, 117. We specifically upheld the dismissal, for lack of jurisdiction, of the claim based on the
3 unregistered copyright even though the plaintiff had paired that claim with a related claim
4 stemming from the registered copyright in the 20-inch doll. *Id.* at 115-16. Thus, the existence of
5 a claim based on a registered copyright does not bring within a district court's jurisdiction all
6 related claims stemming from unregistered copyrights.

7 In similar vein, defendants also point out that other courts have enjoined the infringement
8 of unregistered copyrights when at least one of the plaintiff's copyrights-in-suit was registered.
9 *See, e.g., Perfect 10, Inc. v. Amazon.com, Inc.*, 487 F.3d 701, 710 n.1 (9th Cir. 2007); *Olan Mills,*
10 *Inc. v. Linn Photo Co.*, 23 F.3d 1345, 1349 (8th Cir. 1994); *Pac. and S. Co. v. Duncan*, 744 F.2d
11 1490, 1499 n.17 (11th Cir. 1984). This is another, although more limited, variation on the theme
12 that where one of the plaintiff's claims arises from a registered copyright, section 411(a) vests
13 jurisdiction over any related infringement claim. There are several problems with this argument.

14 First, we have never held that a district court may enjoin the infringement of unregistered
15 copyrights so long as the underlying action arises from a registered copyright held by the same
16 party.³ Second, even if injunctive relief against infringement of an unregistered copyright is
17 available, that relief is properly limited to situations, as were found to exist in *Olan Mills* and
18 *Pacific and Southern Co.*, where a defendant has engaged in a pattern of infringement of a
19 plaintiff's registered copyrights and can be expected to continue to infringe new copyrighted
20 material emanating in the future from the plaintiff. *See Olan Mills, Inc.*, 23 F.3d at 1349; *Pac.*

³The single case the parties cite for this proposition, *Sailor Music v. Gap Stores, Inc.*, 668 F.2d 84 (2d Cir. 1981) (per curiam), does not even approach the issue, let alone decide it.

1 *and S. Co.*, 744 F.2d at 1499. That sort of prophylactic relief furthers the purposes of the
2 Copyright Act generally and does not undermine the intended effect of section 411(a). To the
3 extent that *Perfect 10, Inc.* suggests a broader exception, we decline to follow it. In any event,
4 defendants’ position calls for an exception vastly broader than is found in any case by asking us
5 to rule that registration of one party’s copyright would somehow provide jurisdiction over claims
6 stemming from the unregistered copyrights of many other parties. We decline to do so.⁴

7 In addition to the parties’ arguments, we have considered whether the Supreme Court’s
8 recent decision in *Eberhart v. United States*, 546 U.S. 12 (2005) (per curiam), “casts doubt” on
9 *Morris and Well-Made*; if so, we may reconsider our holdings in those cases. *Loyal Tire & Auto*
10 *Center, Inc. v. Town of Woodbury*, 445 F.3d 136, 145 (2d Cir. 2006); *see also Pease v. Hartford*
11 *Life and Accident Ins. Co.*, 449 F.3d 435, 443-46 (2d Cir. 2006). We conclude that *Eberhart*
12 does not undermine our holdings in *Morris and Well-Made*.

13 In *Eberhart*, the Supreme Court held that the seven-day time limit for moving under
14 Federal Rule of Criminal Procedure 33 was not jurisdictional. 546 U.S. at 13. The Court
15 underscored the “critical difference between a rule governing subject-matter jurisdiction and an
16 inflexible claim-processing rule,” and slotted Rule 33’s time limit within the latter category. *Id.*
17 (quoting *Kontrick v. Ryan*, 540 U.S. 443, 456 (2004)).

18 A key difference between section 411(a) and Rule 33 renders *Eberhart* inapplicable.
19 Rule 33 merely sets forth a time limit for moving in a case that undoubtedly already falls within

⁴Objectors also urge that jurisdiction is proper under our decision in *Wal-Mart Stores, Inc. v. Visa U.S.A. Inc.*, 396 F.3d 96 (2d Cir. 2005). Simply put, that case does not address any jurisdictional question and is inapposite. It addresses only the circumstances under which a release comports with due process, and whether a specific settlement was fair to absent class members – issues that are not implicated here.

1 the district court’s subject matter jurisdiction. The rule is nothing more than an “‘emphatic time
2 prescription[] in [a] rule[] of court’” that regulates motion practice within a jurisdictionally-
3 sound cause of action – namely, a prosecution for a violation of federal law. *Id.* at 18 (quoting
4 *Kontrick*, 540 U.S. at 454). By contrast, section 411(a) creates a statutory condition precedent to
5 the suit itself. In so doing, it “‘delineat[es] the classes of cases . . . falling within a court’s
6 adjudicatory authority.’” *Id.* at 19 (quoting *Kontrick*, 540 U.S. at 455); *see also Bowles v.*
7 *Russell*, 127 S. Ct. 2360, 2364-65 (2007) (distinguishing between “procedural rules adopted by
8 the Court for the orderly transaction of its business,” which are “not jurisdictional,” from
9 statutory “limits enacted by Congress,” which typically are jurisdictional (internal quotation
10 marks omitted)).⁵ Given that fundamental difference between Rule 33 and section 411(a),

⁵The dissent suggests that because copyright protection may exist before registration, section 411(a) should be seen as a mere “enforcement mechanism” that does not affect jurisdiction. **Dissent at 5.** However, as the dissent acknowledges, the crucial distinction between a claim-processing rule and a jurisdictional bar is whether the provision at issue is “essential to the existence of the [underlying] claim.” *Id.* (quoting *Richardson v. Goord*, 347 F.3d 431, 434 (2d Cir. 2003) (per curiam); *see also Paese v. Hartford Life Accident Ins. Co.*, 449 F.3d 435, 444-45 (2d Cir. 2006); *Coleman v. Newburgh Enlarged City Sch. Dist.*, --- F.3d ---, 2007 WL 2768745, at *8 (2d Cir. Sept. 25, 2007) (Straub, J., concurring). Under the plain language of the Copyright Act, registration or preregistration must occur before a plaintiff can assert a valid claim. *See* 17 U.S.C. § 411(a) (“*no action* for infringement of the copyright in *any* United States work *shall be instituted* until preregistration or registration of the copyright claim has been made in accordance with this title.”) (emphases added); 17 U.S.C. § 501(b) (“The legal or beneficial owner of an exclusive right under a copyright is entitled, *subject to the requirements of section 411*, to institute an action for any infringement.”) (emphasis added). In other words, a copyright claim does not exist absent registration or preregistration – and the law is clear that courts lack subject matter jurisdiction over claims that Congress has specified do not yet exist. *See, e.g., Bowles*, 127 S. Ct. at 2365 (“Within constitutional bounds, Congress decides what cases the federal courts have jurisdiction to consider. Because Congress decides whether federal courts can hear cases at all, it can also determine when, and under what conditions, federal courts can hear them.”). Thus, the fact that a copyright holder may possess rights prior to registration does not alter section 411(a)’s jurisdictional bar; Congress has chosen to prohibit copyright holders – and, hence, courts – from enforcing any such rights until after that holder has filed for registration. *See Brewer-Giorgio*, 216 F.3d at 1285 (“Although a copyright need not have been

1 *Eberhart’s* holding does not cast doubt on *Morris* and *Well-Made*.

2 For these reasons, we conclude that section 411(a)’s registration requirement is a
3 jurisdictional prerequisite to a copyright infringement suit.⁶

registered in all cases before it may be infringed, the owner of that copyright must register the copyright before a federal court can entertain an infringement suit.”); *Murray Hill Publ’ns, Inc.*, 264 F.3d at 630 n.1 (noting that although “[a]n author may have a copyright in all works of authorship regardless of whether he registers that copyright,” section 411(a)’s “registration requirement . . . is a jurisdictional prerequisite to the right of the holder to enforce the copyright in federal court”).

The dissent places a great deal of emphasis on the fact that section 411(a) provides that a copyright holder “is entitled to institute an action for infringement” if he properly files for registration but is refused registration by the Copyright Office. 17 U.S.C. § 411(a). But this provision only confirms that, absent proper filing for registration, copyright holders are *not* entitled to bring an action in federal court. Indeed, the last sentence of section 411(a) clarifies that the section speaks in jurisdictional terms, as opposed to addressing mere “administrative prerequisites,” **Dissent at 6**, by noting that so long as a copyright holder properly files for registration, “the Register’s failure to become a party shall not deprive the court of jurisdiction to determine [the issue of registrability].” 17 U.S.C. § 411(a).

⁶The dissent contends that the legislative history of Title 17 “confirms” that section 411(a) is a claim-processing rule and not a jurisdictional bar. **Dissent at 6-9**. But the legislative history cited by the dissent only confirms the undisputed fact that “registration is not a condition of *copyright protection*.” 17 U.S.C. § 408(a) (emphasis added). Under the copyright laws, copyright protection – which “subsists . . . in original works of authorship fixed in any tangible medium of expression . . . ,” 17 U.S.C. § 102, and generally begins at the time of a work’s “creation,” 17 U.S.C. § 302(a) – is entirely distinct from whether a copyright holder is permitted to institute an action in federal court. On that score, the legislative history of the Copyright Act and its amendments is crystal clear: Congress intended section 411(a) to prevent courts from hearing the claims of copyright holders who do not first file for registration. The House Report to the 1976 amendments to the Act, for example, notes that “The first sentence of section 411(a) restates the present statutory requirement that registration must be made before a suit for copyright infringement is instituted.” H.R. Rep. No. 94-1476 at 157 (1976), *reprinted in* 1976 U.S.C.C.A.N. 5659, 5773. The Report goes on to note that “a copyright owner who has not registered his claim . . . cannot enforce his rights in the courts until he has made registration.” *Id.* The Senate, in its consideration of the 1988 amendments to the Act, pointed out that “As a result of Section 411(a), compliance with copyright registration procedures is a statutory prerequisite to the right of an author or other copyright proprietor to seek any redress, whether by injunction, damages or both, for infringement of the work,” and that without registration, “judicial enforcement of the claim to copyright cannot be obtained.” S. Rep. No. 100-352 at 13-14 (1988), *reprinted in* 1988 U.S.C.C.A.N. 3706, 3718-19; *see also id.* at 19, *reprinted in* 1988

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II. Each Claim within the Certified Class Must Satisfy Section 411(a)’s Registration Requirement

Having established that section 411(a) imposes a jurisdictional requirement, we must decide whether each claim within the certified class must satisfy that requirement. The parties urge that jurisdiction is proper so long as the named plaintiffs’ works were registered. Based upon the named plaintiffs’ registrations, the parties maintain, the District Court had jurisdiction to certify a class containing thousands of claims arising from unregistered copyrights. We disagree.

Initially, we note that the class action certification device, Federal Rule of Civil Procedure 23, does not offer any alternative source of jurisdiction in the class action context. *See* 28 U.S.C. § 2072(b) (providing that the federal “rules shall not abridge, enlarge or modify any substantive right”); Fed. R. Civ. P. 82 (“These rules shall not be construed to extend or limit the jurisdiction of the United States district courts.”); *Amchem Prods., Inc., v. Windsor*, 521 U.S. 591, 613 (1997). We therefore must look to the language of section 411(a), as well as any applicable case law, to determine how the registration requirement applies in the class action context. *See generally Zahn v. Int’l Paper Co.*, 414 U.S. 291, 299-301 (1973) (reasoning that whether the amount-in-controversy requirement of 28 U.S.C. § 1332(a) applies to each class member’s claim depends on the language of statute), *result overruled by* 28 U.S.C. § 1367.

Again, section 411(a) provides, in relevant part, that “no action for infringement of the copyright in any United States work shall be instituted until preregistration or registration of *the*

U.S.C.C.A.N. at 3724 (“[C]opyright claims in an unregistered work cannot be judicially enforced.”).

1 *copyright claim* has been made in accordance with this title.” 17 U.S.C. § 411(a) (emphasis
2 added). The question, as we see it, is whether the phrase “the copyright claim” refers to all the
3 claims within the class or only those claims of the named plaintiffs.

4 On the literal level, the language is not dispositive. The phrase “the copyright claim”
5 does not require, or even tend toward, one reading. But case law does provide some useful
6 guidance as to how we should interpret that phrase.

7 To begin with, we have applied Article III’s jurisdictional requirements to each member
8 of a class. *See Denney v. Deutsche Bank AG*, 443 F.3d 253, 264 (2d Cir. 2006) (“[N]o class may
9 be certified that contains members lacking Article III standing.”). Since statutory and
10 constitutional jurisdictional requirements are equally binding, *see* U.S. Const. art. III, § 1; *Exxon*
11 *Mobile Corp.*, 545 U.S. at 553 (noting “the bedrock principle that federal courts have no
12 jurisdiction without statutory authorization”), the same approach should hold here.

13 And case law indicates that it does. In *Zahn*, the Supreme Court considered whether the
14 diversity statute, 28 U.S.C. § 1332, requires each class member to satisfy the amount-in-
15 controversy requirement. 414 U.S. at 301. The Court held that the phrase “matter in
16 controversy” in § 1332(a) refers to each class member’s claim and therefore requires each claim
17 to satisfy the statute’s amount-in-controversy requirement. In so holding, the Court reasoned that
18 Rule 23 does not authorize one plaintiff to “ride on another’s coattails.” *Id.* at 301 (internal
19 quotation marks omitted). In order to alter this result, Congress needed to pass, and did pass, a
20 new statute, 28 U.S.C. § 1367, which we analyze in the next section.

21 Two years later, in *Weinberger v. Salfi*, 422 U.S. 749, 764 (1975), the Court addressed
22 whether a district court properly certified a class of Social Security claimants who asserted that

1 they had been denied benefits wrongfully. Like the Copyright Act, the Social Security Act
2 contains a provision limiting jurisdiction over social security claims: section 205(g) of the Social
3 Security Act, which grants subject matter jurisdiction over only “final” decisions of the
4 Secretary. *Id.* at 763.

5 In determining whether the district court had jurisdiction to certify the class in
6 *Weinberger*, the Supreme Court applied this finality requirement to *all* the claims within the
7 class. It concluded that the named plaintiffs’ claims satisfied the finality requirement but that
8 claims of absent class members did not. *Id.* at 764 (“As to class members, however, the
9 complaint is deficient in that it contains no allegations that they have even filed an application
10 with the Secretary, much less that he has rendered any decision, final or otherwise The class
11 thus cannot satisfy the requirements for jurisdiction under [section 205(g)].”). Given this
12 statutory jurisdictional defect, “the District Court was without jurisdiction over so much of the
13 complaint as concerns the class, and it should have entered an appropriate order of dismissal.”
14 *Id.* *Weinberger* thus supports the proposition that when a statute imposes a jurisdictional
15 requirement, each member of a putative class must satisfy that requirement.

16 Four years later, the Court reaffirmed this approach in *Califano v. Yamaski*, 442 U.S. 682
17 (1979). There, the Court held that section 205(g) of the Social Security Act permits social
18 security claimants to seek relief via the class action device. But the Court carefully reiterated that
19 each class member must meet the jurisdictional requirements of section 205(g). *Id.* at 701
20 (holding that claimants could bring social security class action “at least so long as the
21 membership of the class is limited to those who meet the requirements of § 205(g)”). Stating the
22 proposition more generally, the Court wrote, “Where the district court has jurisdiction over the

1 claim of each individual member of the class, Rule 23 provides a procedure by which the court
2 may exercise that jurisdiction over the various individual claims in a single proceeding.” *Id.*

3 We see no reason to interpret or apply the jurisdictional requirement of section 411(a) any
4 differently. In light of these precedents, we hold that the phrase “the copyright claim” in section
5 411(a) refers to each claim within a purported class, and thus requires that each class member’s
6 claim arise from a registered copyright. Only when each claim satisfies that jurisdictional
7 prerequisite may the district court utilize Rule 23 to “exercise [its] jurisdiction over the various
8 individual claims in a single proceeding.” *Id.*⁷

9 **III. The Supplemental Jurisdiction Statute Does Not Apply Here**

10 Although section 411(a) deprived the District Court of jurisdiction to certify a class
11 containing claims stemming from unregistered copyrights, the supplemental jurisdiction statute
12 might provide an alternate source of jurisdiction. In relevant part, the statute provides as follows:

13 *Except as . . . expressly provided otherwise by Federal statute, in any*
14 *civil action of which the district courts have original jurisdiction, the*
15 *district courts shall have supplemental jurisdiction over all other*
16 *claims that are so related to claims in the action within such original*
17 *jurisdiction that they form part of the same case or controversy under*
18 *Article III of the United States Constitution.*

⁷The dissent argues that in the context of a settlement-only class action, jurisdiction exists so long as the plaintiffs possess constitutional standing, even if other statutory jurisdictional prerequisites, such as that erected by section 411(a), are not met. This argument finds no support in the case law and runs afoul of the general rule that the class action device cannot be used to enlarge the jurisdiction of the federal courts. *See Amchem Prods., Inc.*, 521 U.S. at 613. In the RICO and mass tort contexts posited by the dissent, Congress has erected no additional statutory jurisdictional bars beyond the need for constitutional standing. *See Denney*, 443 F.3d at 266 (“RICO standing is not jurisdictional.”). Thus, our holding has no effect on the ability of courts to, for example, certify a class in a mass tort action involving claims that may not yet be ripe because the issue in such cases is standing, not jurisdiction. As we have already explained, section 411(a) is an *additional* jurisdictional bar to the institution of copyright actions, and this bar cannot be ignored solely because this case is a settlement-only class action.

1 28 U.S.C. § 1367(a) (emphasis added).

2 In *Exxon Mobile Corp.*, the Court held that § 1367(a) confers supplemental jurisdiction in
3 a diversity class action over state law claims that fail to satisfy § 1332(a)'s amount-in-
4 controversy requirement, so long as (1) at least one claim satisfies that requirement and (2) all the
5 other claims are part of the same case or controversy. 545 U.S. at 559-60. But the Court has
6 never held that § 1367(a) confers supplemental jurisdiction over jurisdictionally-deficient *federal*
7 claims asserted together with another, jurisdictionally-proper claim. *See generally Handberry v.*
8 *Thompson*, 436 F.3d 52, 62 (2d Cir. 2006) (“In 28 U.S.C. § 1367(a), Congress provided federal
9 district courts with so-called supplemental jurisdiction to decide *certain state-law claims.*”
10 (emphasis added)).

11 We think that the text of the statute precludes that sort of application. *See generally*
12 *United States v. Gayle*, 342 F.3d 89, 92 (2d Cir. 2003) (“Statutory construction begins with the
13 plain text and, if that text is unambiguous, it usually ends there as well.”). Section 1367(a)
14 excepts from its reach those cases in which another federal statute denies jurisdiction. 28 U.S.C.
15 § 1367(a) (providing supplemental jurisdiction over related claims “[e]xcept as . . . expressly
16 provided otherwise by Federal statute”); *Exxon Mobile Corp.*, 545 U.S. at 559 (“Section 1367(a)
17 commences with the direction that . . . other relevant statutes[] may provide specific exceptions .
18 . . .”); *see also id.* (“When the well-pleaded complaint contains at least one claim that satisfies
19 the amount-in-controversy requirement, *and there are no other relevant jurisdictional defects,*
20 *the district court, beyond all question, has original jurisdiction over that claim.*” (emphasis
21 added)). In our view, section 411(a) is a federal statute that “provide[s] otherwise” within the
22 meaning of § 1367(a) and presents another “relevant jurisdictional defect[]” of the sort to which

1 the Supreme Court alluded in *Exxon Mobile Corp.* After all, federal courts have exclusive
2 jurisdiction over copyright claims, 28 U.S.C. § 1338(a), and section 411(a) bars claims based on
3 unregistered copyrights. It would make a hash of those provisions for us to hold that § 1367(a) –
4 somehow – vests federal courts with jurisdiction over claims based on unregistered copyrights.

5 True, section 411(a) does not refer to § 1367(a). But we have held that another statute
6 need not expressly refer to § 1367(a) to curtail its reach. *See Handberry*, 436 F.3d at 62 (holding
7 that 18 U.S.C. § 3626(a)(1)(A) limits § 1367(a) even though the former statute makes no
8 reference to § 1367(a)).

9 For these reasons, we conclude that § 1367(a) did not provide the District Court with
10 jurisdiction over the claims arising from the alleged infringement of unregistered copyrights.

11 **CONCLUSION**

12 Because the District Court lacked jurisdiction to certify the class and approve the
13 settlement agreement, we VACATE and REMAND for proceedings consistent with this opinion.

1 JOHN M. WALKER, JR., Circuit Judge, dissenting:

2 The majority insists that the copyright-registration
3 requirement, 17 U.S.C. § 411(a), presents a "jurisdictional" bar
4 to this class-action settlement. To be sure, in the past we have
5 labeled the copyright-registration requirement as
6 "jurisdictional," at least with respect to an action for damages.
7 The Supreme Court, however, in Eberhart v. United States, 546
8 U.S. 12 (2005) (per curiam), urged us to more carefully
9 distinguish between true jurisdictional bars and claim-processing
10 rules that may be waived and to revisit our use of the
11 "jurisdiction" label in that light. Following that instruction
12 and bearing in mind the underlying purpose of 17 U.S.C. § 411(a),
13 as well as our recent holding that not all members of a
14 settlement-only class need to possess a valid cause of action
15 under the applicable law, leads me to conclude that the fact that
16 some of the otherwise presumably valid copyrights have not been
17 registered is an insufficient basis for undoing this class-action
18 settlement.

19 In Kontrick v. Ryan, 540 U.S. 443 (2004), and Eberhart, the
20 Supreme Court held that even "emphatic" time prescriptions in the
21 rules of court are not necessarily "jurisdictional," Kontrick,
22 540 U.S. at 454. It explained, "[c]larity would be facilitated .
23 . . if courts and litigants use the label 'jurisdictional' not
24 for claim-processing rules, but only for prescriptions

1 delineating the classes of cases (subject matter jurisdiction)
2 and the persons (personal jurisdiction) falling within a court's
3 adjudicatory authority." Eberhart, 546 U.S. at 16 (internal
4 quotation marks omitted). Then, in Arbaugh v. Y&H Corp., 546
5 U.S. 500 (2006), the Court applied Eberhart and Kontrick to a
6 statute, concluding that the employee-numerosity requirement of
7 Title VII, 42 U.S.C. § 2000e(b), is not jurisdictional, noting
8 that "the 15-employee threshold appears in a separate provision
9 that 'does not speak in jurisdictional terms or refer in any way
10 to the jurisdiction of the district courts,'" 546 U.S. at 515.
11 Finally, and most recently, in Bowles v. Russell, 127 S. Ct. 2360
12 (2007), the Supreme Court determined that 28 U.S.C. § 2107(a),
13 which explicitly provides that in a civil action "no appeal shall
14 bring any judgment . . . before a court of appeals for review
15 unless notice of appeal is filed[] within thirty days" of entry
16 of judgment, is jurisdictional. The Court emphasized the
17 jurisdictional significance "of the fact that a time limitation
18 is set forth in a statute," 127 S. Ct. at 2364, and noted that §
19 2107(a) admits of no exception, see id. at 2365 (adverting to the
20 fact that "we have treated the rule-based time limit for criminal
21 cases differently, stating that it may be waived").

22 As will be explained, I think that § 411(a) is more like the
23 employee-numerosity requirement in Arbaugh than it is like §
24 2107(a) in Bowles. Moreover, because Congress passed § 411(a) to

1 facilitate the enforcement of copyrights, I conclude that
2 compliance with § 411(a) is a mandatory prerequisite to the
3 accrual of a cause of action for damages, but not a prerequisite
4 to the possession of constitutional standing. Thus this suit
5 falls within the ambit of our holding in Denney v. Deutsche Bank
6 A.G., 443 F.3d 253 (2d Cir. 2006), that not all members of a
7 settlement-only class must possess a valid cause of action under
8 the applicable law at the time of settlement.

9 Plaintiffs are a class of mostly freelance authors whose
10 work has been reproduced without their consent in defendants'
11 electronic databases. An individual infringement suit for
12 damages requires that the plaintiff's copyright be registered;
13 yet few members of the class hold registered copyrights in their
14 work. Of course, should any wish to sue individually, the
15 formality of prior registration could be met. After several
16 years of intense negotiation, and prior to trial (and hence
17 without registration of many of the copyrights held by class
18 members), plaintiffs and defendants reached the comprehensive
19 settlement that is the subject of this appeal. The majority
20 vacates that settlement on the basis that the district court
21 lacked jurisdiction over the class because most of its members
22 have not registered their copyrights. For the reasons that
23 follow, I respectfully dissent.

24 **I. Jurisdiction and Section 411(a)**

1 Section 411(a) of Title 17 provides that “no action for
2 infringement of the copyright in any United States work shall be
3 instituted until preregistration or registration of the copyright
4 claim has been made in accordance with this title.” I turn first
5 to the text of § 411(a) and ask whether it speaks in
6 “jurisdictional” terms. See Leocal v. Ashcroft, 543 U.S. 1, 8
7 (2004). It does not. See Boos v. Runyon, 201 F.3d 178, 182 (2d
8 Cir. 2000) (“The statutory provision allowing employees of
9 federal agencies to sue in district court [i.e., 42 U.S.C. §
10 2000e-16(c)] sets forth certain prerequisites to suit. In doing
11 so, it does not speak in expressly jurisdictional terms.”
12 (emphasis added)). Compare Arbaugh, 546 U.S. at 1244 (noting
13 that plaintiff “invoked federal-question jurisdiction under §
14 1331, but her case ‘[arose]’ under a federal law, Title VII, that
15 specifies, as a prerequisite to its application, the existence of
16 a particular fact”), with Maj. Op. at 9 (“In a copyright action,
17 a district court initially derives its jurisdiction from two
18 sources: 28 U.S.C. §§ 1331 and 1338.”).

19 Section 411(a) does not, by its terms, provide the copyright
20 holder with any of the sticks in his bundle of rights. Cf. 17
21 U.S.C. §§ 106-122 (discussing copyright holder’s rights).
22 Indeed, it is addressed to the copyright holder, not the courts,
23 cf. 28 U.S.C. § 2107(a) (speaking to the courts); Lin Zhong v.
24 U.S. Dep’t of Justice, 461 F.3d 101, 107 (2d Cir. 2006) (noting

1 that 8 U.S.C. § 1252(d) stipulates that courts of appeals may
2 review only “final order[s] of removal”), amended and superseded
3 by 480 F.3d 104 (2d Cir. 2007), and it simply sets forth a
4 prerequisite to suit -- namely, registration. Furthermore, as 17
5 U.S.C. § 501(b) makes clear, § 411(a) speaks not to rights but to
6 the means of their vindication. It stipulates, “[t]he legal or
7 beneficial owner of an exclusive right under a copyright is
8 entitled, subject to the requirements of section 411, to
9 institute an action for any infringement of that particular right
10 committed while he or she is the owner of it.” 17 U.S.C. §
11 501(b) (emphasis added).

12 As we have emphasized, the distinction between a rights-
13 creating statute and an enforcement mechanism is an important
14 one: we typically consider the latter a claim-processing rule
15 within the meaning of Eberhart. For instance, in Richardson v.
16 Goord, 347 F.3d 431 (2d Cir. 2003) (per curiam), we concluded
17 that the exhaustion requirement of the Prison Litigation Reform
18 Act (“PLRA”) is a claim-processing rule because exhaustion is not
19 “essential to the existence of the claim, . . . and therefore to
20 the presence of an Article III case or controversy,” id. at 434
21 (internal quotation marks and citation omitted); see also Coleman
22 v. Newburgh Enlarged City Sch. Dist., --- F.3d ----, 2007 WL
23 2768745, at *9 n.1 (2d Cir. Sept. 25, 2007) (Straub, J.,
24 concurring); Boos, 201 F.3d at 182 (holding that Title VII’s

1 exhaustion requirement is not jurisdictional and may be waived).
2 Similarly, registration is not essential to the existence of a
3 copyright claim or, as is discussed below in Part II, to the
4 presence of an Article III case or controversy. Section 411(a)
5 provides that even if registration has been refused by the
6 Copyright Office, "the applicant is entitled to institute an
7 action for infringement if notice thereof, with a copy of the
8 complaint, is served on the Register of Copyrights. . . . [T]he
9 Register's failure to become a party shall not deprive the court
10 of jurisdiction to determine that issue." 17 U.S.C. § 411(a).
11 Thus, the registration requirement appears simply to be a
12 procedural or "administrative prerequisite[]," Boos, 201 F.3d at
13 183, to ensure that the "deposit, application, and fee . . . have
14 been delivered to the Copyright Office in proper form," 17 U.S.C.
15 § 411(a). And failure to comply with an administrative
16 prerequisite "would not deprive district courts of jurisdiction."
17 Boos, 201 F.3d at 183. Indeed, under § 411(a), district courts'
18 jurisdiction is not disturbed by the denial of registration or by
19 the Register's failure, in that event, to become a party to the
20 litigation.

21 Second, the legislative history of Title 17 confirms that §
22 411(a) does not create rights but is rather like the enforcement
23 mechanisms or claim-processing rules in Kontrick, Eberhart, and
24 Arbaugh. See 17 U.S.C. § 408(a) ("[R]egistration is not a

1 condition of copyright protection."); H.R. Rep. No. 94-1476, at
2 152 (1976), reprinted in 1976 U.S.C.C.A.N. 5659, 5768 ("Except
3 where, under section 405(a), registration is made to preserve a
4 copyright that would otherwise be invalidated because of omission
5 of the notice, registration is not a condition of copyright
6 protection."); see also id. at 157 ("Under [§ 411(a)], a
7 copyright owner who has not registered his claim can have a valid
8 cause of action against someone who has infringed his copyright,
9 but he cannot enforce his rights in the courts until he has made
10 registration." (emphasis added)).

11 Congress passed § 411(a) to implement a policy preference
12 that courts, before they process a copyright claim, should
13 consider the views of the Copyright Office, whose duty is to
14 determine whether "the material deposited constitutes
15 copyrightable subject matter and the other legal and formal
16 requirements of [Title 17] have been met.'" H.R. Rep. No. 94-
17 1476, at 156. Indeed, "[t]he Copyright Office certificate of
18 registration is prima facie evidence of the facts stated therein.
19 This has generally been held to mean prima facie proof of
20 ownership and validity." Novelty Textile Mills, Inc. v. Joan
21 Fabrics Corp., 558 F.2d 1090, 1092 n.1 (2d Cir. 1977) (citation
22 omitted); see Paul Morelli Design, Inc. v. Tiffany & Co., 200 F.
23 Supp. 2d 482, 485-486 (E.D. Pa. 2002) (discussing deference due
24 the Copyright Office); H.R. Rep. No. 94-1476, at 156-67 ("Under

1 section 410(c), a certificate is to 'constitute prima facie
2 evidence of the validity of the copyright and of the facts stated
3 in the certificate.' The principle that a certificate represents
4 prima facie evidence of copyright validity has been established
5 in a long line of court decisions, and it is a sound one."). In
6 this respect, § 411(a) is like other statutory exhaustion
7 requirements, which are designed to permit agencies to pass first
8 on contested questions, the resolution of which requires a
9 certain quantum of expertise, and most such exhaustion
10 requirements are not jurisdictional.¹ See, e.g., Lin Zhong v.
11 U.S. Dep't of Justice, 480 F.3d 104, 118-20 (2d Cir. 2007)
12 (discussing the Immigration and Nationality Act and holding that
13 the mandatory requirement of issue exhaustion in asylum cases was
14 not a jurisdictional prerequisite to review and that failure to

¹ In fact, the copyright-registration requirement is less stringent than the exhaustion requirement of Title VII: a copyright holder need not obtain a "right to sue" letter from the relevant administrative body. Compare 42 U.S.C. § 2000e-5(e)-(f), with 17 U.S.C. § 411(a) (noting that when "the deposit, application, and fee required for registration have been delivered to the Copyright Office in proper form and registration has been refused, the applicant is entitled to institute an action for infringement"), 2-7 Nimmer on Copyright § 7.16 [B][1][a][I] ("[A] party who seeks to register may proceed to litigate the claim, regardless of whether the Copyright Office ultimately issues the certificate, or by contrast denies it."), and 17 U.S.C. § 410(d) ("The effective date of a copyright registration is the day on which an application, deposit, and fee, which are later determined by the Register of Copyrights or by a court of competent jurisdiction to be acceptable . . . have all been received." (emphasis added)).

1 exhaust could be waived); Paese v. Hartford Life Accident Ins.
2 Co., 449 F.3d 435, 446 (2d Cir. 2006) (ERISA); Boos, 201 F.3d at
3 182 (Title VII); Sellers v. M.C. Floor Crafters, Inc., 842 F.2d
4 639, 642 n.2 (2d Cir. 1988) (Labor Management Relations Act of
5 1947). Furthermore, because this suit was settled before trial,
6 the views of the Copyright Office are unhelpful; the copyright
7 registration requirement only serves its statutory purpose when a
8 cause is litigated, not settled.

9 The legislative history of the Copyright Act also suggests
10 that registration, rather than being a prerequisite to federal
11 jurisdiction, is a prerequisite to certain remedies -- namely
12 statutory damages and attorney's fees. See H.R. No. 94-1476, at
13 158; see also 17 U.S.C. § 412. Registration furthers the
14 important policy behind copyright of disclosing works and making
15 them part of the public domain. But because registration is not
16 required for copyright protection, the Copyright Act provides the
17 additional remedies of statutory damages and attorney's fees as
18 incentives to register. See H.R. No. 94-1476, at 158 ("The need
19 for section 412 arises from [the fact that] . . . [c]opyright
20 registration for published works, which is useful and important
21 to users and the public at large, would no longer be compulsory,
22 and should therefore be induced in some practical way." (emphasis
23 added)).

24 Third, § 411(a) is riddled with jurisdictionally recognized

1 exceptions. Cf. Bowles, 127 S. Ct. 2365 n.4 (noting that
2 jurisdictional requirements are seldom waivable); Fernandez v.
3 Chertoff, 471 F.3d 45, 58 (2d Cir. 2006) (noting that the Title
4 VII exhaustion requirement is not jurisdictional because it “is
5 subject to waiver, estoppel, and equitable tolling” (quoting
6 Zipes v. Trans World Airlines, Inc., 455 U.S. 385, 393 (1982)));
7 Mosely v. Bd. of Educ., 434 F.3d 527, 532-33 (7th Cir. 2006).
8 For instance, courts routinely permit plaintiffs to file suit
9 before applying for a copyright or while the Copyright Office is
10 considering their application. See Apple Barrel Prods., Inc. v.
11 Beard, 730 F.2d 384, 387 (5th Cir. 1984) (permitting plaintiff to
12 file suit despite the fact that the Copyright Office had yet to
13 act on his application); see also Positive Black Talk Inc. v.
14 Cash Money Records Inc., 394 F.3d 357, 366 (5th Cir. 2004) (“The
15 notion that the supplemental pleading cures the technical defect,
16 notwithstanding the clear language of § 411, is consistent with
17 the principle that technicalities should not prevent litigants
18 from having their cases heard on the merits.”); M.G.B. Homes,
19 Inc. v. Ameron Homes, Inc., 903 F.2d 1486, 1488-89 (11th Cir.
20 1990); J. Racenstein & Co., Inc. v. Wallace, No. 96 CIV. 9222,
21 1997 WL 605107, at *1-2 (S.D.N.Y. Oct. 1, 1997). The general
22 exception that allows post-suit registration is particularly
23 telling because “[i]t has long been the case that ‘the
24 jurisdiction of the court depends upon the state of things at the

1 time of the action brought.'" Grupo Dataflux v. Atlas Global
2 Group, 541 U.S. 567, 571 (2004) (quoting Mollan v. Torrance, 22
3 U.S. (9 Wheat.) 537, 539 (1824)).

4 Moreover, as the majority notes, several circuits have seen
5 fit to enjoin the infringement of an unregistered copyright. See
6 Perfect 10, Inc. v. Amazon.com, Inc., 487 F.3d 701, 710 n.1 (9th
7 Cir. 2007); Olan Mills Inc. v. Linn Photo Co., 23 F.3d 1345, 1349
8 (8th Cir. 1994); Pac. & S. Co., Inc. v. Duncan, 744 F.2d 1490,
9 1499 & n.17 (11th Cir. 1984). These circuits have reasoned that,
10 by the very language of 17 U.S.C. § 502(a), "[t]he power to grant
11 injunctive relief is not limited to registered copyrights, or
12 even to those copyrights which give rise to an infringement
13 action." Olan Mills, 23 F.3d at 1349; see also 17 U.S.C. §
14 502(a) (providing that a court may "grant temporary and final
15 injunctions on such terms as it may deem reasonable to prevent or
16 restrain infringement of a copyright" (emphasis added)); Perfect
17 10, Inc., 487 F.3d at 710 n.1 ("[T]he Copyright Act gives courts
18 broad authority to issue injunctive relief."); Pac. & S. Co.,
19 Inc., 744 F.2d at 1499 n.17. Permitting district courts to
20 enjoin the infringement of unregistered copyrights is not only
21 consistent with § 502(a), but also gives meaning to § 408(a)'s
22 provision that "registration is not a condition of copyright

1 protection," and to the congressional policy of making available
2 the additional remedies of statutory damages and attorney's fees
3 to those who register. Cf. Walker Mfg., Inc. v. Hoffman, Inc.,
4 220 F. Supp. 2d 1024, 1039 (N.D. Iowa 2002) ("Where the owner of
5 an unregistered copyright seeks injunctive relief, as opposed to
6 statutory damages, the Eighth Circuit Court of Appeals has held
7 such an action is viable even in the absence of copyright
8 registration.").

9 Finally, it is evident that § 411(a) is not a definitive
10 limitation on the court's power, characteristic of a
11 jurisdictional provision, from § 411(a)'s explicit exception of
12 foreign works from its reach. See 17 U.S.C. § 411(a) (discussing
13 "United States work[s]"). The history of this exception further
14 counsels concluding that § 411(a), unlike jurisdictional
15 provisions, is not meant to be inflexible. In discussing
16 possible ways to amend the Copyright Act to bring it into
17 compliance with the Berne Convention,² the Senate Judiciary
18 Committee argued that because

19 [r]egistration . . . [while] not, technically speaking, a
20 condition for the existence of copyright, . . . is,

²Convention for the Protection of Literary and Artistic Works, Sept. 9, 1886 (Paris Text 1971), S. Treaty Doc. No. 99-27 (1986).

1 however, a precondition for the exercise of any of the . . .
2 rights conferred by copyright, . . . [the] metaphysical
3 distinction between the existence of a right to prevent
4 unauthorized use of a copyrighted work, and the exercise of
5 that right, [should not be] maintain[ed].
6

7 S. Rep. No. 100-352, at 16-17 (1988), reprinted in 1988

8 U.S.C.C.A.N. 3706, 3721-22. Although the House did not endorse
9 the Senate's view, Congress as a whole was able to reach
10 consensus on an amendment to the Act only because it deemed §
11 411(a) a "formality," and the Berne Convention did not forbid
12 signatories from "'impos[ing] [formalities] . . . on works first
13 published in its own territory.'" La Resolana Architects, PA v.
14 Clay Realtors Angel Fire, 416 F.3d 1195, 1206 & n.11 (10th Cir.
15 2005).

16 Taken together, § 411(a)'s language, legislative history,
17 jurisdictional exceptions, and exception for foreign works
18 strongly indicate that the registration requirement is more akin
19 to a claim-processing rule than a jurisdictional prerequisite.

20 **II. Constitutional Standing in the Class-Action Context and**
21 **Section 411(a)**
22

23 This appeal concerns the pre-trial settlement of a class
24 action. Whether or not § 411(a) is a claim-processing rule,
25 compliance with its requirements is not necessary for a copyright
26 plaintiff to have constitutional standing. Indeed, as the

1 Seventh Circuit has aptly explained, it is hard to see how the
2 filing of an administrative claim could ever be the prerequisite
3 to asserting constitutional injury. See Perez v. Wis. Dep't of
4 Corr., 182 F.3d 532, 536 (7th Cir. 1999) (explaining under the
5 Prison Litigation Reform Act that "Perez was injured (if at all)
6 by deficiencies in medical treatment; an administrative claim is
7 not essential to a case or controversy").

8 And, in the class-action context, there is a distinction
9 between constitutional standing, which is always required, and
10 statutory standing, which is not required of all members of a
11 settlement-only class. See In re Lorazepam & Clorazepate
12 Antitrust Litig., 289 F.3d 98, 107-08 (D.C. Cir. 2002) (holding
13 in an antitrust class action that "[u]nlike constitutional
14 standing, this court's jurisdiction does not turn on antitrust
15 standing"). Compare Denney, 443 F.3d at 264 (noting that all
16 members of a settlement-only class must have constitutional
17 standing), with id. at 265 ("The future-risk members of the
18 Denney class have suffered injuries-in-fact, irrespective of
19 whether their injuries are sufficient to sustain any cause of
20 action.").³ For instance, in Lerner v. Fleet Bank, N.A., 318

³ I thus disagree with the majority that all members of a settlement-only class must possess both constitutional and

1 F.3d 113 (2d Cir. 2003), a RICO class action, we held that RICO
2 standing was not "jurisdictional," at least in the class-action
3 context. We explained that "plaintiffs' lack of statutory
4 standing does not divest the district court of original
5 jurisdiction over the . . . action." Id. at 130. And we went on
6 to conclude that the district court could exercise supplemental
7 jurisdiction over plaintiffs' state-law claims despite the fact
8 that certain members of the plaintiff class lacked RICO standing.
9 Id. at 125-26 (noting that if plaintiffs' lack of RICO standing
10 did erect a jurisdictional bar to their RICO claims, "the
11 district court did not have 'original jurisdiction' over the
12 action because the RICO claim was the only federal claim and, for
13 the . . . plaintiffs, the only basis for subject matter
14 jurisdiction"). We emphasized that RICO standing was
15 "sufficiently intertwined with the merits," Lerner, 318 F.3d at
16 128, and thus not jurisdictional.

17 Drawing such a distinction between constitutional standing,
18 the absence of which deprives the court of authority to redress
19 harm to that plaintiff, and statutory standing, the absence of
20 which may be waived, makes particular sense in the settlement

statutory standing. Cf. Maj. Op. at 17.

1 context. We have, for example, approved the settlement of mass-
2 tort lawsuits involving plaintiffs who have been exposed to toxic
3 substances and therefore run the risk of incurring actionable
4 injuries at some point in the future -- but who, while they may
5 have constitutional standing, surely could not survive a motion
6 to dismiss for failure to state a claim were they to bring their
7 case to trial. See, e.g., In re Agent Orange Prod. Liab. Litig.,
8 996 F.2d 1425 (2d Cir. 1993). And I am not disposed to undo such
9 settlements because certain class members may not, at the moment
10 of settlement, possess the statutory cause of action that they
11 could have in the future and could then litigate. Cf. H.R. Rep.
12 No. 94-1476 ("[A] copyright owner who has not registered his
13 claim can have a valid cause of action against someone who has
14 infringed his copyright, but he cannot enforce his rights in the
15 courts until he has made registration.").

16 A plaintiff alleging copyright infringement must show
17 ownership of a valid copyright and copying by the defendant,
18 Warner Bros. Inc. v. Am. Broad. Cos., 654 F.2d 204, 207 (2d Cir.
19 1981); the registration requirement, and resulting opinion of the
20 Copyright Office, bear upon the validity of the copyright and its
21 ownership and thus "go[] to the merits of the action," cf.
22 Lerner, 318 F.3d at 129. But a plaintiff alleging copyright

1 infringement has suffered an injury-in-fact whether or not he has
2 registered his copyright. As the Eighth Circuit has explained,
3 "infringement itself is not conditioned upon registration of the
4 copyright." Olan Mills, 23 F.3d at 1349. Thus, all members of
5 the plaintiff class -- whether or not they have registered their
6 copyrights -- have been injured by defendants if we assume the
7 truth of plaintiffs' allegations.

8 The other two requirements of Article III standing -- an
9 injury that is traceable to the challenged action and redressable
10 by a favorable decision -- are also satisfied in this case. See,
11 e.g., Denney, 443 F.3d at 263, 266. Plaintiffs' injuries are a
12 direct result of defendants' infringement and would be redressed
13 by an award of damages for their economic losses. Plaintiffs
14 therefore have standing in the constitutional sense.

15 Finally, as I noted in Part I, claim-processing rules are
16 not essential to the presence of an Article III case or
17 controversy, Richardson, 347 F.3d at 434. That plaintiffs have
18 established an Article III case or controversy regardless of
19 whether they have registered is further support for the
20 conclusion that § 411(a)'s registration requirement is a claim-
21 processing rule rather than a jurisdictional prerequisite, and
22 that plaintiffs' settlement should not be disturbed.

1 **III. Well-Made Toy, Morris, and Weinberger Are Distinguishable**

2 In concluding that § 411(a) is “jurisdictional,” the
3 majority relies on two decisions of our court -- Well-Made Toy
4 Manufacturing Corp. v. Goffa International Corp., 354 F.3d 112
5 (2d Cir. 2003), and Morris v. Business Concepts, Inc., 259 F.3d
6 65 (2d Cir. 2001) -- that attach the “jurisdictional” label to §
7 411(a). I have already sought to explain why we should
8 reconsider our too-facile use of the jurisdictional label in the
9 wake of Eberhart.⁴ Cf. Coleman, 2007 WL 2768745, at *4
10 (“Recently, . . . the Supreme Court has admonished lower courts
11 to more carefully distinguish between jurisdictional rules and
12 mandatory claims-processing rules.”). I now explain why those
13 cases, in any event, offer only equivocal support.

14 The plaintiff in Well-Made Toy, for instance, manufactured
15 two similar rag dolls, differing principally in their size.
16 Although it registered a copyright in only the smaller of the two
17 dolls, 354 F.3d at 114, Well-Made Toy sought damages from the

⁴ I note in passing that although in Moore v. PaineWebber, Inc., 189 F.3d 165, 169 n.3 (2d Cir. 1999), we “suggested in dictum that RICO’s causation requirement raises a jurisdictional issue,” Lerner, 318 F.3d at 128 (discussing Moore), the author of the majority opinion in the instant case recently joined Lerner, which dismissed that suggestion and held that “‘RICO standing’ . . . is not jurisdictional in nature,” id. at 129 (Sotomayor, J., joined by Straub & Goldberg, JJ.).

1 defendant based on the defendant's alleged reproduction of the
2 larger of the two dolls. In concluding that Well-Made Toy could
3 not maintain such a suit, we distinguished Streetwise Maps, Inc.
4 v. VanDam, Inc., 159 F.3d 739 (2d Cir. 1998). In Streetwise
5 Maps, while the plaintiff had registered a copyright in only the
6 second of two maps it published (as in Well-Made Toy), the second
7 map incorporated the substance of the first map (unlike the dolls
8 in Well-Made Toy); and thus, we concluded, the "registration
9 certificate [for the second map]. . . suffice[d] to permit [the
10 plaintiff] to maintain an action for infringement based on
11 defendants' infringement [of its unregistered copyright in the
12 first map]." Id. at 747. The difference between Well-Made Toy
13 and Streetwise Maps was a matter of logic, not locution: "Because
14 a derivative work is cumulative of the earlier work, it is
15 logical that the registration of the derivative work would relate
16 back to include the original work, while registration of the
17 original material would not carry forward to new, derivative
18 material." Murray Hill Publ'ns v. ABC Commc'ns, Inc., 264 F.3d
19 622, 632 (6th Cir. 2001) (emphasis added), cited in Well-Made
20 Toy, 354 F.3d at 116.

21 Morris v. Business Concepts, Inc. is equally unhelpful to
22 the majority. In that case, while we did say that "subject

1 matter jurisdiction was lacking because the registration
2 requirement of § 411(a) was not satisfied,” 259 F.3d at 72, we
3 also asserted, without mentioning “jurisdiction,” that “proper
4 registration is a prerequisite to an action for infringement,”
5 id. at 68 (citing Whimsicality, Inc. v. Rubie’s Costume Co., 891
6 F.2d 452, 453 (2d Cir. 1989)). Thus, Morris is hardly a beacon
7 of clarity. Cf. Paese, 449 F.3d at 443 (discussing the opacity
8 of the court’s precedent respecting exhaustion under ERISA).

9 The majority likewise relies upon Weinberger v. Salfi, 422
10 U.S. 749 (1975), to support its contention that each member of a
11 settlement-only class must satisfy the “jurisdictional”
12 requisites to a suit under the Copyright Act -- including, as it
13 so happens, § 411(a). But the majority misses the point:
14 Weinberger supports the conclusion that the essential question is
15 whether compliance with a statutory exhaustion requirement is
16 necessary for plaintiffs to have constitutional standing. And,
17 indeed, in Weinberger it was. See Perez, 182 F.3d at 535-36
18 (discussing Weinberger and noting that waiting too long to sue
19 “can be a jurisdictional shortcoming, if the step omitted before
20 suit is essential to . . . the presence of an Article III case or
21 controversy”); see also Richardson, 347 F.3d at 434. Weinberger
22 involved 42 U.S.C. § 405(g), a provision of the Social Security

1 Act that channels social security and medicare claims through an
2 administrative process and precludes federal courts from
3 exercising general federal question jurisdiction over such
4 claims. The Court explained, "it is the Social Security Act
5 which provides both the standing and the substantive basis for
6 the presentation of th[e] constitutional contentions."

7 Weinberger, 422 U.S. at 760-61 (emphasis added); see also Shalala
8 v. Ill. Council on Long Term Care, Inc., 529 U.S. 1, 12 (2000)
9 ("[T]he bar of § 405(h) reaches beyond ordinary administrative
10 law principles of 'ripeness' and 'exhaustion of administrative
11 remedies.'"); Heckler v. Ringer, 466 U.S. 602, 615 (1984)
12 (holding that the bar to the exercise of federal question
13 jurisdiction applied only when "both the standing and the
14 substantive basis for the presentation" of a claim was the
15 Medicare Act (emphasis added)). But, as I have already
16 explained, in this case, constitutional injury does not depend
17 upon compliance with § 411(a): whether or not they have
18 registered their copyrights, all members of the class in this
19 case have suffered sufficient injury to satisfy Article III.

20 For the foregoing reasons, I would not dismiss the

1 settlement on jurisdictional grounds.⁵ I respectfully dissent.

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⁵ On the merits, the failure to create a sub-class consisting of those members holding primarily "C-class" claims, and separate representation for those members, is a serious problem in my view, because the named representatives hold more "A-class" and "B-class" claims than most class members, and thus have an incentive to favor holders of A- and B-class claims over holders of primarily C-class claims. Cf. United Ind. Flight Officers, Inc. v. United Air Lines, Inc., 756 F.2d 1274, 1284 (7th Cir. 1985) ("No named plaintiff is a member of subclass 2 alone.") (emphasis added); Bogosian v. Gulf Oil Corp., 561 F.2d 434, 449 (3d Cir. 1977). Objectors point out that such favoritism may have occurred -- as the so-called "C-reduction," see Maj. Op. at 7, ensures that C-class claim holders are paid little or perhaps nothing. Nevertheless, the majority's conclusion today reduces the value of unregistered copyright claims to zero, rendering the merits of the settlement a moot point.