Supreme Court Provides Guidance To District Courts When Determining Attorneys' Fees in Copyright Cases

July 13, 2016 Jason Bloom

PRACTICES Intellectual Property, Copyright

Kirtsaeng v. John Wiley & Sons, Inc., 578 U.S. ___, No. 15-375 (2016)

This term, the Supreme Court unanimously held that district courts should give "substantial weight" to the objective reasonableness of the losing party's litigating position when determining whether to award attorneys' fees in copyright cases.[1] The Court cautioned, however, that "substantial" does not mean "dispositive," and that while objective reasonableness is the most important factor in deciding whether to award fees, courts must also consider all other relevant factors in such determinations.[2]

Supap Kirtsaeng previously prevailed at the Supreme Court when the Court held that the first-sale doctrine allowed the resale of foreign-made books.[3] Following that victory, Kirtsaeng sought over $2 million in attorneys' fees from John Wiley & Sons ("**Wiley**") under 17 U.S.C. § 505. The district court denied the request, placing "substantial weight" on the "objective reasonableness" of Wiley's infringement claim.[4] The Second Circuit affirmed, finding the district court's analysis appropriate.[5] Although the Supreme Court agreed with the Second Circuit's decision and rationale, it vacated and remanded the judgment to provide the lower court another look to ensure that the finding of reasonableness was not a de facto "presumption" against granting fees.[6]

Although the Supreme Court vacated the Second Circuit's judgment, the Court unmistakably rejected Kirtsaeng's argument that attorneys' fees should be awarded in cases that resolve "close legal issues" and "meaningfully clarify" copyright law.[7] The Court found Kirtsaeng's proposed approach unlikely to produce sure benefits, unlikely to encourage parties to litigate close cases to judgment, and administratively difficult.[8]

Conversely, the Court explained that giving substantial weight to objective unreasonableness while also considering other factors "advances the Copyright Act's goals . . . by encouraging and rewarding authors' creations while also enabling others to build on that work."[9] The Second Circuit's approach, the Court stated, encourages a party with a strong case to enforce its rights, because its risk of paying its own attorneys' fees is diminished.[10] A party with a weak case is encouraged not to bring suit or to settle quickly to avoid the risk of paying not only its own attorneys, but the opponent's as well. These results, the Court concluded, "promote the Copyright Act's purposes, by enhancing the probability that both creators and users (*i.e.*, potential plaintiffs and defendants) will enjoy the substantive rights the statute provides."[11]

In generally ratifying the Second Circuit's approach to attorneys' fees, the Supreme Court opinion implies that several other circuits may need to reconsider how they award fees in copyright cases. The Fifth and Seventh Circuits have both generally applied a rebuttable presumption that the prevailing party is entitled to fees.[12] These two circuits may have to institute a more thorough case-

© 2026 Haynes Boone

by-case analysis in light of the Court's emphasis on the "objective reasonableness" factor and reiteration that, "[A] district court may not 'award[] attorney's fees as a matter of course'; rather, a court must make a more particularized, case-by-case assessment."[13] The Ninth and Eleventh Circuits, on the other hand, have generally approved an equal application of several factors, as long as that application remains "faithful to the purposes of the Copyright Act."[14] These circuits may now have to shift more weight to "objective unreasonableness" than they have in the past. While the Court did not explicitly overrule any circuit's existing precedent, the opinion makes clear that the unanimous Court decided this case in hopes of reining in these disparate approaches by providing "additional guidance respecting the application of § 505."[15]

---

[1] *Kirtsaeng v. John Wiley & Sons, Inc.*, 578 U.S. ___, No. 15-375, slip op. at 12 (2016) [hereinafter *Kirtsaeng II*].

[2] *Id.* at 11–12.

[3] *Kirtsaeng v. John Wiley & Sons, Inc.*,133 S. Ct. 1351, 1355–56 (2013) [hereinafter *Kirtsaeng I*].

[4] *John Wiley & Sons, Inc. v. Kirtsaeng*, No. 08-cv-07834, 2013 WL 6722887, at *4 (S.D.N.Y. Dec. 20, 2013). Indeed, prior to Kirtsaeng's own Supreme Court win, application of the first-sale doctrine to foreign products was an unsettled issue, with several circuit courts and three Supreme Court justices agreeing with Wiley's position. *Kirtsaeng II* at 3.

[5] *John Wiley & Sons, Inc. v. Kirtsaeng*, 605 Fed. App'x 48, 50 (2d Cir. 2015).

[6] *Kirtsaeng II* at 11–12.

[7] *Kirtsaeng II* at 5.

[8] *Id.* at 7–9.

[9] *Id.* at 6.

[10] *Id.* at 6–7.

[11] *Id.* at 7.

[12] *E.g., Hunn v. Dan Wilson Homes, Inc.*, 789 F.3d 573, 588–89 (5th Cir. 2015) ("[A]n award of attorney's fees to the prevailing party in a copyright action is the rule rather than the exception and should be awarded routinely."); *Eagle Servs. Corp. v. H2O Indus. Servs., Inc.*, 532 F.3d 620, 625 (7th Cir.) ("The presumption in a copyright case is that the prevailing party . . . receives an award of fees.").

[13] *Kirtsaeng II* at 4 (citing *Fogerty v. Fantasy, Inc.*, 510 U.S. 517, 533 (1994)).

[14] *E.g., Marshall & Swift/Boeckh, LLC v. Dewberry & Davis LLC*, 586 F. App'x 448, 449 (9th Cir. 2014); *InDyne, Inc. v. Abacus Tech. Corp.*, 587 F. App'x 552, 554 (11th Cir. 2014) (considering several factors, "if the application of those factors furthers the purposes of the Copyright Act.").

[15] *Kirtsaeng II* at 4–5.

© 2026 Haynes Boone