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12
13 UNITED STATES DISTRICT COURT
14 NORTHERN DISTRICT OF CALIFORNIA
15 SAN JOSE DIVISION
16

17 UNITED STATES OF AMERICA,
18
Plaintiff,
19
v.
20 ELCOM LTD., a/k/a ELCOMSOFT CO.,
21 LTD., and DMITRY SKLYAROV,
22 Defendants.
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Case No. CR 01-20138 RMW

**REPLY MEMORANDUM OF POINTS
AND AUTHORITIES IN SUPPORT OF
MOTION TO DISMISS BASED ON
FIRST AMENDMENT**

Date: April 1, 2002
Time: 9:00 a.m.
Judge: Hon. Ronald M. Whyte

TABLE OF CONTENTS

1

2 I. INTRODUCTION1

3 II. ARGUMENT.....1

4 A. THE DMCA VIOLATES THE FIRST AMENDMENT AS APPLIED

5 TO THE SALE OF THE AEBPR.....1

6 1. Computer Code is Speech.....1

7 2. The DMCA Does Not Only Target Commercial Speech3

8 3. The DMCA Cannot Survive First Amendment Scrutiny,

9 Whether Intermediate or Strict.....5

10 a. The DMCA Is Not Content Neutral5

11 b. The DMCA Cannot Survive Intermediate Scrutiny.....7

12 B. THE DMCA IS OVERBROAD8

13 1. Elcomsoft May Bring a Facial Challenge to the DMCA.....8

14 2. The DMCA Eliminates Fair Uses.....9

15 C. THE DMCA IS UNCONSTITUTIONALLY VAGUE12

16 D. The DMCA Is Not A Valid Exercise of Congress' Enumerated Powers13

17 III. CONCLUSION.....14

18

19

20

21

22

23

24

25

26

27

28

TABLE OF AUTHORITIES

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

Page(s)

Cases

4805 Convoy, Inc. v. City of San Diego,
183 F.3d 1108, 1111 9

Arkansas Writers' Project, Inc. v. Ragland,
481 U.S. 221 (1987)..... 4

Bantam Books, Inc. v. Sullivan,
372 U.S. 58, (1963)..... 11

Bartnicki v. Vopper ,
523 U.S. 514, 121 S.Ct. 1753 (2001)..... 5

Bernstein v. United States Department of State,
922 F. Supp. 1426, 1436 (N.D. Cal. 1996)..... 2, 3, 8, 11

Broadrick v. Oklahoma, 413 U.S. 601, 612 (1973) 8

Campbell v. Acuff-Rose Music, Inc., 510 U.S. 569, 584 (1994)..... 4

Children of the Rosary v. City of Phoenix,
154 F.3d 972, 983 (9th Cir. 1998) 3

Denver Area Educational Telecommunications Consortium, Inc. v.
F.C.C.,
518 U.S. 727 (1996)..... 10

Entertainment Research Group, Inc. v. Genesis Creative Group, Inc.
122 F.3d 1211 (9th Cir. 1997) 11

Forsyth County v. Nationalist Movement,
505 U.S. 123, 130-137 (1992) 10

Harper & Row, Publishers Inc. v. Nation Enterprises,
471 U.S. 539 (1985)..... 9

Houston v. Hill,
482 U.S. 451 (1987)..... 6

Junger v. Daley,
209 F.3d 481 2, 3, 8

Karn v. United States Department of State,
925 F. Supp. 1, 2

Mattel, Inc. v. MCA Records, Inc.
28 F. Supp.2d 1120, (C.D. Cal. 1998) 4

Members of the City Council of the City of Los Angeles et. al. v. Taxpayers
for Vincent,
466 U.S. 789 (1984)..... 7, 8

Name Space, Inc. v. Network Solutions, Inc.,
202 F.3d 573, 586 (2d Cir. 2000) 2, 6

New York State Club Association, Inc., v. City of New York,
487 U.S. 1 (1988)..... 8, 9

1	<i>Nordyke v. Santa Clara County</i> , 110 F.3d 707, (9th Cir. 1997).....	3
2	<i>Posters 'N' Things, Ltd. v. U.S.</i> , 511 U.S. 513 (1994).....	12
3	<i>Railway Labor Executives Ass'n v. Gibbons</i> , 455 U.S. 457 (1982).....	14
4	<i>RIAA v Diamond Multimedia Sys., Inc.</i> , 180 F.3d 1072 (9th Cir. 1999).....	9, 10
5	<i>Richmond Boro Gun Club, Inc. v. City of New York</i> , 97 F.3d 681, (2d Cir. 1996).....	12
6	<i>Riley v. National Federation of the Blind, Inc.</i> , 487 U.S. 781 (1988).....	7
7	<i>Roulette v. City of Seattle</i> , 97 F.3d 300 (9 th Cir. 1996).....	8
8	<i>Schaumburg v. Citizens for a Better Environment</i> , 444 U.S. 620(1980).....	7
9	<i>Secretary of State of Maryland v. Joseph H. Munson Co., Inc.</i> , 467 U.S. 947 (1984).....	8, 9
10	<i>Simon & Schuster, Inc. v. Members of New York State Crime Victims Bd.</i> , 502 U.S. 105, 116, (1991).....	4
11	<i>United States v. Moghadam</i> , 175 F.3d 1269, 1275-76 (11th Cir.), <i>cert. denied</i> , 120 S. Ct. 1529 (2000).....	14
12	<i>United States v. Poocha</i> , 259 F.3d 1077 (9th Cir. 2001).....	6
13	<i>Universal City Studios, Inc. v. Corley</i> , 273 F.3d 429 (2d Cir. 2001).....	2, 8, 10
14	<i>Universal City Studios, Inc., v. Reimerdes</i> , 111 F. Supp. 2d 294 (S.D.N.Y. 2000), <i>aff'd</i> , 273 F.3d 429 (2d Cir. 2001).....	3
15	<i>Village of Hoffman Estates v. Flipside, Hoffman Estates, Inc.</i> , 455 U.S. 489 (1982),.....	12
16	<i>Virginia State Bd. of Pharmacy v. Virginia Citizens Consumer Council</i> , 425 U.S. 748 (1976).....	4
17	<i>Ward v. Rock Against Racism</i> , 491 U.S. 781 (1989).....	5
18	Other Authorities	
19	Kerr, <i>Are We Overprotecting Code? Thoughts on First Generation Internet Law</i> , 57 Wash. & Lee L. Rev. 1287 (2000).....	3
20	Lemley & Volokh, <i>Freedom of Speech and Injunctions In Intellectual Property Cases</i> , 48 Duke L. J. 147, 236 (1998).....	3
21		
22		
23		
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26		
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I. INTRODUCTION

In enacting the anti-trafficking provisions of the Digital Millennium Copyright Act (“DMCA”), 17 U.S.C. §1201 *et seq*, Congress prohibited speech that is protected by the First Amendment, rather than concerning itself with the consequences of that speech. Although Congress’ choice may have been expedient, and even might have certain practical advantages, it does not satisfy the exacting requirements of the United States Constitution.

Our opening brief argued that the DMCA was unconstitutional because (a) code is speech; (b) the DMCA regulates that speech based on its content; (c) such regulations must be narrowly tailored; (d) the DMCA is not narrowly tailored, and (e) even if you applied intermediate scrutiny the DMCA still fails to pass muster under the applicable tests. In its opposition, the government essentially concedes (a), and completely concedes (d). The government argues, however, that the DMCA can survive because (i) it does not regulate speech based on its content, and therefore subject to intermediate scrutiny, (ii) it passes that standard, and (iii) in any event, Elcomsoft lacks standing to bring this challenge. The government also attempts to suggest, notwithstanding its concession, that code should not be deemed speech after all. As we explain below, those arguments are unavailing.

II. ARGUMENT

A. THE DMCA VIOLATES THE FIRST AMENDMENT AS APPLIED TO THE SALE OF THE AEBPR

1. Computer Code is Speech

The government concedes, as it must, that computer source code is speech and, as such, is protected by the First Amendment. *See* United States’ Opposition to Defendant’s Motions to Dismiss the Indictment on Constitutional Grounds (“Opposition”) at 19-20. Faced with the logical consequences of that concession, however, the government claims that no consensus has arisen with respect to object code. Although that assertion might have some merit as a purely

1 academic matter, it does not comport with the law.¹ Every court to have considered the issue has
2 concluded that object code is protected expression.² Indeed, in one of the cases that the
3 government cites for the proposition that the courts have “struggled” with the issue, *Universal*
4 *City Studios, Inc. v. Corley*, 273 F.3d 429 (2d Cir. 2001), the court held that object code *is*
5 entitled to protection under the first amendment: “If someone chose to write a novel entirely in
6 computer object code by using strings of 1’s and 0’s for each letter of each word, the resulting
7 work would be no different for constitutional purposes than if it had been written in English.”
8 *Id.* at 445-46. The other case cited by the government, *Junger v. Daley*, 209 F.3d 481 (6th Cir.
9 2000), does not consider the first amendment status of object code at all. Moreover, the
10 government’s own descriptions of the other three cases it cites make clear that object code was
11 not at issue. The Government concedes that in *Bernstein v. United States Department of State*,
12 922 F. Supp. 1426, 1436 (N.D. Cal. 1996), the court did “not reach [the] object code question.”
13 The government also relies on dicta in a footnote in *Karn v. United States Department of State*,
14 925 F. Supp. 1, 9 n. 19, but neither the footnote nor the case discusses object code. Finally, the
15 government cites *Name Space, Inc. v. Network Solutions, Inc.*, 202 F.3d 573, 586 (2d Cir. 2000),
16 but that case dealt with top level internet domain names such as “.com” and “.gov,” and the words
17 “source code” and the words “object code” do not even appear in the opinion.

18 The government also suggests that the “functional” element of computer code brings it
19 outside the protections of the first amendment. This precise argument has been rejected in this
20 district. In considering whether export requirements on computer code comported with the first
21 amendment, Judge Patel wrote: “Whether source code and object code are functional is
22 immaterial to the analysis at this stage. Contrary to defendants’ suggestion, *the functionality of a*
23 *language does not make it any less like speech.*” *Bernstein v. United States Department of State*,

24
25 ¹ The government’s claim that object code “*generally* only has meaning to . . . computer[s]” is
26 also not strictly accurate. See Opposition at 20. As the Southern District of New York
27 recognized, “All code is human readable. As source code is closer to human language than is
28 object code, it tends to be comprehended more easily by humans than object code.” *Universal*
City Studio, Inc. s v. Reimerdes, 111 F. Supp. 2d 294, 306 (S.D.N.Y. 2000).

² Moreover, the fact that computer code is offered for sale is of no constitutional significance.
See Section II(B)(2), *infra*.

1 922 F. Supp. 1426, 1435 (N.D. Cal. 1996) (emphasis added).³ The court went further still,
2 rejecting the government’s argument that the distinction between subject code and object code
3 was of constitutional significance, holding “even if [the challenged] source code, which is easily
4 compiled into object code for the computer to read and easily used for encryption, is essentially
5 functional, that does not remove it from the realm of speech.” *Id.*

6 Indeed, the dearth of authority in support of the government’s position is not surprising,
7 because whether computer code is expressed as source code or as object code makes no logical
8 difference to the analysis.⁴ No court has ever adopted the distinction the government urges
9 here.⁵ “It cannot seriously be argued that *any form* of computer code may be regulated without
10 reference to First Amendment doctrine.” *Universal City Studios, Inc., v. Reimerdes*, 111 F.
11 Supp. 2d 294 (S.D.N.Y. 2000), *aff’d*, 273 F.3d 429 (2d Cir. 2001) (emphasis added).

12 2. The DMCA Does Not Only Target Commercial Speech

13 The government argues that the DMCA is valid because it targets commercial speech,
14 and equates commercial speech with speech that is sold. But whether speech is sold – as are the
15 vast majority of books in America – is of no constitutional moment. Commercial speech is
16 speech that “proposes a commercial transaction.” *Children of the Rosary v. City of Phoenix*, 154
17 F.3d 972, 983 (9th Cir. 1998) (citing *Board of Trustees v. Fox*, 492 U.S. 469, 473 (1989); *see*
18 *also Nordyke v. Santa Clara County*, 110 F.3d 707, 710 (9th Cir. 1997). “The fact that expressive
19

20 ³ The Ninth Circuit affirming *Bernstein* has been withdrawn pending *en banc* review. *See* 192
21 F.3d 1308 (9th Cir. 1999). The current procedural ambiguity of the ultimate result
22 notwithstanding, Judge Patel’s analysis remains sound. Indeed, the government cites the district
23 court’s opinion in its opposition.

24 ⁴ Indeed, as technology advances the distinction becomes increasingly less meaningful. The Sun
25 Corporation’s Java programming language allows programs to work on any operating system,
26 thus making the underlying workings of the program increasingly irrelevant to the programmer.
27 *See* <http://java.sun.com/java2/whatis/>.

28 ⁵ Even the law review articles the government cites is inapposite. In one case, the government
29 quotes a single sentence, devoid of analysis, in an article otherwise directed to the use of
30 injunctions in copyright cases. *See* Lemley & Volokh, *Freedom of Speech and Injunctions In*
31 *Intellectual Property Cases*, 48 Duke L. J. 147, 236 (1998). In the other, the author states his
32 view that code can be speech, but that *Junger v. Daley*, *supra*, should have been decided with
33 more reference to what the author believes is traditional first amendment law. *See* Kerr, *Are We*
34 *Overprotecting Code? Thoughts on First Generation Internet Law*, 57 Wash. & Lee L. Rev.
35 1287 (2000).

1 materials are sold neither renders the speech unprotected, nor alters the level of protection under
2 the First Amendment. [Plaintiff] need not give away its [wares] in order to bring them within the
3 ambit of the First Amendment.” *Mattel, Inc. v. MCA Records, Inc.* 28 F. Supp.2d 1120,
4 1137 (C.D. Cal. 1998). Or, to quote Samuel Johnson’s succinct statement: “No man but a
5 blockhead ever wrote, except for money.” *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569,
6 584 (1994) (quoting 3 Boswell’s Life of Johnson 19 (G. Hill ed. 1934)); *see also Virginia State*
7 *Bd. of Pharmacy v. Virginia Citizens Consumer Council*, 425 U.S. 748, 761 (1976) (“Speech
8 likewise is protected even though it is carried in a form that is sold for profit.”) Thus, the
9 AEBPR does not lose its protected status as expression simply because it can be sold for profit;
10 indeed, that fact is irrelevant to the analysis. The government does not cite a single commercial
11 speech case in its discussion of the issue, and with good reason. It misapprehends the nature of
12 the doctrine.

13 The same is true of the government’s further argument that the DMCA merely prohibits
14 the sale of the AEBPR, not the AEBPR itself. *See* Opposition at 18. The constitution draws no
15 such distinctions. The government cannot prohibit the sale of protected expression in the form of
16 a computer program any more than it can criminalize the sale of expression in the form of books
17 or newspapers. According to the government’s line of reasoning, a statute criminalizing the sale
18 of all daily newspapers in the country would implicate no first amendment concerns because the
19 legislation would target the sale of the newspaper, not the newspaper itself. This is not the law.
20 *See Arkansas Writers’ Project, Inc. v. Ragland*, 481 U.S. 221, 227-28 (1987) (invalidating tax on
21 magazines as inconsistent with first amendment); *Simon & Schuster, Inc. v. Members of New*
22 *York State Crime Victims Bd.*, 502 U.S. 105, 116, (1991) (invalidating as inconsistent with the
23 first amendment New York’s “Son of Sam” law, which required a criminal’s income from works
24 describing his crime be deposited in escrow account, which funds were then made available to
25 victims of crime.)

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1 **3. The DMCA Cannot Survive First Amendment Scrutiny, Whether**
2 **Intermediate or Strict**

3 **a. The DMCA Is Not Content Neutral**

4 Whether a statute is content neutral is evaluated with respect to the government's
5 *purpose*. See *Ward v. Rock Against Racism*, 491 U.S. 781, 791 (1989) “[g]overnment regulation
6 of expressive activity is content neutral so long as it is ‘*justified* without reference to the content
7 of the regulated speech); *Bartnicki v. Vopper* , 523 U.S. 514, 121 S.Ct. 1753, 1760 (2001). In
8 this case, the DMCA’s prohibition is defined with reference to the content of the code. Indeed, it
9 is precisely the content of the code that causes the government to seek to regulate it.

10 The government suggests that Congress’ purpose in enacting the DMCA is content
11 neutral because it targets only the “functional” aspect of software. In so arguing, the government
12 proposes no workable standard — nor any standard of any sort — to define a regulation
13 addresses the “functional” component of speech and when it does not. Instead, the government
14 seems to suggest that Congress can regulate speech whenever the government’s real target is the
15 potential consequences of that speech. But speech frequently has potential consequences.
16 Indeed, often those potential consequences are the very point of the speech. The consequences
17 that *potentially* flow from speech do not change its protected nature.

18 Of course, Congress may regulate speech that is functional in certain circumstances.
19 One would not defend an action for breach of oral contract by invoking the first amendment. In
20 that case, the speech *is* functional, because the words have legal significance in and of
21 themselves. The contract is formed once the words are spoken. Similarly, if someone uses a
22 stolen password in order to gain unauthorized access to a building, he has committed trespass,
23 even though he has done so with words or symbols. Likewise, the Government can regulate the
24 *use* of the AEBPR to decrypt an eBook, in certain circumstances, even though the user types on
25 her keyboard in order to activate the program. Congress could have banned the *use* of the
26 AEBPR for certain purposes without running afoul of the first amendment, even though that use
27 involves the transmission of computer code.

28 While the first amendment might not prohibit the regulation of “functional” speech when

1 the speech is inseparable from its consequences, it does prohibit the regulation of speech that is
2 expressive. Although we recognize that it is a difficult question, we posit that speech is
3 protected by the first amendment when the potential consequences of the speech flow from its
4 effects upon third parties. For example, when a candidate says, "vote for me," he hopes that the
5 listener will indeed vote for him. Indeed, he may convince the listener to do so. Nonetheless,
6 the decision to vote is made by the listener, even if that decision can be traced back to the
7 listener's reaction to the speech. How-to manuals are protected by the first amendment for this
8 reason: a third party must make use of the speech in order for the "functional" act to occur. *See*
9 *Bernstein*, 922 F. Supp. at 1435 ("Instructions, do-it-yourself manuals, [and] recipes" are all
10 "speech").

11 The AEBPR, once sold, simply resides on a computer. It does not perform any function
12 until it is used by the purchaser. The purchaser must make a decision to violate the copyright
13 laws by making an unauthorized copy of an eBook, or to use the AEBPR for a legitimate
14 purpose. As a result, the AEBPR does not become "functional" until it is used by a third party.

15 Where Congress seeks to justify a regulation based in a listener's reaction, the prohibited
16 speech must be so inflammatory that it renders the listeners unable to control themselves. *See,*
17 *e.g., United States v. Poocha*, 259 F.3d 1077 (9th Cir. 2001); *Houston v. Hill*, 482 U.S. 451, 462
18 (1987). Because there is neither evidence that the AEBPR so overbears the power of rational
19 thought, nor reason to believe such evidence exists, the regulation of that speech cannot pass
20 constitutional muster.

21 Moreover, "[f]unctionality and expression are . . . not mutually exclusive." *Name Space,*
22 *Inc. v. Network Solutions, Inc.*, 202 F.3d 573, 586 (2d Cir. 2000) (holding that although current
23 top-level domain names such as ".com" and ".net" are not expression under the first amendment,
24 future domain names, although functional, may be entitled to such protection). In areas where
25 functional and expressive components are inseparably intertwined, the Supreme Court has
26 always found that the first amendment applies. For example, in *City of Ladue*, the Supreme
27 Court invalidated a sign ban even though signs posted on houses or front lawns involved the
28 "functional" creation of "visual blight and clutter," because the functional aspect of the

1 regulation was inseparable from the expression of ideas. In the context of charitable solicitation,
2 which involves the “functional” exchange of money as well as support for ideas, the Supreme
3 Court has consistently “refused to separate the component parts of charitable solicitations from
4 the fully protected whole.” *Riley v. National Federation of the Blind, Inc.*, 487 U.S. 781, 796
5 (1988); *Schaumburg v. Citizens for a Better Environment*, 444 U.S. 620, 632 (1980) (solicitation
6 is “characteristically intertwined with informative and perhaps persuasive speech . . . [and]
7 without solicitation the flow of such information and advocacy would likely cease”). And
8 “where . . . the component parts of a single speech are inextricably intertwined,” the Court has
9 held, “we cannot parcel out the speech, applying one test to one phrase and another test to
10 another phrase. Such an endeavor would be both artificial and impractical.” *Riley*, 487 U.S. at
11 796.

12 Finally, it bears noting that the government’s reading of the DMCA criminalizes
13 distribution of the AEBPR regardless of the purpose for which it is used, and indeed regardless
14 of whether it is even used at all. The sale of the code – even if purchased in order to learn how to
15 write a computer program that circumvents an e-book’s security features – is illegal, in the
16 government’s view. The so-called “functional” element of the program, upon which the
17 government places so much weight, is unnecessary in its interpretation of the DMCA.

18 **b. The DMCA Cannot Survive Intermediate Scrutiny**

19 The government fares no better under intermediate scrutiny. Nothing in the
20 government’s brief demonstrates that the DMCA “eliminates the exact source of the evil it
21 sought to remedy.” *Members of the City Council of the city of Los Angeles et. al. v. Taxpayers*
22 *for Vincent*, 466 U.S. 789, 808 (1984). Nor could it. As explained more fully below, and in our
23 opening brief, the government’s approach to the DMCA effectively eliminates fair use, limits
24 noninfringing uses, and prevents access to material in the public domain and uncopyrightable
25 material protected by “technological measures.” Many of these uses are themselves protected
26 expression and none of them constitutes copyright infringement. The anti-trafficking provisions
27 of the DMCA do not “respon[d] precisely to the substantive problem which legitimately
28 concern[ed]” Congress and that therefore they do not comport with the first amendment.

1 *Taxpayers for Vincent*, 466 U.S. at 810.

2 **B. THE DMCA IS OVERBROAD**

3 **1. Elcomsoft May Bring a Facial Challenge to the DMCA**

4 The government correctly notes that a party may make a facial challenge to a statute only
5 if the statute seeks to regulate either speech or “patently expressive or communicative conduct.”
6 *Roulette v. City of Seattle*, 97 F.3d 300, 303 (9th Cir. 1996). But the government fails to
7 recognize that computer code is patently expressive, whether characterized as speech or conduct.
8 *See Junger v. Daley*, 209 F.3d 481, 485 (6th Cir. 2000) (computer code is “an expressive means
9 for the exchange of information and ideas about computer programming.”); *Universal City*
10 *Studios, Inc. v. Corley*, 273 F.3d 429, 447 (2d Cir. 2001); *Bernstein v. United States Department*
11 *of State*, 922 F. Supp. 1426, 1435 (N.D. Cal. 1996) (computer source code is speech). Thus the
12 DMCA is susceptible to facial challenge precisely because it regulates expression. *See id.*

13 A litigant can bring a facial challenge to an overly-broad statute on behalf of third parties
14 if the statute is “substantially overbroad.” *See Secretary of State of Maryland v. Joseph H.*
15 *Munson Co., Inc.*, 467 U.S. 947, 959 (1984).⁶ “Litigants . . . are permitted to challenge a statute
16 not because their own rights of free expression are violated, but because of a judicial prediction
17 or assumption that the statute’s very existence may cause others not before the court to refrain
18 from constitutionally-protected speech or expression.” *Broadrick v. Oklahoma*, 413 U.S. 601,
19 612 (1973).

20 The government suggests that Elcomsoft would lack standing to raise an overbreadth
21 challenge if defendant could not show that the DMCA was unconstitutional as applied to it.
22 However, even if the DMCA were not unconstitutional as applied to defendant, Elcomsoft still
23 would have standing to raise a facial challenge to the statute.⁷ In the context of a substantial
24 overbreadth challenge, the constitutionality of the statute as applied to the challenger is

25 _____
26 ⁶ The government cites the incorrect standard for determining standing to mount a facial
27 challenge to an overbroad statute. *See New York State Club Association, Inc., v. City of New*
28 *York*, 487 U.S. 1, 11 (1988) (articulating standard for bringing facial challenge to a statute
inhibiting free association).

⁷ Elcomsoft does not, of course, concede that the DMCA is constitutional as applied to it.

1 irrelevant. *See Secretary of State of Maryland v. Joseph H. Munson Co., Inc.*, 467 U.S. 947, 959
2 (1984). As set forth more fully below, the DMCA is substantially overbroad, placing as it does
3 unlimited power into the hands of copyright holders to restrict the flow of even non-copyrighted
4 information and abridge the first amendment rights of third parties. Thus, Elcomsoft has
5 standing to mount a facial challenge to the DMCA.⁸

6 **2. The DMCA Eliminates Fair Uses**

7 As the government has interpreted the DMCA, it runs afoul of the First Amendment
8 because it places almost unlimited power in the hands of copyright holders to control
9 information, including information that is not even protected by copyright. It thus destroys the
10 delicate balance between the first amendment and the copyright laws that is embodied in the fair
11 use doctrine.⁹

12 As set forth in the Declaration of Thomas Diaz, Adobe's eBook Reader permits a
13 publisher to prevent a consumer who purchases an eBook from printing it, making a backup
14 copy, transferring it from desktop to laptop, or even running text searches on it. *Diaz Decl.*, ¶ 8.
15 All of these uses are "fair" under the Copyright Act of 1976, and the common law which it
16 codified. The government does not even attempt to distinguish *RIAA v Diamond Multimedia*
17 *Sys., Inc.*, 180 F.3d 1072 (9th Cir. 1999), which clearly supports the right of the purchaser of an
18 eBook to make a fair use copy, and explains that "such copying is paradigmatic noncommercial

19 ⁸ The government attempts to erect an additional barrier to Defendant's facial attack on the
20 DMCA, claiming that Elcomsoft must demonstrate that the DMCA vests government officials
21 with "unbridled discretion". *See* Opposition at 16. However, such a showing is only required in
22 the context of a facial attack on a licensing scheme. *See, e.g., 4805 Convoy, Inc. v. City of San*
23 *Diego*, 183 F.3d 1108, 1111 (facial challenge to licensing scheme is permitted when legislation
24 vests government officials with "unbridled discretion" and when there is a lack of adequate
25 procedural safeguards); *New York State Club, Ass'n.* (487 U.S. at 11) (no requirement that facial
26 challenge to legislation must demonstrate "unbridled discretion" or lack of procedural safeguards
27 when legislation does not enact a licensing scheme). It has no application here.

28 ⁹ The government cites a footnote in *Harper & Row, Publishers Inc. v. Nation Enterprises*, 471
U.S. 539 (1985) to support its contention that courts should narrowly circumscribe the fair use
doctrine in the digital arena. *See* Opposition at 29 n.22. However, *Harper & Row* neither
expresses nor implies any such principle. In that case, the Court found that the unauthorized
publication by a newsmagazine of certain critical quotations of former President Ford's
unpublished memoirs shortly before a longer excerpt from those memoirs was due to be
published by a competing magazine under an authorized licensing agreement was not a fair use
of the copyrighted work. *Id.* at 567-69. *Harper & Row* does not limit the "types of rights" that

1 personal use entirely consistent with the purposes of the Act.”¹⁰

2 It is simply incorrect to suggest, as does the government, that the DMCA provides for
3 “robust” fair use of books published in electronic format. *See* Opposition at 27-29. The Diaz
4 declaration makes clear that the DMCA has removed virtually every fair use traditionally
5 enjoyed by the public.¹¹ Publishers can prevent the creation of backup copies, the printing of
6 even small sections of the ebook, or the lending of the eBook to another person. *See* Opposition
7 at 2-3. The government even concedes that a publisher may prevent a blind person from having
8 the eBook read aloud. *Id.* The sole case on which the government relies, *Corley*, makes clear
9 why this is unacceptable. *Corley* explained that, in the context of DVD encryption, the right to
10 fair use could be vindicated as long as there was a method by which fair use could be made. *See*
11 *Corley*, 273 F.3d at 459 (holding that a videotape copy of a DVD was sufficient). In this case,
12 there is no such alternative mechanism to make fair use of an eBook by, for example, running a
13 text search or having it read aloud.

14 The government argues that because the DMCA does not state, in so many words, that all
15 fair use is banned, the statute comports with the constitution. This is not so. By banning the
16 tools necessary to make fair use of eBooks, Congress has eliminated fair use itself. The courts
17 have long rejected such “back door” regulations of speech. *See Denver Area Educational*
18 *Telecommunications Consortium, Inc. v. F.C.C.*, 518 U.S. 727, 809-810 (1996) (“few of our First
19 Amendment cases involve outright bans on speech); *Forsyth County v. Nationalist Movement*,
20 505 U.S. 123, 130-137 (1992) (broad discretion of county administrator to award parade permits

21
22 publishers are required to distribute with their products.

23 ¹⁰ The government’s argument about the precise contours of 17 U.S.C. § 117 is wholly beside the
24 point. The right to make a backup copy of digital media is well established in this circuit. *See*
25 *RIAA v Diamond Multimedia Sys., Inc.*, 180 F.3d 1072 (9th Cir. 1999). The key point, which the
26 government does not address, is that electronic files are vulnerable to failure (whether through a
27 hard drive crash, computer virus, or other failure), as every user of word processing software is
28 all too aware. The right to make backups is a paradigmatic fair use.

26 ¹¹ The limited “fair use” exceptions contained in the DMCA, which apply only to libraries and
27 encryption researchers (*see* 17 U.S.C. § 1201(e), (g), (j)) do nothing to address the first
28 amendment rights of individuals. Indeed, a comparison of the list of fair uses now prohibited by
the DMCA, as set forth in the Diaz declaration, with the fair use provisions of the DMCA makes
clear just how sweeping the impact of the DMCA is.

1 and to adjust permit fee according to content of speech violates First Amendment); *Bantam*
2 *Books, Inc. v. Sullivan*, 372 U.S. 58, (1963) (informal threats to recommend criminal
3 prosecutions and other pressure tactics by state morality commission against book publishers
4 violate the First Amendment).

5 The government cannot deny that the DMCA effectively prohibits certain fair uses. The
6 government's response that the Library of Congress will deal with the issue every three years
7 hardly solves the problem. The first amendment cannot be appeased by having every aggrieved
8 party in the United States wait for three years to address a particular fair use to the Librarian of
9 Congress. No matter how diligently the Librarian addresses the task, the DMCA grants authority
10 to review only triennially – an eternity in the digital era. Moreover, the Library of Congress
11 cannot effectively respond to every complaint that might surface in a given three year period.
12 The triennial review is utterly inadequate to address the significant first amendment concerns
13 raised by the DMCA. *See, e.g., Bernstein*, 922 F. Supp. at 1431 (“With respect to constitutional
14 questions, the judicial branch not only possesses the requisite expertise to adjudicate these issues,
15 it is also the best and final interpreter of them.”)

16 So too with the government's arguments that licensors may “split rights” by separately
17 licensing audio and text-based rights to a work. Even if a private licensor can separately market
18 licenses to the print, e-book and audio formats of a text, that has no bearing on the fair use rights
19 of a purchaser.¹² It is perfectly legal, for example, for a blind person to have someone read a
20 book he owns aloud, even if he has not acquired a separate audio license to the work.

21 With respect to the DMCA, at least as the government is interpreting it here, Congress
22 has put almost unbridled authority to eliminate fair use in the hands of copyright holders.
23 Whether Congress believes that copyright holders will exercise those powers judiciously is

24 _____
25 ¹² The government's argument that the AEBPR creates a derivative work is just plain wrong. A
26 derivative work must add new copyrightable content. *See Entertainment Research Group, Inc. v.*
27 *Genesis Creative Group, Inc.* 122 F.3d 1211, 1220 (9th Cir. 1997) (“to support a [derivative
28 work] copyright the original aspects of a derivative work must be more than trivial.”) Simply
stripping off the rights management functions of an eBook does *not* create a derivative work, any
more than does stripping off the front cover of a real book. *See id.*; *see also* 17 U.S.C. §101
(defining a derivative work as one “in which a work may be recast, transformed, or adapted.”).

1 immaterial. Those powers were not Congress' to give.

2 **C. THE DMCA IS UNCONSTITUTIONALLY VAGUE**

3 The DMCA criminalizes the manufacture and sale of a device that “is *primarily* designed
4 or produced for the purpose of circumventing a technological measure that effectively controls
5 access to a work protected under this title” if the device has “only *limited commercially*
6 *significant purpose* or use other than to circumvent a technological measure.” (emphasis added)
7 In other words, the DMCA regulates expression based upon at least in part upon the motive of
8 the speaker (the purpose for which the program was primarily designed) and the extent to which
9 the product has a commercially significant purpose. The government addresses the former issue,
10 but ignores the latter. The seller of a computer program must make a judgment about all the
11 possible uses for the program, and how likely it is that the program will be used for licit and
12 illicit purposes. Here, the AEBPR certainly has legitimate uses. The seller of the program
13 should not be sent to prison if he misjudges how commercially “significant” those legitimate
14 uses are, particularly because the seller may lack the data to support that judgment, one way or
15 the other, until after the program has been sold to a statistically significant number of users.¹³

16 The cases cited by the government do nothing to address these significant concerns. For
17 example, the government relies on *Village of Hoffman Estates v. Flipside, Hoffman Estates, Inc.*,
18 455 U.S. 489, 506 (1982), which considered a statute that criminalized items “designed or
19 marketed for use with illegal cannabis or drugs.” *Id.*¹⁴ As an initial matter, it should be obvious
20 that it is considerably easier to determine if an item was “designed or marketed for use with
21 illegal drugs” than if it was “primarily designed or produced for the purpose of circumventing a
22 technological measure that effectively controls access to a work protected under” Title 17 of the
23 United States Code. The challenged provision in *Flipside* requires only a rudimentary

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25
26 ¹³ Indeed, the seller will not have the information even then unless he invests the resources to
poll the purchasers of his product, and even then only if the purchasers respond truthfully.

27 ¹⁴ The government’s other authorities, *Posters 'N' Things, Ltd. v. U.S.*, 511 U.S. 513 (1994), and
28 *Richmond Boro Gun Club, Inc. v. City of New York*, 97 F.3d 681, (2d Cir. 1996), are for these
purposes identical.

1 knowledge of illegal drug use. The DMCA, by contrast, requires knowledge of (a) the primary
2 and secondary uses of immensely sophisticated technology, (b) whether the technology
3 “effectively” controls access *vis a vis* other controls, and (c) knowledge of the provisions of Title
4 17 of the United States Code, which regulates copyrights including its provisions as they relate to
5 fair use. The DMCA, to put it mildly, is significantly more difficult to understand, and thus
6 more vague.

7 It should also be apparent that the ordinance at issue in *Flipside* did not involve the
8 regulation of constitutionally protected activities. If the would-be seller in *Flipside* decided to
9 err on the side of caution out of fear of prosecution, he might elect not to sell some otherwise
10 legal item such as a medium size pipe or tobacco rolling papers. There is no constitutional
11 protection for selling such items; even if legal, such items lack affirmative constitutional
12 significance. In this case, by contrast, a would-be seller would be deterred from offering
13 computer code which, as set forth above, is protected by the first amendment. As a result, the
14 vagueness here presents an unacceptable risk of chilling constitutionally protected conduct.

15 More fundamentally, by focusing only on the “designed or marketed for” language, the
16 government fails to address the constitutionally troubling sources of vagueness in the DMCA:
17 the fact that in order to determine if code violates the DMCA, the seller must assess all possible
18 uses of the technology and determine which are the “*significant purpose[s]*” and what it was
19 “primarily” designed to do. The government focuses on only four words; the problems with the
20 statute run far deeper.

21 **D. The DMCA Is Not A Valid Exercise of Congress’ Enumerated Powers**

22 As set forth more fully in defendants opening brief and the brief of the Amici law
23 professors, in enacting the DMCA, Congress exceeded its enumerated powers under the
24 Intellectual Property Clause. U.S. Const. Art. I, § 8, cl. 8. The government now concedes that
25 Congress lacked authority under the Intellectual Property Clause to enact the DMCA, preferring
26 instead to rely on the Commerce clause. *See* Opposition at 12-15.

27 The government’s arguments notwithstanding, Congress may not rely on the commerce
28 power to enact legislation that overrides other, more specific constitutional constraints. *Railway*

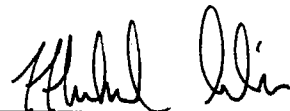
1 *Labor Executives Ass'n v. Gibbons*, 455 U.S. 457 (1982). The government's entire argument
2 that the DMCA is a proper enactment under the Commerce Clause seems to rest on *United States*
3 *v. Moghadam*, 175 F.3d 1269, 1275-76 (11th Cir.), *cert. denied*, 120 S. Ct. 1529 (2000). As set
4 forth in the Memorandum of Points and Authorities of Amici Curiae, *Moghadam acknowledged*
5 that a law enacted pursuant to the commerce power cannot survive review if it is "fundamentally
6 inconsistent" with the Intellectual Property Clause. *Id.* at 1280-82. As Amici made clear, were
7 *Moghadam* binding on this Court, it would not dictate the answer to the question presented here.
8 The discussion in Section II.B, of the Amici brief sets forth the principles that must guide that
9 decision. The government simply does not address those arguments.

10
11 **III. CONCLUSION**

12 For the reasons set forth above, the Digital Millennium Copyright Act is unconstitutional.

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15 Dated: March 18, 2002

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19 Specially Appearing As Of Counsel
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