

3B Fed. Jury Prac. & Instr. § 160:29 (6th ed.)

Federal Jury Practice And Instructions | February 2018 Update
Civil

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Part VII. Instructions For Civil Actions Governed by Federal Law
Chapter 160. Copyright Infringement
(17 U.S.C.A. § 101 et seq.)
C. Essential Elements of Plaintiff's Claim

§ 160:29. Contributory infringement

A copyright may be infringed by contributory infringing. With certain exceptions, a person is liable for copyright infringement by another if the person knows or should have known of the infringing activity and induces, causes, or materially contributes to the activity.

Plaintiff ___ has the burden of proving each of the following by a preponderance of the evidence:

First: Plaintiff ___ is the owner of a valid copyright;

Second: [*Direct infringer*] copied original elements of a copyrighted work;

Third: Defendant ___ knew or should have known of [*direct infringer's*] infringing activity; and

Fourth: Defendant ___ induced, caused, or materially contributed to [*direct infringer's*] infringing activity.

NOTES

In General

The Supreme Court in [Sony Corp. v. Universal City Studios](#), 464 U.S. 417, 104 S.Ct. 774, 78 L.Ed.2d 574 (1984), noted that although the Copyright Act does not expressly render anyone liable for contributory infringement, liability for this form of infringement is not precluded and may be imposed in particular circumstances. See [Metro-Goldwyn-Mayer Studios Inc. v. Grokster, Ltd.](#), 545 U.S. 913, 930, 125 S. Ct. 2764, 2776, 162 L. Ed. 2d 781 (2005) (one infringes a copyright contributorily by intentionally inducing or encouraging direct infringement).

Under the doctrine of contributory infringement, a person is liable for copyright infringement by another if the person knows or should have known of the infringing activity and induces, causes, or materially contributes to the activity. See [Gershwin Pub. Corp. v. Columbia Artists Mgt.](#), 443 F.2d 1159, 1162 (2d Cir.1971) (person could be held liable as a “contributory” infringer if it were shown to have had knowledge, or reason to know, of the infringing nature of the

records). Accord *Matthew Bender & Co. v. West Pub. Co.*, 158 F.3d 693, 706 (2d Cir.1998), cert. denied, 526 U.S. 1154, 119 S.Ct. 2039, 143 L.Ed.2d 1048 (1999); *Fonovisa, Inc. v. Cherry Auction, Inc.*, 76 F.3d 259, 262 (9th Cir.1996); *Cable/Home Communication Corp. v. Network Prods., Inc.*, 902 F.2d 829, 845 (11th Cir.1990).

The plaintiff has the burden of proving by a preponderance of the evidence that the plaintiff is the owner of a valid copyright, that the direct infringer copied original elements of a copyrighted work, that the defendant knew or should have known of the direct infringer's infringing activity; and that the defendant induced, caused, or materially contributed to the direct infringer's infringing activity. See *Alcatel USA, Inc. v. DGI Technologies, Inc.*, 166 F.3d 772, 791–92 (5th Cir.1999).

See *Louis Vuitton Malletier, S.A. v. Akanoc Solutions, Inc.*, 658 F.3d 936, 943 (9th Cir. 2011) (express finding that defendant's knowing action evinced intent to contribute to copyright infringement is not required to establish contributory copyright infringement); *BUC Intern. Corp. v. International Yacht Council Ltd.*, 489 F.3d 1129 (11th Cir. 2007) (“contributory copyright infringement” refers to the intentional inducement, causation or material contribution to another's infringing conduct).

Seventh Circuit

12.6.2. DERIVATIVE LIABILITY — CONTRIBUTORY INFRINGEMENT

Plaintiff claims that Defendant [induced [*direct infringer's name*] to infringe Plaintiff's copyright] [contributed to [*direct infringer's name*]'s infringement of Plaintiff's copyright]. To succeed on this claim, Plaintiff must prove each of the following things:

1. [*Direct infringer's name*] infringed Plaintiff's copyright, as defined in the instructions I have already given you;
2. Defendant [[induced; caused; encouraged] [*direct infringer's name*] to infringe Plaintiff's copyright] [contributed in a significant way to [*direct infringer's name*]'s infringement of Plaintiff's copyright]; and
3. Defendant [knew of the infringing activity] [strongly suspected or should have known of the infringing activity but took steps to avoid knowing about the infringing activity].

If you find that Plaintiff has proved each of these things, then you must find for Plaintiff. However, if you find that Plaintiff did not prove each of these things, then you must find for Defendant.

Committee Comments

1. Inducement. See *MGM Studios, Inc. v. Grokster, Ltd.*, 545 U.S. 913, 936 (2005) (“The rule on inducement of infringement as developed in the early cases is no different today. Evidence of ‘active steps ... taken to encourage direct infringement’ ... such as advertising an infringing use or instructing how to engage in an infringing use, show an affirmative intent that the product be used to infringe ...”); *Gershwin Publishing Corp. v. Columbia Artists Management, Inc.*, 443 F.2d 1159, 1162 (2d Cir. 1971) (“[O]ne who,

with knowledge of the infringing activity, induces, causes or materially contributes to the infringing conduct of another, may be held liable as a ‘contributory’ infringer.”) (cited with approval in *MGM Studios*, 545 U.S. at 929).

2. Deliberate avoidance of knowledge. *In Re Aimster Copyright Litigation*, 334 F.3d 643, 650, 655 (7th Cir. 2003) (“Willful blindness is knowledge, in copyright law (where indeed it may be enough that the defendant *should* have known of the direct infringement) ... as it is in the law generally ... One who, knowing or strongly suspecting that he is involved in shady dealings, takes steps to make sure that he does not acquire full or exact knowledge of the nature and extent of those dealings is held to have a criminal intent, ... because a deliberate effort to avoid guilty knowledge is all that the law requires to establish a guilty state of mind.” ... [Defendant's] ostrich-like refusal to discover the extent to which its system was being used to infringe copyright is merely another piece of evidence that it was a contributory infringer.”).

3. Factors to Consider. The case law discusses various factors that may be considered in deciding whether a defendant engaged in contributory infringement, including whether the defendant sold or distributed a product or service that has been used to infringe copyrights, or whether the defendant promoted or gave instructions for use of a product or service to infringe copyrights. See *MGM Studios, Inc. v. Grokster, Ltd.*, 545 U.S. 913, 936, 940 n.13 (2005). The Committee elected not to include these in the instruction, deciding that they are better left for argument by counsel.

4. Substantial Noninfringing Uses. If the case involves the issue as to whether the defendant's product or service is capable of substantial noninfringing uses, the jury may need additional instructions based on *Grokster*, for example:

[If [Defendant's; *direct infringer's*] [product; service] has substantial non-infringing uses, you may not hold Defendant liable unless Defendant promoted [the; *direct infringer's*] use of its [product; service] in a way that infringed Plaintiff's copyrights.]

MGM Studios, Inc. v. Grokster, Ltd., 545 U.S. at 937 (“mere knowledge of infringing potential or of actual infringing uses would not be enough here to subject a distributor to liability. Nor would ordinary acts incident to product distribution ... The inducement rule, instead, premises liability on purposeful, culpable expression and conduct, and thus does nothing to compromise legitimate commerce or discourage innovation having a lawful promise.”).

5. Cross reference. The first element of this instruction contains a cross-reference to earlier instructions regarding direct infringement. This assumes that the direct infringer is on trial along with the alleged contributory infringer. If the alleged direct infringer is not on trial, the instructions regarding direct infringement still must be given but may require modification for purposes of clarity.

6. Affirmative defenses. If the defendant has raised an affirmative defense, a court may substitute the following for the final paragraph of the instruction:

If you find that Plaintiff did not prove each of these things, then you must find for Defendant.

If, on the other hand, you find that Plaintiff has proved each of these things, you must then consider Defendant's claim that [*describe affirmative defense(s)*]. If you find that Defendant has proved this by a preponderance of the evidence, then you must find for Defendant.

(Based on 7th Circuit Pattern Instruction No. 4.02, n.1.)

Federal Civil Jury Instructions of the Seventh Circuit, Instruction No. 12.6.2 (2009).

Ninth Circuit

17.21. SECONDARY LIABILITY—CONTRIBUTORY INFRINGEMENT—ELEMENTS AND BURDEN OF PROOF

A defendant may be liable for copyright infringement engaged in by another if [he] [she] [it] knew or had reason to know of the infringing activity and intentionally [induced] [materially contributed to] that infringing activity.

If you find that [*name of direct infringer*] infringed the plaintiff's copyright in [*allegedly infringed work*], you must determine whether [*name of alleged contributory infringer*] contributorily infringed that copyright. The plaintiff has the the burden of proving both of the following elements by a preponderance of the evidence:

1. the defendant knew or had reason to know of the infringing activity of [*name of direct infringer*]; and
2. the defendant intentionally [induced] [materially contributed to] [*name of direct infringer's*] infringing activity.

[The defendant's intent to induce the infringing activity must be shown by clear expression of that intent or other affirmative steps taken by the defendant to encourage.]

If you find that [*name of direct infringer*] infringed the plaintiff's copyright and you also find that the plaintiff has proved both of these elements, your verdict should be for the plaintiff. If, on the other hand, the plaintiff has failed to prove either or both of these elements, your verdict should be for the defendant.

Comment

The above instruction is based on [Fonovisa, Inc. v. Cherry Auction, Inc.](#), 76 F.3d 259, 261–63 (9th Cir.1996), [Ellison v. Robertson](#), 357 F.3d 1072, 1076 (9th Cir.2004), and [MDY Indus., LLC v. Blizzard Entm't, Inc.](#), 629 F.3d 928, 937–38 (9th Cir. 2010), as amended on denial of reh'g (Feb. 17, 2011), *opinion amended and superseded on denial of reh'g*, No. 09-15932, 2011 WL 538748 (9th Cir. Feb. 17, 2011).

In *Metro-Goldwyn-Mayer Studios Inc. v. Grokster, Ltd.*, 545 U.S. 913 (2005), the Supreme Court held that one who distributes a device with the object of promoting its use to infringe a copyright may be liable for the resulting acts of infringement by third parties, even if the device is capable of substantial noninfringing use. *Id.* at 2780. The Court characterized this as the inducement rule. *Id.* This rule was refined and formalized into four elements in *Columbia Pictures Industries, Inc. v. Fung*, 710 F.3d 1020 (9th Cir.2013). *See id.* at 1032 (listing these “four elements: (1) the distribution of a device or product, (2) acts of infringement, (3) an object of promoting its use to infringe copyright, and (4) causation”); *see also Perfect 10, Inc. v. Visa Int’l Serv. Ass’n*, 494 F.3d 788, 795 (9th Cir.2007) (describing inducement rule and material contribution test as “non-contradictory variations on the same basic test”).

In the online context, a computer system operator may be liable under a material contribution theory if the operator has actual knowledge of specific infringement, can take simple measures to prevent further infringement, and yet fails to do so. *See Perfect 10, Inc. v. Giganeews, Inc.*, 847 F.3d 657, 671 (9th Cir.2017).

The bracketed language paraphrases the test for inducement set forth in *Grokster*, 545 U.S. at 919, 936–37 (2005) and reiterated in *Columbia Pictures*, 710 F.3d at 1032. The court should include this language if there is a dispute regarding whether the defendant took sufficient action, or any action, demonstrating its intent to encourage infringement. *See, e.g., id.* at 1035–36 (“As for the necessary ‘clear expression or other affirmative steps’ evidence indicative of unlawful intent, the most important is Fung’s active encouragement of the uploading of torrent files concerning copyrighted content.”).

The sale of a product or device that has the potential to infringe (such as a home video recorder) does not constitute contributory infringement if the product is capable of a substantial non-infringing use. *Sony Corp. of Am. v. Universal City Studios, Inc.*, 464 U.S. 417, 442 (1984); *Grokster*, 545 U.S. at 939 n.12.

9th Cir. Civ. Jury Instr. 9.21 (2017).

Eleventh Circuit

9.20. Copyright—Infringement—Contributory Infringement

In this case, [name of plaintiff] claims that [name of defendant] is a contributory infringer. A “contributory infringer” is one who, with knowledge of another’s infringing conduct, induces, causes, or materially contributes to the infringing conduct. “Knowledge” means the alleged contributory infringer actually knew, or had reason to know, of the infringement. If you find that there has been a direct infringement of [name of plaintiff]’s copyrighted materials by one defendant, you can also consider whether there has been “contributory infringement” by another defendant (or a third party).

SPECIAL INTERROGATORIES TO THE JURY

Do you find that from a preponderance of the evidence:

1. That there was a direct infringement of [name of plaintiff]’s copyright?

Answer Yes or No _____

If you answered “No,” you don't need to answer the remaining questions.

2. That [name of defendant] induced, caused, or materially contributed to the infringing conduct of this other defendant?

Answer Yes or No _____

If you answered “No,” you don't need to answer the remaining questions.

3. That [name of defendant] engaged in this contributory infringement with actual knowledge, or with reason to know, of the infringing activity relating to [name of plaintiff]'s copyright?

Answer Yes or No _____

If you answered “No,” you don't need to answer the remaining questions.

4. That [name of defendant] contributorily infringed [name of plaintiff]'s copyright(s)?

Answer Yes or No _____

ANNOTATIONS AND COMMENTS

This jury instruction applies when there is a claim of contributory infringement. Before there can be contributory infringement by one Defendant, there must first be a direct or primary infringement by another. Further, before there can be contributory infringement, the Defendant must have acted with the requisite knowledge.

The above change does not include a requirement that the alleged contributory infringer have acted “intentionally.” See [Cable/Home Communication Cooperation et al v. Network Productions, et al.](#), 902 F.2d 829, 845 (11th Cir. 1990); [Casella v. Morris](#), 820 F.2d 362, 365 (11th Cir. 1987) (“The test for contributory infringement has been formulated as ‘one who, with knowledge of the infringing activity, induces, causes or materially contributes to the infringing conduct of another.’”)

However, after *Casella*, the United States Supreme Court included a specific reference to an “intentional” inducement. [Metro-Goldwyn-Mayer Studios Inc. v. Grokster, Ltd.](#), 545 U.S. 913, 930, 125 S.Ct. 2764, 2776, 162 L.Ed. 2d, 781 (2005) (“*Grokster*”) (“One infringes contributorily by intentionally inducing or encouraging direct infringement.”). See also, [BUC Intern. Corp. v International Yacht Council](#), 489 F.3d 1129, 1138 n.19 (11th Cir. 2007). (“Contributory infringement refers to the intentional inducement, causation or material contribution to another's infringing conduct.”) Under the Eleventh Circuit's prior panel precedent rule, the *Casella* version of contributory infringement (rather than the *Grokster* language) was incorporated into this jury instruction. [Main Drug, Inc. v. Aetna U.S. Healthcare, Inc.](#), 475

F.3d 1228, 1230 (11th Cir. 2007) (quoting *NLRB v. Datapoint Corp.*, 642 F.2d 123, 129 (5th Cir. 1981)); *Cohen v. Office Depot, Inc.*, 204 F.3d 1069, 1076 (11th Cir. 2000).

The Eleventh Circuit's standard for “knowledge” in a contributory infringement case is objective: “Knowledge or have reason to know.” *Casella*, 820 F.2d at 365.

In *Grokster*, the Supreme Court held that intent can be found from “[e]vidence of active steps ... taken to encourage direct infringement ... such as advertising an infringing use or instructing how to engage in an infringing use ...” *Id.* at 936. Nonetheless, where the claim for contributory infringement is based on sale of a copying device, “mere knowledge of infringing potential or of actual infringing uses” of the defendant's device is not enough to support a finding of intent. *545 U.S. at 937*. “Thus, where evidence goes beyond a product's characteristics or the knowledge that it may be put to infringing uses, and shows statements or actions directed to promoting infringement,” the “staple-article rule” in *Sony Corp. v. Universal City Studios*, 464 U.S. 417, 442, 104 S.Ct. 774, 788; 78 L.Ed.2d 574 (1984) “will not preclude liability.”

The Supreme Court has looked to other intellectual property law for guidance as to contributory infringement copyright claims. For example, *Grokster* looked to patent infringement jurisprudence for guidance in determining the standard to be applied in a case claiming contributory infringement. *Id.* See also, *Global-Tech Appliances, Inc v. SEB S.A., U.S.*, 131 S.Ct. 2060, 179 L. Ed. 2d 1167, 1175 (2011) (*Global-Tech* established a “willful blindness” standard for the knowledge element in a contributory infringement claim in a patent case.).

Eleventh Circuit Pattern Jury Instructions (Civil Cases), Instruction No. 9.20 (2017).

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Footnotes

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