

3 for the work “No Debimos Conocernos y 22 Titulos Mas de Johnny Rodriguez.” (Exhibit D). This
4 registration contained a total of twenty three works composed by Rodriguez, including the work
5 “Fichas Negras.”

6 **II. DISCUSSION**

7 *A. Admissibility of the Assignment Contracts*

8 At trial, Universal argued that the assignment contracts, which executed the transfer of title
9 to LAMCO of a number of the works of Johnny Rodriguez including “Fichas Negras,” were
10 inadmissible hearsay. Universal averred that such documents did not fall under the business record
11 exception, citing U.S. v. Vigneau, 187 F.3d 70 (1st Cir. 1999) as precedent. The Vigneau court ruled
12 that the business record hearsay exception did not apply when the preparer of the document was not
13 a part of the business. Id. at 75-78. In the case at bar, the court ruled from the bench that the
14 documents would be admitted solely for the purpose of establishing that they were the documents
15 that were submitted to the USCO for recordation in 1995. However, the court decided it would
16 determine the weight that should be afforded to these documents at a later time.

17 Thus, the court finds that the decision in U.S. v. Vigneau is inapplicable here. LAMCO is
18 offering this evidence to show what was sent to and recorded by the USCO in 1995. The evidence
19 is not being presented to show that Johnny Rodriguez in fact transferred title to these songs, as no
20 contractual issue over what was transferred is in dispute. Therefore, the records of the transfer are
21 admitted for the purpose of demonstrating which works LAMCO recorded with the USCO in 1995
22 and will be given full weight for that limited evidentiary purpose.

23 *B. Validity of the 1995 Recordation of Transfer*

24 Registration of a copyright creates a rebuttable presumption of validity. Zyla v. Wadsworth,
25 Div. of Thompson Corp., 360 F.3d 243, 250 (1st Cir. 2004). “[A] certificate of copyright
26 registration constitutes prima facie evidence of copyrightability and shifts the burden to the [other
27 party] to demonstrate why the copyright is not valid.” Saenger Organization, Inc. v. Nationwide Ins.
28 Licensing Associates, Inc., 119 F.3d 55, 59 (1st Cir. 1997) (quoting Bibbero Sys., Inc. v. Colwell
Sys., Inc., 893 F.2d 1104, 1106 (9th Cir. 1990)).

2 At trial, LAMCO presented evidence of a valid certificate of recordation, thus shifting the
3 burden to Universal to present evidence demonstrating that LAMCO's recordings should be
4 invalidated. At trial, and throughout its post-trial brief, Universal argued that LAMCO's recordation
5 of the transfer was invalid, claiming that LAMCO did not meet the statutory requirements to
6 successfully record the transfer of ownership of the works.

7 § 205 of the U.S. Copyright Act provides for the recordation of transfers of
8 copyright ownership. When considering conflicting transfers of ownership, Section 205(d), entitled
9 *Priority Between Conflicting Transfers*, provides as follows:

10 As between two conflicting transfers, the one executed first prevails if it is recorded,
11 in the manner required to give constructive notice under subsection (c), within 1
12 month after its execution in the United States or within 2 months after its execution
13 outside the United States, or at any time before recordation in such manner of the
14 later transfer. Otherwise the later transfer prevails if recorded first in such manner
and if *taken in good faith*, for valuable consideration or on the basis of a binding
promise to pay royalties, *and without notice of the earlier transfer*. 17 U.S.C. §
205(d) (emphasis added).

15 To meet the § 205(d) requirements and prevail as the first to record the transfer of the song "Fichas
16 Negras," LAMCO had to provide undisputed evidence that it recorded the transfer in good faith and
17 without notice of any earlier transfers. See LAMCO v. Archdiocese of San Juan of the Roman
18 Catholic & Apostolic Church, 499 F.3d 32, 40-41 (1st Cir. 2007). To demonstrate its conformity
19 with these requirements, LAMCO offered the testimony of Raul Bernard ("Bernard"), President of
20 LAMCO. Bernard testified that in compliance with its regular practices, LAMCO conducted a
21 copyright search to locate any prior conflicting transfers of the copyright over the the works included
22 in LAMCO's recordation. See Tr. at 52 lines 4-10. The court found this testimony to be credible.
23 Universal has failed to offer any evidence refuting Bernard's contention that LAMCO had conducted
24 a search. Universal's pertinent evidentiary offerings consist of the cross-examination of Bernard, in
25 which he admits that he did not conduct the search personally; and that there is no record of the
26 conducted search. While such testimony may weaken the strength of LAMCO's evidence, it does
not satisfy Universal's evidentiary burden.

27 Universal fails to offer proof of any prior recordation that should have put LAMCO on notice
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2 of a conflicting interest. Cf. LAMCO v. Archdiocese of San Juan, 499 F.3d at 41 (entity that had
3 notice of valid copyright certificates of other entity could not meet good faith and lack of notice
4 requirements of recording statute). Universal is also unable to produce any evidence supporting its
5 contention that LAMCO never conducted a copyright search. Furthermore, it is unable to identify
6 any conflicting interest that LAMCO would have overlooked had it, as Universal contends, never
7 conducted a search. (i.e. previously recorded transfers of the works) Thus, the court finds that
8 LAMCO complied with the statutory requirements to record in good faith and without notice of any
9 earlier transfers by conducting a copyright search prior to recording the transfer of “Fichas Negras.”
10 In failing to present evidence to the contrary, Universal has failed to meet its evidentiary burden to
11 invalidate this recordation.

12 *C. Validity of the 1999 Copyright Registration*

13 At trial, Universal argued that LAMCO’s March 22, 1999 registration of a number of works
14 including “Fichas Negras,” is invalid because the application for registration contained willful and
15 material omissions and misstatements. Similar evidentiary deficiencies impair this argument as
16 Universal is unable to produce sufficient proof to meet the evidentiary burden necessary to invalidate
17 the registration.

18 “It is well established that immaterial, inadvertent errors in an application for copyright
19 registration do not jeopardize the validity of the registration.” Data General Corp. v. Grumman
20 Systems Support Corp., 36 F.3d 1147, 1161 (1st Cir. 1994). The First Circuit has defined an error
21 as immaterial only “if its discovery is not likely to have led the Copyright Office to refuse the
22 application.” Id. Further, “a misstatement or clerical error in the registration application if
23 unaccompanied by fraud will not invalidate the copyright nor render the registration certificate
24 incapable of supporting an infringement action.” 2 Nimmer on Copyright § 7.20, at 7-201 (1993).

25 Universal avers that the numerous misstatements found in LAMCO’s registration application,
26 which were highlighted during trial, demonstrate a willful attempt to defraud the USCO. In making
27 this assertion, Universal points to a number of misstatements found in the application including: the
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2 incorrect dates of the birth and death of the author; the incorrect date in which all 23 of the works
3 were created; and the representation by LAMCO to the USCO that none of the 23 works had been
4 published before. Among these identified misstatements, the court finds that only the misstatement
5 regarding prior publication would be sufficiently material as to invalidate LAMCO’s copyright
6 registration. See Data General Corp., 36 F.3d at 1161 (an error is material if its discovery would have
7 likely led the copyright office to reject the application).

8 The USCO permits the registration of multiple copyrights as long as all of the works included
9 in the registration are unpublished works.¹ Therefore, if any of the 23 works submitted by LAMCO
10 on its 1999 copyright registration had been “published” prior to 1999 LAMCO’s group registration
11 could be invalidated. See 37 C.F.R. 202.3 (b)(4)(i)(B). However, at trial, Universal was unable to
12 present any evidence demonstrating that any of the selected works had in fact been published prior to
13 LAMCO’s application for registration. Instead, Universal offers Bernard’s testimony on cross
14 examination, in which he admitted that he had heard recordings of these works prior to LAMCO’s
15 registration. However, such testimony does not necessarily lead to the conclusion that Bernard was

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18 ¹ The pertinent section of the code which permits the registration of multiple copyrights with
19 one application reads:

20 (4) Registration as a single work.

21 (i) For the purpose of registration on a single application and upon payment of a
22 single registration fee, the following shall be considered a single work:

23 (B) In the case of unpublished works: all copyrightable elements that are otherwise
24 recognizable as self-contained works, and are combined in a single unpublished
25 “collection.” For these purposes, a combination of such elements shall be considered
26 a “collection” if:

27 (1) The elements are assembled in an orderly form;

(2) The combined elements bear a single title identifying the collection as a whole;

(3) The copyright claimant in all of the elements, and in the collection as a whole, is
the same; and

(4) All of the elements are by the same author, or, if they are by different authors, at
least one of the authors has contributed copyrightable authorship to each element.

28 37 C.F.R. 202.3 (b)(4)(i)(B).

2 aware that there were existing “publications” of the works prior to LAMCO’s registration. Under the
3 copyright code, the distribution before January 1, 1978 of a phonorecord is not considered a
4 “publication” for purposes of copyright analysis.” See 17 U.S.C. §303(b). Therefore, any recordings
5 of Rodriguez’s works which were produced on phonorecord prior to 1978 would not constitute
6 “publications.” In light of this statutory classification, Universal rests its argument upon the belief that
7 during the 21 year span between 1978 and 1999 one of these famous songs *had to have* been published.
8 This conjectural assertion does not satisfy Universal’s burden to produce evidence demonstrating
9 materially fraudulent misstatements in LAMCO’s application.

10 Because LAMCO has offered a valid copyright certificate, the burden is upon the challenging
11 party to produce evidence that identifies material misstatements which would invalidate the
12 registration. See CMM Cable Rep, Inc. v. Ocean Coast Prop. Inc., 97 F.3d 1504, 1513 (1st Cir. 1996);
13 17 U.S.C. §410. Universal has failed to meet this burden. Therefore, the court holds the 1999
14 registration of the work “Fichas Negras” to be valid and grants LAMCO the rights of ownership in said
15 work. See American Broadcasting Companies, Inc. v. U.S., 129 F.3d 1243, 1246 (1st Cir. 1997)
16 (failure of challenging party to produce evidence invalidating copyright certification resulted in
17 granting rights of ownership to holder of certification).

18 **IV. CONCLUSION**

19 For the foregoing reasons the court finds that Universal has not met its burden to present
20 evidence calling into question the validity of LAMCO’s copyright recordings. Therefore, the court
21 rules in favor of LAMCO and finds that LAMCO’s recordation of the work “Fichas Negras” takes
22 priority over EMLASA’s 1981 Mexican assignment contract and that LAMCO’s 1999 copyright
23 registration is valid.

24 **SO ORDERED.**

25 In San Juan, Puerto Rico this 19th day of January, 2010.

26 *s/ Gustavo A. Gelpí*

27 GUSTAVO A. GELPI
28 United States District Judge