

CASE NO. 01-122-00-HH

IN THE
UNITED STATES COURT OF APPEALS
FOR THE ELEVENTH CIRCUIT

SUNTRUST BANK as Trustee of
the Stephens Mitchell Trusts f/b/o Eugene
Muse Mitchell and Joseph Reynolds Mitchell,

Plaintiff-Appellee

v.

HOUGHTON MIFFLIN COMPANY,

Defendant-Appellant.

On Appeal from the United States District Court
for the Northern District of Georgia

**RESPONSE OF DEFENDANT HOUGHTON MIFFLIN
IN OPPOSITION TO PLAINTIFF'S PETITION FOR
REHEARING *EN BANC***

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**CERTIFICATE OF INTERESTED PERSONS
AND CORPORATE DISCLOSURE
STATEMENT**

The following is, to the best of Appellant's knowledge, a complete list of the interested persons or entities required to be disclosed pursuant to FRAP 26.1 and 11th Cir. R. 26.1-1:

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CM Finance, L.L.C., affiliate of Appellee

CMC Oreo Inc., affiliate of Appellee

Computer Adaptive Technologies, Inc., affiliate of Appellant

Crestar Capital Trust I, affiliate of Appellee

Crestar Securitization, L.L.C., affiliate of Appellee

Crestar SP Corporation, affiliate of Appellee

Crestview, L.L.C., affiliate of Appellee

DC Properties, Inc., affiliate of Appellee

Florida Aviation, Inc., affiliate of Appellee

Frankfurt, Garbus, Kurnit, Klein & Selz, law firm for Appellee

Martin Garbus, counsel of record for Appellee

Great Source Education Group, Inc., affiliate of Appellant

HMI Holdings, Inc., affiliate of Appellant

Houghton Mifflin Canada Limited, affiliate of Appellant

Houghton Mifflin Company International, Inc., affiliate of Appellant

Houghton Mifflin Company, Appellant

Houghton Mifflin Foreign Sales Corporation, affiliate of Appellant

Houghton Mifflin International, Inc., affiliate of Appellant

Jefferson Funding Corporation I, affiliate of Appellee

Anne M. Johnson, counsel of record for Appellee

Jones, Day, Reavis & Pogue, law firm for Appellee

Kasalta Miramar, Inc., affiliate of Appellee

Kilpatrick Stockton LLP, law firm for Appellant

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Madison Insurance Company, affiliate of Appellee

McDougal Littell, Inc., affiliate of Appellant

MD Properties, Inc., affiliate of Appellee

Eugene Muse Mitchell, beneficiary of Appellee

Joseph Reynolds Mitchell, beneficiary of Appellee

Ralph R. Morrison, counsel of record for Appellee

On-Line Learning, Inc., affiliate of Appellant

Palladian Mortgage, L.L.C., affiliate of Appellee

Hon. Charles A. Pannell, Jr., District Court Judge

Partnership Mortgage, L.L.C., affiliate of Appellee

Premium Assignment Corporation, affiliate of Appellee

Alice Randall, author of *The Wind Done Gone*

Regency Constructors, Inc, affiliate of Appellee.

Regency Development Associates, Inc., affiliate of Appellee

The Riverside Publishing Company, affiliate of Appellant

Edward H. Rosenthal, Esq., counsel for Appellee

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Sentry Realty Corporation, affiliate of Appellant

Service of Volusia County, Inc., affiliate of Appellee

William B. B. Smith, counsel of record for Appellee

Southern Service Corporation, affiliate of Appellee

STB FNC Corporation, affiliate of Appellee

STB Management Corporation, affiliate of Appellee

STB Real Estate (Atlanta), Inc., affiliate of Appellee

STB Real Estate (Augusta), Inc., affiliate of Appellee

STB Real Estate (Central Florida), STB Real Estate (East Central Florida), Inc., affiliate of Appellee

STB Real Estate (Gulf Coast), Inc., affiliate of Appellee

STB Real Estate (Miami), Inc., affiliate of Appellee

STB Real Estate (Middle Georgia), Inc., affiliate of Appellee

STB Real Estate (Mid-Florida), Inc., affiliate of Appellee

STB Real Estate (Nature Coast), Inc., affiliate of Appellee

STB Real Estate (North Central Florida), Inc., affiliate of Appellee

STB Real Estate (North Florida), Inc., affiliate of Appellee

STB Real Estate (Northeast Georgia), Inc., affiliate of Appellee

STB Real Estate (Northwest Florida), Inc., affiliate of Appellee

STB Real Estate (Northwest Georgia), Inc., affiliate of Appellee

STB Real Estate (Savannah), Inc., affiliate of Appellee

STB Real Estate (South Florida), Inc., affiliate of Appellee

STB Real Estate (South Georgia), Inc., affiliate of Appellee

STB Real Estate (Southeast Georgia), Inc., affiliate of Appellee

STB Real Estate (Southwest Florida), Inc., affiliate of Appellee

STB Real Estate (Tampa Bay), Inc., affiliate of Appellee

STB Real Estate (West Georgia), Inc., affiliate of Appellee

STB Real Estate Holdings (Atlanta), Inc., affiliate of Appellee

STB Real Estate Holdings (Augusta), Inc., affiliate of Appellee

STB Real Estate Holdings (Central Florida), Inc., affiliate of Appellee

STB Real Estate Holdings (East Central Florida), Inc., affiliate of
Appellee

STB Real Estate Holdings (Gulf Coast), Inc., affiliate of Appellee

STB Real Estate Holdings (Miami), Inc., affiliate of Appellee

STB Real Estate Holdings (Middle Georgia), Inc., affiliate of Appellee

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Appellee

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Appellee

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Appellee

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Appellee

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STB Real Estate Holdings (South Florida), Inc., affiliate of Appellee

STB Real Estate Holdings (South Georgia), Inc., affiliate of Appellee

STB Real Estate Holdings (Southeast Georgia), Inc., affiliate of

Appellee

STB Real Estate Holdings (Southwest Florida), Inc., affiliate of

Appellee

STB Real Estate Holdings (Tampa Bay), Inc., affiliate of Appellee

STB Real Estate Holdings (West Georgia), Inc., affiliate of Appellee

STB Real Estate Investment Corporation, affiliate of Appellee

STB Real Estate Parent (Atlanta), Inc., affiliate of Appellee

STB Real Estate Parent (Augusta), Inc., affiliate of Appellee

STB Real Estate Parent (Central Florida), Inc., affiliate of Appellee

STB Real Estate Parent (East Central Florida), Inc., affiliate of

Appellee

STB Real Estate Parent (Gulf Coast), Inc., affiliate of Appellee

STB Real Estate Parent (Miami), Inc., affiliate of Appellee

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STB Real Estate Parent (Southeast Georgia), Inc., affiliate of Appellee

STB Real Estate Parent (Southwest Florida), Inc., affiliate of Appellee

STB Real Estate Parent (Tampa Bay), Inc., affiliate of Appellee

STB Real Estate Parent (West Georgia), Inc., affiliate of Appellee

STB Real Estate Parent Mid-Atlantic, affiliate of Appellee

STB Receivables (Central Florida), Inc., affiliate of Appellee

STB STR, affiliate of Appellee

The Stephens Mitchell Trusts f/b/o Eugene Muse Mitchell and Joseph
Reynolds Mitchell, Appellee

STI Credit Corporation, affiliate of Appellee

STI Investment Management (Collateral), Inc., affiliate of Appellee

STI Investment Management, Inc., affiliate of Appellee

Sunburst Technology Corporation, affiliate of Appellant

SunTrust Annuities (Alabama), Inc., affiliate of Appellee

SunTrust Asia, Limited, affiliate of Appellee

SunTrust Bank, Appellee

SunTrust Bank, as Trustee of the Stephens Mitchell Trusts f/b/o
Eugene Muse Mitchell and Joseph Reynolds Mitchell, Appellee

SunTrust Bank Holding Company, affiliate of Appellee

SunTrust BankCard, National Association, affiliate of Appellee

SunTrust Banks Trust Company (Cayman) Ltd., affiliate of Appellee

SunTrust Banks, Inc., parent of Appellee

SunTrust Benefits Management, Inc., affiliate of Appellee

SunTrust Capital I, affiliate of Appellee

SunTrust Capital II, affiliate of Appellee

SunTrust Capital III, affiliate of Appellee

SunTrust Community Development Corporation, MidAtlantic, affiliate
of Appellee

SunTrust Community Development, affiliate of Appellee

SunTrust Delaware Trust Company, affiliate of Appellee

SunTrust Education Financial Services Corporation, affiliate of
Appellee

SunTrust Equitable Securities Corporation, affiliate of Appellee

SunTrust Equitable Securities Corporation of Delaware, Inc., affiliate
of Appellee

SunTrust Insurance Company, affiliate of Appellee

SunTrust Insurance Services (Virginia), Inc., affiliate of Appellee

SunTrust Insurance Services, Inc., affiliate of Appellee

SunTrust International Banking Company, affiliate of Appellee

SunTrust Leasing Corporation, affiliate of Appellee

SunTrust Mortgage, Inc., affiliate of Appellee

SunTrust Personal Loans, Inc., affiliate of Appellee

SunTrust Plaza Associates, L.L.C., affiliate of Appellee

SunTrust Procurement Services, L.L.C., affiliate of Appellee

SunTrust Properties, Inc., affiliate of Appellee

SunTrust Real Estate Corporation, affiliate of Appellee

SunTrust Real Estate Investment Corporation, affiliate of Appellee

SunTrust Securities, Inc., affiliate of Appellee

SunTrust Student Loan, L.L.C., affiliate of Appellee

SunTrust Vehicle Leasing, Inc., affiliate of Appellee

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TCB Holdings, Inc., affiliate of Appellee

Ticknor & Fields, Inc., affiliate of Appellant

Trusco Capital Management, Inc., affiliate of Appellee

Trust Company of Tennessee (inactive), affiliate of Appellee

Universal Capital Mortgage, L.L.C., affiliate of Appellee

VA Properties, Inc., affiliate of Appellee

ValuTree Lender Management, L.L.C., affiliate of Appellee

ValuTree Real Estate Services, L.L.C., affiliate of Appellee

Winward Mortgage, L.L.C. (Tampa), affiliate of Appellee

Winward Mortgage of Georgia, L.L.C., affiliate of Appellee

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I. Introduction and Summary

The district court's pre-publication injunction against *The Wind Done Gone* (WDG) literally stopped the presses on a politically charged and transformative criticism of *Gone With the Wind* (GWTW). The injunction was unsupported by the record and in disregard of the Supreme Court's admonition that injunctions are often improper where there are "reasonable contentions" of fair use. Campbell v. Acuff-Rose Music, Inc., 510 U.S. 569, 578 n.10, 114 S. Ct. 1164, 1171 (1994).

The prepublication injunction also was a prior restraint, irreparably harmful to both defendant and the public,¹ and a violation of the First Amendment. The Panel properly – and unanimously -- vacated it. Order of May 25, 2001.

The Panel's decision has allowed defendant to begin shipments of WDG to bookstores this week, in accordance with the schedule mentioned by plaintiff in its letter accompanying its emergency petition for en banc rehearing.² The Panel's ruling vacating the injunction and permitting distribution of this

¹ "It is well settled that the loss of First Amendment freedoms for even minimal periods of time constitutes irreparable injury." Deerfield Medical Center v. City of Deerfield Beach, 661 F.2d 328, 338 (5th Cir. Unit B 1981), citing Elrod v. Burns, 427 U.S. 347, 373, 96 S. Ct. 2673, 2689 (1976).

² The book as shipped prominently displays the words "The Unauthorized Parody" on its cover.

important work does not violate the Supreme Court's opinion in Campbell, but rather embraces it.³

II. The District Court's Opinion Contains Numerous Clear Errors

The district court's order, entered on a paper record, is based on numerous clearly erroneous findings of fact. To illustrate:

1. The district court's finding that WDG "lifts quotes directly" from GWTW (R. Doc 35-Pg 15) and "adopts, almost verbatim in many instances" (R. Doc 35-Pgs 12-13), scenes from GWTW's more than a thousand pages, is unsupported by a single example in the opinion. Plaintiff itself could only muster three purported examples to attempt to salvage this finding. Appellee's Br. at 12-13. Each example, however, is transformatively used. See Appellant's Reply at 5-6. For example, GWTW's final line, "Tomorrow is another day," is an expression of hope. In WDG, however, the alleged "verbatim" copy is transformed into a poignant remembrance of dead slaves: "For all those we love for whom tomorrow will not be another day, we send the sweet prayer of resting in peace." WDG at 208.

2. The district court found that WDG "copied" fifteen characters (out of more than 150 in GWTW). R. Doc 35-Pg 10. Yet defendant demonstrated that each character was parodically transformed in a way that

³ Nor, as discussed below, did the Panel violate the Supreme Court's decision in Harper & Row, Pubs., Inc. v. Nation Enters., 471 U.S. 539, 105 S. Ct. 2218 (1985), a case where prior restraint was **not at issue**.

punctured a particular ideal or stereotype in GWTW.⁴ Appellant's Br. at 6-11; Appellant's Reply at 5 n.2.

The district court **failed to address at all**⁵ substantially un rebutted and controlling declaration testimony that:

1. Every use was for a parodic purpose, and there were no gratuitous takings. R. Doc 11-Ex 1-Pg 9-¶ 17 (Sitter Decl.); R. Doc 20-Ex 4-Pg 8-¶ 12 (McCaskill Decl.); R. Doc 20-Ex 6-Pgs 3-4-¶ 7c,e (Mueller Decl.); R. Doc 20-Ex 5-Pgs 4-6-¶ 5 (Randall Decl.); R. Doc 20-Ex 3-Pgs 1-3,10-¶¶ 2,7,16 (Sitter Supp. Decl.).

2. WDG is not a sequel to GWTW and no competent testimony offered by plaintiff even calls it a sequel;⁶ it will not supplant the market for GWTW or for any imaginable derivative;⁷ and the only possible harm to

⁴ Indeed, as previously noted (R. Doc 11-Pgs 8-15), so thorough is the transformation that, unless Ashley Wilkes was gay, Melanie Wilkes a serial killer and Scarlett O'Hara black, the WDG characters are not "substantially similar" to their GWTW analogues, and therefore do not violate any copyright in those GWTW characters.

⁵ The district court signed the 51 page order granting the injunction on April 19, 2001, three days after receiving an extensive final round of evidentiary submissions (pursuant to a stipulated and court-approved schedule (R. Doc 19)) and one day after hearing argument on April 18. In contrast to this compressed schedule, this Court received the record with defendant's Emergency Motion for Expedited Review on April 24, and the Panel (Birch, P.J., Wood, and Marcus, J.J.) heard oral argument a full month later, on May 25, receiving in the meantime extensive briefs from the parties and amici curiae.

⁶ See Appellant's Br. at 34.

⁷ "[WDG] will [not] in any sense supplant the market for" GWTW; "it will not appeal to any desire among readers for a sequel. . ."; "[r]eaders will easily

GWTW will arise from criticism, a harm not recognized by either copyright or First Amendment law. Campbell, 510 U.S. at 591, 114 S. Ct. at 1178.

Even the district court concluded that WDG contained transformative and critical comment. R. Doc 35-Pg 31. The court failed to appreciate, however, that WDG is suffused with political criticism of GWTW's racial attitudes. The court never acknowledged unrebutted testimony that, in the words of Harvard University Professor Henry Louis Gates, Jr., "[GWTW], especially in book form -- is widely regarded in the black community as one of the most racist depictions of slavery and black slaves in American literature," (R. Doc 20-Ex 2-Pg 2-¶ 5 (emphasis in original)), referring to African-Americans as "monkeys," "savages," "hounds," and worse.⁸ In an attempt, again in the words of Professor Gates, to "fight back," (R. Doc 20-Ex 1-Pgs 1-2-¶ 4), WDG employs parody, a style that is "at the heart of" the African-American tradition. R. Doc 20-Ex 2-Pg 1-¶ 2. See also Appellant's Br. at 8-9.

perceive that [WDG] is a parody of [GWTW], not a sequel." R. Doc 25-Ex 2-Pgs 5-6 ¶ 10 (Price Decl.); R. Doc 25-Ex 3-Pg 2-¶ 4 (Chelius Decl.).

⁸ See also Ex. B to Gates Decl. and Ex. A to Randall Decl. (R. Doc 20-Ex 5-¶ 2-Ex A) for partial lists of GWTW's relentless stream of offensive descriptions of African-Americans. Indeed, the political subtext of GWTW's racial characterizations is revealed by the intensifying progression of its hostility towards blacks as they gain more political freedom. See Appellant's Br. at 5-8. WDG attacks the racism and racist stereotypes in GWTW root and branch, making a political protest in literary form. Appellant's Br. at 5-6, 8-11. WDG's motivation is the politically charged question of how GWTW, "*as a work of fiction*, could have been so uncritically accepted, to the point that it has become a cultural icon." R. Doc 20-Ex 5-Pg 3-¶ 4 (Randall Decl.).

That WDG was intended as a parody from its inception is un rebutted (R. Doc 20-Ex 6-Pg 9-¶ 13) and unimpeached.⁹

III. The Panel Properly Vacated the Erroneous Injunction

A. The Panel Obviously Appreciated the Serious First Amendment Values at Stake in This Case

Based upon a “thorough review of the entire record,”¹⁰ the Panel – consisting of three circuit judges with extensive experience in First Amendment and copyright issues who had more time than the district court to review the record – unequivocally concluded that “the district court abused its discretion in granting a preliminary injunction, and that its ruling amounted to an unlawful prior restraint in violation of the First Amendment.” Order of May 25 at 2-3. The Panel’s Order, including the Court’s willingness to consider this appeal on an emergency basis, makes it clear that the Panel appreciated the serious First Amendment concerns which distinguish this case from one of “simple piracy,” for which an injunction might be a proper reflexive response.

⁹ As the record reflects, it was at plaintiff’s request that the parties agreed to forego live testimony, (R. Doc 19), a result which in no way lessened plaintiff’s burden of proof in justifying a preliminary injunction. See Canal Auth. of St. of Fla. v. Callaway, 489 F.2d 567 (5th Cir. 1974).

¹⁰ Under the Supreme Court’s mandate, affirmed as recently as May 14 of this year, in Cooper Indus., Inc. v. Leatherman Tool Group, Inc., 121 S. Ct. 1678 (2001) (constitutional considerations mandate *de novo* review of punitive damages award), the panel was obliged to give independent review to the constitutional facts. Appellant’s Br. at 17; Appellant’s Reply at 1-2, citing Bose Corp. v. Consumers’ Union of U.S., Inc., 466 U.S. 485, 499, 104 S. Ct. 1949 (1984); Luke Records v. Navarro, 960 F.2d 134 (11th Cir. 1992).

As such, the Panel appreciated that WDG is the kind of creative work that the copyright laws are designed to promote and that the First Amendment is designed to protect. Because a “prior restraint” inflicts irreparable harm with each passing day it remains in effect, Elrod v. Burns, *supra*, p.1; Deerfield Med. Ctr., *supra*, p. 1, the Panel acted immediately to mitigate the damage that had already been suffered.

B. The Panel Heeded the Supreme Court’s Warning that Injunctions are Anything But Routine in Cases Involving Reasonable Issues of Fair Use.

The Panel’s Order is consistent with the Supreme Court’s instruction that courts should exercise caution in enjoining publication where the allegedly infringing work raises a “reasonable contention” of fair use. The Supreme Court stressed in Campbell that courts should

bear in mind that the goals of the copyright law, to stimulate the creation and publication of edifying matter, are not always best served by automatically granting injunctive relief [even] when parodists are found to have gone beyond the bounds of fair use.

510 U.S. at 578 n.10, 114 S. Ct. at 1171. “While in the vast majority of cases, an injunctive remedy is justified because most infringements are simple piracy, such cases are **worlds apart** from many of those raising reasonable contentions of fair use where there may be a strong public interest in the publication of the secondary work . . .” Campbell, quoting Pierre N. Leval,¹¹ Toward a Fair Use

¹¹ Circuit Judge, Court of Appeals for the Second Circuit.

Standard, 103 Harv. L. Rev. 1105 (1990 (internal quotes omitted) (emphasis added)).

Ample authority supports – indeed it compels -- the Panel’s application of prior restraint principles in a case like this where the secondary work is not “simple piracy,” but instead embodies significant creative expression.¹² As one court noted, “if a threat to national security was insufficient to warrant a prior restraint in New York Times Co. v. United States, 403 U.S. 713, 91 S. Ct. 2140 (1971), the threat to [plaintiff’s] copyrights . . . is woefully inadequate.”

Religious Tech. Center v. Lerma, 897 F. Supp. 260, 262-63 (E.D. Va. 1995).

See also Globe Int’l, Inc. v. Nat’l Enquirer, Inc., No. 98-10613 CAS, 1999 WL 727232 at *5 (C.D. Cal. 1999) (“the prior restraint analysis has been applied to requests for copyright injunctions, even though Congress has included injunctive relief as a remedy for infringement”). Other circuit courts have expressly recognized the principle that prior restraint concerns can arise when

¹² Numerous courts have refused to enjoin the publication of books because of the public interest in access to the works. See, e.g., Trust Co. Bank v. Putnam Publ. Co., 5 U.S.P.Q.2d 1874, 1879 (C.D. Cal. 1988) (refusing to enjoin publication of a novel that allegedly infringed plaintiff’s copyright in GWTW because of the public interest in access to the work); Belushi v. Woodward, 598 F. Supp. 36 (D.D.C. 1984) (refusing to enjoin further publication of a book containing an infringing photograph, despite the fact that plaintiff had a substantial likelihood of success on her copyright claim, because the allegedly infringing work was not “an average commercial product”). See also CBS, Inc. v. Davis, 510 U.S. 1315, 1318 (Blackmun, Circuit Justice, 1994) (staying, on prior restraint grounds, a lower court’s injunction against broadcast of a videotape even though it had allegedly been obtained through “calculated misdeeds” and could result in significant economic harm to plaintiff).

the allegedly infringing work is “not an ordinary subject of commerce,” but a literary work with significant original creative expression. Rosemont Enters., Inc. v. Random House, Inc., 366 F.2d 303, 311 (2d Cir. 1966). Judge Leval, in a law review article that the Supreme Court quoted for the same point in Campbell, wrote that “the customary bias in favor of the injunctive remedy in conventional cases of copyright infringement has no proper application to the type of case here discussed.” Leval, supra, at 1133. This Court is among those having recognized that injunctive relief does not flow “automatically,” even from a clear finding of infringement. Greenberg v. Nat’l Geographic Soc’y, 244 F.3d 1267, 1276 (11th Cir. 2001) (“In assessing the appropriateness of injunctive relief, we urge the court [on remand] to consider alternatives . . . in lieu of foreclosing the public’s . . . access to this educational and entertaining work.”)

For a prior restraint to be justified, there must, at the very least, be a detailed inquiry and convincing evidence showing harm that “is great and certain,” which cannot be prevented “by less intrusive measures.” Procter & Gamble Co. v. Bankers Trust Co., 78 F.3d 219 (6th Cir. 1996), citing CBS v. Davis, 510 U.S. 1315 (Blackmun, Circuit Justice 1994). Here, the district court failed to evaluate First Amendment concerns at all, (R. Doc 35-Pgs 17-46), dismissing them with a single, cursory paragraph at the end of its opinion. R. Doc 35-Pgs 48-49. Furthermore, while acknowledging that there are parodic

elements in WDG, the district court failed to heed the Supreme Court's reminder that transformative uses "lie at the heart" of the values inherent in the Constitution. See Campbell, 510 U.S. at 579, 114 S. Ct. at 1171 (citation omitted). Moreover, the district court failed to recognize that **the "status quo" is to permit publication, not to enjoin it.** Nebraska Press v. Ass'n v. Stuart, 427 U.S. 539, 559, 96 S. Ct. 2791, 2802-03 (1976). Finally, to the extent the district court failed to appreciate and give weight to unrefuted expert testimony regarding the political and parodic content that permeate WDG, such a failure brings to mind the warning of Justice Holmes regarding an analogous matter:

It would be a dangerous undertaking for persons trained only in the law to constitute themselves final judges of the worth of a work, outside of the narrowest and most obvious limits. At the one extreme some works of genius would be sure to miss appreciation. Their very novelty would make them repulsive until the public had learned the new language in which their author spoke.

See Campbell, 510 U.S. at 582-83, 114 S. Ct. at 1173, quoting Justice Holmes' opinion for the Court in Bleistein v. Donaldson Lithographing Co., 188 U.S. 239, 251, 23 S. Ct. 298, 300 (1903).

IV. *En Banc* Review Is Not Warranted

A. There is No Precedent for Plaintiff's Attempt to Exempt Works of Fiction from the First Amendment.

Plaintiff's argument that "[t]he prior restraint doctrine has no place in the world of fiction," (Pet. at 8):

(i) clashes irreconcilably with the reasoning of Campbell, which makes clear that courts must protect the free flow of ideas by being cautious in enjoining expressive works raising “reasonable contentions of fair use.” 510 U.S. at 578 n.10, 114 S. Ct. at 1170;

(ii) is at odds with Winters v. New York, 333 U.S. 507, 510, 68 S. Ct. 665, 667 (1948) (“the line between the informing and the entertaining is too elusive for the protection of that basic right.”) Indeed, the First Amendment would be a poor sanctuary if it only protected academic journals and newspaper articles, and did not extend to expressive works such as novels and songs; and

(iii) ignores authorities recognizing both prior restraint and general First Amendment principles in copyright cases involving literary works, Rosemont, supra, p. 8, Lerma, supra, p. 7, as well as the fact that the Copyright Act does not mandate injunctive relief, instead providing that courts “may” grant injunctions “to prevent or restrain infringement of copyright.” 17 U.S.C. § 502(a).

Moreover, the injunction against WDG **did** prohibit the publication of information and facts. WDG provides new information, insights and understandings about GWTW’s picture of happy, docile slaves. See Appellant’s Br. at 13-15, 24-26.¹³ WDG also informs many Americans of how

¹³ WDG has received lavish praise from a wide array of authors and scholars, including Nobel Prize winner Toni Morrison, bestselling author Pat Conroy,

GWTW is “read” by many of their fellow citizens. See R. Doc 20-Ex 2-Pg 2-¶

5. The fact that WDG conveys information through fiction is not a basis for drawing a First Amendment distinction. Winters, supra, p. 10.

B. The Panel’s Ruling Plainly Does Not Violate Either *Harper & Row* Or Any Decision By This Court.

Plaintiff appears to have abandoned its inaccurate claim -- asserted repeatedly to the district court -- that Harper & Row upheld an injunction of “newsworthy” speech “concerning misconduct by two Presidents.” R. Doc 26-Pgs 4 n.4, 40-41; see also R. Doc 18-Pg 13. In fact, based on the Harper & Row opinion, as well as those of the lower courts in that case,¹⁴ the plaintiff **never requested an injunction.**

Nevertheless, plaintiff still maintains -- mistakenly -- that the Panel’s ruling somehow contradicts Harper & Row, a case involving a magazine’s “scoop” of a soon-to-be published memoir. In fact, the case was concerned with neither prior restraint nor a preliminary injunction: the allegedly infringing magazine article **had already been published** before plaintiff filed

Professor Henry Louis Gates, Jr., Chairman of the Department of Afro-American Studies at Harvard University, and many others. R. Doc. 25-Ex 1 (Morrison); R. Doc 20-Ex 7(Conroy); R. Doc 20-Ex 2-Pg 2-¶ 7 (Gates); R. Doc 20-Ex 6-Pg 5-¶ 10 (Mueller).

¹⁴ 501 F. Supp. 848 (S.D.N.Y. 1980); 723 F.2d 195 (2d Cir. 1983).

suit, and **would soon be published again** with plaintiff's permission. Harper & Row Publs., Inc. v. Nation Enters., 471 U.S. at 542, 105 S. Ct. at 2221,¹⁵

In arguing the undeniable proposition that the idea/expression dichotomy can serve First Amendment values, plaintiff ignores the fact that Harper & Row was merely rejecting a broad First Amendment "public figure" exemption from copyright laws, something for which defendant here has never argued. It is equally undeniable, however, that many First Amendment concerns are not addressed by the idea/expression dichotomy and that the fair use doctrine itself is independently infused with First Amendment values.¹⁶ In sum, then, Harper & Row does not conflict at all with the Panel's determination that the district court's order was an unconstitutional prior restraint. Plaintiff's assertion that

¹⁵ The Supreme Court's decision turned to a large degree on the traditional right of authors to make the first publication of their work, id. at 552-55, 563-64, 105 S. Ct. at 2226-27, 2232, a concern not present here. Harper & Row also differs markedly from this case because there was evidence of "not merely a potential **but an actual effect on the market.**" Id. at 567, 105 S. Ct. at 2234 (emphasis added). By contrast, the unrebutted evidence in this case demonstrates that WDG will have **no effect** on the market for GWTW or its derivatives.

¹⁶ Plaintiff likewise misinterprets the Supreme Court's recent First Amendment case of Bartnicki v. Vopper, ___ U.S. ___, Nos. 99-1687, 99-1728, 2001 WL 530714 (May 21, 2001). Contrary to plaintiff's assertion, the Court did not cite Harper & Row for the proposition that "claims of social commentary under the First Amendment cannot overcome congressionally created rights," but rather for the principle that "[p]rivacy of communication is an important interest." Id. at *9. Holding that "privacy concerns give way when balanced against the interest in publishing matters of public importance," id. at *10, the Court reaffirmed "our 'profound national commitment to the principle that debate on public issues should be uninhibited, robust and wide-open.'" Id. at *11 (quoting New York Times Co. v. Sullivan, 376 U.S. 254, 270, 84 S. Ct. 710 (1964)).

the Panel's ruling squarely conflicts with previous decisions of this Court is similarly unavailing.¹⁷

C. The Panel's Ruling – Far From Contradicting *Campbell* – Was Substantially Mandated By That Decision.

Plaintiff's claim that the Panel "cavalierly" or "shockingly" ignored Campbell is surprising and unsupported, especially since the Panel members specifically asked plaintiff's counsel during oral argument about the application of Campbell. In fact, as the Panel surely recognized, its decision was to a large degree **mandated** by Campbell because:

1. WDG is a classic parody, pervasively critiquing and commenting upon GWTW from a distinctly political angle;

¹⁷ Two of the cases upon which plaintiff relies involved **simple piracy**. Cable/Home Communication Corp. v. Network Prod'ns., Inc., 902 F.2d 829 (11th Cir. 1990) validated an injunction against the further distribution of computer chips that allowed users to receive **pirated** telecasts. Significantly, the Court held in Cable/Home that the design of the computer chips constituted commercial speech, entitled to less protection under the First Amendment. Pacific and Southern Co., Inc. v. Duncan, 744 F.2d 1490 (11th Cir. 1984) enjoined defendant's sale of taped copies of copyrighted news broadcasts, which was "unabashedly commercial" and "neither productive nor creative in any way," and which directly competed with plaintiff's potential sales of its own tapes. Concerns about public access to the tapes were minimized by the fact that the defendant did not provide access to any works that plaintiff could not provide. In re Capital Cities/ABC, 918 F.2d 140 (11th Cir. 1990), simply rejected ABC's argument that a discovery order requiring it to produce shooting scripts so that the court could fashion "surgical" injunctions excising infringing portions was a "sweeping prior restraint." These authorities provide no support for plaintiff's position in this case.

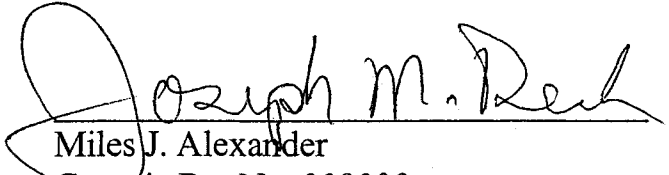
2. The record is totally bereft of evidence of “copyright” damage to plaintiff, turning the fourth fair use factor decidedly towards fair use. See Appellant’s Br. at 33-35, citing unrebutted evidence. Moreover, WDG highlights features (e.g., miscegenation, homosexuality) that plaintiff refuses to permit in licensed derivatives. Id. at 34-35, n.30 (R. Doc 20-Ex 7-Pgs. 1-2);

3. Even if factor three were elevated to loftier significance than Campbell dictates, plaintiff’s argument would nevertheless be doomed by the evidence, which establishes that WDG employs each and every reference to GWTW for a parodic and transformative purpose. Appellant’s Br. at 30-33.

V. Conclusion

Granting an *en banc* rehearing in this case would mark a significant departure from established rules (see, e.g., 11th Cir. R. 35-3 “Extraordinary Nature of Petitions for En Banc Consideration,” noting the “rigid standards” for ordering *en banc* determination). For the reasons stated herein, the petition for rehearing *en banc* should be denied.

Respectfully submitted this 8th day of June, 2001.

A handwritten signature in black ink that reads "Joseph M. Beck". The signature is written in a cursive style with a large, looping initial "J".

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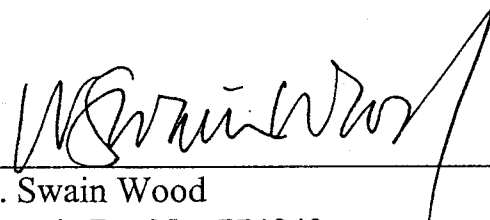
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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing **Response of Defendant Houghton Mifflin Company in Opposition to Plaintiff's Petition for Rehearing *En Banc*** has been hand-delivered to counsel of record as follows:

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