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Statutory Damages for Copyright Infringement

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securities, regardless of other facts and circumstances, this provision also constitutes an exempt transaction. However, let it be remembered that all the exemptions heretofore referred to are exemptions from the registration and/or prospectus requirements of Section 5. By reason of the Securities Act, it is now the law that even if a registration statement is in effect as to a security, or even if the security is exempt under Section 3 of the Act and the transaction in which it figures is also exempt under Section 4 of the Act, one may still be liable for fraud in the sale of the security under Sections 12 and 17 and this for the first time under Federal Statute. From Sections 12 and 17 there are no exemptions.

BERNARD SUSMAN.

STATUTORY DAMAGES FOR COPYRIGHT INFRINGEMENT

Legislatures and courts have long been baffled by the problem of proper redress for infringement of copyright. The Constitution grants exclusive power in the copyright field to Congress. Pursuant to this provision statutes have been enacted which govern the various phases of copyright regulation and practice, inter alia, the matter of remedies in cases of infringement. Equity, with or without statutory authorization, however, will enjoin infringement of a copyright. Recovery may be had of a money judgment, measured by profits which have accrued to the offender, damage sustained by the copyright owner, and lost

2. U. S. Const. Art. I, Sec. 8: "The Congress shall have power * * * To promote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries."
5. 17 U. S. C. A. sec. 25 (a); Admur, Copyright Law and Practice (1936) 1170; Copinger, Law of Copyright (6th ed. 1927) 167 et seq.
7. Statutory provision is found in 17 U. S. C. A. sec. 25 (b). See also Admur, Copyright Law and Practice (1936) 1112; Caplan, The Measure
The law on these points is simple and clear; the main problem is that of proof. It is almost unchallenged that provable actual damages frequently fail properly to compensate for the violation of a copyright, because of the intangible nature of the interest so protected and the difficulty involved in presenting to the court an accounting which reflects the real injury inflicted on the aggrieved owner. A determination of what might have been gained had the copyright not been infringed is nebulous indeed. The damages question in the field of unfair competition is rather closely analogous. There is a need for compensation over and above the arithmetically provable damages. Congress, taking cognizance of this difficulty, has incorporated into the present statute a mode of coping with it. The statute empowers the court to impose liability on the infringer.

To pay to the copyright proprietor such damages as the copyright proprietor may have suffered due to the infringement, as well as all the profits which the infringer shall have made from such infringement, * * * or in lieu of actual damages and profits such damages as to the court shall appear just, and in assessing such damages the court may, in its discretion, allow the amounts as hereinafter stated, * * *

Fourth. In the case of a dramatic or dramatic-musical or a choral or orchestral composition, $100 for the first and $50 for every subsequent infringing performance; in the case of other musical compositions $10 for every infringing performance.

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of Recovery in Actions for Infringement of Copyright (1939) 37 Mich. L. Rev. 564; Note (1934) 9 Temp. L. Q. 278. As to the non-statutory right to such recovery see Stevens v. Gladding (U. S. 1855) 17 How. 447; Copinger, Law of Copyright (6th ed. 1927) 170.


11. See Nims, Unfair Competition and Trade Marks (3d ed. 1936) 1047 et seq.

The matter of statutory damages has constituted one of the storm centers of copyright litigation generally, and particularly in connection with musical compositions. Its historical development illustrates a colorful economic struggle in which the demands of competing pressure groups are clearly revealed. Operators and owners of taverns, amusement centers, radio stations, and similar enterprises advocate the assessment of actual provable damages only. The creative "artists" maintain that justice demands, as the statute now provides, the payment of a rather substantial sum even where actual damages can not be shown—a contention based on the intangible nature of copyrights, the incalculable injury which is inflicted on the owner of an infringed copyright, and the manner in which the composers and authors have organized. These groups have united to form the American Society of Composers, Authors and Publishers, to which individuals assign the right to perform their works publicly for profit; the Society then issues licenses embracing the rights to perform any of the numerous compositions in the A. S. C. A. P. Catalogue. The practical impossibility of tracing the precise damages resulting from the infringement of any one of the copyrights therein listed is urged by the A. S. C. A. P. as demonstrating the need for a statutory weapon such as the one set out above. The composers, then, have prevailed upon Congress to establish a statutory minimum allowance.

Problems of some complexity have arisen under the quoted statutory provision. An attempt will here be made to indicate and to evaluate the solutions worked out by the courts and to ascertain whether the present law adequately safeguards the interests at stake.

ELECTION OF REMEDIES

Where alternative remedies are provided by statute, it is almost inevitable that problems as to election should arise. The

16. Lerner, supra, note 13; Caplan, supra, note 15; Pforzheimer, supra, note 15.
17. See authorities cited supra, note 10.
19. The very involvement of the damages issue in the cases to be discussed is indicative of the existence of a valid copyright and of the fact of infringement; these issues, therefore, will be presupposed.
repudiated case of *Woodward v. Lydiard-Peterson Co.*\(^{20}\) may be cited for the rigorous view that the statutory damage provision\(^{21}\) applies only in instances where substantial damage is indicated but the evidence is incomplete or insufficient for an intelligent determination thereof. The court there maintained that where actual damages are ascertainable, the case is automatically eliminated from consideration under the "in lieu" clause. The line of decisions following this case stands for the proposition that the introduction of evidence of actual damage compels an award on the merits of the case rather than on the basis of the "in lieu" clause.

The foundation for the liberal and usual rule was laid in the *Westerman*\(^{22}\) and *No-Leak-O-Piston Ring*\(^{23}\) cases where it was held that the compensation to which the injured owner is entitled rests entirely in the discretion of the trial judge who is to award what he deems just, employing as his criteria the subject of the copyright, the circumstances of the infringement, and his own concept of which type fits the particular case. It is submitted that this rule more adequately meets the need for an effective remedy in copyright cases where a wrong is shown but precise damages are not. It has been held that the complainant may not make an election which is absolutely binding on the court.\(^{24}\) The preferable practice, then, is one which permits the trial court to allow either actual or statutory damages as demanded by the exigencies of the case at hand. The grant of this broad discretion to the trial judge follows naturally from the fact that one of the purposes of enacting the present statute was the avoidance of the strict construction which would attach if the law were penal.\(^{25}\)

Hereinafter, discussion will be centered around problems involved in cases where the court elected to award statutory damages to the exclusion of those dealing with the principles governing the determination of the extent of actual injury.

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21. The term "statutory damage provision" is used for convenience in this discussion to designate that portion of 17 U. S. C. A. sec. 25 (b) following the words "or in lieu of actual damages and profits." Statutory damages in other words are those awarded in lieu of actual damages.
MINIMUM DAMAGES

The statute provides that "in lieu" of actual damages the court "may in its discretion allow the amounts as hereinafter stated, * * * and such damage shall in no other case exceed the sum of $5000 or be less than $250." 27 For some time it was highly controverted whether this statute made granting less that the minimum sum discretionary with the court. The phraseology alone certainly does not afford an answer, and some conflict is indicated by the decisions. A number of cases have held that the court is enabled by the statute to award less than two hundred and fifty dollars. Although it is now rather well established that this view is fallacious, an investigation of those cases and their respective holdings is in order.

In Woodward v. Lydiard-Peterson Co. 28 involving the copying of a map-directory, fifty dollars' actual damage could be shown. The court construed the statute to mean that the specified sums were to be awarded only when it was manifest that substantial damage had been sustained but the specific amount defied calculation. Since the amount of damage here was precisely shown, the court felt that the maximum-minimum clause was inapplicable. The court in Mills v. Standard Music Roll Co. 29 was unable to see actual damage and therefore made only a nominal award under the statute. The judge omitted to assign any reasons of policy, precedent, or logic for his result. Although no actual damages were shown, it has been said that, on the basis of inferences reasonably deductible from the evidence, more than the specified maximum damages might be granted. 30 It has been maintained, by analogy, that if there were indications that less than the minimum damages had been sustained, the court might with justification go below that amount. Dicta abound which announce this view as the correct one. 31

Since the decisive Westerman Case, 32 however, there is impres-

26. The statute enumerates certain special situations to which other minima and maxima apply.
sive authority for the proposition that the decisions just noted are erroneous, and that the statute absolutely prohibits the court from exercising any discretion below the statutory minimum where actual infringement can be shown. This line of cases proceeds on various theories, which merit examination severally.

Legislative intent and purpose. Congress embodied maximum-minimum clauses in earlier copyright laws. The statute which the present law succeeded provided that "* * * the sum to be recovered in any action under the provisions of this section shall not be less than $100 nor more than $5,000." The leading case construing this clause was *Brady v. Daly*, which held that the minimum set out in the statute was irreducible. The Court recognized that the minimum clause was inserted because of the inherent difficulty of proving by satisfactory evidence precisely what amount of damage has been sustained, and felt that the statute was meant to provide a remedy for a special type of wrong the existence of which may be established although its measure of damages is speculative.

The Supreme Court has consistently striven thus to ascertain the legislative purpose behind the provision for statutory damages. The *Westerman* case looked to the fact that the Congressional committee reports concerning the statute while in the embryo stage indicated that Congress took cognizance of the interpretation which had been put on the previous statute and desired the law of the subject to remain unaltered. There has been pointed out subsequently by the Court that the legislature in supplying to the courts the statutory damage device bestowed on copyright owners an alternative remedy when an accounting would be inadequate because of the strictness of the rules of evidence relating thereto. Naturally such remedy would be quite unavailing if the court were permitted to disregard the minimum sum set out. Prior legislative treatment of copyright infringement had been penal in nature, and therefore the courts had construed the law strictly. Congress here was attempting to

34. (1895) 28 Stat. 965. The language of the present statute is not in itself decisive of this issue. It is, therefore, justifiable to look to the preceding law to determine matters of construction notwithstanding some differences in phraseology.
35. (1899) 175 U. S. 148.
avoid this rigidity of construction by entrusting the award of damages to the discretion of the trial judge subject to the above noted qualifications, and so it was found by the Court.

*Interpretation of the words.* The courts have also achieved the desired result on the basis of interpretation of the phraseology. Once again a solution is proffered by the important Westerman case. The Court there declared that obviously the mere use of the phrase “in lieu of actual damages” negatived the possibility that ascertained damages were contemplated. Something else is clearly intended, i. e., such award as seems fair and just to the court within specified bounds which are absolute.

Numerous cases have deemed a mere citation of the Westerman case sufficient in declaring the statutory minimum mandatory on the court. This is true even where the plaintiff has offered to settle for less.

THE GENERAL “IN LIEU” DAMAGE CLAUSE VS. SPECIFIC ALLOTMENTS

The statute after providing for fair and just damages directs the court that it may award:

* * * in lieu of actual damages and profits such damages as to the court shall appear to be just * * * and such damages shall in no other case exceed the sum of $5,000 nor be less

40. Westerman Co. v. Dispatch Printing Co. (1916) 249 U. S. 100. It is clear that the only reason that a court might feel inclined to disregard the statutory minimum would be the nonexistence of damages of $250.


than the sum of $250 and shall not be regarded as a penalty.* * *

First. In the case of a painting, statue, or sculpture, $10 for every infringing copy made or sold by or found in the possession of the infringer or his agents or employees; 43 Comparable clauses for other types of creations follow.

The possibility for controversy regarding the applicability of the general section to cases also covered by specific reference is patent. The now established rule is that it is mandatory on the court to follow the general clause whether or not the item involved is specifically provided for. 44 A survey of the decisions leading to this result will reveal perhaps the most consequential legal and practical problems relating to the stabilization of the position of several classes of copyright owners, particularly songwriters. Here was determined the cost of invading the citadel of protection set up by the copyright laws.

Once more we must resort to the Westerman case. 45 There the infringement was of a pictorial illustration which would ostensibly, at least, seem to be governed by the second paragraph of Section 25(b). 46 The court held, however, that although the assessment of "in lieu" damages was discretionary, it was obligatory that, if they were given, the general maximum-minimum clause be observed. No direct cognizance was taken of the conflict which exists where a creation is both specifically provided for and covered by the general clause. In giving such obligatory force to the maximum-minimum clause, however, the case passes inferentially on that issue. 47

43. 17 U. S. C. A. sec. 25 (b).
45. (1916) 249 U. S. 100.
46. 17 U. S. C. A. sec. 25 (b): "Second. In the case of any work enumerated in section 5 [which includes pictorial illustrations] of this title, except a painting, statue, or sculpture, $1 for every infringing copy made or sold by or found in the possession of the infringer or his agents or employees."
Direct holdings supporting the previously mentioned rule soon followed. *Waterson, Berlin, & Snyder Co. v. Tollefson* held that in the light of the position taken in the *Westerman* case, the history of comparable legislative enactments, and the purpose and phraseology of the present statute, the minimum damage for the violation of a musical copyright (also evaluated at $10 per infringement by Subdivision Fourth) is $250. It has been established, therefore, that the subdivisions covering specific items are to be inoperative until the general minimum is complied with. There is general agreement that as long as the $250 requisite is met, the schedule set out in the statute may serve as a criterion in the assessment of damages, *i. e.*, the schedule is a standard suggested by Congress which may at the court's option be used as the basis for the exercise of its discretion.

*Buck v. Jewell-LaSalle Realty Co.* has clarified the issue, conclusively settling any dispute that might arise because of uncertainty or ambiguity under the earlier decisions. The question concerned a musical composition, and the issue was the respective applicability of the general clause and the specific provisions. The defendant sought to show by analogy to the penal provisions of earlier statutes that the offenses specifically covered by the act were not meant to be included under the general section. The Supreme Court rejected this contention, on the ground that there is no manifestation of a legislative intent to exclude the infringements enumerated in the minor subdivisions from the operation of the general clause. The reasonableness of such construction becomes apparent when one considers that practically every case that arises is covered by some subdivision, and that, if these are outside the scope of the general section, the whole purpose of the statute would be defeated because of narrowness of application.

49. See cases cited supra, note 41.
51. (1931) 283 U. S. 202; See also Sprague, Copyright-Radio and the Jewell-La Salle Case (1932) 3 Air L. Rev. 417.
52. These subdivisions cover the following: paintings, statues, sculptures, periodicals, lectures, sermons, addresses, dramatic or dramatico-musical compositions, musical compositions, maps, works of art or reproductions thereof, drawings or plastic works of a scientific or technical character, photographs, prints and pictorial illustrations, motion picture photoplays, and other motion pictures. See (1927) 17 U. S. C. A. secs. 5, 25 (b).
Ordinarily, however, the court is not compelled to follow this schedule of specific items;53 indeed too close adherence to its terms might lead to the occasionally asserted objection that the court had blindly followed the stipulated allowance as a substitute for the required exercise of its discretion.54

Irving Berlin v. Daigle,55 because of its pragmatic importance, merits a rather detailed discussion. The infringement, occurring at a rural dance hall, involved a rather facetious tune, "What Do I Care, What Do I Care, My Sweetie Turned Me Down." The lower court upheld defendant’s contention that a jazz syncopated song, such as that involved, was of insufficient dignity and prestige to achieve more than the status of the nondescript class contemplated by Paragraph Fourth, hence the general maximum-minimum clause was inapplicable.56 The appellate court reversed, holding the Westerman case to be controlling. A survey of the contemporary scene suggests that affirmance would have created chaos among popular song writers and would have jeopardized the continued composition of the light musical songs which provide daily diversion for the masses of American people. The widespread use of phonograph records, transcriptions, and the radio has shortened tremendously the life of popular ditties and has thereby made their production less lucrative.57 A composer would hardly be warranted in pursuing his trade if the humbleness of his work would deprive it of all protection other than that which Subdivision Fourth provides.

**DISCRETION OF THE COURT**

By the terms of the statute, the amount of damages under the "in lieu" clause is discretionary with the trial court. The Westerman case58 is authority for the rule that within the maximum-minimum amounts set out, the court's discretion and sense of justice are absolutely controlling and are not to be subjected to review by an appellate court,59 although an exception has been

53. See cases cited supra, note 41; Admur, Copyright Law and Practice (1936) 1133; 13 C. J., Copyrights and Literary Property (1917) 1179, sec. 261.
55. (C. C. A. 5, 1929) 31 F. (2d) 832.
56. (D. C. E. D. La. 1928) 26 F. (2d) 149.
57. See Pforzheimer, Copyright Reform and the Duffy Bill (1938) 47 Yale L. J. 433.
59. See also No-Leak-O Piston Ring Co. v. Norris (C. C. A. 4, 1921) 277 Fed. 951; Cravens v. Retail Credit Men's Ass'n (D. C. M. D. Tenn. 1924) 26 F. (2d) 833; Admur, Copyright Law and Practice (1936) 1137.
drawn where a clear abuse of discretion is presented. Douglas v. Cunningham distinctly pointed out that the whole purpose of the statute, i.e., alleviation of the rigors of a strict construction, requires this broad discretion on the part of the trial judge. As has been pointed out above, there are dicta to the effect that should the court by such inferences as are reasonably deducible from the whole case gather that more than the $5,000 maximum should be granted, then that sum may be exceeded. It is believed that the principles which lead to the conclusion that no less than the minimum amount may be awarded should, by analogy, militate against that contention.

The court's discretion is ample to permit disregarding of the suggested schedule as to specific items set out in the statute. This is, as has already been observed, only a set of standards which the court may utilize or disregard as it chooses.

Campbell v. Wireback, one of the most significant cases in this field, merits a somewhat detailed consideration. Four thousand infringing copies of a book were printed. The suggested award in the statute was $1 a copy, and the trial court allowed $4,000 damages. The appeal was founded on the objection that the court below had not exercised its discretion, but had mechanically followed the statutory schedule. The appellate court propounded two important doctrines: first, that it was mandatory that discretion be exercised; second, that a presumption of such exercise exists and controls the result unless a direct abuse can be shown. This case seems to qualify the hitherto asserted unimpeachability of the trial court's decree.

A fairly extensive list of permissible factors relevant to the determination of the proper damages may be enumerated. The Westerman case declared that the salient factors were the nature of the copyright and the circumstances of the infringement. Other cases have appended such considerations as an estimate of lost profits and the dictates of justice as to the inconvenience caused to the plaintiff by the infringement. Courts have tended
to award greater damages where the infringement was mani-
festly intentional.69

ATTORNEY'S FEES

Section 40 of the copyright statutes provides:

In all actions, suits, or proceedings under this title, except when brought by or against the United States or any officer thereof, full costs shall be allowed, and the court may award to the prevailing party a reasonable attorney's fee as part of the costs.70

Superficially, the matter of attorney's fees might seem rather unimportant. The announced rules relating thereto may be rather briefly summarized. It is obligatory on the courts by the letter of the statute to permit the discretion of the trial judge to pre-
vail;71 but no case denies that the reasonableness of its exercise is open to review on appeal.72 Direct holdings, as well as numerous dica, have established that the court is free to award no attorney's fee if it sees fit.73 Numerous considerations have been held proper as bases for ascertaining attorney's fees. It has been held correct, for instance, for the trial judge to look to his own professional experience and knowledge in deciding what fee should be charged.74 Permissible factors which tend to the diminu-
tion of the attorney's fees are ordinarily: absence of actual damages;75 cessation by the defendant of the infringing conduct as soon as objection thereto was made;76 little work on the part of counsel; unimportance of the case;77 and partial acquiescence of the plaintiff in the infringement.78 Courts have been prone to award higher fees in instances: where the defendant had made

extensive sales of the infringing product;\textsuperscript{79} where the plaintiff's counsel did an exceptional amount of work;\textsuperscript{80} where the fee which defendant's attorney had contemplated exacting of defendant if he were successful was high;\textsuperscript{81} were the case was of extreme importance;\textsuperscript{82} where the defense which plaintiff's attorney encountered throughout the trial was rigorous;\textsuperscript{83} and where the infringement was deliberate.\textsuperscript{84}

It is submitted, however, that the matter of attorney's fees is of more significance than casual observation would reveal. Seemingly, in spite of declarations that such is not the practice, awards of attorney's fees have been made a mode of circumventing the statute. An examination of certain cases would indicate that such a conclusion is not unwarranted.\textsuperscript{85} A defense attorney's attention to this matter may materially affect the cash amount which his client may have to pay.

Occasionally the award of a low fee or of none at all appears as a device for reducing the substantial value of the recovery, to give effect to weaknesses apprehended by the court in the complainant's position. This may be done indirectly as in \textit{Campbell v. Wireback},\textsuperscript{86} where the controversy centered about an alleged abuse of discretion on the part of the lower court. The salient consideration in the appellate court's decision that such abuse did not exist and that the allotted amount was not exorbitant was the fact that no counsel fees had been granted.

Again, the award of fees may be more frankly and directly utilized as a compensating mechanism, as in \textit{Cravens v. Retail Credit Men's Association},\textsuperscript{87} where the court, believing that only nominal damages had been sustained, made the statutory award reluctantly and granted a negligible attorney's fee, admittedly

\begin{itemize}
  \item \textsuperscript{79} Hartfield v. Peterson (C. C. A. 2, 1937) 91 F. (2d) 998.
  \item \textsuperscript{81} Hartfield v. Peterson (C. C. A. 2, 1937) 91 F. (2d) 998.
  \item \textsuperscript{82} Marks v. Leo Fiest, Inc. (C. C. A. 2, 1923) 290 Fed. 959; Witmark v. Calloway (D. C. E. D. Tenn., 1927) 22 F. (2d) 412.
  \item \textsuperscript{84} Warren v. White & Wyckoff Mfg. Co. (D. C. S. D. N. Y. 1930) 39 F. (2d) 923.
  \item \textsuperscript{85} Witmark v. Calloway (D. C. E. D. Tenn. 1927) 22 F. (2d) 412; Lerner, Copyright Law and Its Sanctions (1938) 7 Brooklyn L. Rev. 523; Johnson, Pecuniary Liability of an Infringer of Statutory Copyright to the Copyright Owner (1938) 4 John Marshall L. Q. 40; Caplan, The Measure of Recovery in Actions for the Infringement of Copyright (1939) 37 Mich. L. Rev. 564.
  \item \textsuperscript{86} (C. C. A. 4, 1930) 269 Fed. 372.
  \item \textsuperscript{87} (D. C. M. D. Tenn. 1924) 26 F. (2d) 833.
\end{itemize}
because of the above mentioned situation; or as in *Haas v. Leo Fiest, Inc.*,88 which is authority for the proposition that the court will deny any award of attorney's fees where plaintiff ostensibly acquiesced in the infringement and did not object until defendant had spent considerable money in publicizing his product, the court apparently using attorney's fees as a vehicle for effecting a quasi-estoppel.

Similar instances of using denial of attorney's fees as a means for escaping the consequences of the statutory minimum may be adduced. Thus, in *Fred Fischer, Inc. v. Dillingham*,89 there was only a nominal infringement. The judge condemned the controversy as a "trivial pother" and declared the plaintiff's case completely without merit. Being bound with respect to the $250 minimum, he nevertheless disallowed any counsel fee. Inasmuch as the case went through several stages of trial and considerable legal work had been required, it is clear that the plaintiff actually received only a fraction of the minimum allowance. So, in *Buck v. Bilkie*90 fees were entirely denied because the defendant had obligingly ceased the infringement on the first notice, and the court was unwilling to grant any more than the minimum absolutely required by the statute.

On the other hand, where plaintiff sustained no actual damages but the infringement was deliberate, relatively high attorney's fees have been awarded;91 and, where both wilful and innocent infringers were joined in a single action, fees were granted only against the former class.92 A generous allowance was made, also, where defendant vigorously contested the case when he had knowledge at all times that plaintiff's right to recover was very clear, except possibly for an accidental omission of filing.93

The professions and the practice of the courts seem here to be at variance. The courts tend to disallow attorney's fees as a means of alleviating the harshness and rigor of the absolute minimum award and of estopping or punishing a plaintiff who is so situated that he seems undeserving of even $250. Conversely high attorney's fees have been used almost as a penal measure against deliberate infringers or those who have contested what was admittedly a clear case of infringement. Although in certain

89. (D. C. S. D. N. Y. 1924) 298 Fed. 145.
90. (C. C. A. 9. 1933) 63 F. (2d) 447.
specific instances justice may be furthered by such practices, it is submitted that they transgress directly the spirit of the statute and thereby render it less effective in protecting the interests Congress had in mind when the statute was drafted.

CONCLUSION

Criticism and suggestions have been embodied in the various sections of this analysis. An attempt now will be made only to state in broad terms the rules which the courts have applied in awarding or refusing statutory damages. In proceeding under the "in lieu" clause, the court must adhere to the general maximum-minimum clause; it may, if it chooses, follow the sums stipulated in the subdivisions. Election as between actual and statutory damages depends on the court’s conception of the exigencies of the particular case. The discretion of the trial judge as it is exercised in the proper allocation of statutory damages is normally not subject to review. Attorney’s fees are discretionary with the trial judge but frequently are used as a mode of circumventing the statute or penalizing a particularly flagrant offender.

Proposals for reduction of the $250 minimum have been fairly numerous. It is the contention of the broadcasting interests that the minimum fixed is unjust and unreasonable as applied to radio. Those who advocate this view have submitted persuasive arguments. From such quarters comes the suggestion that a more realistic and workable minimum would be ten dollars. Proposals recently before Congress contemplate, in essence, rais-

95. Caldwell, op cit. supra, note 94; Caldwell, A Suggested Model For a Copyright Act (1932) 2 J. Radio L. 315, 326.
96. The following bills have recently been proposed: (a) The Duffy Bill (1936) Sen. Rep. No. 3047, 74th Cong., 2d Sess. This bill raises the statutory maximum to $20,000 but practically abolishes the minimum, reference to which is hazy. The plaintiff’s case would be more difficult of proof and barren of substantial recovery. (b) The Sirovich proposal (1936) H. R. Rep. No. 11,420, 74th Cong., 2d Sess. This bill would raise the statutory maximum to $20,000 and retain the $250 minimum except as to musical compositions “not a component part of a copyrighted motion picture or dramatico-musical composition.” The latter would be subject to a $125 minimum. (c) The Vestal Bill (1931) H. R. Rep. No. 12, 549, 71st Cong., 2d Sess. In effect this bill would retain substantially the same awards as the present law for wilful infringements. Where the infringement is involuntary, however, only an amount equivalent to a fair license fee, between $50 and $2000, would be allowed.

For an excellent summary of these proposals and others, see Caplan, The Measure of Recovery in Actions for the Infringement of Copyright (1939) 87 Mich. L. Rev. 564; Solberg, The Present Copyright Situation (1932) 40 Yale L. J. 184; Note (1931) 81 Col. L. Rev. 477; Pforzheimer, Copyright Reform and the Duffy Bill (1938) 47 Yale L. J. 433.
ing the maximum award and drastically reducing the minimum. It is clear, however, that copyright owners, as outlined earlier, must look to some statutory minimum damages as their salvation. Proceeding from this major premise, it is defensible, indeed to maintain that $250 is a workable minimum, and a reasonable compromise of the conflicting claims involved, especially inasmuch as it represents the result of pressure applied by opposing groups over a long period. The maintenance of the present minimum is warranted, also, by the intangible nature of copyrights, the type of organization to which the artists have been forced to resort, and the interest of the public in the continued production of musical compositions which might be considerably impaired should the encouragement offered by the present statutory award be removed.

CARROLL J. DONOHUE.