

## President's Message

LAWRENCE R. BACA

### Parting is Such Sweet Sorrow

**A**T THE END of my year as president of the Federal Bar Association I feel like the singer in an old Johnny Cash song, "I've Been Everywhere." Oklahoma City, St. George, Honolulu, Albuquerque, Charleston, San Juan, Sacramento, Norman, Pojoaque, Moscow—

"I've been everywhere, man, I've been everywhere." All these visits—and more—provided opportunities to spread the word about the benefits of being a member of the Federal Bar Association. For me it was also an opportunity to speak out about other issues of importance to the FBA and to federal justice in America. I've addressed issues of diversity in our profession and the need for more judges and better pay for them as a way to ensure the continued presence of the best and the brightest women and men in our profession in our judiciary. I've also spoken a great deal about federal Indian law. As I write this column, Congress has just passed the Tribal Law and Order Act, which the President has said he will sign into law. The hard work of our Indian Law Section and the excellent efforts of Bruce Moyer have played a major role in bringing this legislation to fruition. It is a good day.

There are a few secrets to having a successful presidential year. First among them is to have a strong president-elect. Ashley Belleau, who will be sworn in as national president in September, has certainly fit that bill. Thank you, Ashley, for your service to the FBA and to me personally. The second secret is to have a strong and active Board of Directors. Our discussions, debates, and discourse throughout this past year have demonstrated that the 2009–2010 Board has been among the strongest ever, and I commend the members of the Board for their work throughout the year. And, finally, no FBA president can be successful without the assistance and work of the fine staff at FBA headquarters led by our executive director, Jack Lockridge. They have served me and our association as ably as ever during this year. Thank you, Jack and members of the staff, for your continued excellence.

I would also like to mention specifically the continued supremacy of *The Federal Lawyer* as the best bar association magazine in the country. I have spoken to a few thousand members and potential members in my year as president; *The Federal Lawyer* speaks to all 16,000 members 10 times a year. The journal truly is the face and voice of the FBA; it car-

ries forward the faces and voices of the members of the FBA. I highly commend Editor in Chief René Harrod, and staff members Stacy King and Sarah Perlman, for their exceptional work on issue after issue. They always make the president and the FBA look good.

Many of the major presentations that I have been able to make this year have come about in part because local chapter leaders and members have altered their programs so that I could give a substantive presentation rather than just the opening remarks. In that regard, I specifically wish to thank Howard McPherson and Christian Adams of the Hawaii Chapter for allowing me to speak on issues involving Native Hawaiians as they pertain to federal Indian law. I also am grateful to the Immigration Law Section and the Memphis Mid-South Chapter for adding a luncheon speech on civil rights to an immigration law seminar. And, of course, I thank the Puerto Rico Chapter, at whose leadership dinner meeting I spoke about comparisons between American Indians in federal Indian law and the Supreme Court's treatment of Puerto Ricans in the insular cases. Thanks to the contacts of Judge Gustavo Gelpi, during that trip I also was able to deliver addresses to students from each of the three law schools in Puerto Rico. Offering me an opportunity to engage with students will always get my attention.

Finally, I thank my colleagues in the San Diego Chapter for adopting me so quickly into their fold. I may be national president, but I've only been a member of the San Diego Chapter for two years; yet they treat me like an old friend. Of course, that is part of what our bar association is about—working with old friends. At the last leadership meeting, one of the board members of the San Diego Chapter announced that he was moving to Minnesota, where his wife will be attending medical school. Within 10 minutes, he got the names and contact information for five interviews with law firms or clerkships from



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because the Copyright Act ascribes liability to anyone who “distributes” infringing material, the copyright owner does not have to sue the vendor to collect a pound of flesh from your client.

The Copyright Act allows a plaintiff to recover actual damages: the plaintiff’s own lost profits as well as the infringer’s profits. Your client may not have any profits from the distribution of the picture frames, because they were given away for free. But the plaintiff might be able to show that his or her sales have diminished since your client began passing out the frames. The plaintiff could also show that he or she usually charges a licensing fee of a certain amount per frame when someone like your client wants to personalize the frames. That kind of evidence could qualify as actual damages.

Furthermore, the plaintiff has the option to forgo actual damages and elect to recover statutory damages—ranging from \$750 to \$30,000 per work infringed, with an increase of the maximum to \$150,000 in the case of willful infringement.<sup>1</sup> 17 U.S.C. § 504. Statutory damages can be very useful to a copyright holder when actual damages are relatively minimal or hard to quantify. The plaintiff can make this election “at any time before final judgment is rendered”; the plaintiff can collect all the discovery he or she wants and even get a jury verdict with the amount of actual damages before deciding to opt for statutory damages instead.

The good news for your client is that the plaintiff will receive only one award of statutory damages per each work infringed. 17 U.S.C. § 504(c). Because the picture frame is only one work, the plaintiff will win only one award of statutory damages even though your client may have “distributed” thousands of infringing articles.

### Blame the Vendor

Your client may be understandably upset to learn about his or her liability under the Copyright Act. Isn’t there some way to put the vendor on the hook? As it turns out, there may be a way, but it won’t wipe away your client’s liability. The Uniform Commercial Code includes a provision warranting that goods sold are merchantable, including a guarantee that the goods are not infringing. U.C.C. § 2-312(c). As long as the purchase orders used between your client and the vendor didn’t expressly limit the warranties to your client, and assuming the vendor is solvent, your client

should be fully indemnified. The vendor, in turn, may have a claim against the manufacturer—assuming the manufacturer is subject to U.S. jurisdiction. But the copyright owner doesn’t have to worry about those issues if he or she doesn’t want to pursue those companies. The beauty of copyright protection—and your client’s misfortune—is that the copyright owner can recover from any and all of the links in the chain of infringement.

### What Can Be Done?

Now that you have explained all of this to your client, he or she wants to know how to avoid replaying this scenario in the future. First, your client needs to be aware of issues involving copyright. Know and respect the fact that any tangible article may be copyrighted. Look for the copyright symbol. Ask vendors who owns the copyright to the design of any product. Second, your client should write explicit protection into purchase orders and demand a contractual warranty that the vendor has researched copyright, procured all necessary licensing, and will fully indemnify your client for any judgment or settlement, including the costs of defense, in any infringement litigation that may arise.

As is so often the case in the law, the best defense is a good offense. **TFL**

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### Endnote

<sup>1</sup>Assuming that the sample wasn’t marked with a © symbol, you may ask the court to find that your client was an “innocent infringer,” who was not aware, and had no reason to believe, that his or her acts constituted an infringement of copyright, in which case the court in its discretion may reduce the award of statutory damages to a sum of not less than \$200. This outcome is unlikely, unless your client took some steps to investigate the status of the copyright when presented with the article.

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people at the table. That’s the true power of who we are in the Federal Bar Association, our member-to-member association.

I thank all of you for allowing me to be president of this bar association. It has been an honor to serve. Above all else, your friendship as I’ve traveled

around the country has meant everything to me. And I’ve been almost everywhere. **TFL**

