



- You are now logged in.

Google v Oracle: a closer look at the dissent

16-04-2021

Michael Graif



dennizn / Shutterstock.com

As the fallout over SCOTUS' ruling in *Google v Oracle* continues, Michael Graif of Mintz unpacks the blistering dissent to the landmark decision.

While copyright holders and challengers alike are still digesting the consequences of the US Supreme Court's expansive view of fair use in *Google v Oracle* (2021), it bears noting that the court was not unanimous in its decision.

Justice Clarence Thomas, joined by Justice Samuel Alito, wrote a blistering 18-page dissent, rebuking the majority for basing its decision on what the dissent felt was a non-existent distinction between the "declaring code" and the "implementing code" that was "wholly inconsistent with the substantial protection Congress gave to computer code".

The US Copyright Act expressly recognises the copyrightable nature of computer programmes and defines computer programs as instructions "to be used directly *or indirectly* in a computer in order to bring about a certain result".

According to the dissent, the declaring code of Oracle's application programming interface (API) clearly qualified as a computer program that is used to bring about a result indirectly—as Java programmers use the declaring code to issue commands that were performed by the implementing code, which brings about those results directly.

The declaring code deserved no less protection than the implementing code, according to the dissent.

The core of copyright

Contrary to the majority's opinion, the dissent wrote that the declaring code is actually closer to the "core of copyright" than the implementing code because the declaring code is the user-facing code

that the developers actually use, whereas developers never interact with the implementing code.

While the court found for Google on all four fair use factors, Justice Thomas disagreed, finding that three factors “decisively favour Oracle”.

As for the first fair use factor addressed by the majority—the nature of the copyrighted work—Justice Thomas criticised their reliance on the fact that declaring code is “inherently bound together with uncopyrightable ideas” such as general task division and organisation.

“The declaring code deserved no less protection than the implementing code, according to the dissent.”

“Is anything not?” Justice Thomas rhetorically asked. “Are books far ‘from the core of copyright’ because they are organised in chapters, have a plot, and include dialogue or footnotes?” he queried.

The implementing code, Justice Thomas countered, is similarly bound up with uncopyrightable ideas such as the division of computing tasks. “We have not discounted a work of authorship simply because it is associated with non copyrightable ideas,” he wrote.

The fact that programmers had invested so much time in learning the declaring code (which the majority relied upon to argue that it would stifle development to make programmers re-learn another declaring code structure to develop software for smartphones) should not diminish its value, Justice Thomas wrote.

He questioned whether a Broadway theatre should be permitted to copy a script written by a smaller theatre “simply because it wants to entice actors to switch theatres and because copying the script is more efficient than requiring the actors to learn a new one”.

Other fair use factors

Turning to the “market effects fair use factor”, Justice Thomas cited the court’s decision in *Harper & Row v Nation Enterprises* (1985), for the proposition that the effect of Google’s copying on the potential market for Oracle’s copyrighted work is “undoubtedly the single most important element of fair use”.

By copying the declaring code to develop Android, “Google ruined Oracle’s potential market in at least two ways”, according to the dissent. First, Google eliminated the reason that manufacturers paid to install the Java platform.

Google did so by releasing Android to mobile phone manufacturers free of charge, since Google’s

revenue model was to collect information on mobile phone users and then sell behavioural advertising.

Oracle, on the other hand, made Java SE—including the declaring code—free to programmers, but then charged device manufacturers to install it to run the resulting programs.

When Google began giving away a free platform that included “much of Oracle’s code” that could run Java programs, device manufacturers no longer saw any need to pay for it, the dissent argued.

For example, Amazon had been licensing Java SE for the Kindle, but after Google released Android to device manufacturers free of charge, Amazon was able to negotiate a 97.5% reduction in its licence.

It then used Android at no charge on the Kindle Fire. Similarly, the value of Samsung’s licence with Oracle dropped from \$40 million to \$1 million, the dissent pointed out.

Second, even if Oracle did not enter the market itself, it could have licensed Google to use Oracle’s declaring code. Citing *Campbell v Acuff-Rose Music* (1994), Justice Thomas stated that a market effects analysis looks “not only at the potential market ‘that creators of original works would in general develop’ but also those potential markets the copyright holder might ‘license others to develop’”. As the dissent noted: “a book author need not be able to personally convert a book into a film so long as he can license someone else to do so”.

Justice Thomas reserved his sharpest criticism for the majority’s statement that enforcing Oracle’s copyright would give Oracle the power to “limit the future creativity” of programs on Android, pointing out that this case concerned only versions of Android released in November 2014, and that “only about 7.7% of active Android devices still run the versions at issue”.

Contrary to the majority’s warning that enforcing Oracle’s copyright over the declaring code would give Oracle “lock-in” power over software for mobile phones, Justice Thomas stated that Oracle never had any such power, as Apple and Microsoft both developed mobile phone operating systems without using Oracle’s declaring code, and Oracle made its declaring code free to programmers.

According to the dissent, the majority’s concern about Oracle’s supposed “lock-in” power is also based on the speculative premise that a jury finding copyright infringement would be dissatisfied with awarding Oracle damages and royalties as opposed to an injunction.

Google ‘decimated Oracle’s market’

“By copying Oracle’s work, Google decimated Oracle’s market and created a mobile operating system now in over 2.5 billion actively used devices, earning tens of billions of dollars every year. If these effects on Oracle’s potential market favour Google, something is very wrong with our fair-use analysis,” the dissent wrote.

With respect to the purpose and character of fair use, Justice Thomas questioned how Google’s use of Oracle’s declaring code for the same purpose for which Oracle developed it could constitute a transformative use, as the majority found. If a transformative use for computer code is a use that helps others create new products, as the majority stated, then “that new definition eviscerates copyright”, the dissent held.

According to Justice Thomas, the majority conflated the transformative use of a work—which must be fundamentally different from the author’s use—with derivative use, which is when a work has the same purpose in a new context.

Under section 106(2) of the Copyright Act, the right to prepare derivative works is an exclusive right of the copyright holder. Quoting the court’s decision in *Harper*, Justice Thomas wrote that Google did not create a transformative product but instead “profited from exploitation of the copyrighted material without paying the customary price”.

Turning to the final fair use factor—the amount and substantiality of the use—Justice Thomas took issue with the majority’s argument that the 11,500 lines of declaring code, which is enough to fill 600 pages in an appendix, was just a fraction of the code in the Java platform.

The proper denominator in the fraction, according to Justice Thomas, is the 11,500 lines of declaring code, because the declaring code is what attracted programmers and what made Android a “market substitute” for Java SE.

The dissent concluded that three of the four factors favour Oracle decisively, and that one—the nature of the copyrighted work—may favour Google.

Yet that factor by itself cannot support a finding of fair use because, according to Justice Thomas, that would contradict Congress’s intent that the declaring code be copyrightable. As a result of the majority’s decision, however, “it is difficult to imagine any circumstance in which the declaring code will remain protected by copyright”, according to the dissent.

It remains to be seen how the court’s decision will play out, including whether copying software will be deemed a transformative use when, among other things, it encourages further creativity by others.

Combined with the majority's own caution that its ruling is limited to the facts of the case, it is possible that Justice Thomas's dissent will act as an additional limiting factor on future attempts by litigants to extend the court's fair use finding beyond software APIs whose commands are well known to the programming community.

Michael Graif is a partner at the New York office of law firm Mintz, Levin, Cohn, Ferris, Glovsky and Popeo. He can be contacted at: mrgraif@mintz.com

X

Sign up for the newsletter

Receive daily emails from WIPR

