

Copyright case: Capitol Records, LLC v. ReDigi Inc., USA

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The resale of copyrighted digital sound recordings through a web-based "virtual" marketplace for "pre-owned" digital music operated by ReDigi Inc. was not protected from copyright infringement claims by the first sale doctrine codified in Section 109 of the Copyright Act, the U.S. Court of Appeals in New York City has held. The Second Circuit affirmed a district court's ruling on summary judgment that ReDigi infringed copyrights owned by Capitol Records, LLC, Capitol Christian Music Group, Inc., and Virgin Records IR Holdings, Inc., specifically their exclusive rights under Section 106(1) to reproduce their copyrighted works. ReDigi's service created copies—"phonorecords"—that infringed the copyright owners' exclusive reproduction rights. The service was not protected by a fair use defense because ReDigi did not transform the digital music files in any way, it copied the entire works, and it competed directly with the rights owners in the market for sale of the works (Capitol Records, LLC v. ReDigi Inc., December 12, 2018, Leval, P.).

Case date: 12 December 2018
Case number: No. 16-2321
Court: United States Court of Appeals, Second Circuit

A full summary of this case has been published on [Kluwer IP Law](#).