

FAIR USE

BACKGROUND CASES:

Sony v. Universal City Studios (1984) - known as the Betamax case. The Supreme Court of the United States found that the making of individual copies of complete television shows for home use is considered fair use, and that the manufacture of devices, such as Betamax or VCRs, to facilitate that is legal.

Metro-Goldwyn-Mayer v. Grokster (2004) - The August 2004 case in the Ninth Court of Appeals many of the same points of law that were litigated in the "Betamax case" were used in this case. The court ruled in Grokster's favor due to its "substantial noninfringing uses".

However, new interpretations are constantly being handed down.

Notes: Metro-Goldwyn-Mayer is MGM Studios and Grokster is a peer-to-peer file sharing program which runs on Windows. It uses an interface similar to Kazaa, and combines searches over several P2P networks.

In April 2003, Grokster obtained a ruling by a Los Angeles federal court judge, Stephen Wilson, in its favor against the RIAA and the motion picture industry which stated that its file swapping software was not illegal. On August 20, 2003, the decision was appealed by Grokster's opponents. On August 17, 2004, the Ninth Circuit Court of Appeals issued a partial ruling supporting Grokster.

In December, the United States Supreme Court agreed to hear the case. On March 29, 2005 the Supreme Court will hear oral arguments from both sides. A final ruling is expected by the end of July 2005.