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Government Tells Supreme Court Not to Review Copyright Fair Use Decision In Long-Running Oracle-Google Dispute over Software Copyrights

The U.S. Solicitor General has recommended that the Supreme Court deny Google's petition for review of the Federal Circuit's holding that Google did not have a fair use defense for infringing copyrights in Oracle's Java APIs when it copied Oracle's code to make the Android platform.[1]

This case has a long history. Oracle's 2010 complaint against Google alleged that Google's Android platform infringed Oracle's copyrights in its widely used Java-based application programming interfaces ("APIs"). Google previously sought the Supreme Court's intervention after the U.S. Court of Appeals for the Federal Circuit held that Oracle's Java API was entitled to copyright protection.[2] The Supreme Court denied that petition after the Solicitor General recommended against granting certiorari on the copyrightability question.

This time, Google has petitioned the Supreme Court both to consider the copyrightability issue it previously declined to hear, and also to review the Federal Circuit's ruling that Google could not avail itself of the fair use defense to copyright infringement. The Solicitor General has again advised the Supreme Court that, in his view, it should not accept the case. If the Supreme Court heeds that recommendation, it would let stand one of the more significant decisions on the intersection of copyright and software in recent years.

The asserted copyrights relate to the "declaring code" for 37 Java APIs or "packages" and the structure, sequence and organization ("SSO") of these APIs. The declaring code (also referred to as "declarations") can be envisioned as a short header or topic sentence that instructs the Java platform to invoke a pre-written so-called "implementing code" to carry out the specific function denoted by the declaring code. A particular API could include several of these declarations that can be interconnected with each other and other APIs in a specific structure, sequence and organization.

Google does not dispute that it copied 11,500 lines of the declaring code and the SSO for 37 of Oracle's Java APIs. Rather, Google contends that, if those elements are copyrightable, it cannot be held liable because the copying was fair use.

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[1] *Oracle Am., Inc.* v. *Google LLC*, 886 F.3d 1179 (Fed. Cir. 2018) (*Oracle II*).

[2] *Oracle Am., Inc.* v. *Google Inc.*, 750 F.3d 1339 (Fed. Cir. 2014) (*Oracle I*).

One of the essential inquiries in a fair use analysis is whether the alleged infringer's use of the copyrighted work transformed that work by "add[ing] something new, with a further purpose or different character, altering the first [work] with new expression, meaning or message."[3]

At the heart of Google's fair use arguments is that copying for purposes of ensuring compatibility with software-enabled products is a transformative use. Indeed, as Google points out, the U.S. Copyright Office published a report that embraced this view.[4] Google thus argues in its petition to the Supreme Court that the Federal Circuit committed error by focusing only on whether the material that Google copied was itself transformed, rather than looking at whether Google's incorporation of that material into a new program—the Android platform—transformed the function or purpose of the original work. Had the court looked at the Android platform as a whole, Google argues, it would "undoubtedly" show a transformative use of the Java API because Google created an "entirely new platform for smartphones" in contrast to the original work, which Google argues was designed for desktop and server computers.

The Solicitor General's brief urges a different view of the facts and the law. First noting that Google had designed the Android program to be incompatible with Java-based programs, the government describes Google's transformative use argument as an "idiosyncratic approach [that] would seem to allow any copyist to carve out the most popular parts of a pre-existing work, on the ground that familiar content is likely to make the second work more commercially appealing to admirers of the first." The government also challenges Google's argument that it had transformed the original works by introducing them in mobile devices on the Android platform, arguing that "just as a copier does not ordinarily give a copyrighted poem a 'further purpose or different character' by including it in his own book of poetry," Google's verbatim copying did not transform the Java APIs by using them in a "new environment."

If past is precedent, the government's brief may not bode well for Google (it has been reported that Oracle may be seeking damages of around $9 billion). But as discussed further below, the Federal Circuit's decision, if left undisturbed, does not necessarily create clear winners and losers for the tech industry at large and, in any event, has limited precedential value going forward.

If the Supreme Court denies Google's petition, the denial may cut both ways for the tech industry. On the one hand, software development is an iterative process, and both consumer demands and software engineering rely on interoperability across various platforms. Software developers may need to devote greater resources to either developing original code, obtaining a license to use proprietary platforms, or rigorously scrutinizing what they are borrowing from existing platforms and exactly how they are using it in order to avoid potential liability under copyright law.

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3 *Campbell* v. *Acuff-Rose Music, Inc.*, 510 U.S. 569, 579 (1994).

4 U.S. Copyright Office, *Software-Enabled Consumer Products* 57 (Dec. 2016), https://www.copyright.gov/policy/software/software-full-report.pdf.

On the other hand, intellectual property protection has long been somewhat elusive for software developers. Over the past decade, judicial decisions and legislative action have chipped away at the availability of patent protection for software, and trade secret protection is rarely a viable option owing to the inherent public-accessibility of software code in consumer-focused products. The Federal Circuit's decision, with its relatively robust view of copyright protection for software, strengthens one of the remaining options left to developers for protecting these intangible assets.

The posture of Google's appeal, from a decision by the Federal Circuit, warrants two additional observations.

First, as the exclusive Court of Appeals for all patent cases, and having presided over the invalidation of countless software-related patents over the past decade, the Federal Circuit may have brought with it a unique perspective on the options available to software developers and proprietors for protecting their works from unauthorized copying. This may account for the Federal Circuit's firm embrace of the copyrightability of software APIs in *Oracle I* and the rejection of Google's potentially far-reaching fair use defense in *Oracle II*.

Second, businesses potentially affected by the Federal Circuit's decision would do well to temper their concerns or excitement (as the case may be) because, as the Solicitor General's brief points out (and puts forward as a reason the Supreme Court should decline review), the Federal Circuit's decision is of limited precedential value. The Federal Circuit's jurisdiction is defined by the subject matter presented by the pleadings in the case below (unlike the other twelve circuits, whose jurisdictions are regional) and that jurisdiction does not, as an original matter, include copyright claims. The Federal Circuit only presided over these appeals because Oracle's original complaint included since-withdrawn claims for patent infringement. And in rendering its decisions, the Federal Circuit endeavored to apply the Ninth Circuit's copyright precedents, which would have heard the appeal had there been no patent infringement claims. District and appeals courts thus will not be bound by the Federal Circuit's decision and, absent Supreme Court intervention, the Ninth Circuit (and the other Courts of Appeals) remain free to stake out their own positions on the copyrightability of software and the fair use defense.

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This memorandum is not intended to provide legal advice, and no legal or business decision should be based on its content. Questions concerning issues addressed in this memorandum should be directed to:

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