

THE CASE

– *Briggs v. State*

– Georgia Supreme Court

– 29 November 2006

# Valid and correct

**Kilpatrick Stockton’s James Trigg, Bakari Brock and Andrew Pequignot analyse a recent US case which challenged the validity of a statute**

**A** January police raid in Atlanta, Georgia netted thousands of dollars worth of contraband and confiscated equipment. Two suspects were arrested, and charged with felonies under Georgia’s Racketeering Influenced Corrupt Organizations Act (RICO). News of the arrests made headlines in music industry circles in part because the parties involved are well-known hip-hop tastemakers DJ Drama and DJ Don Cannon. Copyright lawyers should take notice as well. Police seized over 81,000 “mixtapes” – CDs containing combinations of unauthorised and authorised material – from the defendants’ office. The underlying charges stem from violations of a Georgia anti-counterfeiting statute which criminalises the distribution of sound recordings or other visual media that fail to prominently display the “transferor” of the copy.<sup>1</sup> Violations may be punishable by fine of no more than \$25,000 and/or imprisonment for no less than one year and no more than 2 years. Interestingly, this case was brought on the heels of an unsuccessful challenge of the statute’s validity.

In *Briggs v. State*, 638 S.E.2d 292 (Ga. 2006), the Georgia Supreme Court granted an interlocutory appeal to determine whether the Georgia statute criminalising the possession and distribution of sound recordings without a label bearing the name and address of the “transferor” is (1) unconstitutionally vague or overbroad, or (2) preempted by the Copyright Act. The court upheld the statute on all grounds.

The Georgia statute, O.C.G.A. § 16-8-60(b), provides:

*“It is unlawful for any person . . . to sell; distribute; circulate; offer for sale, distribution, or circulation; or possess for the purposes of sale, distribution, or circulation any phonograph record, disc, wire, tape, videotape, film, or other article on which sounds or visual images have been transferred unless such phonograph record, disc, wire, tape, videotape, film, or other article bears the actual name and address of the transferor of the sounds or visual images in a prominent place on its outside face or package.”*

The Court first rejected the defendant’s argument that the phrase “transferor of the sounds or visual images” was unconstitutionally vague. According to defendant, the statute’s failure to define the term “transferor” makes it impossible to determine who or what to identify on the packaging. Under Georgia law, however:

*“a criminal statute is sufficiently definite if its terms furnish a test based on knowable criteria which men of common intelligence who come in contact with the statute may use with reasonable safety in determining its command.”<sup>2</sup>*

In other words, Due Process requires only that the defendant has “sufficient warning” against the prohibited activity. Under this standard, the Court found that one could reasonably infer that “a ‘transferor of sounds’ is the individual who conveyed the sounds by transferring them to the article in question.”<sup>3</sup>

The Court also rejected the defendant’s claim that the statute is overbroad. The

**AUTHORS**

**James Trigg**, (left) a partner in Kilpatrick Stockton’s Atlanta office, practices in the areas of trademark, copyright, and entertainment law.

**Bakari Brock** (middle) and **Andrew Pequignot** (right) are associates in Kilpatrick Stockton’s Atlanta office focusing on trademark, copyright, and entertainment law.



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statute, the defendant argued, is a content-specific regulation of pure speech. Such governmental regulations are subject to a strict scrutiny level of constitutional review. The Court rejected the defendant's characterisation of the speech at issue, instead finding that the statute governs a blend of commercial conduct and speech.<sup>4</sup> Subject to a lesser level of scrutiny, the statute withstands constitutional review as it "aims to protect the public and entertainment industry from piracy and bootlegging, a legitimate governmental interest unrelated to free speech concerns."<sup>5</sup>

The Court concluded by addressing the defendant's preemption argument. "A state law claim is preempted when: (i) the state law claim seeks to vindicate 'legal or equitable rights that are equivalent' to one of the bundle of exclusive rights already protected by copyright law . . . and (ii) the particular work to which the state law claim is being applied falls within the type of works protected by the Copyright Act."<sup>6</sup> In practice, the analysis is distilled into an "extra-element" test (as advocated by Nimmer). Here, the Court found that the Georgia statute does not criminalise unauthorised copyrighted works *per se*. The statute criminalises the sale or possession for purposes of sale of improperly labelled recordings, regardless of copyright status. Thus, "the Georgia statute contains an extra element – i.e., labelling – which qualitatively distinguishes it from federal copyright law and saves it from preemption."<sup>7</sup>

### The Ninth Circuit

*Briggs v. State*, of course, is not the first time a defendant has challenged a state anti-piracy statute on preemption and constitutionality grounds. In *Anderson v. Nidorf*, 26 F.3d 100 (9th Cir. 1994) (*per curiam*), the Ninth Circuit affirmed the denial of a defendant's habeas corpus petition challenging his conviction under California Penal Code §635w. Similar to the Georgia statute, the California law criminalises the failure to disclose the origin of a sound recording. The provision at issue was as follows:

*"A person is guilty of failure to disclose the origin of a recording or audiovisual work when, for commercial advantage or private financial gain, he or she knowingly*

*advertises or offers for sale or resale, or sells or resells, or causes the rental, sale or resale, or rents, or manufactures, or possesses for these purposes, any recording or audiovisual work, the outside cover box or jacket of which does not clearly and conspicuously disclose the actual true name and address of the manufacturer thereof and the name of the actual author, artist, performer, producer, programmer, or group."*<sup>8</sup>

Appellant Cletus Anderson was approached by a Los Angeles County Deputy Sheriff at a flea market in May of 1990. Anderson was asked to produce documents supporting the origin of approximately 5,000 CDs found in his possession. Failing to satisfy this request, Anderson was arrested and charged with "failure to disclose the origin of a sound

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recording.” Waiving a jury trial, Anderson was subsequently convicted and sentenced to 180 days in jail and five years of probation. After several unsuccessful attempts to appeal his conviction, Anderson filed a habeas corpus petition in a federal district court.

In his petition, the Appellant, like defendant *Briggs*, argued that the California statute is preempted by the Copyright Act due to the analogous nature of state anti-piracy and federal copyright legislation. The court acknowledged that while the state and federal laws shared a common interest, the state provision, as drafted, encompasses additional concerns. Section 653w, the court explained, "criminalises selling recordings whose labels fail to disclose the manufacturer or author; it does not criminalise unauthorised duplication or "bootlegging" of copyrighted works."<sup>9</sup> In contrast to the *Briggs* opinion, the Ninth Circuit supplements its preemption analysis with the practical implementation of its anti-piracy law. Quoting the district court opinion:

*"Section 653w was designed to . . . assist consumers in this state by mandating that manufacturers market products for which consumers can go back to the source if there are any problems or complaints. Preemption would frustrate the state's objective of consumer protection through disclosure."*<sup>10</sup>

The Ninth Circuit applied the consumer protection theme to its rejection of the Appellant's First Amendment challenge as well. Any limitation to the state's anti-piracy interest, the court explains, such as narrowing the statute to criminalise only anonymous sales without the owner's consent, would harm the consumer-protection interest of the statute.

### DJ Drama drama

Copyright lawyers and music industry professionals will be closely monitoring developments in the *DJ Drama* case to see whether it results in further examination and interpretation of the Georgia anti-counterfeiting statute as interpreted in *Briggs*. ☛

### Notes

- 1 O.C.G.A. § 16-8-60(b).
- 2 *Mixon v. State*, 226 Ga. 869, 870, 178 S.E.2d 189 (1970) (*citing* 16 AmJur2d 954 § 552).
- 3 *Briggs v. State*, 638 S.E.3d at 294.
- 4 See *United States v. O'Brien*, 391 U.S. 367, 376 (1968).
- 5 *Briggs v. State*, 638 S.E.3d at 294.
- 6 *Nat'l Basketball Ass'n v. Motorola, Inc.*, 105 F.3d 841, 848 (2d Cir. 1997).
- 7 *Briggs v. State*, 638 S.E.3d at 294.
- 8 California Penal Code § 653w(a).
- 9 *Anderson v. Nidorf*, 26 F.3d at 102 (internal citation omitted).
- 10 *Id.* at 102. (internal citations omitted; emphasis removed).