

# [Copyright](https://assignbuster.com/copyright/)

Running Head: A&M RECORDS, INC. V NAPSTER, INC. A&M Records, Inc. v. Napster, Inc. The case of A&M Records, Inc. v Napster (2000) 114 F Supp. 2d 896 involves Intellectual Property issues, particularly that of copyright infringement. Napster, Inc. is an internet-based company that had developed a peer-to-peer sophisticated system of file sharing that enables its users to share MP3 files with each other. This system allows its users to directly access the music files of other users, using the Napster software and by logging to it, without having such files uploaded first and subsequently downloaded from that system. This system allows the potential sharing of copyrighted materials, which can give rise to copyright infringement. Copyright infringement, under the US laws, is the copying or substantial reproduction of materials that are protected by the copyright law (Miller & Jentz 2007 155). A group of music companies led by A&M Records, Inc. brought an action against Napster for copyright violation, with preliminary injunction, in the District Court for the Northern District of California. In 2000, Judge Marilyn Patel accordingly issued a preliminary injunction against Napster enjoining the latter from “ engaging in or facilitating others in copying, downloading, uploading, transmitting or distributing plaintiff’s copyrighted” (A&M Records, Inc. v Napster, Inc. 2000 114 F Supp. 2d 896) materials. The order was appealed by Napster to the Ninth Circuit, which however, sustained the order but remanding it to the lower court for refinement noting that it was too broad. In reaching its decision, the Ninth Circuit had to decide on the merits of the arguments of the defendants, in defense of itself and its users. The arguments of defendant Napster centered on the implied immunity granted under the Audio Home Recording Act of 1992 (AHRA) and the exception provided under the fair use doctrine. The Court rejected the AHRA argument of Napster because the particular provision cited by it refers only to protection of non-commercial users from infringement liability in cases where the object being copied or reproduced are digital or analog musical recordings and MP3 files, according to the Court, is not within its contemplation. Moreover, the “ digital audio recording device” referred to in AHRA refers only to those devices whose primary function is the copying or the making of digital audio for private use, removing from its ambit computers and hard drives that are for general use, such as the ones used by Napster and its users. A very significant part of this ruling is the matter of ‘ fair use,’ a defense usually resorted to by defendants in copyright infringement cases because of its broadly crafted wording. Under this doctrine, the use of copyrighted material may not constitute infringement taking into consideration the following criteria: the character and purpose of the use; the nature of the copyrighted work itself; the amount and substantiality of the infringing material taking into account the whole of the copyrighted material, and; the effect of the infringement on the market (Miller & Jentz 2007 155-156). After considering each of the above factors, the CA decided that the peer-to-peer sharing used by Napster users did not amount to fair use. First, the process of sharing music files cannot be characterized as transformative because the original work is not virtually altered when it is copied and reproduced, unlike in a parody, for example, where the copied material is changed by the act of parodying. Moreover, the use cannot be, according to the Court, considered non-commercial because Napster eventually stands to gain and the infinite reproduction of the materials equate to savings from buying authorized copies. Second, the materials being copied and reproduced by Napster users are creative works, the nature of which by practice receives greater copyright protection, and therefore, weighs against fair use. Third, another factor that militates against fair use is the fact that Napster users copy entire works. Finally, the peer-to-peer file sharing of Napster users substantially affects the potential income of copyright owners in terms of loss of sales in compact disks and electronic delivery of music. References: A&M Records, Inc. v Napster (2000) 114 F Supp. 2d 896. Audio Home Recording Act of 1992. Miller, R. & Jentz. G. (2007) Business Law Today: The Essentials, 8th Edn. Cengage Learning.