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WHEN WORKS COLLIDE: DERIVATIVE MOTION PICTURES, UNDERLYING RIGHTS, AND THE PUBLIC INTEREST

Peter Jaszi*

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Throughout this Article, unless otherwise indicated, citation to the Copyright Act of 1909 (1909 Act or old Act), ch. 320, 35 Stat. 1075, will be to the amended version set out in full and enacted into positive law by the Act of July 30, 1947, ch. 391, 61 Stat. 652. The 1909 Act was superseded by the Copyright Act of 1976 (1976 Act or new Act), 17 U.S.C. §§ 101-810 (Supp. III 1979), effective in its entirety on January 1, 1978.

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I. INTRODUCTION

A. "Derivative" Motion Pictures and "Underlying" Works:
Sources of Conflict

Dramatic motion pictures¹ are prime examples of what copyright law terms "derivative works"² because they are almost in-
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1. The phrase "motion pictures" is used herein consistently with the definition provided in the Copyright Act of 1976: "[A]udiovisual works consisting of a series of related images which, when shown in succession, impart an impression of motion, together with accompanying sounds, if any." 17 U.S.C. § 101 (Supp. III 1979). This definition takes in works recorded on film, videotape, and otherwise, as it does works intended for theatrical exhibition, television broadcast, and other forms of commercial exploitation. These works form part of the larger category of "audiovisual works." *Id.*

For surveys of contemporary audiovisual technology, emphasizing the multiple forms in which the moving image can at present be recorded and played back, and the legal implications of this multiplicity of forms, see Kopper, *Movie Theater of the Future: The Home?*, AM. FILM, Dec.-Jan. 1978, at 16; Lewin, *Video Craze Signals New Legal Static*, Nat'l L.J., March 24, 1980, at 1, col. 4.

This Article is directly concerned only with "dramatic" motion pictures, as distinguished from documentaries. See generally P. ROTH, DOCUMENTARY FILM (4th ed. 1964). Unlike a dramatic motion picture, a documentary may not be based upon any prior work, such as a script, but may be shaped instead in response to the material which is actually available to be recorded by the camera. See F. BALSHOFER & A. MILLER, ONE REEL A WEEK 68-73 (1967) (newsreels). See generally S. MAMBER, CINEMA VERITÉ IN AMERICA (1974) ("direct cinema"). For the many documentaries which are based on detailed scripts, however, the analysis provided in this Article does have applicability.

The 1912 Townsend Amendment, Act of August 24, 1912, ch. 356, 37 Stat. 488, to the Copyright Act of 1909 was the first American legislation explicitly recognizing motion pictures as an appropriate subject matter of copyright. See generally Aronson, *The Development of Motion Picture Copyright*, in 3 ASCAP COPYRIGHT L. SYMP. 339 (1940). The 1909 Act, as amended, defined two groups of motion pictures for purposes of copyright registration: "Motion-picture photoplays" and "Motion-pictures other than photoplays." 1909 Act, ch. 391, § 5, 61 Stat. 652 (1947). Dramatic motion pictures fell into the former grouping, and documentaries into the latter. The 1976 Act makes no distinction.

2. The Copyright Act of 1976 defines a "derivative work" as one which is "based upon one or more preexisting works, such as a translation, musical arrangement, dramatization, fictionalization, motion picture version, sound recording, art reproduction, abridgment, condensation, or any other form in which a work may be recast, transformed, or adapted." 17 U.S.C. § 101 (Supp. III 1979). Notably, this definition makes no attempt to specify how close the relationship between two works must be before one may be said to be "based upon" the other. Elsewhere the Act provides that to prepare a derivative work without the consent of the owner of copyright in a work upon which it is based (sometimes termed an "underlying work") is to infringe that copyright. See *id.* § 106(2). Thus, the required relationship must be more than one of general, nonspecific inspiration. See notes 41-43 & accompanying text *infra*.

The origins of the term "derivative work" are somewhat obscure. It did not appear in the Copyright Act of 1909, which stated that "versions of works in the public domain or of copyrighted works when produced with the consent of the proprietor of the copyright in such works, or works republished with new matter, shall be regarded as new works subject to copyright under the provisions of this title." 1909 Act, ch. 391, § 7, 61 Stat. 652 (1947). The 1909 Act further provided a list of examples includ-

riably based upon one or more prior works. Derivative works are so-called because they borrow from original works—whether or not those works are in the same media. The universe of derivative works is broad. It encompasses everything from stuffed toys representing cartoon characters³ to translations of serious-minded literature.⁴

A particular motion picture may be classified as a derivative work for one or more reasons. Preparation of a motion picture will ordinarily require a detailed written plan, such as a "shooting script," which breaks down a motion picture project camera-shot by camera-shot.⁵ The shooting script in turn is based upon a less detailed script, often called a "screenplay."⁶ In addition, the production process often will have begun with the preparation of a

ing what the new Act defines as "derivative works," as well as what it calls "compilations." See *id.*; 1976 Act, 17 U.S.C. § 101 (Supp. III 1979). The term was apparently current by 1957. See Kaminstein, *Divisibility of Copyrights*, in SUBCOMM. ON PATENTS, TRADEMARKS, AND COPYRIGHTS, SENATE COMM. ON THE JUDICIARY, 86TH CONG., 2D SESS., COPYRIGHT LAW REVISION (STUDY No. 11) 1, 17 (Comm. Print 1960), reprinted in 1 STUDIES ON COPYRIGHT 623, 639 (Copyright Soc'y of the U.S.A. 1963) [hereinafter cited as STUDIES ON COPYRIGHT]. It was adopted by Professor Melville Nimmer in the original edition of his treatise. See M. NIMMER, NIMMER ON COPYRIGHT §§ 39-45 (1963). The first reported decision to use the term was *Nom Music, Inc. v. Kaslin*, 343 F.2d 198 (2d Cir. 1965), which refers to "the statutory equation of a derivative work with a 'new work'" under the Copyright Act of 1909. *Id.* at 200. It is used consistently in this Article, regardless of which copyright statute is under discussion.

3. See, e.g., *Fleischer Studios, Inc. v. Ralph A. Freundlich, Inc.*, 73 F.2d 276 (2d Cir. 1934) ("Betty Boop" dolls).

4. See, e.g., *Grove Press, Inc. v. Greenleaf Pub. Co.*, 247 F. Supp. 518 (E.D.N.Y. 1965) (Genet's *The Thief's Journal*). For a discussion and critique of this decision, see notes 112-15, 313-16 & accompanying text *infra*.

5. The complete shooting script describes all visual effects to be created or selected, including the appearance of sets or backgrounds, the distances and angles from which they are to be photographed, camera movements, and optical effects to be achieved in the processing laboratory. Descriptions of musical and other sound effects which may also be included, along with dialogue to be spoken and directions for actors' performances, are also part of the shooting script. Even so, motion pictures may sometimes deviate significantly from the shooting script. See, e.g., the description of the filming of John Ford's *Wee Willie Winkie* in F. BALSHOFER & A. MILLER, *supra* note 1, at 183-88.

Relatively few modern shooting scripts are published in final form. For examples, see the script for *High Noon* in FILM SCRIPTS TWO 37-155 (G. Garret, O. Hardison, Jr. & J. Gelfman eds. 1971), and the excerpt from the script of *The Sound of Music* in C. NASH & V. OAKLEY, THE SCREEN WRITER'S HANDBOOK 129-37 (1974).

6. The screenplay is sometimes known as a "master scene script" in the vocabulary of contemporary motion picture production. However designated, it differs from a shooting script primarily in that it provides less technical detail and fewer precise indications of visual effects. Frequently, the "pre-production" of a motion picture will involve the preparation of a series of screenplays by one or more screen writers. See generally D. SWAIN, FILM SCRIPTWRITING (1976); C. NASH & V. OAKLEY, note 5 *supra*.

On occasion a motion picture may be shot directly from a screenplay, without an intervening shooting script. At least one filmmaker has recently announced plans to

so-called "treatment," which describes the action of the projected motion picture in outline form.⁷ Finally, the treatment itself may well be a derivative work which is based on a literary classic, a contemporary novel or play, a work of history or biography, or even a popular song.⁸ Moreover, most motion pictures produced in the United States since 1919 have had musical soundtracks

substitute a filmed or videotaped sketch of the final motion picture for a screenplay. Cohen, *Jean-Luc Godard Enlivens New York*, *Variety*, Oct. 8, 1980, at 7, col. 3.

In the early period of American motion picture history, short (one-half to four reel) silent films were sometimes photographed without reference to any written script. *See, e.g.*, K. BROWN, *ADVENTURES WITH D.W. GRIFFITH* 16-17 (1973). Subsequently, as silent "feature length" motion pictures were introduced, a written plan for the visual action of a film, usually known as a "scenario," was invariably prepared in advance of shooting. These plans varied considerably in the degree of detail they provided to the director. *Compare* the sample scenarios in E. ROSS, *SCENARIO WRITING* 56 (1912) with A. JACKSON, *WRITING FOR THE SCREEN* 15 (1929) (the latter approaching the completeness of a modern shooting script). In some silent film productions, a detailed "continuity," which served the function of a shooting script, was prepared from the scenario. *See* K. BROWNLOW, *THE PARADE'S GONE BY* 270-72 (1968). This should not be confused with the contemporary motion picture continuity, which is a detailed description of the final version of a film, prepared after photography and editing have been completed.

In addition to describing the action, a scenario also included the text of "intertitles," which provided the audiences of silent motion pictures with dialogue and narration. Additional intertitles were at times devised after photography had been completed. *Id.* at 294-99.

7. One recent manual for aspiring screenwriters defines a treatment as "a semi-dramatized, present-tense, preliminary structuring of a screenplay." D. SWAIN, *supra* note 6, at 115. An "original" treatment in turn may be based on an outline or synopsis supplied by the screenwriter, or by the producer or director who first conceived the project. Occasionally, it may be developed on the basis of an idea which has not been committed to paper. *See* Harmetz, *Columbia Pays \$2 Million to Jane Fonda for Film*, *N.Y. Times*, Sept. 28, 1979, § C, at 5, col. 3. The screenwriter who prepares a treatment may or may not be responsible for the preparation of subsequent scripts.

8. For the record of an early short silent film based loosely on a popular melody, *see* K. NIVER, *MOTION PICTURES FROM THE LIBRARY OF CONGRESS PAPER PRINT COLLECTION 1894-1912*, at 32 (1967) (two versions—blackface and whiteface—of a 1905 American Mutoscope & Biograph comedy entitled *Everybody Works but Father*, "intended as a replacement for slides for a song hit of the same name by Lew Dockstader"). More recently, the American movie audience has been offered such films as *Ode to Billy Joe*, a 1976 Warner Brothers release based on the Bobbi Gentry country song hit of the same name. *See* Eder, *'Billy Joe' Leaps from Southern Romance to Dirge*, *N.Y. Times*, Aug. 19, 1976, at 48, col. 1.

More generally, motion pictures based on preexisting works in other art forms are a phenomenon as old as the motion picture medium, and have figured importantly throughout film history. D.W. Griffith, the pioneer American filmmaker, directed his first short motion pictures in 1908; by the end of 1909, Biograph Studio had released Griffith films based on the works of such diverse authors as George Eliot, Mark Twain, James Fenimore Cooper, and Robert Browning. *See* R. HENDERSON, *D.W. GRIFFITH: THE YEARS AT BIOGRAPH* 88, 93 (1970); K. NIVER, *supra*, at 171-72 (*The Broken Locket*, from Eliot's *Silas Marner*), 179 (*The Death Disc*, from a Twain story), 198 (*Leather Stocking*, after Cooper), and 208 (*Pippa Passes*, based on the Browning poem of the same title). Griffith's borrowing from Browning prompted the *New York Times* to write: "[T]here seems to be no reason why one may not expect to see the intellectual aristocracy of nickelodeons demanding Kant's 'Prolegomena to

which may consist of music written specifically for the film, music originally composed without reference to possible soundtrack use, or both. In this sense also, motion pictures are derivative of other preexisting works.⁹

Any "underlying work" from which a motion picture is derived may be at present in one of several copyright statuses.¹⁰ First, a work may be outside the scope of protection under the federal copyright laws because such protection was secured so long ago that the maximum term available under the copyright statute has expired,¹¹ because a statutory copyright was secured

Metaphysic with the Kritek of Pure Reason' for a curtain-raiser." N.Y. Times, Oct. 10, 1909, § 1, at 8, col. 1.

There is no evidence to suggest that Griffith or his early contemporaries made any effort to purchase rights to use the copyrighted works upon which they based their productions. Only in 1911 did the United States Supreme Court decide, in a case involving a film version of General Lew Wallace's novel, *Ben Hur*, that an unauthorized motion picture could be deemed to infringe the copyright of a literary work by usurping the copyright owner's exclusive right to dramatize it. See *Kalem Co. v. Harper Bros.*, 222 U.S. 55 (1911) (Holmes, J.). In a sense, *Kalem* represents an end of innocence; from that decision onward, the copyright laws and the motion picture industry would be more or less constantly entangled.

The extent of more recent borrowings—usually (but not always) authorized—is indicated by the partial listing contained in A. ENSER, *FILMED BOOKS AND PLAYS 1928-1969* (rev. ed. 1971). For an early discussion of the problem of adaptation, see B. BALÁZS, *THEORY OF THE FILM 258-65* (E. Bone transl. 1952); G. BLUESTONE, *NOVELS INTO FILM* (1957) is a more recent treatment.

The use of preexisting materials as the basis for motion pictures is not limited to American and British productions, as this *Variety* obituary indicates:

K. Aandy, 76, Indian film actor also known as Jaidev, died May 19 at his home in Tellicherry, North Kerala, India. He was the leading man of the first film made in Kerala in 1932.

Aandy starred in the silent film, 'Marthanda Varma,' based on the novel by C.V. Raman Pillai and directed by P.V. Rao. It was withdrawn after a week because the director had failed to get film rights from the author.

Variety, June 25, 1980, at 95, col. 4.

9. For a discussion of motion picture soundtrack music in the context of copyright law, see K. SUTAK, *THE GREAT MOTION PICTURE SOUNDTRACK ROBBERY* 48-69 (1976).

10. The question under discussion here—whether or not particular underlying works are protected by copyright—is distinct from that of how much protection a valid copyright affords. Thus, for example, the extent of copyright protection for fictional characters, *compare* *Walt Disney Prods., Inc. v. Air Pirates*, 581 F.2d 751 (9th Cir. 1978), *cert. denied*, 439 U.S. 1132 (1979) *with* *Detective Comics, Inc. v. Bruns Pubs., Inc.*, 111 F.2d 432 (2d Cir. 1940), and the degree to which parodies of copyrighted works may be prepared without authorization, *compare* *Benny v. Loew's Inc.*, 239 F.2d 532 (9th Cir.), *aff'd*, 356 U.S. 43 (1956) *with* *Berlin v. E.C. Pubs., Inc.*, 329 F.2d 541 (2d Cir.), *cert. denied*, 379 U.S. 882 (1964), are issues about which there is significant disagreement among the federal circuit courts of appeals.

11. Under the 1909 Copyright Act, the maximum term of protection available for any work was 56 years, consisting of a twenty-eight year "initial term" and a "renewal term" of equal length; the event which usually triggered the running of these periods was the initial "publication" of the work with a valid copyright notice. See 1909 Act, ch. 391, §§ 10, 24, 61 Stat. 652 (1947). Publication was conventionally defined as the

but not renewed,¹² or because copyright has been otherwise forfeited.¹³ Second, the work may have been published with all nec-

distribution of copies to the general public, although the definition was problematic when applied to some of the means by which commercial works are exploited. *See generally* Kaplan, *Publication in Copyright Law: The Question of Phonograph Records*, 103 U. PA. L. REV. 469 (1955).

Under the Copyright Act of 1976, the protection for works created after Jan. 1, 1978 endures for the life of the author and an additional 50 years beyond in the case of the independent, individually created works of authors whose identities are known, and for alternative terms in the cases of works of other kinds. Of particular significance for this discussion are the works of employees, of which the employer is deemed to be the "author" for copyright purposes. Copyright in such "works made for hire" runs for the shorter of (a) 75 years from their first publication, or (b) 100 years from their creation. *See* 17 U.S.C. § 302(c) (Supp. III 1979).

The effect of the Copyright Act of 1976 upon the duration of protection for works published before Jan. 1, 1978, and still protected by copyright on that date, was to extend the potential maximum term from 56 to 75 years by increasing the renewal term from 28 to 47 years. *See id.* § 304(a), (b).

12. Under the Copyright Act of 1909, the second available 28-year term of copyright protection for a work could be secured only by timely application for renewal made on behalf of an eligible claimant (in the case of an individually and independently created work, either the author or one of the author's designated "statutory successors"); otherwise the work fell into the "public domain" at the conclusion of the initial 28-year term. *See generally* Note, *Renewal of Copyright—Section 23 of the Copyright Act of 1909*, 44 COLUM. L. REV. 712 (1944) [hereinafter cited as *Renewal of Copyright*]. This feature of the 1909 Act has been preserved in the Copyright Act of 1976 with to respect works published before Jan. 1, 1978; the operative language of § 304(a) of the 1976 Act is identical to that of § 24 (formerly § 23, *see* note 16 *infra*) of the old Act, except that the duration of the renewal term has been extended from 28 to 47 years. *Compare* 1976 Act, 17 U.S.C. § 304(a) (Supp. III 1979) with 1909 Act, ch. 391, § 24, 61 Stat. 652 (1947).

Under the 1909 Act, renewal could be the occasion for "recapture" of a copyrighted work after an author had parted with title to it or interests under it. Through much of the regime of the 1909 Act, there was disagreement about how extensive this recapture should be, and especially about how far Congress had intended to go in creating an opportunity for a fresh start in the exploitation of copyrighted works, so as to protect authors and their families from any bad judgment or lack of bargaining power which might have affected their dealings with copyright industries such as publishing and motion pictures. The Supreme Court resolved the question in *Fred Fisher Music Co. v. M. Whitmark & Sons*, 318 U.S. 643 (1943), and *Miller Music Corp. v. Charles N. Daniels, Inc.*, 362 U.S. 373 (1960). Taken together, these cases exploit the confusion of the legislative history to arrive at a Solomonic solution. In *Fred Fisher*, a five-justice majority determined that an author's securing renewal copyright should not have the effect of nullifying an earlier transfer of copyright ownership. In *Miller Music*, a five-justice majority held that when the author has not survived to take the renewal, and it has vested instead in any of the statutory successors designated in § 24 of the 1909 Act, a class including but not limited to a surviving spouse and children ("widows and orphans" for whom the majority discerned a special concern in the background of the 1909 Act), the effect of renewal should be to cancel any transfers made by the deceased author during the original copyright term. *See* notes 97-98 *infra*.

13. Under the 1909 Act, if a previously unpublished work was published in the manner described in note 11 *supra*, but without a proper copyright notice affixed to the copies distributed, federal statutory copyright did not attach, and could not attach subsequently; if a work in which federal statutory copyright had been acquired was later published without notice, the copyright could be lost. Although the courts occa-

essary formalities— independently of any use made of it as the basis for a motion picture—recently enough to be protected under the federal copyright statute.¹⁴ Many books and plays which have provided material for motion pictures are in this category. Finally, like most film scripts and treatments, the work may be one which has not been published independently, but which is never-

sionally have gone to considerable length to avoid the operation of this rule in particular cases, *see, e.g.*, *National Comics Pubs., Inc. v. Fawcett Pubs., Inc.*, 191 F.2d 594 (2d Cir. 1951), it remains generally true that just as publication *with* notice had the effect of securing statutory copyright protection under the 1909 Act, publication *without* notice (or with a significantly defective notice) had the effect of forfeiting such protection. *See Scandia House Enterprises, Inc. v. Dam Things Establishment*, 243 F. Supp. 450 (D.D.C. 1965).

The 1976 Copyright Act accomplished a substantial diminution in the significance of an omitted or defective copyright notice. Thus, for example, that law provides a five-year grace period during which various notice flaws can be corrected. *See* 17 U.S.C. §§ 405(a)(2), 406(c) (Supp. III 1979). This is possible because, under the 1976 Act, publication with notice does not invest federal statutory copyright, but merely preserves the copyright which attaches prior to publication at the "fixation" of a work, when it first is given concrete, perceptible form. *See id.* §§ 101, 302(a).

14. Such independent publication of an underlying work would occur, for example, when a novel—or film script—is issued for sale to the public in book form. The extent of the protection afforded by the securing of copyright in an underlying work subsequent to the public release of a motion picture based upon it depends upon the answer given to an unresolved question of copyright law: Under the 1909 Act, did release of a motion picture publish any hitherto unpublished underlying works to the extent that they had been used in the preparation of the motion picture? If the answer is in the affirmative, the copyright secured by subsequent publication of the underlying work could be valid only to the extent that the work also included material not used in the motion picture; those elements which the motion picture had incorporated would not be protected by the copyright of the published underlying work, although they might be protected by the motion picture copyright itself. For a discussion of this possibility, and of the question of the effect of motion picture distribution on the copyright in unpublished underlying works generally, *see* note 15 *infra*. Because the question is unresolved, and because the decisions which are discussed in this Article have taken agnostic positions with respect to it, *see, e.g.*, *Classic Film Museum, Inc. v. Warner Bros.*, 453 F. Supp. 852 (D. Me. 1978), *aff'd*, 597 F.2d 13 (1st Cir. 1979), *see* notes 142-45 & accompanying text *infra*, no attempt has been made to provide a conclusive answer to it. Instead, copyright relations between underlying works and derivative motion pictures have been analyzed on the assumption that the owner of copyright in any published underlying work may have a claim against the unauthorized use of any part of that work, regardless of whether its publication occurred before or after the release of the motion picture based upon it.

The most important publication formality is notice, which was necessary to acquire federal statutory copyright prior to Jan. 1, 1978, and serves to preserve that copyright for works published after that date. *See* note 13 *supra*. Under neither the 1909 nor the 1976 Act is registration of copyright in a published work required to maintain protection. Timely registration and deposit may still be required, however, if a valid copyright is to be successfully enforced, *see* 17 U.S.C. §§ 411, 412 (Supp. III 1979), or if a defect or omission of notice is to be cured, *see id.* § 405(a)(2). Under the 1909 Act a copyright could be forfeited by failure to deposit copies with the Library of Congress in response to a demand by the Register of Copyrights; this is no longer true under the 1976 Act. *Compare* 1909 Act, ch. 391, § 14, 61 Stat. 652 (1947) *with* 1976 Act, 17 U.S.C. § 407(d) (Supp. III 1979).

theless subject to copyright protection.¹⁵

15. For new works created after Jan. 1, 1978, but unpublished, protection under federal law attaches just as—and when—it does for published works. Under the Copyright Act of 1976, that protection takes effect when the work is first written down, recorded, or otherwise “fixed in a tangible medium of expression” with authorization of the author. See 17 U.S.C. §§ 101, 302(a) (Supp. III 1979); note 13 *supra*.

In addition, the 1976 Act extends federal copyright protection to all works “fixed” before Jan. 1, 1978 but still unpublished on that date. See 17 U.S.C. § 303 (Supp. III 1979). For the relevant portions of any underlying work upon which a motion picture commercially released prior to Jan. 1, 1978 was based to be subject to this provision, it must be assumed that the production and release of such a motion picture was not, in itself, a publication of as much of the underlying work as was used in the motion picture. The general question of the effect of the release of a motion picture on the copyright status of an unpublished underlying work is unresolved, but elsewhere in this article, see notes 174-77, 246-59 & accompanying text *infra*, criticism is directed at Professor Nimmer’s suggestion that, under the 1909 Act, publication without notice of a derivative work should be understood to dedicate to the public not only that work, but also the included portions of any underlying work. See 1 M. NIMMER, NIMMER ON COPYRIGHT § 4.12[A] (1981).

A somewhat different issue is presented when the derivative motion picture was exhibited with a sufficient copyright notice: Not whether elements of the underlying work incorporated in it were dedicated, but whether as to them statutory copyright attached, displacing common law protection. In light of judicial indications that less is required in the way of publication to invest statutory copyright than to divest the work of all protection, see, e.g., *American Visuals Corp. v. Holland*, 239 F.2d 740, 743-44 (2d Cir. 1956); *Hirshon v. United Artists Corp.*, 243 F.2d 640, 644-45 (D.C. Cir. 1957), it could be argued that while publication of a motion picture should not be permitted to strip an underlying work of all protection, it should be enough to make the federal statute the sole future source of any such protection. Authority is divided on this aspect of the question of the effect of motion picture publication on underlying works. Compare 1 M. NIMMER, *supra*, § 4.12[A] (under 1909 Act, motion picture publication with notice should have operated to bar continued protection of underlying works under state law) with *Hearst Corp. v. Shopping Center Network, Inc.*, 307 F. Supp. 551 (S.D.N.Y. 1969) (commercial release of animated cartoon does not divest state law protection in underlying art work) and *De Mille Co. v. Casey*, 121 Misc. 78, 201 N.Y.S. 20 (Sup. Ct. 1923) (motion picture release does not affect common law rights in underlying play).

Commentators recently have generated a considerable literature—and displayed considerable disagreement—over a related question: How, under the 1909 Act, interpreted in light of *White-Smith Music Pub. Co. v. Apollo Co.*, 209 U.S. 1 (1908), material recorded on motion picture soundtracks (including dialogue, music and sound effects) was to be regarded for copyright purposes? Such material could be viewed as being (a) without any protection under the 1909 Act unless it was made the subject of a separate registration as an unpublished work prior to release of the motion picture in question, see Brylawski, *Copyrightability of Motion Picture Soundtracks*, 18 BULL. COPYRIGHT SOC’Y 357 (1971); (b) protected by the copyright in the completed motion picture, which extended to the “integral” element of dialogue, but not to music, which must have been separately registered for copyright as an unpublished work under § 12 of the 1909 Act prior to the release of the motion picture in order to prevent that release from dedicating it to the public, see Yuzek, *Publication and Protection: In Qualified Support of the Copyright Office Approach to Motion Picture Soundtracks*, 22 BULL. COPYRIGHT SOC’Y 19 (1974); or, (c) capable of protection as a whole by the motion picture copyright, despite the *White-Smith* doctrine. See generally K. SUTAK, note 9 *supra*.

In 1974, the Copyright Office appeared to embrace the last of these alternatives in connection with its adoption of a policy of refusing to register as unpublished

In addition, statutory copyright protection at present attaches

works the soundtracks of previously distributed motion pictures. See Yuzek, *supra*, at 19-20. Although the question of the effect of motion picture distribution on written unpublished underlying works, such as novels and film scripts, is not complicated by the *White-Smith* doctrine applicable to soundtrack material, because those underlying works are visually perceptible by an ordinary observer, the logic of the Copyright Office decision has significance for that question; Yuzek quotes Barbara Ringer, the then Register of Copyrights, as stating that "a sound motion picture is an entity, [and] . . . copyright in a motion picture extends to all copyrightable component parts of the motion picture including those reproduced on soundtrack." Yuzek, *supra*, at 20 n.4. If this reasoning is extended, it would seem that those elements of an unpublished underlying work which have been incorporated into a commercially released motion picture would be ineligible for continuing protection as unpublished works under either federal or state law; instead, statutory copyright in those elements of the underlying work would already have attached, and the term of such protection begun to run, as to the release of the motion picture—provided that the formalities of notice had been complied with in connection with that release. Cf. Wasserstrom, *The Copyrighting of Contributions to Composite Works: Some Attendant Problems*, 31 NOTRE DAME LAW. 381, 400-01 (1956) (copyright in magazine issue protects otherwise uncopyrighted contributions; proprietor of magazine holds the copyright thus secured in trust for authors of contributions); *Goodis v. United Artists Television, Inc.*, 425 F.2d 397 (2d Cir. 1970) (rejecting "indivisibility of copyright" as a barrier to recognition of "trust theory"). This analysis, however, leads to difficulties of its own, particularly if the original author of the underlying work, or that author's successor, asserts an interest antagonistic to that of the owner of copyright in the derivative motion picture, as might occur if renewal copyright in the underlying work were claimed by that author or successor. Cf. A. LATMAN, *THE COPYRIGHT LAW: HOWELL'S COPYRIGHT LAW REVISED AND THE 1976 ACT* 81-82 (5th ed. 1979) (summarizing disagreement over identity of proper renewal claimant in the case of contributions to periodicals).

The question of whether, under the 1909 Act, release of a motion picture published elements of an underlying work is complicated by doubt as to whether such commercial release published the motion picture itself. See Nolan, *Copyright Protection for Motion Pictures: Limited or Perpetual?*, in 18 ASCAP COPYRIGHT L. SYMP. 174 (1970). The present Article takes the position that, at least where the producer of a motion picture marked it with copyright notice upon commercial release, as is conventional, it should be viewed as having been published; it takes no final position on the question of whether release of a motion picture publishes otherwise unpublished underlying works, but will assume, along with several of the decisions to be discussed, that conflicts between the owner of copyright in an unpublished underlying work and the user of a derivative motion picture can arise. See note 14 *supra*.

Given this assumption, it is notable that the statutory protection available today for a pre-1978 unpublished work may actually endure longer than that afforded a work "fixed" at the same time and published before the effective date of the 1976 Act, a fact which reflects a congressional accommodation to the state of copyright protection for unpublished works prior to that date. See H.R. REP. NO. 94-1476, 94th Cong., 2d Sess. 139 (1976) [hereinafter cited as HOUSE REPORT], reprinted in 17 OMNIBUS COPYRIGHT REVISION LEGISLATIVE HISTORY, at 139 (G. Grossman ed. 1976) [hereinafter cited as 1976 LEGISLATIVE HISTORY]. Thus, copyright in any work fixed but unpublished on the effective date of the new Act will not expire before Dec. 31, 2002, by which time copyright in all works published before 1927 will have expired. See 1976 Act, 17 U.S.C. §§ 303, 304(b) (Supp. III 1979). In addition, § 303 grants a further 25 years of protection to works which were unpublished as of Jan. 1, 1978, but which are published before January 1, 2003, apparently to encourage the publication of such works. See *id.* § 303. See Brown, *Unification: A Cheerful Requiem for Common Law Copyright*, 24 UCLA L. REV. 1070, 1081 (1977).

Prior to 1978, unpublished works were protected under state intellectual property

to motion pictures at every stage of production, from the start of photography onward.¹⁶ Even under former law, it was common practice in the motion picture industry to secure statutory protection for completed motion pictures by including copyright notice in the "credits" of all prints released for commercial exhibition.¹⁷

laws by what was somewhat inaccurately termed "common law" copyright. Historically, publication was the line of demarcation between those works protected by federal statute and those protected by state common law, which guarded the author's "right of first publication." *Wheaton v. Peters*, 33 U.S. (8 Pet.) 591, 657 (1834) ("[A]n author, at common law, has a property in his manuscript . . ."). Although the term "common law copyright" became something of a misnomer as states codified their rules on protection for unpublished works, *see, e.g.*, CAL. CIV. CODE § 980(a) (West 1954), it continued to be employed. No clear limitations existed on the kinds of unpublished works which might be protected under state law, and the duration of such protection was usually understood to be perpetual, so long as no publication occurred. For a description of common law copyright, and a discussion of its duration, *see* Brown, *supra*, at 1070-78.

In the pre-1978 scheme, a limited term of statutory protection could be secured for some kinds of unpublished works by registration under § 12 of the federal statute, as an alternative to a protection under common law copyright; when this limited term expired, the work would enter the public domain. Although the 1909 Copyright Act did not specifically address the term of protection afforded to unpublished works, *see* 1909 Act, ch. 391, § 12, 61 Stat. 652 (1947), it was held to be coextensive with that available for published works, and to run from the time that a § 12 unpublished work copyright was registered. *Marx v. United States*, 96 F.2d 204 (9th Cir. 1938). The decision, which refers to § 11, was rendered before the 1939 amendment which added a new § 6, and required the former § 6, and all subsequent sections, to be renumbered. *See* Act of July 31, 1939, ch. 396, 53 Stat. 1142.

It is important to note that § 12 protection was available only for some kinds of unpublished works. For reasons which remain obscure, *but see* A. WEIL, *AMERICAN COPYRIGHT LAW* 155 (1917), Congress made no mention of novels, stories, or other nondramatic works in prescribing the deposits required in connection with registration, although it specifically itemized lectures, musical and dramatic compositions, various kinds of visual works, and—after the 1912 Townsend Amendment—motion pictures. *See* 1909 Act, ch. 391, § 12, 61 Stat. 652 (1947); note 1 *supra*. This was generally interpreted as indicating an intention to limit the availability of unpublished work copyright under the statute to those categories of works mentioned in the statute. *See, e.g.*, Chafee, *Reflections on the Law of Copyright: I*, 45 COLUM. L. REV. 503, 521 (1945); COMPENDIUM OF COPYRIGHT OFFICE PRACTICES pt. 2.4 (1970) ("works prepared for oral delivery," referred to in § 12, do not include "books").

Common law copyright and protection under the federal statute were mutually exclusive under the Copyright Act of 1909; once a work was published, or registered under § 12, it had only as much protection as could be claimed under federal law, any former common law protection having been forfeited. *Photo-Drama Motion Picture Co. v. Social Uplift Film Corp.*, 220 F. 448, 450 (2d Cir. 1915). *But cf.* *Loew's Inc. v. Superior Court of Los Angeles County*, 18 Cal. 2d 419, 115 P.2d 983 (1941) (suggesting that some common law rights may survive a § 12 registration).

16. *See* the definition of "fixation" in the 1976 Act, 17 U.S.C. § 101 (Supp. III 1979). In effect, under the Act, any work which goes through a series of discrete revisions prior to publication is fully protected at all times, and each of the revisions which preceded the final version remains the subject of copyright protection when the final version is published.

17. *See generally* Nolan, note 15 *supra*. No example can be discovered of a commercial motion picture produced in the United States after 1912 from which copyright notice was intentionally omitted upon release, in reliance upon common law

These motion picture copyrights coexist with any underlying work copyrights that cover aspects of the film's dialogue, music, action, and visual effects.

When a motion picture is first released, the existence of multiple copyright coverage usually raises no obstacle to its public exhibition. The owner of copyright¹⁸ in the film may own an underlying work outright, as where a film is based on a screenplay written on commission.¹⁹ Alternatively, the film producer may have obtained some form of prior consent from the copyright owner of an underlying work.

On occasion, for example, the film producer purchases an assignment of all copyright interests in the underlying work—such arrangements are common when the underlying work is an unpublished screenplay.²⁰ More typically, if a movie is based on a

protection. In addition, motion picture producers frequently took advantage of the § 12 option of the 1909 Act to register their claims before commercial release. For an indication of the ubiquity of these practices, see U.S. COPYRIGHT OFFICE, CATALOG OF COPYRIGHT ENTRIES, pt. 1, group 3 (1920-1946) ("dramatic compositions," including motion pictures), pts. 12-13 & 14A (1947-present) ("motion pictures and film-strips," including renewal registrations).

Indeed, even before the 1912 Townsend Amendment made it possible to register a claim to federal statutory copyright in a motion picture as such, producers were attempting to secure the benefit of such protection by registering their films as photographs. See generally *American Mutoscope & Biograph Co. v. Edison Mfg. Co.*, 137 F. 262 (C.C.D.N.J. 1905); K. NIVER, *supra* note 8, at vii-ix. The almost invariable election of motion picture producers to seek protection under the federal statute makes academic the question whether common law copyright in a motion picture was necessarily lost by its commercial distribution, except where there was inadvertent omission of (or error in) motion picture copyright notice.

18. Under the 1976 Act, ownership of copyright in a work rests initially in its creator (or creators in the case of a joint work), see 17 U.S.C. § 201(a) (Supp. III 1979), or in the firm or individual for whom a work was created as a "work made for hire" by an employee. See *id.* § 201(b). Thereafter, it may be transferred. See *id.* § 201(d). As it existed under former law, common law copyright was freely alienable, so that an initial claim to federal statutory protection under the 1909 Act could have been made by someone other than the creator-in-fact of the work or the employer for whom it was prepared. See *Epoch Prod. Corp. v. Killiam Shows, Inc.*, 522 F.2d 737, 743-44 (2d Cir. 1975), *cert. denied*, 424 U.S. 955 (1976). At several points in the Copyright Acts of 1909 and 1976, the term "proprietor" of copyright is employed. See, e.g., 1909 Act, ch. 391, §§ 9, 24, 61 Stat. 652 (1947); 1976 Act, 17 U.S.C. § 304(a) (Supp. III 1979). As usually employed, it refers to one who is the owner of copyright other than by virtue of individual authorship, or employment for hire. See *Public Ledger v. New York Times*, 275 F. 562 (S.D.N.Y. 1921) ("proprietor" synonymous with "assignee"), *aff'd*, 279 F. 747 (2d Cir.), *cert. denied*, 258 U.S. 627 (1922). In one section of the 1909 Act, however, the term apparently is used with reference to authors and employers as well. See 1909 Act, ch. 391, § 19, 61 Stat. 652 (1947). Throughout this Article, the term "owner" of copyright is used, unless there exists some special reason to characterize otherwise the nature of the ownership involved.

19. See notes 94-95 *infra*.

20. This assumes that the screenplay was not the work of a salaried employee or one commissioned in the first instance with the understanding that the copyright would be owned by the commissioning party. See notes 94-95 *infra*. Assuming that a

published novel or play, only a license of motion picture rights in the underlying work is obtained.²¹ Such a license, in turn, may authorize the creation of an unlimited number of derivative works of a particular variety,²² the use of a derivative work without time limitations, or both. Alternatively, it may contain limitations of several sorts.²³ So long as a license is in force, its terms govern

particular screenplay was not "made for hire," the motion picture producer who purchases an assignment of all the author's copyright interest may in fact receive something less; under the 1909 and 1976 Acts, the author may have inalienable reversionary interests in the screenplay copyright. See note 12 *supra*; note 85 *infra*.

21. Along with the motion picture rights, licenses of the rights necessary to create promotional materials and "tie-ins," including such items as a "novelization" of the film, may be given. See generally Whiteside, *Onward and Upward With the Arts: The Blockbuster Complex II*, NEW YORKER, Oct. 6, 1980, at 63, 76-111. For a recent controversy involving subsidiary rights, see Shephard, "Grease" May End Sunday Over Royalties Dispute, N.Y. Times, March 18, 1980, § C, at 7, col. 5. The rights to produce "spin-offs" such as television programs may also be the subject of an agreement made prior to the production of a motion picture.

22. For an example of a license conveying the right to make an unlimited number of "remakes," see *Edgar Rice Burroughs, Inc. v. Metro-Goldwyn-Mayer, Inc.*, 205 Cal. App. 2d 441, 23 Cal. Rptr. 14 (1962). The same license was involved in *Burroughs v. Metro-Goldwyn-Mayer, Inc.*, 491 F. Supp. 1320 (S.D.N.Y. 1980), 210 U.S.P.Q. (BNA) 579 (S.D.N.Y. 1981).

23. See, e.g., *Sunset Sec. Co. v. Coward McCann, Inc.*, 47 Cal. 2d 907, 306 P.2d 777 (1957) (en banc) (grant of motion picture rights limited to 10 years, unless purchaser exercised an option to buy further rights). See also Nevins, *Rx for Copyright Death*, 1977 WASH. U.L.Q. 601, 603-04 (further examples of contractual limitations). Where underlying works created before Jan. 1, 1978 are involved, licenses may be limited, explicitly or by implication, to the balance of the "original" 28-year term of copyright protection. One recurring difficulty in the interpretation of transfers of copyright interests is the grant of "all rights" which makes no specific mention of the renewal term. Where it has been employed in assignments of copyrights as a whole, courts have tended to find that such language should not be read to include the renewal term, which is seen as providing the original author (or a successor) with a "second chance" to profit from the work. *Edward B. Marks Music Corp. v. Charles K. Harris Music Pub. Co.*, 255 F.2d 518, 521 (2d Cir.), cert. denied, 358 U.S. 831 (1958). For discussion of renewal copyright, see note 12 *supra*; note 98 *infra*. On occasion, courts have looked to the circumstances surrounding the making of an assignment to determine the intent underlying a general transfer. See, e.g., *Rohauer v. Friedman*, 306 F.2d 933, 935-36 (9th Cir. 1962); *Venus Music Corp. v. Mills Music, Inc.*, 261 F.2d 577 (2d Cir. 1958). Recently, one commentator has written, "The statement that a general transfer of an unpublished work or an original copyright does not convey the renewal expectancy, should now be considered a rebuttable presumption." Bricker, *Renewal and Extension of Copyright*, in COPYRIGHT AND RELATED TOPICS 100, 102 (L.A. Copyright Soc'y & UCLA School of Law 1964).

A more difficult question, and one which no court has addressed, is whether this rule of construction should be applied to grants which license only part of a copyright interest, such as "all motion picture rights." To read such language as granting rights limited to the initial term of copyright could have the effect of cutting off public access to a motion picture prepared under the grant, where this was not the true intention of the original parties to the transfer. Moreover, such a reading may not be necessary to provide the author of the underlying work (or that author's successor) with a "second chance," since rights other than motion picture rights still may be available for exploitation.

Elsewhere in this Article, it is suggested that—under the Act of 1909, as today—

what motion pictures the licensee may make, and how the licensee may use them. It is established beyond peradventure that the copyright licensee who exceeds license terms is liable not only as a matter of contract law, but also for the violation of copyright which any unlicensed use of the licensed work represents.²⁴

With the passage of time, however, the position of derivative motion pictures often becomes less clear-cut. Matters may be complicated when ownership of underlying work copyrights passes to persons other than those who formerly licensed the making of derivative motion pictures,²⁵ when licenses of motion picture rights in underlying works lapse or are cut off,²⁶ or when motion pictures enter the public domain while copyrights on works underlying them remain in force.²⁷ In these situations, conflicts may arise between those who wish to exhibit derivative motion pictures and those who assert that to do so would infringe their underlying work copyrights.²⁸

the author wishing to retain control over motion pictures based on his or her literary works would have done well to so specify when licensing the making of such motion pictures. See notes 345-46 & accompanying text *infra*. This suggestion is independent of the question of what form of words should be understood to constitute such a specification.

24. This general principle is well illustrated by *Bartsch v. Metro-Goldwyn-Mayer, Inc.*, 391 F.2d 150 (2d Cir.), *cert. denied*, 393 U.S. 826 (1968). So too is an important qualification: that courts have construed ambiguous licenses so as to avoid the conclusion that any infringement or breach of contract has occurred. In *Bartsch*, the owner of copyright in a musical play sought to enjoin the televising of a motion picture based upon it. Although conceding that the defendant was the licensee of motion picture rights in the play, the plaintiff insisted that broadcasting was a use of the copyright not embraced in the license. The court noted first that there was federal jurisdiction, because plaintiff was seeking a remedy which the copyright laws made available in cases of infringement, *see* 28 U.S.C. § 1338 (1976), and proceeded to hold that the license should be read as taking in television exhibition, because "it seems fairer that the burden of framing and negotiating an exception should fall on the grantor." 391 F.2d at 155.

25. See, e.g., note 63 *infra*.

26. See, e.g., text accompanying notes 118-21 *infra*.

27. See, e.g., notes 156-60 & accompanying text *infra*.

28. Some nice questions exist as to the manner in which works in one medium are capable of infringing those in another. Certainly, for example, it is an infringement to take without authorization the plot of an original copyrighted novel or play and use it as the basis of a motion picture. *Kalem Co. v. Harper Bros.*, 222 U.S. 55 (1911). See also 1976 Act, 17 U.S.C. § 106(2) (Supp. III 1979). The same is true *a fortiori* of the unauthorized use of original plot or dialogue contained in a motion picture script. In addition, a distinct infringement of the copyright in a detailed shooting script might be said to occur if the visual effects there described were reproduced on the screen without authorization. Whether this is so is an open question, although there is analogous authority to support the proposition. *Cf. Herman Frankel Organization v. Wolfe*, 184 U.S.P.Q. (BNA) 819 (E.D. Mich. 1974) (construction of building would infringe copyright in architectural plans); *but see Imperial Homes Corp. v. Lamont*, 458 F.2d 895 (5th Cir. 1972). Fortunately, the question is unlikely to be squarely presented, since a motion picture will inevitably take more from the script than a description of visual effects.

These conflicts are not easily resolved. No key is provided by the axiom that copyright in a derivative work protects only the "new matter" which the author of that work has contributed,²⁹ because the issue is not whether the owner of copyright in a motion picture can exclude others from using it, but whether that owner may use the motion picture—or, in a variant situation, whether the public may use a motion picture which is no longer protected by copyright. Instead, solutions must be sought through a more general inquiry into the legislative history and judicial interpretation of American copyright law.

B. *The Problem of Imitation in Art and Law: Changing Attitudes*

The approach to copyright conflicts involving derivative works which this article will advocate is not new. Its elements were present in copyright law long before the invention of motion pictures. More generally, the problem of derivative works is as old as copyright, because it is as old as human creativity.

The painter or photographer who works directly from nature may be partially insulated from charges that his or her productions contain imitative elements,³⁰ but at least since classical times, literary artists have been vulnerable.³¹ Some conscious or unconscious borrowing from past works is inevitable, if only because the store of words and phrases available to express particular ideas is finite, and no writer is a truly "naive" artist. Moreover, extensive takings from earlier authors are not uncommon among literary artists of the highest reputation, from Shakespeare on down.³²

29. See, e.g., *Reyher v. Children's Television Workshop*, 533 F.2d 87 (2d Cir.), cert. denied, 429 U.S. 980 (1976). For further discussion of the inapplicability of this principle to conflicts between underlying work owners and derivative work users, see notes 280-83 & accompanying text *infra*.

30. Even here, unless the artist is truly "naive" or "primitive," it may still be suspected, often with considerable justification, that he or she has been influenced by others in the selection of subject matter, choice of point of view, and—especially—formation of technique. In one sense, for example, later cubist landscape painters "imitate" the work of Cézanne. See D. ROBBINS, *CÉZANNE AND STRUCTURE IN MODERN PAINTING* (Guggenheim Found'n 1963). Of course, not every work which can be characterized as imitative is a derivative work in the sense that its borrowings could amount to infringements of a copyright in the work from which it takes.

31. See generally I. DISRAELI, *Poetical Imitations and Similarities*, in 2 *CURIOSITIES OF LITERATURE* 92 (London & New York 1881).

32. See *Emerson v. Davies*, 8 F. Cas. 615, 619 (C.C.D. Mass. 1845) (No. 4,436) (Story, J.):

Virgil borrowed much from Homer; Bacon drew from earlier as well as contemporary minds; Coke exhausted all the known learning of his profession; and even Shakespeare and Milton, so justly and proudly our boast as the brightest originals would be found to have gathered much

These are immutable facts of artistic enterprise; only attitudes toward them change. At various times in the past three centuries, artistic imitation has enjoyed considerable critical and popular vogue, and at other times it has met relatively severe disapproval.³³ Today, imitation is widespread in serious literature, and critical attitudes toward it are eclectic. Certainly, no general stigma now attaches to imitation, even of the most obvious and direct kind, in popular art. The success of motion pictures which are "remakes" of earlier films, to say nothing of those based on preexisting noncinematic works, is testimony to this actuality.³⁴

from the abundant stores of current knowledge and classical studies in their days.

For a recent treatment of Shakespeare's borrowing of plots and characters, see K. MUIR, *THE SOURCES OF SHAKESPEARE'S PLAYS* (1977).

More recently, James Joyce, a writer noted for his originality, made open use of the structure of Homer's *Odyssey* in his great novel, *Ulysses*. See generally S. GILBERT, *JAMES JOYCE'S ULYSSES* (Vintage Books ed. 1955). By contrast, the nature of the unacknowledged debts owed by a literary pioneer of the previous century, S.T. Coleridge, are still under active discussion. Compare J. LOWES, *THE ROAD TO XANADU* (2d ed. 1930), cited in *Heim v. Universal Pictures Co.*, 154 F.2d 480, 488 n.10 (2d Cir. 1946) (citing *Picard v. United Aircraft Corp.*, 128 F.2d 632, 638 n.1 (2d Cir.), cert. denied, 317 U.S. 651 (1942)) with T. MCFARLAND, *COLERIDGE AND THE PANTHEIST TRADITION* 1-52 (1969).

33. In the era of the English Renaissance, imitation seldom was censured. See generally H. WHITE, *PLAGIARISM AND IMITATION DURING THE ENGLISH RENAISSANCE* (Octagon ed. 1965). In the neoclassical atmosphere of late seventeenth and early eighteenth-century English literature, skillful imitation of the past was praiseworthy when it was joined with original contributions of an author's own devising:

[T]he new poetry—in fact much of the new art generally—was directly linking arms with the classical, if only as the lesser partner (but was this not praise enough?), through the creative use of *imitation*. Why should not an important part of the subject matter of poetry be its own rich past? And why, when a standard had been established (and it had), should one not try to work in, through, or at least near it rather than to cultivate difference for its own sake?

W. BATE, *THE BURDEN OF THE PAST AND THE ENGLISH POET* 37-38 (1970) (emphasis in original).

The coming of the romantic in English letters brought an alteration in attitude; criticism then tended to denigrate imitation, even if skillfully done, and to elevate the ideal, however unattainable, of pure originality. See *id.* at 55-57; B. KAPLAN, *AN UNHURRIED VIEW OF COPYRIGHT* 23-25 (1967). Both Bate and Kaplan identify the poet and critic Edward Young (1683-1765), and especially his 1759 essay *Conjectures on Original Composition*, as crucial in the development of this new viewpoint:

In effect Young asks that the writer pull himself up by his own bootstraps: Let us imitate the *general spirit* of past writers we admire (their boldness, their openness, their range) but keep selecting our own *means* of working toward it.

He that imitates the *Iliad*, says Young, is not imitating Homer.

W. BATE, *supra*, at 56. See also B. KAPLAN, *supra*, at 23.

It may thus be particularly indicative of the ubiquity of literary borrowing that several passages in Edward Young's own poetry have been identified as deriving more or less directly from the verses of his literary predecessors. See 2 I. DISRAELI, *supra* note 31, at 98, 102.

34. Thus, for example, the 1978 motion picture *Heaven Can Wait* enjoyed a gen-

Law, like criticism, has its fashions. The success with which copyright has been invoked against authors who borrow extensively without securing the permission of the owners of copyright in the works on which they draw has varied over the 270-year history of Anglo-American statutory copyright.³⁵ In general, the availability of copyright protection against the preparation of unauthorized derivative works has increased with time, as legislatures and courts have shown progressively greater willingness to extend copyright protection to elements of a copyrighted work other than the precise sequence of words, concatenation of notes, or arrangement of colors through which its creator expressed a literary, musical, or artistic conception. The tendency of copyright legislation and judicial decisions to draw the line between protected "expression" and unprotected "ideas" in ways which give greater scope to the former and less to the latter has limited the permissible use of copyrighted works in the preparation of derivative works.³⁶

That copyright in a work in one medium can be infringed by a derivative work in a different medium is an elementary principle of contemporary copyright law,³⁷ although before the adoption of amendments to the copyright statutes, nineteenth century English and American courts had refused to find that the unauthorized dramatization of a novel was the sort of "copying" which the law forbade.³⁸ Judicial interpretation of the copyright laws, particularly through the evolution of "tests" for infringement, has also had the effect of extending increased copyright protection to plot lines, even in cases where the borrower has materially altered the original outline of the action in preparing a new work.³⁹ The trend

eral success; that it was closely modeled on a 1941 film entitled *Here Comes Mr. Jordan* was a fact that failed to detract from critical appreciation of the remake. See, e.g., Arnold, *Here Comes a Spirited Fantasy*, Wash. Post, June 28, 1978, § 1, at 1, col. 4. When remakes encounter disapproval, it is sometimes because they fail to "measure up" to the originals; it is seldom because they lack originality. See, e.g., Canby, *"King Kong" Bigger, Not Better, In a Return to Screen of Crime*, N.Y. Times, Dec. 18, 1976, at 16, col. 1.

35. The first English copyright statute was the Statute of Anne, 8 Anne, c. 19 (1709). See notes 320-24 & accompanying text *infra*.

36. For an influential statement of the "idea/expression" dichotomy in copyright law, see *Nichols v. Universal Pictures Corp.*, 45 F.2d 119 (2d Cir. 1930) (L. Hand, J.). For the view that changes in literary standards, and especially a de-emphasis of the importance of form, have accounted for much of the change in how the idea/expression line is drawn, see Umbreit, *A Consideration of Copyright*, 87 U. PA. L. REV. 932, 947-48 (1939).

37. See, e.g., *Kalem Co. v. Harper Bros.*, 222 U.S. 55 (1911) (unauthorized silent motion picture based on novel infringes author's exclusive right of dramatization).

38. For a discussion of the evolution of copyright principles relating to dramatizations, see notes 222-25 & accompanying text *infra*.

39. In American copyright law, this trend is evident as early as *Daly v. Palmer*, 6 F. Cas. 1132 (C.C.S.D.N.Y. 1868) (No. 3,552), which involved the borrowing of plot

continues, as courts show an inclination to protect copyright owners against the unlicensed borrowing of characters alone, unaccompanied by the taking of any plot elements of the work in which the characters originally appeared.⁴⁰

Even by the standards of 1981, however, not every unauthorized new work is an infringement merely because it owes an identifiable debt to a preexisting copyrighted work. Despite intervening statutory change, what Professor Kaplan observed in 1967 remains fundamentally true:

I suppose paintings inspired by copyrighted music, and music inspired by copyrighted paintings, would be thought non infringing. It is not a breach of the copyright of a poem to try to capture its essence in glass sculpture, as artists in that medium recently sought to do. This would be about as free of legal consequences as Hemingway's allegation that he copied his writing style from Cézanne's paintings. Getting to more plausible cases, while a motion picture may be a mere replica of a copyrighted play, and thereby infringe, plays commonly are much altered, and novels even more so, as they are transmuted into motion pictures. It is often thought necessary to make drastic changes of dialogue, action, and other elements in order to keep the picture faithful to the original. But if it is a matter of nice artistic judgment how much change is needed to attain "sameness" in the new medium, we can anticipate difficulties in deciding what is infringement. It is surely wrong to assume that what Hollywood is content to call a dramatization or screen treatment of a novel or play would necessarily be an infringing copy if not licensed.⁴¹

elements contained in a single scene of a multi-scene dramatic work; subsequent cases have reached similar conclusions about the protectability of the plot elements which make up the pattern of the action. *See, e.g., Sheldon v. Metro-Goldwyn Pictures Corp.*, 81 F.2d 49, 54-55 (2d Cir.), *cert. denied*, 298 U.S. 669 (1936). *See also* Chafee, *supra* note 15, at 513. For the suggestion that the analysis performed in *Sheldon* may not always go far enough in protecting against unauthorized borrowing of plot segments, see Nimmer, *Inroads on Copyright Protection*, in 4 ASCAP COPYRIGHT L. SYMP. 2 (1952); for the suggestion that it may go too far, see B. KAPLAN, *supra* note 33, at 48-50. In addition to disagreeing about the extent of copyright protection to be afforded to plot, the just-cited authorities also part company over the related question of the legal significance of any additions made to the borrowed material by an alleged infringer.

40. *Compare* *Walt Disney Prods., Inc. v. Air Pirates*, 581 F.2d 751 (9th Cir. 1978), *cert. denied*, 439 U.S. 1132 (1979) *with* *Warner Bros. Pictures v. Columbia Broadcasting System, Inc.*, 216 F.2d 945 (9th Cir. 1954).

41. B. KAPLAN, *supra* note 33, at 56-57. A recent example of borrowing without even arguable infringement is provided in *Ridley Scott's Tighrope*, *Variety*, July 9, 1980, at 6, col. 5, which describes the visual style of a new film as having a "heavy metal look," borrowed in part from the drawings of Edward Hopper." *Id.* at 22, col. 5. Moreover, authors whose debts to preexisting works, although real, do not rise to the level of infringement, are free to claim copyright. The 1909 Copyright Act provided that:

Compilations or abridgements, adaptations, arrangements, dramatizations, translations, or other versions of works in the public domain

The aptness of Professor Kaplan's final comment is borne out by the motion picture industry practice of purchasing film rights to a popular book—and then producing a motion picture bearing only the loosest analogical relationship to the original.⁴² That film producers bother to obtain film rights in such instances is partly explained by their desire to capture the publicity value associated with book titles which are not in themselves copyrightable but may be subject to other forms of legal protection.⁴³ More generally, it reflects sound business practice to obtain a license whenever a motion picture owes an identifiable debt to a copyrighted work which the film producer does not own, even if to do so is not a matter of legal necessity in every instance.

C. *The Place of Motion Pictures in the Universe of Derivative Works: Quantitative and Qualitative Distinctions*

As already noted, many motion pictures are certainly part of the larger universe of derivative works, in the sense that their borrowings of copyrighted material escape being infringements only by being carried out under authority of the owners of underlying works. Thus, it might be assumed that copyright challenges brought by underlying work owners against the users of derivative motion pictures are analytically indistinguishable from similar conflicts involving other kinds of derivative works. In fact, the special characteristics of the motion picture medium are of great importance in the proper analysis of the conflicts with which this

or of copyrighted works *when produced with the consent of the proprietor of the copyright in such works*, or works republished with new matter, shall be regarded as new works subject to copyright under the provisions of this title

1909 Act, ch. 391, § 7, 61 Stat. 652 (1947) (emphasis added). Although the Act did not define what amounted to a "version," § 7 had necessarily to be read as applying only to those new works which would constitute infringements if unauthorized. Cf. M. NIMMER, NIMMER ON COPYRIGHT § 40, at 167 n.8 (1976). The 1976 Act makes the point explicit, both in its definition of a derivative work as one which infringes if not authorized, *see* note 2 *supra*, and in its treatment of the copyrightability of derivative works. It provides that protection does not extend to "any work in which [preexisting] material has been used unlawfully." 17 U.S.C. § 103(b) (Supp. III 1979). In not denying all protection to derivative works containing infringing matter, the new Act is at variance with the 1909 statute.

42. *See* Orion Pictures Co. v. Dell Pub. Co., 471 F. Supp. 392, 394 & n.3 (S.D.N.Y. 1979). Two recent examples are the comic episode film *Everything You Always Wanted to Know About Sex, But Were Afraid to Ask* (1972), which took its title from a best-selling popular nonfiction work, *see* Canby, *Review*, N.Y. Times, Aug. 7, 1972, at 23, col. 1, and the motion picture *Sex and the Single Girl* (1964), which adopted the title of another nonfiction best-seller, *see* Thompson, *Review*, N.Y. Times, Dec. 26, 1964, at 9, col. 2.

43. *See generally* Angel, *Legal Protection for Titles in the Entertainment Industry*, 52 S. CAL. L. REV. 279 (1979); Netterville & Hirsch, *Piracy and Privilege in Literary Titles*, 32 S. CAL. L. REV. 101 (1959).

article deals. Despite suggestions to the contrary,⁴⁴ there are legally significant differences among the various kinds of derivative works.

These differences cannot be explained through quantitative comparisons of the amounts of material borrowed from underlying works by the makers of various kinds of derivative works. Although discussions of borrowing in quantitative terms are common in copyright infringement cases, this terminology represents no more than a useful shorthand to employ in situations where an unauthorized and allegedly infringing work is neither a virtually exact copy of the original nor a clear instance of *de minimis* borrowing.⁴⁵ It does not provide a basis for comparing the different kinds of borrowing in which different creative artists engage. For example, the novelist who uses one scene from an earlier work of fiction, reproducing its action closely while altering the setting and the characters—and deviating from the pattern of the underlying work in all other respects⁴⁶—has not necessarily taken more nor less than one who borrows several of a previous

44. In his highly critical discussion of *Rohauer v. Killiam Shows, Inc.*, 551 F.2d 484 (2d Cir.), *cert. denied*, 431 U.S. 949 (1977), *see* notes 178-210 & accompanying text *infra*, Professor Nimmer argues that the rule of that case is "presumably applicable to all derivative works, not just those which involve substantial additional artistic or economic contributions." 1 M. NIMMER, *supra* note 15, § 3.07[A], at 3-30. General principles of copyright law do not, however, make such a presumption inevitable. Although courts have long disclaimed any role in evaluating the artistic merits of works in the course of deciding copyright cases, *see* *Bleistein v. Donaldson Litho. Co.*, 188 U.S. 239 (1903), it does not follow that they must be blind to generic qualitative differences among kinds or categories of works. In a recent critique of the 1976 Copyright Act, one commentator has argued that the Congress, in defining certain aspects of the relationship between underlying and derivative works, failed to take sufficient account of such qualitative differences. *See* Mimms, *Reversion and Derivative Works Under the Copyright Acts of 1909 and 1976*, 25 N.Y.L. SCH. L. REV. 595, 635-36 (1980).

45. *See* 3 M. NIMMER, *supra* note 15, § 13.03[A][1] for a discussion with examples of the subjective judgments involved in any judicial determination of whether an allegedly infringing work is "substantially similar" to a copyrighted one; much turns on how important the material taken is to the original, as well as on the quantity involved. Even more subjective would be any conclusion that, as a class, motion pictures take "more" or "less" from works on which they draw than do, for example, musical arrangements or translations.

46. Such borrowing is illustrated by the account of a novel which was recently withdrawn as a Book-of-the-Month-Club selection because it too closely resembled a book by the late Somerset Maugham:

[The author] responded that his book was "a totally different creation. . . . The characters, the concerns, the language—these are mine."

Maugham's novel, published in 1925, is set in China and tells of a woman whose adultery is discovered by her husband, a bacteriologist. [The later novel] is set in Africa in the same period and it is the wife who is the bacteriologist.

Washington Post, Jan. 31, 1980, B2, col. 2. *See also*, Mitgang, *Defining Responsibility in Book Publishing*, N.Y. Times, Jan. 31, 1980, § C, at 19, col. 1 (same incident).

author's characters essentially intact and puts them through new paces.⁴⁷ Nor has the painter who imitates the overall composition of another's painting necessarily taken more or less than one who slavishly copies a figure from a preexisting canvas into an otherwise original composition.

Certainly, the literary borrowings of a novelist cannot be usefully compared with the graphic borrowings of a painter if purely quantitative terms are employed. If the varying relationships which different sorts of derivative works bear to their corresponding underlying works are to be described, and the legal significance of those relationships assessed, qualitative terms must be employed. Possible bases for qualitative distinction among derivative works include the nature of the material borrowed,⁴⁸ the extent of the borrower's selectivity,⁴⁹ and the degree to which the borrowed material is transformed in the creation of the derivative work.⁵⁰

At one extreme are works—art reproductions, for example—

47. See, e.g., the itemization of new adventures of Sherlock Holmes and Dr. Watson—from pens other than that of Sir Arthur Conan Doyle—in 1 THE ANNOTATED SHERLOCK HOLMES 20-22 (W.S. Baring-Gould ed. 1967). For a discussion of whether such borrowings constitute infringement when made without the authorization of a copyright owner, see note 10 *supra*.

48. With respect to literary and dramatic works, it is possible to distinguish between those borrowings which are of plot or incident, those which are of characters, and those which involve description or other nonnarrative material. In addition, all the foregoing borrowings of content may be distinguished from borrowings of style—which no matter how obvious, cannot in themselves constitute copyright infringements. *Ricker v. General Electric Co.*, 162 F.2d 141 (2d Cir. 1947). *But cf.* *Sid & Marty Krofft Television Prods., Inc. v. McDonald's Corp.*, 562 F.2d 1157, 1167 (9th Cir. 1977) (infringement finding based on conclusion that one audiovisual work reproduces the "total concept and feel" of another).

49. Assuming each of two derivative works takes something less than all the content of its corresponding underlying work, the selectivity exercised by the authors may still differ markedly. Some creators of derivative works borrow intensely from limited portions of underlying works, as by dramatizing one of the several narrative lines of a complex work of fiction or autobiography. See *Orion Pictures Co. v. Dell Publishing Co.*, 471 F. Supp. 392, 294 & n.4 (S.D.N.Y. 1979) (film *Julia* based on one chapter of Lillian Hellman's *Pentimento*). Others pick and choose elements of the underlying work as a whole. *Cf.* Anderson, *New Novelist Is Called a Plagiarist*, N.Y. Times, Oct. 21, 1980, § C, at 7, col. 4; *Writer Apologizes for Plagiarism*, N.Y. Times, Oct. 28, 1980, § C, at 5, col. 5.

50. This is the most elusive, and perhaps the most important, of the bases for qualitative distinction. One factor to be considered is whether the derivative work is in a different artistic medium from the original. In itself, however, this will not reveal whether a substantial transformation has occurred. An engraved or photographic reproduction of a painting, for example, is inevitably a transformation of the original in one sense. See *Kuddle Toy, Inc. v. Pussycat-Toy Co.*, 183 U.S.P.Q. (BNA) 642, 658 (E.D.N.Y. 1974). However, it may have been prepared with the primary goal of literal fidelity to that original. See Oppenheimer, *Originality in Art Reproductions: "Variations" in Search of a Theme*, 26 BULL. COPYRIGHT SOC'Y 1, 21-26 (1978). In extreme contrast is a symphonic tone poem "inspired" by a painting, transforming the original

which unselectively take both the style and the content of the works on which they are based, failing to transform the borrowed material to any significant degree. Even when they have been created and copyrighted with the unqualified consent of the owners of copyright in underlying works, these derivative works remain analytically no more than appendages of the originals.⁵¹ At the other extreme are works, such as poems "inspired" by paintings,⁵² which selectively take isolated elements from preexisting works and thoroughly transform the material taken. Such works may

so completely that, even if not authorized, it could not be found to infringe the original's copyright. See notes 41-42 & accompanying text *supra*.

The degree to which a derivative work transforms borrowed material cannot be explained, in any event, by reference to a single factor. The transformation can occur even where two works are in the same artistic medium, as with a musical arrangement which retains the melody of an earlier composition, but alters its instrumentation, rhythms, or harmonies. See generally Comment, *Copyright and the Musical Arrangement: An Analysis of the Law and Problems Pertaining to This Specialized Form of Derivative Work*, 7 PEPPERDINE L. REV. 125 (1979). Another factor is the amount of new material that the creator of the derivative work has contributed. Although there is disagreement as to whether this is a relevant consideration on the issue of infringement when the borrowing is unauthorized, compare *Sheldon v. Metro-Goldwyn Pictures, Inc.*, 81 F.2d 49, 56 (2d Cir. 1936) ("[N]o plagiarist can excuse the wrong by showing how much of his work he did not pirate.") with *B. KAPLAN, supra* note 33, at 49-50 ("[E]ven details can be used and recognizably so, if they are 'improved' by changes in which the user himself displays substantial authorship."), it has direct bearing on other inquiries in copyright law. If a relatively small amount of "original" new matter has been contributed, for example, the author of a derivative work is entitled to a copyright in that work. *Alfred Bell & Co. v. Catalda Fine Arts, Inc.*, 191 F.2d 99 (2d Cir. 1951). And the extent of that author's contribution beyond the minimum amount may have a bearing on the future relationship between derivative and underlying work.

The transformational effect of various additions of new matter to derivative works is not always easily assessed. In "fact works," such as maps and directories, it is relatively straightforward to ask how much new information the author of a new work has contributed. See generally Gorman, *Copyright Protection for the Collection and Representation of Facts*, 76 HARV. L. REV. 1569 (1963). However, where works of imagination are concerned, the inquiry may be more difficult. Some examples of significant additions are readily available: new characters or episodes inserted in narrative works and new figures or other design elements in works of the plastic arts. But there can be more subtle additions of new matter as well, such as alterations in the point of view from which the material is presented, as where a new version of a serious work is reshaped for comic effect. Thus, for example, the parody cases which have given the courts so much difficulty when analyzed under the copyright doctrine of "fair use," see generally Light, *Parody, Burlesque, and the Economic Rationale for Copyright*, 11 CONN. L. REV. 615 (1979), pose additional problems because of the transformation which a successful "take-off" works upon the original material.

51. In order to qualify for copyright protection as a derivative work, an art reproduction must be a "distinguishable variation" of the original. *Alfred Bell & Co. v. Catalda Fine Arts, Inc.*, 191 F.2d 99, 102 (2d Cir. 1951). This does not mean, however, that the reproduction must achieve a visual effect different from that of the work reproduced. Indeed, the goal of a reproduction is to duplicate the effect of the underlying original as clearly as possible. See Oppenheimer, *supra* note 50, at 22-24.

52. See, e.g., *Musée des Beaux Arts*, in W.H. AUDEN—COLLECTED POEMS 146 (E. Mendelson ed. 1976) (Breughel's *Icarus*).

well not constitute infringements of any copyrights subsisting in the works on which they draw. Indeed, works of this group differ so markedly from the preexisting works on which they draw that they probably should not be considered derivative at all. Even if their creators have taken the precaution of obtaining licenses from underlying work owners, these "inspired" works remain essentially independent new creations.

Between these extremes, however, are those derivative works which challenge the law of copyright. This category includes many motion pictures and stage plays, and at least some translations and musical arrangements. Despite their debts to preexisting works, these often display a significant degree of independence. When a relatively independent derivative work of this character has been created with the unqualified consent of the owner of copyright in an underlying work, but the passage of time has operated to deprive the copyright owner or other would-be user of the derivative work of the contractual benefit of that consent, the fact of the derivative work's real—if limited—independence must bear on any legal analysis of the resulting deadlock.

As a class of derivative works, motion pictures have especially strong claims to independence. Although they often borrow from multiple elements of preexisting works on which they are based (including characterization, plot, and non-narrative material), this borrowing, if the preexisting work in question is a novel, play, or even another motion picture, will always be selective—often highly so.⁵³ If the preexisting work was prepared specifically for use in film production, the degree of selectivity evidenced by the final motion picture is usually less, although it may sometimes still be considerable.⁵⁴ Invariably, the final motion picture

53. These omissions are inevitable given the limitations of the motion picture format. See *Orion Pictures Co. v. Dell Pub. Co.*, 471 F. Supp. 392, 394-95 (S.D.N.Y. 1979). Their significance appears from an examination of motion picture adaptations of public domain literary classics. The 1956 screen version of Melville's *Moby Dick*, for example, has been described as deleting "most of the documentary (whaling as a commercial occupation and industry) and the philosophical dimensions of the novel, leaving behind the adventure story." French, *Lost at Sea*, in *THE CLASSIC AMERICAN NOVEL AND THE MOVIES* 52, 53 (G. Peary & R. Shatzkin eds. 1977). Notably, such omissions often go hand-in-hand with additions; thus, the 1926 silent film version of *Moby Dick (The Sea Beast)* gave Captain Ahab a last name ("Seeley") and found roles for his villainous brother ("Derek") and faithful wife ("Esther"). See *id.* at 52.

54. One source of this selectivity is suggested by the following summary of a sequence from Nicholas Ray's *In a Lonely Place* (1950), in which Humphrey Bogart plays the role of a successful Hollywood screenwriter: "The ill-fated . . . hatcheck girl confesses . . . that she never knew pictures were written by screenwriters. She thought instead that the stars wrote their own dialogue. If the stars are big enough, Bogart reassures her, they do just that." Sarris, *The Actor as Auteur*, AM. FILM, May 1977, at 16. In addition, directors may delete sequences appearing in screenplays during filming. Most typically, however, material included in the screenplay will be

represents a significant transformation of the preexisting material, both because it is a work in a different medium and because it incorporates additions of new material.⁵⁵

The very nature of the motion picture medium is a formidable obstacle to analytic efforts which attempt to separate derivative from original elements. For this reason, it is difficult to harmonize the interests of the owners of copyrights in underlying works with those of the owners and other would-be users of derivative motion pictures.

The analysis applied to copyright conflicts involving derivative motion pictures need not be applicable to the entire heterogeneous universe of derivative works. And while that analysis ideally should apply to other derivative works which are qualitatively similar to motion pictures, there are still other considerations which make the problems posed by challenges to the use of derivative motion pictures unique.

D. *Copyright Conflicts and Classic Motion Pictures: The Importance of Public Access*

In the seventh decade of American feature film production,⁵⁶

filmed, only to be left subsequently on the "cutting room floor." See generally K. REISZ & G. MILLAR, *THE TECHNIQUE OF FILM EDITING* (1968).

55. In this hybrid audiovisual art form, a special contribution is made by the person—usually a film's director—who is in overall control of the photography itself (including the selection of sets and locations, the direction of actors for the camera, the selection of camera angles and lighting, the laboratory processing of the film, and the creation of "special effects"), as well as the editing together of individual film sequences and their integration with recorded dialogue and music. Film criticism is divided over the proposition that for every motion picture there exists a unique "author" whose artistic personality is expressed through visual style. See generally Sarris, *The Auteur Theory Revisited*, AM. FILM, July-Aug. 1977, at 49. See also *Epoch Prod. Corp. v. Killiam Shows, Inc.*, 522 F.2d 737, 740-41, 744-45 (2d Cir. 1975) (recognizing D.W. Griffith as "author" of *The Birth of a Nation* for copyright purposes), cert. denied, 424 U.S. 955 (1976). But whoever bears the artistic responsibility, the visual style of a motion picture, along with the interaction between image and sound, are as important as dramatic structure and dialogue to commercial and artistic success. Not even the most detailed shooting script, let alone an underlying novel or play, can determine these elements in advance of the film's production. As director Josef von Sternberg noted: "The motion picture has a vocabulary of its own, which does not resemble the words on paper. Words cannot describe an image, particularly when it is in motion, and no two human beings can visualize an idea in an identical or even a similar manner." J. VON STERNBERG, *FUN IN A CHINESE LAUNDRY* 306 (Macmillan ed. 1965).

56. Leslie Halliwell defines a "feature film" as a "(fictional) entertainment film of more than 3000 feet in length (approx. 34 minutes)." Anything else is a "short." L. HALLIWELL, *THE FILMGOER'S COMPANION* 231 (7th ed. 1980). The production of multiple-reel silent movies (a silent reel having a running time of approximately 15 minutes) in the United States was stimulated by the 1913 box office success of an Italian import, the eight-reel *Quo Vadis*. By 1915, the year of the release of D.W. Griffith's 12-reel feature, *The Birth of a Nation*, see generally *Epoch Prod. Corp. v.*

claims that the use of certain motion pictures infringes copyright in underlying works are becoming more frequent, especially—but not exclusively—claims involving silent films and sound films produced before 1950. This segment of the record of American film production embraces some 21,000 titles and includes numerous motion picture “classics.”⁵⁷

During the past five years, several cases have been litigated by owners of copyright in works underlying such diverse productions as the Rudolph Valentino vehicle, *The Son of the Sheik*,⁵⁸ the *Monty Python's Flying Circus* television programs,⁵⁹ the original version of *A Star Is Born*,⁶⁰ numerous “Hopalong Cassidy” movie westerns,⁶¹ the film version of G.B. Shaw's *Pygmalion*,⁶² and Alfred Hitchcock's suspense classic, *Rear Window*.⁶³ The results in several of these cases have operated to limit the distribution and exhibition of the motion pictures involved.

A more far-reaching effect of these conflicts has been to reduce public access to motion pictures other than those involved in litigation.⁶⁴ A sample of the motion pictures which have been

Killiam Shows, Inc., 522 F.2d 737 (2d Cir. 1975), *cert. denied*, 424 U.S. 955 (1976), somewhat shorter features were already a staple of the American film industry. See T. BOHN & R. STROMGREN, *LIGHT AND SHADOWS* 108-09 (1975).

57. This estimate is based on figures supplied in a letter from Lawrence F. Karr, Director, Preservation, American Film Institute, Washington, D.C., to the author, Nov. 6, 1980 (copy on file at *UCLA Law Review*).

58. See the discussion of *Rohauer v. Killiam Shows, Inc.*, 551 F.2d 484 (2d Cir.), *cert. denied*, 431 U.S. 949 (1977), at text accompanying notes 118-29 *infra*.

59. See the discussion of *Gilliam v. American Broadcasting Cos.*, 538 F.2d 14 (2d Cir. 1976), at text accompanying notes 102-17 *infra*.

60. See the discussion of *Classic Film Museum v. Warner Bros.*, 453 F. Supp. 852 (D. Me. 1978), *aff'd*, 597 F.2d 13 (1st Cir. 1979), at text accompanying notes 142-55 *infra*.

61. See the discussion of *Filmvideo Releasing Corp. v. Hastings*, 426 F. Supp. 690 (S.D.N.Y. 1976), at text accompanying notes 130-41 *infra*.

62. See the discussion of *Russell v. Price*, 448 F. Supp. 303 (C.D. Cal. 1977), *aff'd*, 612 F.2d 1123 (9th Cir. 1979), *cert. denied*, 446 U.S. 952 (1980), at text accompanying notes 156-69 *infra*.

63. Unlike the litigations referred to in the five preceeding notes, this 1974 action—which involved the claims of the successors-in-interest of Cornell Woolrich, the author upon whose short story the film was based—did not come to judgment; it was settled in March, 1976 on terms which reportedly involved the payment of a substantial sum by the defendants (who had broadcast the film on television) and formalized the impasse among the various parties so as to bar any future exhibition. See Brief of United Artists Corp. as Amicus Curiae at 25-26, *Rohauer v. Killiam Shows, Inc.*, 551 F.2d 484 (2d Cir.), *cert. denied*, 431 U.S. 949 (1977) (copy on file at *UCLA Law Review*). See also Nevins, *supra* note 23, at 602. The case is of some special interest because the plaintiff asserting copyright claim was a “literary speculator” who had purchased from the Woolrich estate rights in works underlying at least four motion pictures, apparently with a view toward asserting those rights against users of the film. See *id.* at 602 & n.10.

64. See Nevins, *supra* note 23, at 602-03 & n.10 (noting that many films escape “copyright death” only because of the “inattention” of those with claims); Note,

taken out of release because their copyright owners failed to negotiate successfully with owners of copyright in underlying works includes: *Thanks for the Memory* (a 1938 Bob Hope vehicle), *You Can't Take It With You* (also 1938, starring Jean Arthur, James Stewart, and Lionel Barrymore), *The Man Who Came to Dinner* (1942, with Monty Woolley as Sheridan Whiteside), and *George Washington Slept Here* (also 1942, with Jack Benny and Ann Sheridan).⁶⁵ Other motion pictures affected by underlying work claims, including *Gone With the Wind*, have remained in circulation because their copyright holders have been willing to pay substantial sums to the holders of claims based on rights in underlying works.⁶⁶ Such payments would be uneconomic for motion pictures of somewhat lesser commercial luster. Moreover, underlying work claims not only affect public access to motion pictures by discouraging their distribution by film copyright owners, but also have been employed in attempts to prevent private firms specializing in the distribution of public domain film classics from offering particular titles, with the possible result that certain films then become unavailable to the public, or available only on the payment of significantly higher rental fees.⁶⁷

Rohauer v. Killiam Shows, Inc., and the Derivative Work Exception to the Termination Right: *Inequitable Anomalies Under Copyright Law*, 52 S. CAL. L. REV. 635, 652 n.129 (1979) [hereinafter cited as *The Derivative Work Exception*] (film industry practice to withdraw motion pictures subject to underlying work claims).

65. See Brief of United Artists Corp., *supra* note 63, at 26; Harmetz, *T.V. Gets "You Can't Take It With You,"* N.Y. Times, Jan. 24, 1979, § C, at 15, col. 1. The exact extent of such withdrawals from circulation is necessarily unknown.

66. See HOUSE COMM. ON THE JUDICIARY, 88TH CONG., 2D SESS., COPYRIGHT LAW REVISION, PT. III: PRELIMINARY DRAFT FOR REVISED U.S. COPYRIGHT LAW AND DISCUSSION AND COMMENTS ON THE DRAFT 287, 88th Cong., 2d Sess. (Comm. Print 1964) (statement of Irwin Karp, Author's League of America, that statutory successors of author Margaret Mitchell will probably receive \$500,000 for motion picture rights under renewal copyright in novel), *reprinted in* 3 1976 LEGISLATIVE HISTORY, *supra* note 15, pt. 3, at 287. As the United States Supreme Court has recognized, however, "[T]here is but one 'Gone With the Wind.'" *United States v. Loew's Inc.*, 371 U.S. 38, 48 n.6 (1962).

67. In *Classic Film Museum, Inc. v. Warner Bros.*, 453 F. Supp. 852 (D. Me. 1978), *aff'd*, 597 F.2d 13 (1st Cir. 1979), Warner's—a major film producer and distributor—attempted to use an underlying work claim to prevent a specialized distribution firm from continuing to offer a Warner's film which had inadvertently been allowed to fall into the public domain. Although Warner's motives do not appear from the opinions, it may be significant that the film in question recently had been "remade" in a new version for Warner's release. 453 F. Supp. at 853. It is common practice in the motion picture industry to coordinate the release of a "remake" with efforts to suppress prior versions. See Ziniewicz, *The Case for Film Piracy*, 81 CASE & COMMENT 12, 15 (Dec. 1976). Cf. Harmetz, note 65 *supra* (unavailability of film makes television rights in the underlying play "more desirable").

In *Russell v. Price*, 448 F. Supp. 303 (C.D. Cal. 1977), *aff'd*, 612 F.2d 1123 (9th Cir. 1979), *cert. denied*, 446 U.S. 952 (1980), the principal plaintiff, Janus Films, was a specialized distributor which sought to bar a competitor, Budget Films, from offering the movie *Pygmalion* to the public. In fact, Budget's rental terms are considerably

Unlike an out-of-print book, a classic motion picture cannot readily be consulted by a member of the public in a library collection. Relatively few prints of most American motion pictures survive, and those which do are in the hands of motion picture companies, private collectors, and film archives.⁶⁸ Only the latter promise any hope of public access, and even here the potential for underlying rights claims may have a serious adverse effect. By significantly complicating copyright histories of older American motion pictures, these claims tend to discourage the efforts of film archives to preserve and restore deteriorating film materials, or to make the results available for public viewing.⁶⁹

more reasonable than those of Janus; it offers many of the same public domain pictures for one-third to one-quarter the price, does not limit the number of times a film may be exhibited during a one-day rental, and charges no percentage of the renter's ticket receipts. Compare BUDGET FILMS, 16 MM RENTAL CATALOGUE (1979) with JANUS FILMS, THE CLASSIC COLLECTION: 1980 & 1981 (1979-80).

Bolstered by its success in *Russell*, Janus has circulated a letter addressed "To All Television Stations, Cable Systems, Theater and Non-Theatrical Users of Film," asserting that it is the sole lawful source of prints of a variety of classic films, including a number in the public domain which Janus asserts it is exclusively authorized to distribute by the owners of rights in underlying works; in addition to *Pygmalion*, the list includes four early, British-made Alfred Hitchcock films (*The Lady Vanishes*, *Murder, Secret Agent*, *The 39 Steps*), as well as Carol Reed's *The Third Man* (undated copy, received by the author in Sept. 1980, on file at *UCLA Law Review*).

Further examples of attempts to use underlying work copyright claims to suppress competition in the distribution of public domain motion pictures are provided in Nevins, *The Doctrine of Copyright Ambush: Limitations on the Free Use of Public Domain Derivative Works*, 25 ST. LOUIS U.L.J. 58, 81-82 (Appendix A) (1981).

68. For the most part, American motion picture companies have made it a policy only to lease, rather than sell, prints of their films. At the conclusion of the commercial release of a particular motion picture, most prints in circulation are recalled and destroyed. See, e.g., *United States v. Drebin*, 557 F.2d 1316, 1326-28 (9th Cir. 1977), cert. denied, 436 U.S. 904 (1978); *United States v. Wise*, 550 F.2d 1180, 1190-93 (9th Cir.), cert. denied, 432 U.S. 929 (1977). Although the no-sale rule has not always been observed by all film companies, see *Hampton v. Paramount Pictures Corp.*, 279 F.2d 100 (9th Cir.), cert. denied, 364 U.S. 882 (1960); *Universal Film Mfg. Co. v. Copperman*, 218 F. 577 (2d Cir.), cert. denied, 235 U.S. 704 (1914), it is one reason that only about one-half of the feature motion pictures made in the United States before 1970 survive in any form. Letter from Lawrence F. Karr to the author, note 57 *supra*. The overwhelming majority of those surviving are represented principally by copies in the storage vaults of the original production companies or their successors, or in the collections of specialized film archives. Although the proliferation of new home viewing technologies has encouraged some motion picture companies to make films from their libraries available on videotape cassettes or videodiscs, see note 1 *supra*, relatively few titles are involved—necessarily all films about which there is no dispute regarding copyright ownership. Members of the public wishing to view others must deal with the so-called "motion picture pirates," who operate in disregard of copyright, and represent at best an unreliable avenue of access, which can only become more uncertain with time. See Monaco, *Stealing the Show: The Piracy Problem*, AM. FILM, July-Aug. 1978, at 57-58. See generally Ziniewicz, note 67 *supra*.

69. Because all American motion pictures made before 1952 were on volatile nitrate base film stock which can deteriorate rapidly, any delay in preservation and restoration may result in permanent loss of portions of the record of American film

Limiting the public availability of classic motion pictures is not desirable where it could be avoided without prejudicing the rights and reasonable expectations of the owners of copyright in original or derivative works. Nor is this outcome absolutely necessary in every case, given the legal, historical, and practical background. It is a mixed portent that increasing attention is being devoted to claims made against the users of classic motion pictures on the basis of rights in underlying works. Depending on how these claims are resolved, the American public's access to the primary record of an art form in which American artists consistently have excelled⁷⁰ will either be enhanced or inhibited.

II. STATUTORY TREATMENT OF DERIVATIVE WORKS IN THE 1909 AND 1976 ACTS

A. *What Law Governs?*

To date, motion picture copyright cases involving underlying copyright claims have all been concerned with alleged acts of infringement occurring before the effective date of the Copyright Act of 1976,⁷¹ and have therefore been decided by construing the

history. Of the roughly 6,600 motion pictures made in the United States during the 1920s, for example, perhaps no more than 20 percent survive. Letter from Lawrence F. Karr to the author, note 57 *supra*. See also Culhane, *Nitrate Won't Wait*, AM. FILM, Mar. 1977, at 54, 54-55, 58. In addition, an apparent crisis now exists as to many color films made in the 1950s, '60s, and '70s. Although prints and negatives of these motion pictures are on the more stable acetate cellulose stock, they urgently require special preservation efforts to address the problems of color loss and distortion. See generally Jacobson, *Old Pix Don't Die, They Fade Away*, Variety, July 9, 1980, at 1, col. 2.

Archival film preservation and restoration involves locating, collating, and reduplicating surviving film materials, which often are in private hands. The last of these steps is a potential copyright violation, and the Copyright Act of 1976 does not provide archives with any special protection against liability. Section 108(c), which permits the making of a "replacement" for a deteriorating copy of a copyrighted work in an archive's possession, would not appear to authorize the duplication of materials held by others. See 17 U.S.C. § 108(c) (Supp. III 1979).

Archives are necessarily conservative in their copyright practices. When the copyright history of a film under consideration for preservation or restoration is so complex that clearances from all those with potential claims would be impossible or difficult to obtain, the project is likely to be abandoned or postponed. Even when an archive elects to preserve such a motion picture despite its copyright history, it will not allow the results to be screened for general audiences, because such exhibition would constitute infringement of the relevant copyrights and would be unlikely to fall within the doctrine of "fair use." At most, the film may be made available to a limited number of scholars and students. Interviews with Lawrence S. Karr, Director, Preservation, American Film Institute, in Washington, D.C. (Summer and Fall, 1980).

70. See generally, A. KNIGHT, *THE LIVELIEST ART* (1957); A. SARRIS, *THE AMERICAN CINEMA* (1968).

71. Transitional and Supplementary Provision § 112, Pub. L. No. 94-553, 90 Stat. 2541 (1976), reproduced in 17 U.S.C. following § 501, provides that "causes of action

Copyright Act of 1909. Future litigation will address the status of derivative motion pictures in the post-1977 period, but there is every reason to think that—for the most part—they will continue to concern pre-1978 films.⁷² Whether these motion pictures currently enjoy copyright protection is a function of both the prior and present Copyright Acts, because the 1976 Act perpetuates protection for only those pre-1978 works which were protected when it took effect.⁷³ Underlying works on which these motion pictures draw would likewise be protected only if copyrighted

that arose under Title 17 before January 1, 1978, shall be governed by Title 17 as it existed when the cause of action arose."

72. The most common source of copyright conflicts involving underlying and derivative works protected under the 1909 Act is the institution of copyright renewal, which gives the authors of some works (or their successors) limited opportunities to "recapture" previously alienated rights. *See* note 12 *supra*; note 98 *infra*. For works first protected under the Copyright Act of 1976, however, no opportunity for recapture by renewal exists, because there are no renewals, a single term of copyright having been substituted for the old two-term scheme. *See* notes 11, 12 *supra*. In enacting this change, the Congress was concerned with the position of the author who had made a bad bargain, and devised the "termination of transfer" provisions of the 1976 Act, *see* 17 U.S.C. § 203 (Supp. III 1979), to address it. In brief, these provisions give an author or his successors (as defined in the statute) a limited option to recapture previously alienated copyright interests, exercisable for a period of five years beginning 35 years from the time copyright first attached. The mechanism by which this option is to be exercised, and the difficulties which may arise in construing the language which defines it, lie beyond the scope of this article. *See generally* Curtis, *Protecting Authors in Copyright Transfers: Revision Bill § 203 and the Alternatives*, 72 COLUM. L. REV. 799 (1972); Nimmer, *Termination of Transfers under the Copyright Act of 1976*, 125 U. PA. L. REV. 947 (1977); Stein, *Termination of Transfers and Licenses under the New Copyright Act: Thorny Problems for the Copyright Bar*, 24 UCLA L. REV. 1141 (1977). Significant, however, is the congressional decision to impose one explicit limitation on the power to terminate copyright assignments and licenses of rights under copyright, referred to generally in § 203 as "grants." Section 203(b)(1) provides that:

A derivative work prepared under authority of the grant before its termination may continue to be utilized under the terms of the grant after its termination, but this privilege does not extend to the preparation after the termination of other derivative works based upon the copyrighted work covered by the terminated grant.

1976 Act, 17 U.S.C. § 203(b)(1) (Supp. III 1979). For motion pictures produced pursuant to post-1977 grants of rights in novels, plays, or scripts, this provision eliminates many of the dilemmas which exist respecting earlier works. If the original grant of motion picture rights was unlimited in duration, the motion picture copyright owner is free to continue to use the film even though any "remake" could be barred by termination. *See generally*, Cohen, *"Derivative Works" Under the Termination Provisions in the 1976 Copyright Act*, 28 BULL. COPYRIGHT SOC'Y 380 (1981); Ellingson, *The Copyright Exception for Derivative Works and the Scope of Utilization*, 56 IND. L.J. 1 (1980).

Nor is it likely that situations will arise in which post-1977 motion pictures will have entered the public domain while corresponding underlying works remain protected by copyright. By eliminating copyright renewal, and relaxing notice requirements, *see* note 13 *supra*, the 1976 Act makes the inadvertent forfeiture of a copyright exceedingly unlikely.

73. *See* 17 U.S.C. § 304 (Supp. III 1979).

under the 1909 Act, unless they remained unpublished as of January 1, 1978 and had not been registered for statutory copyright as unpublished works.⁷⁴ Regardless of publication history, these underlying works now enjoy protection under federal law only.

The Acts of 1909 and 1976 define the rights of copyright owners in somewhat dissimilar terms.⁷⁵ Moreover, the provisions of the two acts which deal specifically with the status of derivative works are at least semantically distinguishable.⁷⁶ Therefore, it is important to determine which law will apply to future litigation involving pre-1978 motion pictures and associated underlying works. It appears from the 1976 Act itself that 1909 Act principles will continue to be relevant on some points because Congress indicated an intention to adopt those principles.⁷⁷ On other points, the 1976 Act creates ambiguities which can be explained only by reference to the prior statute.⁷⁸

74. See note 15 *supra*.

75. Compare 1976 Act, 17 U.S.C. § 106(2) (Supp. III 1979) with 1909 Act, ch. 391, § 1, 61 Stat. 652 (1947).

76. Compare 1976 Act, 17 U.S.C. § 103(b) (Supp. III 1979) with 1909 Act, ch. 391, § 7, 61 Stat. 652 (1947).

77. Thus, for example, the legislative history shows that § 103(b) of the new law was intended to "define, more sharply and clearly . . . the important interrelationship and correlation between protection of preexisting and of 'new' material in a particular work" which § 7 of the 1909 Act had previously defined. HOUSE REPORT, *supra* note 15, at 57, 17 1976 LEGISLATIVE HISTORY, at 57.

A congressional intention to leave undisturbed the 1909 Act principles relating to copyright renewal may be inferred from the use in the 1976 Act's § 304(a) of language substantially the same as that of § 24 of the old law. See note 12 *supra*.

78. Thus, for example, § 106 of the 1976 Act confers on the copyright owner a series of "exclusive rights" including, at § 106(2), the right to "prepare derivative works based on the copyrighted work." It does not speak directly to the problem of whether continued *use* of a derivative work which was *prepared* with authorization can constitute an infringement when it occurs without the consent of the underlying copyright owner. Section 106(1) reserves to the copyright owner a "right to reproduce the copyrighted work in copies or phonorecords." See 1976 Act, 17 U.S.C. § 106 (Supp. III 1979). Moreover, the legislative history of the 1976 Act makes it clear that a "reproduction" need not be literal or complete, and may still constitute infringement despite its "[w]ide disparities or variations" from the original. HOUSE REPORT, *supra* note 15, at 61, 17 1976 LEGISLATIVE HISTORY, at 61. Thus, any physical duplication of the derivative work might potentially infringe this aspect of the copyright in an underlying work—a point which is important because the typical commercial motion picture distributor will duplicate prints of the motion pictures which it circulates in the regular course of business.

If, however, the unauthorized use made of a derivative motion picture does not involve duplication, but only the exhibition of copies already in being, an analogy might be made to books, which, once on the market, may be resold and read without regard either to the copyright in the work they reproduce or in any underlying work. Even if it is true that those against whom an underlying work copyright owner is most likely to seek to enforce its copyright will be engaged in distributing derivative motion pictures commercially, and thus are likely to be engaged in unauthorized duplication as well, the practical problems in such an enforcement effort will be simplified if there is a basis to argue that merely authorizing public exhibition of such a motion picture

In resolving crucial questions about the law applicable to pre-1978 derivative works, it may be constitutionally required to apply the law of the 1909 Act and the cases decided under it. If the subsisting copyrights in an underlying work and a related derivative work were first secured prior to 1978, any reading of the 1976 Act which expands the rights of the holder of one copyright, while diminishing those which the other would have had under the 1909 Act, would amount to a prohibited deprivation of due process as an uncompensated taking of property⁷⁹—at least if the effect of such a reading was an adjustment of the parties' relative positions during the first 56 years of copyright protection, rather than during the extended term of protection which the 1976 Act itself confers.⁸⁰

The potential constitutional problem is different if an underlying work is now protected by a copyright originally secured before 1978 and the corresponding pre-1978 derivative work is unprotected—whether because of a failure to attach the requisite notice on first publication, or because of a subsequent pre-1978 failure to claim renewal copyright.⁸¹ To interpret the 1976 Act as providing the owner of the underlying copyright with any new authority over the use of the derivative work by members of the pub-

can be said to infringe the underlying work copyright. Otherwise, the copyright owner may encounter the sort of difficulties in proving that a particular print of a motion picture was obtained other than by a lawful transfer which are illustrated in *American Int'l Pictures, Inc. v. Foreman*, 576 F.2d 661 (5th Cir. 1978).

Such a basis cannot be found in the "reproduction right." Although some cases decided under the 1909 Act suggested that to exhibit a motion picture was to create a "temporary" copy, *Patterson v. Century Prod., Inc.*, 93 F.2d 489, 493 (2d Cir. 1937), *cert. denied*, 303 U.S. 655 (1938), this theory is clearly foreclosed under the 1976 Act, which defines copies as "material" objects. *See* 17 U.S.C. § 101 (Supp. III 1979). Instead, one must look to the § 106(4) reservation of an exclusive right "to perform the copyrighted work publicly." *Id.* § 106(4).

The 1976 Act and associated legislative history, however, leave some doubt as to whether the "performance right" in a novel, play, or script is susceptible to infringement by mere unauthorized exhibition of a derivative motion picture. *See* 17 U.S.C. § 101 (Supp. III 1979) (definition of "perform"); HOUSE REPORT, *supra* note 15, at 63-64, 17 1976 LEGISLATIVE HISTORY, at 63-64. Ultimately, the question can be resolved only by reference to 1909 Act law. In the early case of *Kalem Co. v. Harper Bros.*, 222 U.S. 55 (1911), such exhibition was held to infringe the underlying copyright owner's exclusive right to "dramatize" a novel, and although the new copyright law speaks of a "performance right" rather than a right to "dramatize," as the 1909 Act did, *see* ch. 391, § 1, 61 Stat. 652 (1947), it appears that the new law should be read as absorbing the holding of *Kalem* rather than displacing it.

79. *Cf.* 1 M. NIMMER, *supra* note 15, § 1.11, at 1-95, where it is argued that retroactive applications of the 1976 Copyright Act which could transfer ownership of existing copyrights may violate Fifth Amendment guarantees.

80. *See* note 12 *supra*. For the suggestion that the extended copyright term itself may be constitutionally vulnerable, *see* 1 M. NIMMER, *supra* note 15, § 1.10[C], at 1-80 to -81.

81. *See* notes 12-13 *supra*.

lic, beyond what that owner would have had under the 1909 Act, could have the effect of withdrawing material from the public domain. Such withdrawal, although not a "taking" prohibited by the fifth amendment, might well run afoul of the guarantees of the first amendment, as well as of the terms of the constitutional grant of congressional power to enact a copyright statute.⁸²

It is reasonable to assume that Congress intended to avoid doubts as to the constitutionality of the Copyright Act of 1976,⁸³ and that it therefore intended that the enactment would work no substantial change in relationships between underlying and derivative works copyrighted before 1978.⁸⁴ Reinforcing the reason-

82. Both the freedom of speech guarantee of the first amendment and the limitation of congressional power over copyrights (and patents) to the making of grants "for limited Times," U.S. CONST. art. I, § 8, cl. 8, suggest that once a work has entered the public domain, it must remain there. See 1 M. NIMMER, *supra* note 15, § 1.05[A], at 1-34. See generally Nimmer, *Does Copyright Abridge the First Amendment Guarantees of Free Speech and Press?*, 17 UCLA L. REV. 1180 (1970).

83. *Cf.* United States v. Five Gambling Devices, 346 U.S. 441, 450 (1953) (opinion of three Justices) (courts should presume that Congress does not intend its Acts to be applied so as to raise constitutional questions).

84. A few situations may arise in future litigation which will not so clearly be governed exclusively by 1909 Act principles. One is the case of a pre-1978 derivative work eligible for renewal after Jan. 1, 1978, but not in fact renewed. Because the renewal provisions of the 1976 Act, 17 U.S.C. § 304(a) (Supp. III 1979), are substantially identical to those of the former law, 1909 Act, ch. 391, § 24, 61 Stat. 652 (1947), it could be argued persuasively that the effect of a failure to renew should also be the same in all respects as under the 1909 Act. If the public would formerly have been free to use such a work, regardless of subsisting underlying work copyrights, it should likewise be free to do so under the new Act. But because the work did not enter the public domain before Jan. 1, 1978, there would be no apparent constitutional objection to treating the effect of a post-1977 nonrenewal as different from that of a pre-1978 one.

Related problems may arise when a renewal copyright has been claimed under § 304(a) of the 1976 Act in a pre-1978 underlying work. Whether the related motion picture is still in its first term of copyright, has itself been renewed, or is in the public domain, the renewal claimant in the underlying work may assert claims against users of that motion picture. Such claims should be assessed identically with claims based on pre-1978 underlying copyright renewals, although to do so may not be necessary to avoid constitutional doubt. See notes 348-51 & accompanying text *infra*; text following note 351 *infra*. Had the Congress intended to define the incidents of pre-1978 and post-1977 renewals differently with regard to the position of derivative works, it presumably would have rejected at least some of the old law's language in the course of the copyright revision effort or would have addressed the point specifically.

Another instance in which the survival of the 1909 Act principles may not be constitutionally compelled is that in which a derivative motion picture was issued to the public before the effective date of the new Act, while a related underlying work remained unpublished. Courts and commentators disagree on whether, under the 1909 Act, such publication of a derivative work also constituted the publication of whatever it had taken from the underlying work, sufficient to invest statutory protection if made with appropriate copyright notice, or to divest it if such notice were not given. See notes 14-15 *supra*. If it is assumed that publishing the derivative work did not necessarily publish the underlying work, a conflict is presented between rights in an underlying work copyrighted pursuant to the new law, and a derivative work origi-

ableness of this assumption is the fact that the only provisions of the 1976 Act which explicitly affect the relationship between underlying and derivative works have been carefully limited to minimize or eliminate constitutional doubts.⁸⁵

B. *Problems of Statutory Interpretation*

The 1909 Copyright Act is crucial to the resolution of many contemporary conflicts between the owners of underlying work copyrights and the users of derivative works based upon them. Unlike the 1976 Act, however, the earlier act does not directly address such conflicts. Instead, one must consult the section 1 definition of the scope of copyright protection, the section 7 provisions on the copyrightability of derivative works, and the section 24 renewal language of the old Act.⁸⁶

nally eligible for protection under the 1909 Act. Such a problem cannot be resolved without resort to 1909 Act principles, but they may not provide a complete solution. See notes 142-45, 241-42 & accompanying text *infra*.

85. Section 304(c) of the 1976 Act governs "termination of transfers" with respect to copyright grants made before Jan. 1, 1978. Its terms are generally similar to those of § 203, but differ significantly in the substitution for the language of § 203(a)(3) of that of § 304(c)(1)(3): "Termination of the grant may be effected at any time during a period of five years beginning at the end of fifty-six years from the date copyright was originally secured, or beginning on January 1, 1978, whichever is the later." 17 U.S.C. § 304(c)(3) (Supp. III 1979). Where § 304(c) governs, the termination option applies only to the extended term of copyright, beyond the maximum defined by the 1909 Act, which the 1976 Act confers on the previously protected works. This arrangement is consistent with a congressional decision not to risk constitutional controversy by attempting to tamper with the balance of interests which the 1909 Act had created.

86. Not only is the 1909 Act silent on the question of how a conflict between the owner of copyright in an underlying work and the user of a derivative work should be resolved, it is far from clear that the Congresses that devised and enacted the 1909 Act ever considered the problem. See discussion of legislative history of the 1909 Act at text accompanying notes 260-79 *infra*. It is clear that conflicts involving derivative motion pictures were never specifically considered, for the reason that the infant art and industry of motion pictures was almost entirely overlooked in the copyright revision effort which led to the 1909 Act.

Thus, for example, at the series of conferences organized by the Librarian of Congress to elicit the views of authors and representatives of the copyright industries on working draft bills for copyright revision, the makers and exhibitors of motion pictures were unrepresented in contrast with the book and music publishers, lithographers, map-makers, and piano roll manufacturers. See, e.g., the lists of participants given in Stenographic Report of the Proceedings of the Librarian of Congress' Conference on Copyright, 1st Sess., May 1-June 2, 1905, at 3 and 2d Sess., Nov. 1-4, 1905, at 3-5, reprinted in 2 LEGISLATIVE HISTORY OF THE 1909 COPYRIGHT ACT pt. C, at iii, pt. D, at V-VIII (E. Brylawski & A. Goldman, eds. 1976) [hereinafter cited as 1909 LEGISLATIVE HISTORY.]. For the position of motion pictures in the law of copyright immediately before and after the 1909 Act, see Meagher, *Copyright Problems Presented by a New Art*, 30 N.Y.U. L. REV. 1081, 1084-1086 (1955).

Nor is there any indication that, when the statute was amended in 1912 to confirm the copyrightability of motion pictures, any congressional attention was devoted to the potential tension between the users of motion pictures—copyrighted and un-

One response to this requirement of interpretation of the superseded statute is to identify a clear principle of law, derived from the 1909 Act, which can be applied to resolve all underlying work/derivative work conflicts simply and without ambiguity. A possible candidate is the rule of derivative work subordination, to the effect that all interests in a derivative work are secondary when they conflict with copyright interests in an underlying work. This rule would give the underlying work copyright owner who is not otherwise obligated by contract an effective veto over all use of an existing derivative motion picture, as well as over the creation of new ones. Recognition of such a rule has been advocated energetically for more than fifteen years by Professor Nimmer, the most influential academic commentator on the law of copyright. In the original 1963 edition of his treatise, he stated his view as follows:

It has been suggested that once a derivative work is created pursuant to a valid license to use the underlying material, a new property right springs into existence with respect to the entire derivative work, so that even if the license is thereafter terminated the proprietor of the derivative work may nevertheless continue to use the material from the underlying work as contained in the derivative work. This conclusion is neither warranted by any express provision of the Copyright Act, nor by the rationale as to the scope of protection achieved in a derivative work. It is, moreover, contrary to the axiomatic copyright principle that a person may exploit only such copyrighted literary material as he either owns or is licensed to use.⁸⁷

This position has evident attraction. It can be applied to produce predictable results in cases involving derivative works of all sorts. Versions of this view have been adopted by several other commentators, writing before and after Professor Nimmer,⁸⁸ and

copyrighted—and the proprietors of copyright in underlying works. One writer has commented that “[T]he bulk of legislative thought [prior] to the Townsend Amendment was directed to the capacity of motion pictures to infringe.” K. SUTAK, *supra* note 9, at 32. Although one version of the legislation would have altered the pattern of relationships between underlying works and derivative motion pictures by declaring that motion picture scenarios were not copyrightable, this provision met opposition and was dropped from the bill in final form. See *Hearings on H.R. 22,350 & 22,351 Before the Comm. on Patents*, 62d Cong., 2d Sess. 106 (1912) (statement and testimony of T. Solberg, Register of Copyrights). The absence of directly relevant legislative history makes caution all the more necessary in applying the 1909 Act to conflicts involving derivative motion pictures.

87. M. NIMMER, *NIMMER ON COPYRIGHT* § 45.1, at 177 (1963) (citations omitted).

88. See, e.g., Bricker, *Renewal and Extension of Copyright*, 29 S. CAL. L. REV. 23, 43 (1955); Mimms, *supra* note 44, at 615-17; Ringer, *Renewal of Copyright*, in SUB-COMM. ON PATENTS, TRADEMARKS, AND COPYRIGHTS, SENATE COMM. ON THE JUDICIARY, 86TH CONG., 2D SESS., COPYRIGHT LAW REVISION (STUDY NO. 31) 105, 167-68 (Comm. Print 1961), reprinted in 1 STUDIES ON COPYRIGHT, *supra* note 2, at 503,

in a 1979 case, *Russell v. Price*,⁸⁹ the United States Court of Appeals for the Ninth Circuit came close to adopting the theory of uniform subordination of derivative works as a general principle of its copyright jurisprudence.

This vision of the appropriate relationship between underlying and derivative works is not, however, an inevitable one, dictated either by the 1909 Act and the cases decided under it, or by any more general "axiomatic copyright principles." In fact, it is substantially at odds with an important line of Anglo-American copyright decisions which consider the position of derivative works, and it is capable of producing undesirable results when applied to contemporary problems in motion picture distribution. Moreover, to adopt the rule of subordination as an overall solution to the problem of conflicts between underlying work owners and owners (and other users) of derivative works would be contrary to the constitutionally prescribed objectives of the American copyright system, not merely because it would operate to benefit one group of copyright holders at the expense of another, but also because it fails to take into account the public interests which the copyright system is designed to promote and would operate in practice to disserve those interests.

At least where derivative motion pictures are concerned, there is an alternative to the rule of subordination: an interest-balancing approach which is based in part on the analysis employed by the United States Court of Appeals for the Second Circuit in *Rohauer v. Killiam Shows, Inc.*⁹⁰ Such an approach resolves those conflicts left inadequately addressed by a subordination rule. Although the results yielded by interest balancing may lack the high degree of predictability which adherence to the rule of derivative work subordination could guarantee, this should not weigh heavily against its use. Because only the ascertainment of the legal consequences of past conduct is at stake, it is more important that whatever interpretation of the 1909 Act is adopted be one which reflects accurately the historical and constitutional background of that law and produces results which are desirable as a practical matter.

565-66. Even a writer who favors the recognition of derivative work independence as a matter of policy has offered the comment that the "analytical and historical roots [of the 'new property right' theory] are weak." Nevins, *supra* note 23, at 608. *But see* Engel, *Importation and Protection of Works of American Authors Manufactured Abroad Via the U.C.C. Exemption from Formalities: How Now Sacred Cow?*, 12 BULL. COPYRIGHT SOC'Y 83, 117-20 (1964).

89. 612 F.2d 1123 (9th Cir. 1979), *cert. denied*, 446 U.S. 952 (1980).

90. 551 F.2d 484 (2d Cir.), *cert. denied*, 431 U.S. 949 (1977).

III. UNDERLYING WORK COPYRIGHT OWNERS V. USERS OF DERIVATIVE MOTION PICTURES

A. *How Conflicts Arise*

Subsequent to a motion picture's first release,⁹¹ a claim that continuing exhibition of that film infringes copyright in an underlying work can arise in several ways. To begin, there are situations in which both the motion picture and the underlying work are protected by copyright.

The first and most obvious situation in which rights in a copyrighted derivative motion picture and rights in an underlying work can become separated—thereby setting up a claim against the owner of the motion picture, or that owner's licensees, by the owner of the underlying work copyright—is where the original grant of motion picture rights was a limited one.⁹² If the grant was for a term of years or was limited to the original term of copyright in the underlying work, the owner of that copyright has a potential claim for uses of the motion picture made after the term of the grant has expired.⁹³ In practice, such claims are more likely to be based on copyright in underlying works originally prepared for independent public release (such as novels, plays, and even other motion pictures), than on rights in underlying works created for use in connection with the production of particular motion pictures. These works, such as film scripts and treatments, often are considered "works made for hire." The motion picture producer, rather than the creator of such a work is entitled to claim copyright as its "author,"⁹⁴ and thus requires no license to use it as the

91. At the time of first release, there usually will be no conflict of interest between the owner of the motion picture copyright and the owners of any underlying works. See notes 18-19 & accompanying text *supra*.

92. See, e.g., *Sunset Sec. Co. v. Coward McCann, Inc.*, 297 P.2d 137 (Cal. Ct. App. 1956), *vacated*, 47 Cal. 2d 907, 306 P.2d 777 (1957), involving a grant limited to 10 years with an option to purchase an additional term on an additional payment. Although an intermediate appellate court disregarded these terms in an action brought by the grantee to establish its authority to use the resulting film after the 10-year period had expired, but without having made the additional payment, the California Supreme Court found that those terms were binding on the parties. See *generally* Nevins, *supra* note 23, at 608-10.

93. See note 24 & accompanying text *supra*.

94. Under the 1909 Act, see *generally* Varmer, *Works Made for Hire and On Commission*, in SUBCOMM. ON PATENTS, TRADEMARKS, AND COPYRIGHTS, SENATE COMM. ON THE JUDICIARY, 86TH CONG., 2D SESS., COPYRIGHT LAW REVISION (STUDY NO. 13) 123 (Comm. Print 1960), *reprinted in* 1 STUDIES ON COPYRIGHT, *supra* note 2, at 717, a treatment, script, or musical score for a motion picture prepared by a salaried employee or by an independent contractor working on commission, could be considered a "work made for hire." Regardless of the kind of work involved, whether it had been created pursuant to an "employment" was a question of fact, and if the work was not one created by a salaried employee, the outcome turned on such factors as the degree of supervision and control exercised by the person com-

basis for a motion picture.⁹⁵

Another way in which rights in derivative motion pictures and rights in underlying works can become separated is through the sale of the assets of a production company. A production company which has been engaged in making motion pictures over time will have accumulated copyright interests in underlying works, along with copyrights in motion pictures. A potential for conflict is created if one who purchases the copyright of a motion picture from the firm which originally produced it (or its successor) fails simultaneously to purchase the firm's rights in underlying works related to that motion picture.

There is yet another more prolific source of claims by underlying work owners in the operation of the reversionary renewal provisions of section 24 of the 1909 Copyright Act, and its counterpart in the new law, section 304(a). A renewal copyright which is claimed by one or more of the "statutory successors" whom the sections designate to claim renewals in the works of deceased authors amounts to a "second chance" for the exploitation of the renewed work.⁹⁶ An author cannot defeat the statutory successors' interest by assigning away the renewal term before its vesting; any contract to assign the renewal into which the author has entered becomes null and void if he or she predeceases the vesting of renewal copyright.⁹⁷ Although Supreme Court decisions con-

missioning the work over the creative process. *See* *Picture Music, Inc. v. Bourne, Inc.*, 457 F.2d 1213 (2d Cir.), *cert. denied*, 409 U.S. 997 (1972). With respect to screenplays, treatments, and other works created in the process of motion picture production, the 1976 Act generally perpetuates their treatment under former law. *See* 17 U.S.C. § 101 (Supp. III 1979) (definition of "work made for hire" includes works commissioned as "part of a motion picture"). *See generally* Angel & Tannenbaum, *Works Made for Hire Under S.22*, 22 N.Y.L. SCH. L. REV. 209 (1976). It does, however, require a written agreement as a precondition to the recognition of any commissioned work as a work for hire.

The principal significance of a particular screenplay, treatment, or musical score being regarded as a "work made for hire" is that the individual creator of such a work has no copyright interest in it at any time. The motion picture producer employing the creator or commissioning the creation is considered the "author" for all copyright purposes, including claiming statutory copyright in the first instance and (for works copyrighted before 1978) claiming renewal copyright as well. *See* 1976 Act, 17 U.S.C. § 304(a) (Supp. III 1979); 1909 Act, ch. 391, § 24, 61 Stat. 652 (1947).

95. Although scripts, treatments, and musical scores are the underlying works related to motion pictures which are most likely, as a matter of fact, to be regarded as "works made for hire," they are not the only kinds of works potentially eligible for such treatment. A novel written under a contract with a motion picture producer, who intended to use it as the basis for a subsequent film, might well qualify. *See* Whiteside, *supra* note 21, at 106-11 (novel entitled *The Great Los Angeles Fire* commissioned by motion picture producer). If such a novel dated from after 1977, its status would be determined in part by whether it could be regarded as "part of a motion picture," within the meaning of the 1976 Act. *See* note 94 *supra*.

96. *See* note 12 *supra*.

97. There is some disagreement as to when, for this and other purposes, renewal

struing section 24 to this effect have dealt only with situations in which a statutory successor and an assignee of the author contested the ownership of copyright in gross, it has become conventional to speak of renewal of copyright as a "new estate" or "new right," with the consequence that licenses given under a copyright, as well as assignments of this copyright itself, may be cut off when a statutory successor takes renewal.⁹⁸

Renewals of copyrights in underlying scripts or treatments are unlikely to generate many claims against users of derivative motion pictures, because the appropriate renewal claimant in the case of a work made for hire is the "proprietor" of copyright at the time of renewal.⁹⁹ Thus, the operation of renewal with respect to works of this variety is not reversionary. But where novels, plays, and other initially autonomous underlying works are involved, the renewal provisions are a fruitful source of such claims. The peculiar nature of the 1909 renewal mechanism gives the statutory successor to renewal copyright an arguable basis for ignoring even the most unambiguous contractual language confirming the intention of his or her predecessor to give a license of motion picture rights without limitation as to time.¹⁰⁰

copyright should be said to vest. In *Miller Music Corp. v. Charles N. Daniels, Inc.*, 362 U.S. 373 (1960), the Supreme Court wrote that "An assignment by an author of his renewal rights made before the original copyright expires is valid against the world, if the author is alive at the commencement of the renewal period." *Id.* at 375 (emphasis added). The ambiguity of the italicized phrase has perpetuated uncertainty. Compare 2 M. NIMMER, *supra* note 15, § 9.05[C], at 9-61 (renewal vests at the expiration of the original 28-year term) with Schrader, *Vesting Date of the Renewal Copyright Interest*, 19 BULL. COPYRIGHT SOC'Y 277 (1972) (renewal vests as of time of renewal registration).

98. The vocabulary of the "new estate" was employed by Justice Holmes in *Fox Film Corp. v. Knowles*, 261 U.S. 326, 329 (1923), citing *White-Smith Music Pub. Co. v. Goff*, 187 F. 247 (1st Cir. 1911), which rejected certain limitations on an author's power to dispose of renewal rights by testamentary devise. Subsequent Supreme Court decisions rejected other limitations on the author's power to make effective assignments of the renewal "expectancy." See, e.g., *Fred Fisher Music. Co. v. M. Witmark & Sons*, 318 U.S. 643 (1943) (holding, contra to *White-Smith*, that an assignment of this nature is effective when the assignor survives into the renewal term). Thus, as the "new estate" terminology was gaining currency, the concept of the "new estate" was being qualified. The Supreme Court decisions cited here, and the others in the line of which they are a part, dealt with purported assignment of an author's entire interest in a renewal copyright, rather than with grants of publishing or motion picture rights or other like licenses.

The leading cases for the proposition that the statutory successor's securing a "new estate" cuts off previously granted licenses are *G. Ricordi & Co. v. Paramount Pictures, Inc.*, 189 F.2d 469 (2d Cir.), *cert. denied*, 342 U.S. 849 (1951), and *Fitch v. Shubert*, 20 F. Supp. 314 (S.D.N.Y. 1937). See notes 284-310 & accompanying text *infra*. For the significance of the distinction between licenses and assignments in other copyright contexts under the 1909 Act, see Kaminstein, note 2 *supra*.

99. See 1976 Act, 17 U.S.C. § 304(a) (Supp. III 1979); 1909 Act, ch. 391, § 24, 65 Stat. 651 (1947); notes 12, 84 *supra*.

100. It is this feature of the law of renewal which one commentator has noted

Conflicts between underlying copyright owners and users of derivative motion pictures can also occur if the underlying work alone is protected by copyright, and the motion picture has entered the public domain either because steps necessary to gain copyright protection for the film were omitted in the first instance, or because renewal copyright was not secured. Thus, a claim by the author who created the underlying work and then consented to its use in the preparation of the motion picture, or by that author's successor, may be premised on the assertion that the consent was for a limited term which has now expired. In a variant situation, the underlying work copyright owner may contend that the terms of any consent previously given are simply irrelevant, because copyright renewal by a statutory successor of the original author has intervened, or because the person who is now using or seeking to use the public domain motion picture was not a party to the license or other agreement embodying the consent. A claim that use of a public domain motion picture infringes rights retained by the production company originally responsible for the making of that film, or a successor film, may be based on the possession of a still-valid license of motion picture rights in an independent underlying work. Alternatively, the claim may be premised on the producer's ownership of copyright in an underlying work which was created as a work made for hire preparatory to the making of the film, but which, unlike the motion picture itself, has not been allowed to enter the public domain.¹⁰¹

B. *How Courts Decide*

The difficulty of devising a consistent approach to all cases involving conflicts between underlying works and derivative motion pictures is illustrated by the recent spate of decisions on the subject. These decisions reach results which can be reconciled—if at all—only with difficulty and by routes which often appear mutually exclusive.

1. *Gilliam v. American Broadcasting Cos.*: Copyright and Contract

The earliest of these decisions dates from before the effective

"may operate in a peculiarly perverse way where on the faith of a transfer from the now-deceased author, the transferee has created a 'derivative work,' say a movie based on the original novel." B. KAPLAN, *supra* note 33, at 112.

101. See note 15 *supra* for a discussion of whether a derivative motion picture having been published, the portions of an unpublished underlying work which it has incorporated can retain separate copyright protection; only if a positive answer is assumed could a claim of copyright protection in the underlying work survive dedication of the motion picture. Cf. notes 246-59 & accompanying text *infra*.

date of the 1976 Act. *Gilliam v. American Broadcasting Cos.*,¹⁰² concerned a motion for a preliminary injunction barring an American telecast of an allegedly distorted edited compilation of several videotape-recorded episodes of the British television series "Monty Python's Flying Circus." These episodes originally had been prepared for individual presentation over the British Broadcasting Corporation network, which apparently asserted its ownership of copyright in the videotape recordings. Later, the recordings were licensed by the BBC to American Broadcasting Companies. The court of appeals reversed the district court's unreported denial of the preliminary relief sought by the individuals who prepared and performed the scripts of the programs involved.

Judge Lumbard's opinion concluded that among the grounds on which the plaintiffs had demonstrated a reasonable likelihood of eventual success on the merits was the contention that the planned ABC broadcast of the episodes, with editorial changes to which plaintiffs had not consented, would be an infringement of their common law copyrights in the unpublished scripts for the episodes involved. The plaintiffs had consented to the making of the programs from their scripts by the BBC, and had agreed to permit the BBC to license those programs for broadcast in the United States. But their agreement with the BBC also provided that they would "exercise optimum control over the scripts consistent with BBC's authority and only minor changes might be made without prior consultation with the writers."¹⁰³ Judge Lumbard found that "[n]othing in the scriptwriters' agreement entitled BBC to alter a program once it has been recorded."¹⁰⁴ The BBC was without authority to license ABC to make significant alterations in the finished programs, and to the extent that ABC made such alterations, it may have been liable to the Monty Python group for copyright infringement.¹⁰⁵

If it is assumed that common law copyright in a script can survive publication of a film or television program based upon it,¹⁰⁶ the essence of Judge Lumbard's reasoning is no more than an application of the noncontroversial principle that any use of a copyrighted work which exceeds a license from its owner can be as

102. 538 F.2d 14 (2d Cir. 1976).

103. *Id.* at 17

104. *Id.*

105. A potential alternative basis for success at trial was plaintiff's claim that the unauthorized editing amounted to a violation of the prohibitions against false designation or misrepresentation of the origin of goods contained in § 43(a) of the Lanham Act, 15 U.S.C. § 1125(a) (1976); Judge Gurfein disassociated himself from this portion of the court's discussion. 583 F.2d at 26. *See generally* 90 HARV. L. REV. 473 (1976).

106. For purposes of the decision on preliminary relief, Judge Lumbard made this assumption, while noting that the question is a "perplexing" one. 538 F.2d at 19 n.3.

much an infringement as a use which is undertaken without color of license.¹⁰⁷ The decision illustrates that careful drafting of license terms can provide the creators of works destined to be the bases for derivative works with substantial continuing protection for their artistic and financial interests. However, some particulars of Judge Lumbard's decision are more problematic.

Judge Lumbard noted that among the reasons cited by the district judge in denying preliminary injunctive relief was uncertainty as to whether the BBC had in fact copyrighted the recorded Monty Python programs which had been prepared from the plaintiffs' scripts. He concluded that this uncertainty was irrelevant to the outcome, because section 7 of the Copyright Act of 1909

limits the copyright protection of the derivative work, as works adapted from previously existing scripts have become known, to the novel additions made to the underlying work, *Reyher v. Children's Television Workshop*, 533 F.2d 87 (2d Cir. 1976), and the derivative work does not affect the "force or validity" of the copyright in the matter from which it is derived. See *Grove Press, Inc. v. Greenleaf Publishing Co.*, 247 F. Supp. 518 (E.D.N.Y. 1965). Thus, any ownership by BBC of the copyright in the recorded program would not affect the scope or ownership of the copyright in underlying script.¹⁰⁸

In the context of the case, this may mean no more than that the rights which the maker of a derivative work receives from the owner of a copyrighted underlying work are in no way enhanced if that derivative work subsequently is copyrighted, and that any limitation on these rights stated in the original license continues to bind the licensee after the derivative work has been prepared and copyrighted. There is some indication that this was Judge Lumbard's intended meaning.¹⁰⁹

However, the quoted language can be read as having broader implications, signifying the view that "consent" to the use of a copyrighted work as the basis for the preparation of a copyrighted

107. See note 24 & accompanying text *supra*.

108. 538 F.2d at 20. Section 7 of the 1909 Act stated that "new works" based on preexisting works were copyrightable, *see* note 41 *supra*, and also provided that:

[T]he publication of any such new works shall not affect the force or validity of any subsisting copyright upon the matter employed or any part thereof, or be construed to imply an exclusive right to such use of the original works, or to secure or extend copyright in such original works.

1909 Act, ch. 391, § 7, 61 Stat. 652 (1947).

109. Three paragraphs after the cited passage, Judge Lumbard stated that "One who obtains permission to use a copyrighted script in the production of a derivative work . . . may not exceed the specific purpose for which permission was granted." 538 F.2d at 20, *citing* *Bartsch v. Metro-Goldwyn-Mayer, Inc.*, 391 F.2d 150 (2d Cir.), *cert. denied*, 393 U.S. 826 (1968), and *G. Ricordi & Co. v. Paramount Pictures, Inc.*, 189 F.2d 469 (2d Cir.), *cert. denied*, 342 U.S. 849 (1951).

new derivative work, to which section 7 of the 1909 Act refers,¹¹⁰ is purely a contractual matter. Under this interpretation, even though a derivative work was originally prepared under a consent which was unlimited in its terms, it does not necessarily follow that the derivative work can be used today without regard to the preferences of the underlying work owner. If, since the consent was given, ownership of the underlying work has passed to a person who is not contractually bound by the consent, such as a statutory successor to renewal copyright,¹¹¹ use of the derivative work may be barred. Likewise, if a derivative work is used by one not in privity with the original recipient of the consent, the user is subject to a claim of infringement by the underlying copyright owner. Under this view, which closely resembles that put forward by Professor Nimmer, no matter how a derivative work comes to be created, it remains subordinate to the underlying work with respect to any material the two works have in common—or, in other words, a derivative work can never achieve independence from the copyrighted underlying work.

Such a reading of Judge Lumbard's *Gilliam* dictum is suggested by his citation of *Grove Press, Inc. v. Greenleaf Publishing Co.*¹¹² in the passage already quoted. *Grove Press* concerned the 1949 novel, *The Thief's Journal*, by Jean Genet. The original French text had been validly copyrighted under American law. Genet and his French language publisher had licensed an American author to prepare an English translation, which was subsequently issued in France by another publishing firm.¹¹³ Because the publisher of the translation failed to comply with certain statutory requirements, the translation thereupon entered the public domain in the United States.¹¹⁴

110. See note 41 *supra*. Under the 1909 Act, copyright in a derivative work did not attach until claimed—usually through publication with notice—by the creator of that work or the employer for whom it had been made for hire. See notes 11, 13 *supra*.

111. See notes 96-100 & accompanying text *supra*.

112. 247 F. Supp. 518 (E.D.N.Y. 1965).

113. Although the published version of the English language translation was intended for sale only outside the United States and the United Kingdom, a restriction which reflected the terms of the license under which the translation had been prepared, *id.* at 527, no other limitations on the original consent to translation (territorial, durational, or otherwise) are mentioned in the case report, or in the report of an earlier phase of the same litigation. See *id.* at 527.

114. In particular, the publisher had failed to secure *ad interim* protection for the English translation within the time provided by the 1909 Act. See 1909 Act, ch. 391 § 22, 61 Stat. 652 (1947). For the history of the *ad interim* copyright mechanism and its relationship to the "manufacturing clause," see S. NOWELL-SMITH, INTERNATIONAL COPYRIGHT LAW AND THE PUBLISHER IN THE REIGN OF QUEEN VICTORIA 64-84 (1968). These provisions of the 1909 Act are in the process of being phased out under the 1976 Act. See 17 U.S.C. § 601 (Supp. III 1979).

Genet had authorized an American publishing company to issue its own translation of his novel in the United States. In an action for copyright infringement brought by that company against another American firm which had published an edition reproducing the text of the public domain English language version, the district court held that while the public domain translation was indeed unprotected by copyright, it could not be used without infringing the copyright in the "pattern" of the underlying French language novel.¹¹⁵ In the court's view, even permissible copying of the unprotected translation inevitably constituted unauthorized taking of the protected original, since only the "new matter" contributed by the translator had been dedicated to the public domain by the failure to obtain copyright. The court found this conclusion dictated by the statement in section 7 of the 1909 Act that publication of an authorized derivative work "shall not affect the force or validity of any subsisting copyright upon the matter employed or any part thereof"—the same language to which Judge Lumbard later referred in *Gilliam*.

The effect of *Grove Press* was to render the copyright status of the translation irrelevant by construing section 7 to mean, in the words of one critic of the opinion, "that whatever happens to the derivative work should have no effect on the underlying work."¹¹⁶ To the extent that Judge Lumbard adopted the *Grove Press* rationale in *Gilliam*, therefore, the *Gilliam* dictum has clear practical implications for derivative motion pictures. Motion pictures, like literary translations, are derivative works in which the "new matter" is conceptually inseparable from the old. Acceptance of the *Grove Press* rationale could operate to bar public use of a public domain motion picture, so long as any underlying work from which it has drawn substantially retains copyright protection.

Indeed, the potential importance of the *Gilliam* dictum was still greater because the court of appeals appeared to reject any distinction between the degree of independence to be afforded derivative works based on underlying works to which federal statutory copyright had attached, and that to be afforded derivative

115. 247 F. Supp. at 527. In giving summary judgment on this ground, the court refused to do so on another: That the unauthorized republication of the translation infringed copyright in a five-page excerpt which had been published with appropriate formalities in the United States before the complete translation was issued in France. The court's conclusion that the French edition gave inadequate notice of the special status of this fragment has been criticized. See 2 M. NIMMER, *supra* note 15, § 7.23[C], at 7-167 n.17. Thus, even if the rationale of *Grove Press* is erroneous, see notes 313-16 & accompanying text *infra*, an alternative ground may exist to support its holding.

116. See 79 HARV. L. REV. 1716 (1966). See also Note, *Subsisting Copyrights and Innocent Infringement*, 115 U. PA. L. REV. 129, 134 (1966) [hereinafter cited as *Subsisting Copyrights*] (*Grove Press* rationale has "undesirable consequences").

works based on those unpublished works protected—as of the date of the *Gilliam* decision—by common law copyright only.¹¹⁷ *Gilliam* appeared to signal that the courts would favor claims based on underlying work copyrights when faced with assertions that particular derivative motion pictures were available for use irrespective of the preferences of the underlying copyright owners. However, when the Second Circuit Court of Appeals next was faced with a version of the derivative work problem, the panel took a different approach.

2. *Rohauer v. Killiam Shows, Inc.*: The Interest-Balancing Approach

In the case of *Rohauer v. Killiam Shows, Inc.*,¹¹⁸ the derivative work was the 1926 Rudolph Valentino film, *The Son of the Sheik*.¹¹⁹ The defendant was the owner of a valid renewal copyright in the motion picture, as successor-in-interest to the original producer. Unlike the translation in *Grove Press*, the derivative work had not entered the public domain. And in contrast to *Gilliam*, which turned on the restrictive character of the license from the screenwriter-plaintiffs to the BBC, *Killiam Shows* could not be resolved without considering the broader issues. The court had to analyze the legal relationship between an underlying work and a derivative motion picture created on the basis of an unrestricted consent.

The record clearly showed that the producer (and original copyright owner) of the film had bargained for and received an unlimited and unconditional license to use the copyrighted novel, *The Sons of the Sheik*. Because the original agreement obligated the author of the novel to assign motion picture rights in the renewal term to the producer or his successor, there could be no doubt about the intention of the parties to fashion a grant of mo-

117. Section 7 of the Copyright Act of 1909, upon which Judge Lumbard relied, refers only to "new works" based on works "in the public domain," or to "copyrighted works." See 1909 Act, ch. 391, § 7, 61 Stat. 652 (1947). Elsewhere, the Act appears to associate the term "copyright" with protection under federal law. Section 1, for example, is captioned "Exclusive Rights as to Copyrighted Works," and begins "Any person entitled thereto, upon complying with the provisions of this statute . . ." 1909 Act, ch. 391, § 1, 61 Stat. 652 (1947). Judge Lumbard does not appear to have given the term a broader definition; instead he found that, by analogy, "the same principles . . . with respect to derivative works adapted from material in which there is a statutory copyright also apply to material in which there is a common law copyright." 538 F.2d at 20 n. 3. But see *Classic Film Museum, Inc. v. Warner Bros.*, 453 F. Supp. 852 (D. Me. 1978), *aff'd*, 597 F.2d 13 (1st Cir. 1979), discussed at text accompanying notes 142-55 *infra*.

118. 551 F.2d 484 (2d Cir.), *cert. denied*, 431 U.S. 949 (1977).

119. *The Son of the Sheik* was Valentino's last film. His death in August 1926 has been attributed in part to the conditions endured during shooting on desert locations. K. BROWNLOW, *supra* note 6, at 335.

tion picture rights which would endure for the entire life of copyright in the novel.¹²⁰

The plaintiffs based their claim on possession of a "new estate" of renewal copyright in the novel, which had been claimed by the author's daughter as a statutory successor under section 24 of the 1909 Act. But the case did not turn on the validity of the well-settled "new estate" theory of renewal.¹²¹ Instead, the determinative question was whether, when the original license no longer bound the owner of the renewal as a matter of contract, the concomitants of the "new estate" included the power to bar continued use of a motion picture created under the authority of that license.

In *Killiam Shows*, Judge Friendly directly addressed the interpretation of section 7 of the 1909 Act, with which Judge Lumbard had dealt in passing in *Gilliam*. Judge Friendly concluded that section 7's language—in particular the "force or validity" clause—did not dictate that the owner of renewal copyright in the novel must have control over continued exhibition of the motion picture. In reviewing the legislative history of the relevant language of section 7, Judge Friendly found that the language had been intended to accomplish another more limited end.¹²² Faced with a novel issue, Judge Friendly proceeded to discount the views of most commentators, including those of Professor Nimmer, which supported the underlying copyright owners' positions. Instead, he undertook a fresh review of the position of motion pictures and other derivative works in American copyright law. The result was a view which gave derivative works substantial independence. Judge Friendly's primary authority was a 1918 Second

120. See note 23 *supra*. The relevant terms of the grant were as follows:

SECOND: The seller hereby grants, sells and assigns to the Purchaser all the motion picture rights in and to the said story for the entire world, together with the sole and exclusive right to make motion picture versions thereof and to use, adapt, add to, subtract from and change said story and the title thereof in the making of said motion picture photoplays, as the Purchaser may deem expedient, to use excerpts from such story for the title, sub-titles and text of such motion picture versions, and to secure copyright and copyright registration therein in the Purchaser's name or otherwise in all countries, and to then, exhibit, exploit and otherwise dispose of the same.

THIRD: The seller agrees prior to the expiration thereof, to renew or procure the renewal of the copyrights in the said story and thereupon to assign to the Purchaser and the Purchaser shall be deemed to be vested with the motion picture rights thereto for such renewal term.

Agreement between Edith M. Hull and Joseph H. Moskowitz, dated Dec. 7, 1925, Joint Appendix at 16A, *Rohauer v. Killiam Shows, Inc.*, 551 F.2d 484 (2d Cir.), *cert. denied*, 431 U.S. 949 (1977).

121. See notes 96-100 & accompanying text *supra*.

122. See 551 F.2d at 488-90; notes 260-82 & accompanying text *infra*.

Circuit decision, *Edmonds v. Stern*,¹²³ which he summarized as follows:

There the purchaser of a song, having copyrighted it with the consent of the composer, prepared an operetta and copyrighted an orchestral medley based on the operetta which utilized, among other things, the notes of the song. Later the purchaser assigned the copyright in the song back to the composer. The court held, as an alternate ground of decision, that the reassignment would not deprive the proprietor of the copyright of the score of the right to sell copies of the medley since, as Judge Hough said, 248 F. at 898, "The two things [the song and the orchestral score] were legally separate, and independent of each other; it makes no difference that such separate and independent existence might to a certain extent have grown out of plaintiff's consent to the incorporation of his melody in the orchestration. When that consent was given, a right of property sprang into existence, not at all affected by the conveyance of any other right."¹²⁴

Noting that Congress had applied similar reasoning when fashioning a prospective resolution of conflicts involving underlying and derivative works protected under the 1976 Act,¹²⁵ Judge Friendly concluded that the power to bar continued use of a derivative motion picture already prepared under an unqualified license is not among the concomitants of the "new estate" which accrues to a statutory successor to copyright renewal in an underlying work.

The opinion in *Killiam Shows* attempts to solve a legal conundrum by balancing equities to the extent that such an approach is not foreclosed by statute. The analysis is sensitive to the peculiar character of the motion picture medium and of other art forms to which it can persuasively be analogized. The fact that a "person who with the consent of the author has created an opera or motion picture film will often have made contributions literary, musical, and economic as great or greater than the original author"¹²⁶ is explicitly recognized.

Because other kinds of derivative works may involve less new input—and thus less transformation of material borrowed from underlying works¹²⁷—the court's reasoning may not be fully ap-

123. 248 F. 897 (2d Cir. 1918). Judge Friendly's analysis of existing case law satisfied him that the problems posed by a post-renewal claim by owners of an underlying work, where the original consent to creation of the derivative motion picture had embraced the renewal, were matters to which no court previously had spoken—directly or indirectly. See notes 283-310 & accompanying text *infra*.

124. 551 F.2d at 492 (footnote omitted).

125. See note 72 *supra*; notes 178-85 & accompanying text *infra*.

126. 551 F.2d at 493.

127. For a discussion of how little variation from an underlying original will curtail copyright in a derivative work such as an art reproduction, see note 51 *supra*.

plicable to situations involving derivative works other than motion pictures. But where claims against derivative motion pictures are involved, that reasoning should apply regardless of the kinds of underlying works on which those claims are based.¹²⁸

Although *Killiam Shows* gives legal significance to the contributions of creators of derivative works, it contains no discussion of the public interest. But its effect was to enhance the availability of the motion picture to the public by removing an unbargained-for impediment from the path of the owner of copyright in the derivative work.¹²⁹

In other cases, however, the public interest must be considered, as one hypothetical permutation of the facts of *Killiam Shows* will demonstrate. In this hypothetical situation, renewal copyright in an underlying work has been claimed by the statutory successor of the original grantor of an unlimited license of motion picture rights. However, the time to claim renewal copyright in the copyrighted motion picture has come and gone without an application being made. When a member of the public seeks to exploit the motion picture and is challenged by the owner of renewal copyright in the underlying work, one issue which would be raised is the extent of the "new estate" of renewal. This hypothetical case is dissimilar to *Killiam Shows* in that the would-be user is not—and never has been—in a position to claim the status of a licensee of motion picture rights in the underlying work. The user's rights would be neither greater nor less than those of any other person seeking to make use of a public domain work.

3. *Filmvideo Releasing Corp. v. Hastings* and the Public Interest: The Problem of Public Domain Films

Although the hypothetical situation described above has not arisen in precisely the form stated, a further variant of it has been

128. If Judge Friendly's reasoning applies directly only to motion pictures and other similar derivative works, it appears to apply to claims based on all kinds of underlying works. As already noted, the making of a motion picture transforms a screenplay in much the same way as it does an original novel, even though the former is genealogically closer to the final film than the latter. See notes 53-55 & accompanying text *supra*. Moreover, although the underlying novel involved in the *Killiam Shows* litigation was a work protected by federal statutory copyright at all relevant times, nothing in the opinion suggested that a derivative motion picture based on an underlying work protected by common law copyright should have been imbued with less independence. See note 15 *supra* for a discussion of common law copyright generally.

129. In *Gilliam v. American Broadcasting Cos.*, 538 F.2d 14 (2d Cir. 1976), by contrast, the contractual limits identified by the court were terms of the original bargain between the Monty Python group and the BBC, and thus should have been known to ABC when it took its license.

before the courts in *Filmvideo Releasing Corp. v. Hastings*¹³⁰—a case which demonstrates how tangled derivative work problems can become. At issue were twenty-three motion pictures featuring the character of “Hopalong Cassidy.” These films were copyrighted by Paramount Pictures between 1935 and 1941 under the license from the author of the western novels in which that character first appeared. Renewal copyright in each of the licensed novels had been claimed. Prior to the author’s death in 1956, these claims were made in his name. After his death, they were filed by his executor as statutory successor under section 24 of the Copyright Act of 1909.¹³¹

In 1935, the author had licensed the right to produce and exploit motion pictures based on the Hopalong Cassidy novels.¹³² The license apparently was intended to grant rights in both the original and renewal terms of copyright in the novels.¹³³ In addition, it contained a reservation of “all television, broadcasting and radio rights” in favor of the author-licensor.¹³⁴

Problems developed after Paramount failed to renew the Hopalong Cassidy film copyrights, thereby allowing the films to enter the public domain. A firm wishing to exploit the films for television programming filed an action for a declaratory judgment that television use was permitted without authorization from the estate of the author of the Hopalong Cassidy books—which was named as defendant. The estate promptly counterclaimed for

130. 426 F. Supp. 690 (S.D.N.Y. 1976) (summary judgment denied on counterclaim for copyright infringement); 446 F. Supp. 725 (S.D.N.Y.) (dismissal of claim for declaratory relief), *aff’d mem.*, 594 F.2d 852 (2d. Cir. 1978); 509 F. Supp. 60 (S.D.N.Y. 1981) (judgment on counterclaim). An appeal of the final judgment is now pending decision in the United States Court of Appeals for the Second Circuit (No. 81-7236).

131. According to publication data included in an appendix to the trial court’s 1981 opinion, at least seven or eight of the 26 licensed novels were first copyrighted more than 28 years before author Clarence Mulford’s death in 1956, and thus could have been renewed only by his executor. *See* 509 F.Supp. at 66 (Appendix A).

132. In 1938, Mulford further agreed to write a number of original Hopalong Cassidy screenplays, which he would copyright and permit to be used as the basis for additional motion pictures. Apparently, however, all the motion pictures involved in the litigation were based on screenplays which had been prepared (presumably by writers other than Mulford) from the licensed novels. *See, e.g.*, 530 NATIONAL UNION CATALOG: PRE-1956 IMPRINTS 277 (Mansell ed. 1977) (entry for mimeographed Paramount screenplay dated 1935, entitled “Hopalong Cassidy,” by Doris M. Schroeder).

133. Although this aspect of the license was not discussed in any of the district court’s opinions, the terms of that document are clear from the record. *See* Option Agreement between Clarence E. Mulford and Prudential Studios Corp., dated Feb. 27, 1935, Joint Appendix at JA 118, 125, *Filmvideo Releasing Corp. v. Hastings* (2d. Cir. No. 81-7236).

134. 426 F. Supp. at 691 n.2. *See also* 446 F. Supp. 725, where this reservation is construed as applying to television use of theatrical motion pictures produced under the license, as well as to the preparation of television programs as such. This reading of the license is strenuously critized in Nevins, *supra* note 67, at 69.

damages and an injunction. A principal issue was whether the claims based on the underlying work copyrights were affected by the fact that the derivative motion pictures had entered the public domain.

In 1976, the first of three opinions issued at various steps in the proceedings focused on the legal sufficiency of the counterclaim.¹³⁵ The district court appeared to distinguish between the status of motion pictures based upon underlying novels in which renewal copyrights had been taken by the author during his lifetime, and the position of motion pictures based upon underlying novels in which copyright was renewed after his death. Its conclusion was that "the counterclaim states a cause of action at least with respect as to those copyrights renewed by the executor."¹³⁶

The analysis preceding this conclusion was premised in large part on the 1974 district court opinion in *Killiam Shows*,¹³⁷ which had not yet been reversed by the Second Circuit Court of Appeals. In the *Filmvideo* court's view, *Killiam Shows* could not be distinguished, even though that case had involved no contention that the derivative motion picture was in the public domain. In any event, the court reasoned that only "new matter" original to a derivative work is dedicated when that work loses copyright protection.¹³⁸ The subsequent reversal of *Killiam Shows* substantially undercut this portion of the opinion, but it did not resolve the question posed by *Filmvideo* as to the extent of the statutory successor's "new estate" in the underlying work.

A peculiar element of the first *Filmvideo* opinion is the court's suggestion that the outcome of the litigation would turn on the interpretation of the terms of the original licenses given by Hopalong Cassidy's creator, and, in particular, on the question of "[w]hether the parties intended the reservation [of television rights] to cover the plaintiff's proposed activity [in televising the motion picture]."¹³⁹ By the strict logic of the *Killiam Shows* district court opinion, however, the terms of the original licenses

135. In this opinion, the counterclaim was sustained against a motion to dismiss, but the defendant's motion for summary judgment on it was ultimately denied, in part because the court found that there was an unresolved issue of fact as to the degree of similarity between the underlying works and the motion pictures, and in part because there remained "a question of contract interpretation." 426 F. Supp. at 695. See text accompanying note 139 *infra*.

136. 426 F. Supp. at 694.

137. 379 F. Supp. 723 (S.D.N.Y. 1975), *rev'd*, 551 F.2d 484 (2d Cir.), *cert. denied*, 431 U.S. 949 (1977).

138. 426 F. Supp. at 692. In support of this reasoning, the court cited *G. Ricordi & Co. v. Paramount Pictures, Inc.*, 189 F.2d 469 (2d Cir.), *cert. denied*, 342 U.S. 849 (1951), and *Grove Press, Inc. v. Greenleaf Pub. Co.*, 247 F. Supp. 518 (S.D.N.Y. 1965). See notes 290-310 & accompanying text *infra*.

139. 426 F. Supp. at 695. See note 134 *supra*.

should have been irrelevant after renewal copyrights in the underlying books had been claimed by a statutory successor. If the *Filmvideo* court is understood to have meant that the license terms could be dispositive of claims asserted by the author's estate on the basis of renewals secured by the executor, the court must have regarded those contractual provisions as qualifying the "new estate" of renewal. If so, the court's real position was closer to that which the Second Circuit Court of Appeals later adopted in *Killiam Shows* than to that of the district court opinion on which it nominally relied.

If, on the other hand, the district court intended to indicate that the terms of the original licenses could be dispositive only of claims based on renewals which were originally secured by the author, and which passed to the estate on his death, the above-described anomaly disappears. But then an additional question arises: How could license language determine, for example, a claim by the renewal owner against a member of the public who was not a successor-in-interest to the original licensee? The *Filmvideo* court seems to have assumed that this lack of privity is irrelevant, but it did not discuss the basis for this assumption.

Thus, the *Filmvideo* court's initial treatment of derivative motion pictures which have entered the public domain seems to take a middle line, rejecting the argument that such works are free for public use regardless of the wishes of the underlying copyright owner, as well as the argument that underlying copyright owners can bar unauthorized use of such works regardless of the terms of any prior consent to their creation. But if the court appeared to propose an intermediate position in which the outcome in a particular case may be determined by the terms of the original consent, it did not explain what that position has to recommend it beyond the appeal of moderation.

Unfortunately, the *Filmvideo* court did not follow through on the suggestions contained in its first opinion, nor did it resolve the questions which that opinion raised. Instead, in its final opinion of January 1981, the court found for the author's estate on all the estate's claims—irrespective of whether the copyrights on which those claims were based had been renewed by the author or his executor.¹⁴⁰ Although the 1981 opinion does not discuss the basis

140. The district court did not make clear how its final conclusion on the issue of copyright infringement was affected by its 1978 decision on the questions of contract interpretation posed by the 1935 license agreement, *see* note 134 *supra*, although it previously had suggested that the contract question might be determinative. *See* text accompanying note 139 *supra*. It is, however, noteworthy that the court's finding that use of the public domain films would infringe the copyrights in the underlying novels was not confined to the television uses which were found to have been reserved by the 1935 license. Instead, all uses of the motion pictures, irrespective of medium, were

for the court's final adherence to what is in effect the strict rule of derivative work subordination, it is noteworthy that this position is fully consistent with the views of the district court in *Killiam Shows*, on which the *Filmvideo* court had relied in its first opinion in 1976. Efforts to understand the significance of the district court decision in *Filmvideo* are complicated by the court's failure to confront the fact that the *Killiam Shows* district court decision had been reversed in 1977.¹⁴¹

4. *Classic Film Museum, Inc. v. Warner Bros.*: Statutory v. Common Law Copyright in Underlying Works

In *Classic Film Museum, Inc. v. Warner Bros.*,¹⁴² the courts of another circuit confronted the special problems which can follow from the dedication of a derivative motion picture to the public. The film involved was the original 1937 version of *A Star Is Born*.¹⁴³ Produced, released, and copyrighted by Selznick International Pictures, the film was assigned to Warner Brothers when that studio was preparing a remake in 1953.¹⁴⁴ In 1965, renewal copyright in the film became available to Warner's as "proprietor" of copyright in a work made for hire under section 24 of the 1909 Act, but no claim was registered.¹⁴⁵

barred. 509 F.Supp. at 66. This strongly suggests that the license terms did not figure importantly in whatever unarticulated reasoning underlies the court's 1981 opinion.

141. The final decision in *Filmvideo* has been criticized in severe terms. See generally Nevins, note 67 *supra*. In addition to disputing the district court's reliance on ideas of derivative work subordination, Professor Nevins points out serious weaknesses in its analysis of whether the films are "substantially similar" to the preexisting novels. *Id.* at 83-85.

The results of the pending appeal in *Filmvideo* undoubtedly will clarify the significance of the trial court's decisions. See note 130 *supra*.

142. 453 F. Supp. 852 (D. Me. 1978), *aff'd*, 597 F.2d 13 (1st Cir. 1979).

143. This version starred Frederic March and Janet Gaynor and was directed by William Wellman, who (along with Robert Carson) also received credit for the "story" upon which the film was based. See Nugent, Review, N.Y. Times, April 23, 1937, at 25, col. 1.

144. The musical version starred Judy Garland and James Mason and was directed by George Cukor. See Crowther, Review, N.Y. Times, Oct. 12, 1954, at 23, col. 1 (describing remake as putting original "in the shade").

145. This failure of a major motion picture company to protect its rights in a film classic which had retained considerable commercial value—it was to be remade again, for example, in 1976—illustrates how, as a practical matter, conflicts involving underlying works and derivative motion pictures arise through carelessness on the part of rights-holders. Such carelessness is not unusual, as this report from an entertainment trade journal indicates:

About a year ago the MGM musical "Till the Clouds Roll By" entered the public Domain. Then there's "It's a Wonderful Life," "The Stranger," "Life With Father," "Santa Fe Trail," "A Farewell to Arms," "Meet John Doe," . . . and dozens more, thanks to oversights by studio personnel.

"Third Man" Is Public Domain; Who Failed to Renew Copyright?, Variety, Feb. 15, 1978, at 7, col. 2. For a discussion of the attempts which have been made to prevent

In 1978, Warner's and Classic Film Museum (CFM), a firm specializing in the distribution of motion pictures to television and nontheatrical users, went to court over the issue of whether CFM's rentals of prints of *A Star Is Born* infringed copyrights in the unpublished story, screenplay, and musical score on which the film was based, rights which Warner's had acquired from Selznick along with the statutory copyright in the completed work.¹⁴⁶ All the alleged acts of infringement for which Warner's sought damages apparently had occurred *before* January 1, 1978, and were therefore governed exclusively by the 1909 Act.¹⁴⁷ When the action was decided, however, the Copyright Act of 1976 had taken effect, and was applicable to Warner's claims for prospective relief and CFM's request for a declaratory judgment—a point important to an understanding of the strengths and weaknesses of the analysis performed by District Judge Gignoux and subsequently adopted by the Court of Appeals for the First Circuit.

The district court's analysis does not address the question of whether any generally applicable principles govern legal relationships between derivative motion pictures which have entered the public domain and their corresponding copyrighted underlying works. Instead, the *Classic Film Museum* case is distinguished from other situations in which the owner of copyright in a novel, play, or script seeks to bar use of a motion picture based on that work but which is itself no longer protected by copyright. In accomplishing this distinction, the analysis focuses on the "common law" character of the rights which Warner's asserted. Judge Gignoux stated that Warner's reliance on precedents suggesting that such derivative works are not free for public use was "misplaced,"¹⁴⁸ because in those cases the underlying works were protected for a limited term by statutory copyright. To honor an analogous claim based on common law copyright would

permit the proprietor of the copyright in the underlying work to extend for an indefinite time his monopoly of those portions of

general use of *The Third Man* (and other public domain motion pictures), see note 67 *supra*.

It has been calculated that only 43.7% of the motion picture photoplay copyrights registered during fiscal year 1927 (chosen as a sample year) were actually renewed. Guinan, *Duration of Copyright* in SUBCOMM. ON PATENTS, TRADEMARKS, AND COPYRIGHTS, SENATE COMM. ON THE JUDICIARY, 86TH CONG., 2D SESS., COPYRIGHT LAW REVISION (STUDY NO. 30) 53, 81-82 (Comm. Print 1961) (Appendices A, B), *reprinted in* 1 STUDIES ON COPYRIGHT, *supra* note 2, at 473, 499-500. This figure probably overstates the true rate of renewal, because some copyrights secured by publication with notice were never registered. See note 11 *supra*.

146. The musical score was composed by Max Steiner; the screenplay, which has been described as having become "a Hollywood legend," was by Dorothy Parker, Alan Campbell, and Robert Carson. L. HALLIWELL, *supra* note 56, at 619.

147. See note 71 *supra*.

148. 453 F. Supp. at 855.

the derivative work which are based on the underlying material. Since it is impossible to cleave the story, screenplay and musical score of a motion picture film from the film itself, the practical effect of defendant's argument, in the instant case, would be to grant it exclusive control over any use of the film for an unlimited period, despite the 1965 expiration of the statutory copyright therein and despite some 41 years of extensive commercial exploitation of the work by defendant. To permit this result would frustrate the whole concept of limited monopoly in copyright law.¹⁴⁹

The distinction is a serviceable one. It allows the striking of a fair balance of private equities in turning back Warner's relatively outrageous attempt to escape the consequences of its oversight in failing to claim renewal in the motion picture. In addition, it permits an outcome which serves the public interest by rejecting an apparent bid to capture a public domain motion picture for an indefinite period. Finally, it does all this without requiring the courts to consider whether the precedents urged by Warner's actually support the proposition that public domain motion pictures are not free for public use when based on underlying works protected by statutory copyright, and—if so—whether those precedents are correct.

Judge Gignoux's distinction, however, is not inevitable. As he noted,¹⁵⁰ it runs counter to Judge Lumbard's dictum in *Gilliam*, which denies the appropriateness of any distinction between the legal effects of statutory and common law copyrights in underlying works.¹⁵¹ Even more importantly, while the distinction would have been wholly plausible in a case controlled entirely by the 1909 Act, it is not so where the Act of 1976 governs.

On January 1, 1978, common law copyright was abolished, and all copyrights then subsisting under state law were converted into copyrights under the new federal statute. Like other statutory copyrights, these former common law interests will endure only for the limited term which the Act provides.¹⁵² Thus, with respect

149. *Id.* at 855-56. The decisions relied upon by Warner's included those of the district court in *Russell v. Price*, 488 F. Supp. 303 (C.D. Cal. 1977), *aff'd*, 612 F.2d 1123 (9th Cir. 1979), *cert. denied*, 446 U.S. 952 (1980), *see notes 156-69 & accompanying text infra*; *G. Ricordi & Co. v. Paramount Pictures, Inc.* 189 F.2d 469 (2d Cir.), *cert. denied*, 342 U.S. 849 (1957), *see notes 290-310 & accompanying text infra*; *Film-video Releasing Corp. v. Hastings*, 426 F. Supp. 690 (S.D.N.Y. 1976), *see notes 130-41 & accompanying text supra*; and *Grove Press, Inc. v. Greenleaf Pub. Co.*, 247 F. Supp. 518 (E.D.N.Y. 1965), *see notes 112-16 & accompanying text supra*; notes 313-17 & accompanying text *infra*.

150. 453 F. Supp. at 856 n.5.

151. *See notes 102-07, 109 & accompanying text supra*.

152. *See note 15 supra*. Judge Gignoux notes the effect of the new law, which he describes as one which "preserves common-law copyrights . . . , but limits the period in which such copyrights are valid." 453 F. Supp. at 856 n.4. The difference between this description of the general effect of the 1976 Act and the one offered in this article

to the claims for prospective relief in *Classic Film Museum*, there was no conflict between affording relief and the limited monopoly policy of the copyright law. Unless these claims can otherwise be distinguished from those made by underlying work copyright owners in other conflicts with would-be users of public domain derivative motion pictures, it appears that either the result in *Classic Film Museum* is incorrect in part, or that it must be justified by a rule that films in the public domain should enjoy a degree of independence from all related underlying works.

One possible basis for setting *Classic Film Museum* apart is afforded by the following argument. Where a pre-1978 motion picture was based on an unpublished screenplay, the effect of the public release of that motion picture was necessarily to curtail the scope of common law protection enjoyed by the screenplay, so as to deprive the owner of the post-1977 statutory screenplay copyright of any claim against users of the motion picture.¹⁵³ Such an argument, however, does not provide a good rationale for treating the facts of *Classic Film Museum* as a special case. For one thing, the supporting grounds are both technical and controversial.¹⁵⁴ For another, to distinguish between motion pictures based on unpublished screenplays formerly protected only by common law copyright, and those based on works protected by statutory copyright under the Act of 1909 (whether as published works or under section 12) is to draw a line no more easily justified as a matter of copyright policy than that drawn by Judge Gignoux.¹⁵⁵

is largely semantic; it is crucial, however, that no copyrights of unlimited or indefinite duration, however designated, survive after Jan. 1, 1978.

153. For a discussion of the effect of the publication of a derivative work on a copyright in an unpublished underlying work not protected by statutory copyright under the 1909 Act, see note 15 *supra*.

154. Judge Gignoux's reluctance to invoke these grounds is indicated in note 1 of his opinion, where the question is described as "unsettled." 453 F. Supp. at 854 n.1.

155. Another alternative would be to distinguish *Classic Film Museum* because it involved an underlying work originally prepared in contemplation of the production of a motion picture, and thus especially closely linked to that motion picture, rather than one created for independent exploitation. As a matter of law, however, no precedent appears to exist for this distinction. No case can be found which suggests that the copyright should be less intense merely because it attaches to a work which was intended to be used as a basis for the creation of another work, and mischief might result were the proposition accepted. To posit such a distinction would be to involve the courts in the sorts of inquiries into the nature of creative motivation and artistic quality which they have traditionally been unwilling to undertake. See, e.g., *Mazer v. Stein*, 347 U.S. 201 (1954) (statuettes copyrightable, notwithstanding their intended use as bases for mass-produced table lamps); *Bleistein v. Donaldson Litho. Co.*, 188 U.S. 239, 251 (1903) (Holmes, J.) ("It would be a dangerous undertaking for persons trained only to the law to constitute themselves final judges of the worth of pictorial illustrations . . ."). These inquiries would turn on necessarily subjective determinations (Was a particular screenplay written with a view toward publication, or only in the hope that it would be produced? Was a story idea purchased for use as the basis of a motion picture one which its author could or would have developed into as novel

The *Classic Film Museum* opinions do not justify the appealing result which they reach with a persuasive general analysis of the copyright problems inherent in the case. Their discussions of those problems do raise the important issue of whether limiting the uses which may be made of public domain motion pictures without the authorization of underlying copyright owners contravenes fundamental statutory and constitutional policies in the law of copyright. But the precedential value of the decision is limited by heavy reliance upon the distinction between common law and statutory copyrights.

5. *Russell v. Price*: The Rule of Derivative Work Subordination

The last of the recent cases considering the relationship between copyrighted underlying works and derivative motion pictures is *Russell v. Price*.¹⁵⁶ The problem posed by its facts was similar to that involved in *Filmvideo*. However, because the complicating factor of a statutory successor to a copyright renewal was absent, the choice facing the courts was more clear-cut. An American firm engaged in distributing the 1938 English motion picture *Pygmalion*—with the sanction of the heirs of George Bernard Shaw, the author of the play of the same name¹⁵⁷—sued to prevent an unauthorized competitor from distributing the film. Shaw had registered the play for American copyright in 1913, and that copyright subsequently was renewed in his name in 1941.¹⁵⁸ The motion picture was copyrighted by Loew's, Inc., an American film distribution company, and when no renewal was claimed in 1966, it entered the public domain. Unfortunately, neither the district court nor the Ninth Circuit Court of Appeals provides information about the licenses or other authorizations from Shaw which permitted the motion picture to be produced, distributed, and copyrighted.¹⁵⁹ But, from their failure to discuss the bearing of

or play had no motion picture sale taken place? Was a published novel which became the basis of a motion picture really created with the reading public in mind, or was sale to motion pictures the author's primary objective?) which would not furnish the basis for a predictable objective test.

156. 448 F. Supp. 303 (C.D. Cal. 1977), *aff'd*, 612 F. 2d 1123 (9th Cir. 1979), *cert. denied*, 446 U.S. 952 (1980).

157. See D. COSTELLO, *THE SERPENT'S EYE* 50-82 (1965). See generally V. PASCAL, *THE DISCIPLE AND HIS DEVIL* (1970).

158. Shaw died in 1950, subsequent to the renewal. Although under ordinary circumstances this copyright would have expired in 1969, it was preserved by the periodic extensions of subsisting copyrights enacted by Congress during the decade-long gestation of the Copyright Act of 1976. See generally 1 M. NIMMER, *supra* note 15, § 1.10[C]. Under the new law, it will be in force until 1988. See 1976 Act, 17 U.S.C. § 304(b) (Supp. III 1979).

159. Information from other sources indicates that there was at least one license from Shaw to a production company organized by Gabriel Pascal, the producer of the

the licenses on the merits of the litigation, or to indicate that any demonstration concerning the terms of those licenses could have affected the outcome, it can be presumed that the analysis would have been the same however the licenses were framed. The opinions also fail to analyze the similarities and dissimilarities between play and movie. The court of appeals offered no supporting comparison of the works when it asserted that "since exhibition of the film 'Pygmalion' necessarily involves exhibition of parts of Shaw's play which is still copyrighted, plaintiffs here may prevent defendants from renting the film for exhibition without their authorization."¹⁶⁰

The court of appeals followed and expanded on the views of the district court, taking a simplifying view of the problems posed by the case. This approach eliminated the need for an extensive consideration of the facts. Its guiding philosophy was that conflicts between the owner of statutory copyright in an underlying work and the user of a substantially related public domain derivative work must be resolved in favor of the former—a principle which apparently governs regardless of the terms of any original consent to the creation of the derivative work, and irrespective of how the material taken by the derivative work is used or improved. In espousing this position, the *Russell* courts relied on such precedents as *Filmvideo*,¹⁶¹ *G. Ricordi & Co. v. Paramount*

motion picture. *V. PASCAL*, *supra* note 157, at 79. See also *Speelman v. Pascal*, 10 N.Y.2d 313, 178 N.E.2d 723, 222 N.Y.S.2d 324 (1961) (mentioning in passing a pre-1952 agreement between Shaw and Pascal involving production rights for a film version of *Pygmalion*). Presumably, Pascal then licensed Loew's. No direct information is available—in the record or elsewhere—on the terms and conditions of these licenses, and in particular on the period for which they were to endure, but there is some reason to believe that at least the original Shaw-Pascal license may have been coextensive with the life of copyright in the play. See *V. PASCAL*, *supra*, at 340-56 (1950's litigation over estate of Gabriel Pascal apparently treated movie rights to Shaw plays as assets).

160. 612 F.2d at 1128. In fact, the relationship between the two works is a complex one. When Shaw, after long refusing to authorize any motion pictures based upon his plays, permitted Gabriel Pascal to film *Pygmalion*, it was because he was convinced that Pascal would be faithful to the original. The film actually released justified this conviction only in part. Much of the dialogue had been rewritten, and there were significant amounts of new dialogue written for the screen by Shaw at Pascal's request, as well as visual sequences which were the creations of Pascal and his director, Anthony Asquith. Moreover, a significant change was made in the ending of the story consistent with the creation of what one writer has termed "a less paradoxical, less social, [and] more romantic" treatment of the play's theme. D. COSTELLO, *supra* note 157, at 79. In short, the film version of *Pygmalion* is a prime example of the sort of derivative motion picture which borrows extensively from a preexisting work, while also making transforming changes in—and additions to—the borrowed material.

161. 426 F. Supp. 690 (S.D.N.Y. 1976), cited at 612 F.2d 1128.

*Pictures, Inc.*¹⁶² and *Grove Press, Inc. v. Greenleaf Publishing Co.*,¹⁶³ and on the views of Professor Nimmer.¹⁶⁴ In addition, they went to some lengths to explain the inapplicability of *Classic Film Museum*¹⁶⁵ and *Killiam Shows*¹⁶⁶ to the case before them.

The *Russell* opinions do not appear to be concerned that the result in *Classic Film Museum* could represent a challenge to the principle of their decision. Instead, they distinguish that case on the ground that it dealt only with underlying works protected by common law copyright. While this ground is available if the scope of *Classic Film Museum* is defined narrowly, its adoption overlooks the absence of a good basis for distinguishing the claims involved in *Russell* from the claims for prospective relief in *Classic Film Museum*.

The treatment of *Killiam Shows* is more complete, though not necessarily more satisfactory. Along with suggesting that the *Killiam Shows* holding might not be followed in the Ninth Circuit,¹⁶⁷ the *Russell* opinions seek to distinguish that holding on two inter-related grounds. The first ground is that no matter how generous the terms of any authorization Shaw gave to the producer of the motion picture, it was unlike the license involved in *Killiam Shows*, because it was not given to the defendant company or a predecessor-in-interest. The second is that the defendant firm could not claim any positive rights in the derivative work, while the defendant in *Killiam Shows* had been the owner of a still-valid copyright in the motion picture. In the courts' opinions, the defendants in *Russell* were less entitled to consideration than the defendant in *Killiam Shows*, because they claimed only the rights of members of the public, rather than a privileged position under the law of contract or copyright.

The manner in which they distinguish *Killiam Shows* reveals the underlying assumptions of the *Russell* courts. Their attitude toward the resolution of copyright conflicts is one which discounts the public interest, and gives relatively greater weight to private property interests. Such an attitude reflects an incomplete recognition of the ways in which the public is the ultimate intended beneficiary of statutory copyright.¹⁶⁸

162. 189 F.2d 469 (2d Cir.), cert. denied, 342 U.S. 849 (1951), cited at 612 F.2d 1128.

163. 247 F. Supp. 518 (E.D.N.Y. 1965), cited at 612 F.2d 1128.

164. 1 M. NIMMER, *supra* note 15, §§ 3.04, 3.07[C], at 3-34, cited at 612 F.2d 1128.

165. 453 F. Supp. 852 (D. Me. 1978), *aff'd*, 597 F.2d 13 (1st Cir. 1979), discussed at 612 F.2d 1128-29.

166. 551 F.2d 484 (2d Cir.), cert. denied, 431 U.S. 949 (1977), discussed at 612 F.2d 1126-28.

167. 612 F.2d at 1126-27 nn.10-14.

168. See Speech of T. Macaulay, House of Commons Feb. 5, 1841, reprinted in 1 SPEECHES, PARLIAMENTARY & MISCELLANEOUS 285, 287 (London 1853) (quoted in

Under traditional theories, the benefits which copyright confers on the public are of two kinds. The more immediate is the good of being able to obtain, at a price, a wide variety of new works, the creation and release of which copyright is seen as promoting. Of greater value in the long run, however, is the concession exacted from creative artists as the price of monopoly power under the copyright statutes: that their works will eventually be made freely available to the public when that monopoly ceases.¹⁶⁹ The *Russell* courts overlook this aspect of copyright policy.

The flaws in the *Russell* courts' efforts to distinguish *Classic Film Museum* and *Killiam Shows*, as well as the conflicts between *Classic Film Museum* and *Gilliam* and the partial inconsistency between the analysis suggested in the first *Filmvideo* opinion and that of several of these decisions have now been noted. The confusion reflected by the case law suggests the need for a new resolution of the generic problem of conflicts between owners of copyright in underlying works and users of derivative motion pictures. To arrive at a solution necessitates a more complete reckoning of the public interest than is made in *Russell*. Before a new approach can be devised, however, the extent to which such an effort may be foreclosed by settled principles of copyright law must be considered.

IV. THE RULE OF DERIVATIVE WORK SUBORDINATION AND THE INTEREST-BALANCING ALTERNATIVE

A. *The Persistence of the Rule of Subordination*

The arguments for the rule of derivative work subordination are well known, having been expressed most emphatically in Professor Nimmer's treatise.¹⁷⁰ However, *Russell* is the only case among those discussed in the previous section which relied explic-

text accompanying note 329 *infra*). For contemporary economic analysis of copyright incentives, see Breyer, *The Uneasy Case for Copyright: A Study of Copyright in Books, Photocopies and Computer Programs*, 84 HARV. L. REV. 281 (1970); Hurt & Schuchman, *The Economic Rationale of Copyright*, 56 AM. ECON. REV. (1966).

169. See notes 328-33 & accompanying text *infra*.

170. See note 87 & accompanying text *infra*. Professor Nimmer's adherence to the principle of subordination is consistent with his general philosophy of copyright protection. He has been a consistent advocate of strong protection, and except in situations where he perceives risks of conflict between copyright protection and constitutional guarantees such as those of the First Amendment—which risks he has done much to identify, see note 82 *supra*—he supports giving maximum scope to the authority of the copyright owner over the work. This attitude was apparent in his early article *Inroads on Copyright Protection*, *supra* note 39, and is manifest today in the characteristic "protectionism" of his treatise. See Gerber, Book Review, 26 UCLA L. REV. 925, 943 (1979). This philosophy contrasts with that of writers holding more skeptical views as to the benefits of copyright. See generally Breyer, note 168 *supra*; B. KAPLAN, note 33 *supra*.

itly on this rule to support its conclusion.¹⁷¹

That the courts have not invariably adopted the rule of subordination is hardly determinative of its validity. This is especially true because, in a number of the cases, a confrontation with that rule and its implications could be—and was—avoided. But the explicit rejection of the rule of subordination in *Killiam Shows*, which offers an opposing analysis of the status of derivative motion pictures, raises doubts about its correctness.

Recent critiques of the appellate decision in *Killiam Shows*, by Professor Nimmer and others,¹⁷² reassert the rule of subordination. Their authors contend that the Court of Appeals for the Second Circuit erred in failing to protect the underlying work copyright in the novel against erosion. Perceiving in the court of appeals' opinion an assumption that derivative work copyright secures to its owner continuing rights in the underlying work, they reject its reasoning as untenable.¹⁷³

171. In the first *Filmvideo* opinion, the district court took indirect support from Professor Nimmer's views, quoting with approval a passage from the district court opinion in *Rohauer v. Killiam Shows, Inc.*, 379 F. Supp. 723, 727 (S.D.N.Y. 1974), *rev'd*, 551 F.2d 484 (2d Cir.), *cert. denied*, 431 U.S. 949 (1977), which in turn quotes extensively from the 1963 edition of Professor Nimmer's treatise. 426 F. Supp. at 694. In the final 1981 opinion, 509 F. Supp. 60, reliance on the rule of derivative work subordination seems implicit.

Gilliam contains dicta consistent with derivative work subordination, but is resolved on other grounds. See 538 F.2d at 20-21. *Classic Film Museum* goes to some lengths to avoid applying the rule of derivative work subordination to its facts, see 453 F. Supp. at 855-56, while *Killiam Shows* rejects the rule, both in terms and by necessary implication, in its analysis of how statutory successor renewal in an underlying work affects the status of a copyrighted derivative motion picture. See 551 F.2d at 492-93.

172. See generally 1 M. NIMMER *supra* note 15, § 3.07[A]; Mimms, *supra* note 44; Note, *Derivative Copyright and the 1909 Act—New Clarity or Confusion?*, 44 BROOKLYN L. REV. 905 (1978) [hereinafter cited as Note, *Derivative Copyright*]; Note, *The Derivative Work Exception*, note 64 *supra*; 11 SUFFOLK U.L. REV. 1374 (1977).

Even more recently—indeed, since this article was drafted—two writers have come to the defense of *Killiam Shows*. See Ellingson, *supra* note 72, at 19-23, 41; Nevins, *supra* note 67, at 78. Both emphasize the importance of public access to motion pictures, but only Professor Nevins goes so far as to assert that *Russell* and *Filmvideo* were wrongly decided. Ms. Ellingson attempts to harmonize what she terms the "necessary and desirable" accommodation of interests reached in *Killiam Shows* with the results in other cases by pointing out that *Killiam Shows* avoided a "deadlock" in which neither the owner of the film nor the owner of the underlying novel could have offered the film to the public, while on the facts of cases like *Filmvideo* or *Russell*, the underlying work owner potentially could license third parties to use the public domain motion pictures. Ellingson, *supra* at 26. In the view of the present author, this distinction is unconvincing because it stresses public access in legal theory over public access in actual practice. See note 351 & accompanying text *infra*, notes 68-70 & accompanying text *supra*.

173. See generally 1 M. NIMMER, *supra* note 15, § 3.07[A]. It is this aspect of the criticism directed at the appellate decision in *Killiam Shows* by Professor Nimmer and others which has general significance for the relationship between underlying and derivative works and will be discussed here. Whether *Killiam Shows* upset a pattern

These critiques suffer from various deficiencies, not the least of which is that the principle which they contend ought to have governed in *Killiam Shows* has further problematic implications. For example, as the courts in *Russell* recognized, it is inconsistent with the principle of subordination to conclude that the public may freely use a derivative motion picture which has entered the public domain through the failure of its copyright owner to claim renewal, where an underlying copyright owner objects to such use. Professor Nimmer is applying the principle when he states that "[i]n such circumstances anyone may thereafter copy the new matter contained in the derivative work, but may not copy either the underlying work itself, or any protectable portion of the underlying work as contained in the derivative work."¹⁷⁴

At least in Professor Nimmer's analysis, moreover, the subordination of public domain derivative works to protected underlying works has a controversial correlate: the purported rule that "publication of a derivative work must necessarily also constitute publication of the preexisting work."¹⁷⁵ In formulating this rule, Professor Nimmer does not argue merely that a derivative work dedicated to the public by publication without proper notice should itself be free for public use. Instead, he reasons that such a forfeiture of copyright protection in a derivative work deprives a related underlying work of all protection for the material which the two have in common. This more far-reaching rationale is consistent with the view that a derivative work cannot achieve independence from an underlying work, but always remains allied with it for copyright purposes.

Such a rule, however, has apparent potential for conflict with Professor Nimmer's previously quoted position on the consequences of a failure to renew copyright in a derivative work. Thus, he must argue that while

of justifiable expectations established by *Miller Music Corp. v. Charles N. Daniels, Inc.*, 362 U.S. 373 (1960), will not be discussed, although one important criticism leveled at *Killiam Shows* is that it gave too little effect to the statutory successor's "new estate" of renewal and demonstrated excessive concern for the uncertain position of the assignee of a copyright renewal expectancy. See 1 M. NIMMER, *supra* note 15, § 3.05[A]. See also Note, *The Derivative Work Exception*, *supra* note 64, at 657. Nor will the criticism that *Killiam Shows* amounts to "judicial legislation," rather than a true exercise in statutory interpretation, see 11 SUFFOLK U.L. REV. 1374, 1387 (1977), be considered at length, as it amounts to a mere restatement of disagreement with the result and reasoning. Instead, this discussion will address the question of whether the manner in which *Killiam Shows* qualifies the statutory successor's "new estate" is appropriate under the applicable statutes and decisions.

174. See 1 NIMMER, *supra* note 15, § 3.07[C], at 3-34, citing *Grove Press, Inc. v. Greenleaf Pub. Co.*, 247 F. Supp. 518 (E.D.N.Y. 1965), as an example of this reasoning in action. *Grove Press*, in turn, relies on a previous edition of Nimmer's treatise. 247 F. Supp. at 525 & 527 n.8.

175. 1 M. NIMMER, *supra* note 15, § 4.12[A], at 4-57.

failure to affix a proper copyright notice on the new edition will inject into the public domain such portion of the earlier book [as was incorporated in the new edition] as well as the entire new edition[,] the copyright in the preexisting (or underlying) work will not be vitiated if the new edition (or derivative work) is injected into the public domain for some reason other than publication without proper copyright notice, as, for example, failure to comply with the manufacturing clause or ad interim requirements of the 1909 Act applicable to the derivative work but not to the underlying work or failure to renew the copyright in the derivative work. This is perfectly consistent with the rule that publication of a derivative work constitutes publication of the underlying work embodied therein, since in these circumstances it is not the act of publication which injects the derivative work into the public domain.¹⁷⁶

Why there should be significant differences between the consequences of dedication by publication and those of other kinds of dedication is not explained, however, and the distinction risks being seen as a formalistic one adopted only for the sake of consistency. It remains a question whether either policy or precedent supports such a distinction.¹⁷⁷

B. *Critiques of Killiam Shows and Its "New Property Right" Theory*

1. The Minor Objections

The critics of *Killiam Shows* find fault with various particulars of the court of appeals' decisional method, as well as with the main tendency of its reasoning. Thus, for example, Nimmer,¹⁷⁸ and others,¹⁷⁹ argue that the treatment of derivative works in the "termination of transfer" provisions of the 1976 Act,¹⁸⁰ far from providing analogical support for Judge Friendly's treatment of derivative works under the 1909 Act,¹⁸¹ actually forecloses his approach—and the court's result. Professor Nimmer writes that "the

176. *Id.* at 4-58, 4-59 (footnote omitted).

177. As Professor Nimmer notes, his view of the consequences of publication of a derivative work without notice is not universally followed in the courts. *See generally* 1 M. NIMMER, *supra* note 15, § 4.12 [B]. Some have taken the view that dedication of a derivative work, whatever it may mean for future public access to that work itself, cannot affect the subsistence of copyright in an underlying work. *See* notes 237-49 & accompanying text *infra*.

178. *See generally* 1 M. NIMMER, *supra* note 15, § 3.07[A].

179. *See, e.g.,* Note, *Derivative Copyright*, *supra* note 172, at 925.

180. *See* note 85 *supra*.

181. For Judge Friendly, it was significant that the new law provides for continued use of an authorized derivative work after termination of the grant of rights on the basis of which it was prepared. 551 F.2d at 493-94 (sections 203(b)(1) and 304(c)(6)(A) of the 1976 Act recognize that "the equities lie predominately in favor of the proprietor of derivative copyright"). He compares this use of the analogy of the new law in resolving an open question of interpretation under the 1909 Act with the

failure to expressly provide for . . . a continued utilization right [like that provided in the new Act's sections 203 and 304] in the renewal context suggests that this was not intended under the current Act."¹⁸² One student commentator proposes that a "strong possibility exists that the . . . decision was unduly influenced by anticipation of the new law," and that it interferes with the legislative intent "that the pertinent provisions of the new Act should be applied prospectively."¹⁸³ Professor Nimmer makes a related point about the effect of the new law on *Killiam Shows* when he concludes that the Second Circuit's view of the effect of section 7 of the 1909 Act, which he believes to be erroneous in any event,¹⁸⁴ is "explicitly excluded under section 103(b), the comparable provision of the current Act."¹⁸⁵

These objections to the court's method in *Killiam Shows* are easily countered. As has already been argued,¹⁸⁶ the 1909 Act remains the primary source of applicable law in cases involving pre-1978 works. Congress should not be understood to have sought to interfere with the continued applicability of the 1909 Act where to do so would raise serious constitutional questions by redefining the rights of copyright owners and others with respect to pre-1978 works. Thus, the best explanation of why the 1976 Act defines only a prospective exception to its termination of transfer provisions is that Congress lacks clear power to impose an analogous exception retroactively on renewals of pre-1978 works, not that it intended to foreclose the identification of such an exception in the course of judicial interpretation of the 1909 Act. Similarly, to the extent that new section 103(b) works any change in the meaning of old section 7, it can be of significance only for derivative works created after the effective date of the new Act, not for old works like the motion picture involved in *Killiam Shows*.

Another criticism of *Killiam Shows* takes the form of a floodgate argument, premised on the assumption that the balance struck there with respect to derivative motion pictures is "applicable to all derivative works, not just those which involve substantial

analogical reasoning of Judge Lumbard in *Goodis v. United Artists Television, Inc.*, 425 F.2d 397, 403 (2d Cir. 1970).

182. 1 M. NIMMER, *supra* note 15, § 3.07[A], at 3-31.

183. Note, *Derivative Copyright*, *supra* note 172, at 930.

184. See notes 192, 196 & accompanying text *infra*.

185. 1 M. NIMMER, *supra* note 15, § 3.07[A], at 3-31, 3-32. This section of the statute provides: "The copyright in a compilation or derivative work extends only to the material contributed by the author of such work, as distinguished from the preexisting material employed in the work. . . ." 1976 Act, 17 U.S.C. § 103(b) (Supp. III 1979). In Professor Nimmer's view, the implications of this language make it "most questionable" whether *Killiam Shows* will be followed in future litigation.

186. See notes 75-85 & accompanying text *supra*.

additional artistic or economic contributions.”¹⁸⁷ With regard to this contention, Professor Nimmer notes that “[a]ny slight alteration of an underlying work such as a particular arrangement of a song may be regarded as a derivative work,” and concludes that “[t]his suggests that the . . . rule may be invoked by all contingent transferees of renewal rights by the simple device of converting the work to derivative form.”¹⁸⁸

However, nothing dictates that all kinds of derivative works must be given identical treatment for all copyright purposes. The *Killiam Shows* precedent should influence the resolution of future conflicts involving art reproductions, translations, or musical arrangements only if a persuasive analogy can be drawn between the economic and creative processes which result in a motion picture and those which yield other sorts of derivative works. Contrary to the views of another commentator,¹⁸⁹ the differential application of the *Killiam Shows* principle to different *classes* of derivative works would not require a subjective evaluation of the merits of *individual* works, which courts traditionally have eschewed; nor would it conflict with the settled rule that even a minimal new contribution to preexisting material can be the basis for copyright in a derivative work.¹⁹⁰

2. The Major Objections

Other objections to Judge Friendly’s opinion are not so readily answered. Critics describe his view of the legal relationship between underlying and derivative works as a “new property right” theory, a phrase aptly derived from the opinion in *Edmonds*, upon which *Killiam Shows* relies.¹⁹¹ These critics deny that the “new property right” theory has a legitimate basis in traditional copyright law and insist that it conflicts with the generally recognized exclusivity of the copyright owner’s rights. Moreover, they argue that to sanction invasion of this exclusivity because a derivative work itself has been, or is capable of being, copyrighted is to overlook the rule that derivative work copyright protects only “new matter” contributed by the author of the derivative work. For Professor Nimmer, the erroneous “implicit assumption [of *Killiam Shows*] is that the ‘copyright’ conferred by

187. 1 M. NIMMER, *supra* note 15, § 3.07[A], at 3-30.

188. *Id.*

189. Note, *Derivative Copyright*, *supra* note 172, at 926-27.

190. See note 50 *supra*.

191. See, e.g., 1 M. NIMMER, *supra* note 15, § 3.07[A], at 3-23, where Professor Nimmer cites *Edmonds* and *Sunset Sec. Co. v. Coward McCann, Inc.*, 297 P.2d 137 (Cal. Ct. App. 1956), *vacated*, 47 Cal. 2d 907, 306 P.2d 777 (1957), as sources of the “new property right” theory. *Sunset Securities* was finally decided on noncopyright grounds. See note 92 *supra*.

Section 7 (assuming consent of the copyright owner of the underlying work was in the first instance obtained) relates to everything contained in the derivative work, including the underlying work."¹⁹² This objection has been echoed by other commentators,¹⁹³ who emphasize that the limitation of derivative copyrights to "new matter" is demonstrable in the legislative history of section 7 of the 1909 Act.¹⁹⁴

These objections are important ones. They have implications for cases involving derivative works which formerly were copyrighted but—unlike the work involved in *Killiam Shows*—are no longer protected. Whatever rights the owner of an underlying work may have against the owner of a derivative work copyright, he arguably has no greater rights against the public if the copyright in the derivative work has lapsed or been forfeited.

Other important objections are based on the language of section 7.¹⁹⁵ To permit the use of a derivative work over the objection of the owner of an underlying work copyright which is not the subject of an effective license agreement is in this view to diminish that copyright's "force."¹⁹⁶ Accordingly, the analysis of legislative history performed by Judge Friendly in reaching the conclusion that the "force or validity" clause did not govern in *Killiam Shows* is criticized as incomplete.¹⁹⁷ This is another argument with implications beyond the issue posed by *Killiam Shows*, because the statutory clause refers not only to copyrighted derivative works but to all "new works" prepared with consent, including those not so protected. It represents a potential limitation on the use of formerly copyrighted derivative works that are now in the public domain, as well as those in which copyright was never secured.

Finally, Judge Friendly has been criticized for ignoring or undervaluing authorities hostile to the "new property right" theory, while overemphasizing those supporting it. But to note that the *Killiam Shows* result was contrary to the views of many (though not all)¹⁹⁸ prior commentators—views sometimes given

192. 1 M. NIMMER, *supra* note 15, § 3.07[A], at 3-27, 3-28 (footnote omitted).

193. See, e.g., 11 SUFFOLK U.L. REV. 1374, 1383 (1977).

194. See, e.g., Mimms, *supra* note 44, at 609.

195. See notes 41, 108 *supra* for the language of the statute.

196. See, e.g., 1 M. NIMMER, *supra* note 15, § 3.07[A]; Note, *Derivative Copyright*, *supra* note 172, at 920; Note, *The Derivative Work Exception*, *supra* note 64, at 957.

197. See, e.g., 1 M. NIMMER, *supra* note 15, § 3.07[A], at 3-28.1. But see Mimms, *supra* note 44, at 608 ("no evidence in the legislative history" that Section 7 is designed to address issues posed in *Killiam Shows*).

198. At least one writer had endorsed a "new property right" approach to derivative works before *Killiam Shows*. See Engel, *supra* note 88, at 119 n.126. Several others had expressed reservations about the equities of allowing statutory successors to renew copyright in underlying work to control the use of authorized derivative

with firm conviction,¹⁹⁹ like those of Professor Nimmer, and sometimes more tentatively expressed, like those of the former Register of Copyrights, Barbara Ringer²⁰⁰—adds nothing to the other criticism summarized above. A more substantial objection to *Killiam Shows* is that Judge Friendly used precedents too selectively in building the argument for limited derivative work independence.

Professor Nimmer points out the potential inconsistency between the analysis in *Killiam Shows* and that of the 1976 Second Circuit decision in *Gilliam*.²⁰¹ As already noted, however, the potentially inconsistent language of *Gilliam* is dictum in a decision which can best be understood as turning on specific contractual limits contained in a grant of television rights.²⁰² More central are Professor Nimmer's criticisms of Judge Friendly's handling of an earlier Second Circuit precedent, *G. Ricordi & Co. v. Paramount Pictures, Inc.*²⁰³—the *Madame Butterfly* case—and of an earlier district court decision from within that circuit, *Fitch v. Shubert*.²⁰⁴ The argument that these cases should have been determinative of the controversy in *Killiam Shows* is likewise central to other critiques of Judge Friendly's approach.²⁰⁵

The first branch of this argument is that these precedents, which like *Killiam Shows* dealt with claims asserted by statutory successors to renewal copyright in underlying works, should have governed in terms, and that the reasoning used by Judge Friendly in pronouncing *Killiam Shows* a case of "first impression *simpliciter*"²⁰⁶ is unconvincing. However, in neither *Ricordi* nor *Fitch* was there evidence that the original grant of rights to prepare derivative works was intended to convey any interest in the underlying copyright during the renewal term—as was demonstrated in *Killiam Shows*. Only if intent to convey a renewal interest is irrelevant in the face of a statutory successor's claim of a "new estate" is Judge Friendly's basis for distinguishing the prior cases unconvincing. While the general language of *Fitch* and *Ricordi* may

works. See B. KAPLAN, *supra* note 33, at 112 (quoted at note 100 *supra*); S. SPRING, RISKS AND RIGHTS 95 (1956); Note, *Renewal of Copyright*, *supra* note 12, at 724; Note, *Renewal Rights, A Statutory Anachronism*, 10 W. RES. L. REV. 263, 272 (1959).

199. See, e.g., Mimms, *supra* note 44, at 615. Another writer stated that "[W]hat makes the . . . court's reliance on the 'new property right theory' even less tenable is the rejection of the theory by the leading copyright commentator, Melville Nimmer." Note, *Derivative Copyright*, *supra* note 172, at 925.

200. Ringer, *supra* note 88, at 166, 167-68, 1 STUDIES ON COPYRIGHT 564, 565-66.

201. See 1 M. NIMMER, *supra* note 15, § 3.07[A], at 3-24 to -25.

202. See notes 106-07 & accompanying text *supra*.

203. 189 F.2d 469 (2d Cir.), *cert. denied*, 342 U.S. 849 (1951).

204. 20 F. Supp. 314 (S.D.N.Y. 1937).

205. See, e.g., Mims, *supra* note 44, at 609-14; Note, *The Derivative Work Exception*, *supra* note 64, at 643-45, 658.

206. 551 F.2d at 485 n.1.

permit such a conclusion,²⁰⁷ those decisions hardly require it.

The second branch of the argument is of more potential significance, because it does not depend on the special factor of statutory successor renewal. Here, critics insist that the precedents implicitly reject any "new property right" theory of derivative works.²⁰⁸ They are at special pains to deny the significance of *Edmonds*, treating it either as an aberration²⁰⁹ or as a case distinguishable on its facts.²¹⁰ In fact, however, the "new property right" theory for which *Edmonds* stands has a respectable lineage in the history of Anglo-American copyright, while the subordination of derivative works to underlying work copyrights is a relatively late introduction and remains incompletely assimilated today.

C. *The New Property Right Theory Defended*

1. Historical Antecedents of the Theory in English and American Copyright Law Prior to 1909

Derivative works such as translations, abridgments, and dramatizations have been common throughout the 270-year history of Anglo-American statutory copyright. But until the mid-nineteenth century, the question of whether the owner of an underlying copyright retained rights over a derivative work originally prepared under a valid license would have seemed somewhat nonsensical to one knowledgeable in copyright law. Indeed, there was room for considerable doubt that such a license would have been required to prepare the derivative work in the first instance. Statutory copyright was seen as securing exclusive rights to reproduce the work itself—whether a book, a print, or a map—in copies for sale, and nothing more.²¹¹ One historian of intellectual property has recently argued that the early courts acted in ignorance of the prehistory of copyright when they refused to give nonstatutory protection to authors' "creative rights," which might have in-

207. See, e.g., 189 F.2d at 471 ("new estate" is clear of all "rights, interests or licenses" granted during initial term) & n.1 (citing *Fitch*).

208. See, e.g., Mimms, *supra* note 44, at 614 (*Edmonds* effectively "repudiated" by *Ricordi*).

209. See, e.g., *id.* at 613-14. Other critics assert that the relevant language of *Edmonds* is mere dictum. See, e.g., 11 SUFFOLK U.L. REV. 1374, 1382-83 (1977). Mimms concedes that this language constitutes a holding, but somewhat misinterprets its significance, stating that "[*Killiam Shows*] does not go so far as *Edmonds* since it recognizes that no new motion picture version of the novel may be created unless the defendant acquires some interest in the renewal term of the novel." Mimms, *supra* note 44, at 614. In fact, *Edmonds*—like *Killiam Shows*—is concerned only with continued use of a derivative work already in being.

210. See, e.g., Note, *Derivative Copyright*, *supra* note 172, at 925.

211. See generally A. BIRRELL, SEVEN LECTURES ON THE LAW AND HISTORY OF COPYRIGHT IN BOOKS 71-138 (1899); B. KAPLAN, *supra* note 33, at 1-37.

cluded protection against the preparation of unauthorized derivative works.²¹² But such refusals were based on other considerations, which continued to shape the law of copyright in years to follow.

Translations posed an especially difficult problem, because they could be regarded as neither wholly new works nor as mere copies of preexisting ones. Eighteenth-century case law cast doubt upon the availability of copyright against unauthorized translation for the reason that a "translation might not be the same with the reprinting of the original, on account that the translator has bestowed his care and pains upon it."²¹³ Far from being the sort of copying prohibited by the Statute of Anne,²¹⁴ translation was arguably just the sort of creative activity it had been designed to foster. English law did not resolve the issue conclusively against the unauthorized translator until an amendment of the copyright statute addressed the point specifically in 1911.²¹⁵

In this country, although translations were regarded as copyrightable by the translator from the inception of federal statutory copyright,²¹⁶ a copyright owner in an original work was not at first understood to have authority to prohibit unauthorized translation. This was the holding of *Stowe v. Thomas*,²¹⁷ an 1853 decision involving a rendering into German of *Uncle Tom's Cabin*:

[T]he creations of the genius and imagination of the author . . . are no longer her own—those who have purchased her book may clothe them in English doggerel, in German or Chinese prose. . . . [T]hose only can be called infringers of her rights, or pirates of her property, who are guilty of printing, publishing, importing or vending without her license, "copies of her book."²¹⁸

Not until the general copyright revision of 1870 was the author of a work given authority over the making of translations, and even

212. L. PATTERSON, COPYRIGHT IN HISTORICAL PERSPECTIVE 77 (1968).

213. *Burnett v. Chetwood*, 2 Mer. 441, 35 Eng. Rep. 1008, 1009 (Ch. 1720) (also stating that translations "should rather seem to be within the encouragement than the prohibition" of the copyright laws). The case is discussed in B. KAPLAN, *supra* note 33, at 9-10.

214. See note 35 *supra*.

215. Copyright Act of 1911, 1 & 2 Geo. 5, c. 46, § 1, subsec. (2)(a). For a discussion of the inconclusive English case law of the period between *Burnett* and this amendment, see E. DRONE, A TREATISE ON THE LAW OF PROPERTY IN INTELLECTUAL PRODUCTIONS IN GREAT BRITAIN AND THE UNITED STATES 446-48 (1879); F. SKONE JAMES, COPINGER & SKONE JAMES ON THE LAW OF COPYRIGHT § 447 (11th ed. 1971) (suggesting that unauthorized translation may have been barred at some time before 1911).

216. *Emerson v. Davies*, 8 F. Cas. 615, 619 (C.C.D. Mass. 1845) (No. 4,436) (C.C.D. Mass. 1845) (Story, J.).

217. 23 F.Cas. 201 (C.C.E.D. Pa. 1853) (No. 13,514).

218. *Id.* at 208. The decision is criticized in E. DRONE, *supra* note 215, at 454-55.

then, unauthorized translation was prohibited only where that privilege had been explicitly reserved.²¹⁹ This indicates that translations continued to be viewed as something other than mere "copies" of the original. The history of abridgments in the courts followed a somewhat different pattern from that of translations,²²⁰ but here too there is evidence of a judicial recognition of the usefulness of this class of derivative works and an accompanying reluctance to treat them as simple infringements.²²¹

Where unauthorized dramatizations were concerned, English decisions yielded a somewhat confusing pattern. For one thing, dramatizations were copyrightable in themselves. A mid-nineteenth-century American commentator summarized the law as follows:

[T]he unauthorized dramatization of a work for public performance is not an infringement of the author's rights in that work, nor in a dramatization of it made by the author after the publication of the original. But, when the author's dramatization has preceded the publication of the novel, the latter cannot be dramatized, except by authority, without violating the author's rights in his play.²²²

Although hard to reconcile with copyright theory on all points,²²³ this remained the law until an amendment of the English statutes altered it in 1911.²²⁴ Moreover, it is a comprehensible position—if the notion that dramatizations are valuable new works in themselves, and generally to be encouraged, is kept in

219. Act of July 8, 1870, ch. 230, § 86, 16 Stat. 198. The statute does not specify how a copyright owner was to accomplish the reservation, but its incorporation in the copyright notice became conventional. See E. DRONE, *supra* note 215, at 445-56. Drone also suggests that the right to limit translation should exist even in the absence of a reservation—a point allied with his criticism of *Stowe*. *Id.* at 446.

220. Abridgements were generally permitted by English and American courts in the eighteenth and early nineteenth centuries. See E. DRONE, *supra* note 215, at 434-45, where the cases are collected and criticized. Subsequent American decisions moved toward a case-by-case balancing approach to determining if particular abridgements were infringements of copyright. See, e.g., *Folsom v. Marsh*, 9 F. Cas. 342 (C.C.D. Mass. 1841) (No. 4,901) (Story, J.). But it was not until the 1909 Copyright Act that the statute itself came to reflect—even indirectly—the view that an abridgement could infringe. 1909 Act, ch. 391, §§ 1, 7, 61 Stat. 652 (1947) (abridgement omitted from listing of copyright owner's exclusive rights, but included among examples of "new works" copyrightable when provided with consent of underlying copyright owner). The 1976 Act contains a relatively forthright prohibition of unauthorized abridgement, implicitly qualified by recognition of the "fair use" doctrine. 1976 Act, 17 U.S.C. §§ 101, 106(2), 107 (Supp. III 1979).

221. See B. KAPLAN, *supra* note 33, at 10-12, 27-29.

222. E. DRONE, *supra* note 215, at 458, citing *Toole v. Young*, L.R. 9 Q.B. 523 (1874); *Reade v. Conquest*, 9 C.B.(N.S.) 755, 142 Eng. Rep. 297 (C.P. 1861), *aff'd*, 11 C.B.(N.S.) 479, 142 Eng. Rep. 883 (C.P. 1862).

223. See E. DRONE, *supra* note 215, at 458-61 (criticizing the English rule as internally inconsistent).

224. Copyright Act of 1911, 1 & 2 Geo. 5, c. 46, § 1, subsec. 2(c).

mind. Unauthorized dramatization was barred only where a drama was the primary work of the original author, so that to allow dramatization of that author's subsequent "novelization" would effectively permit indirect piracy of the primary work.

The American cases reflect no recognition that unauthorized dramatization could infringe rights in a nondramatic work until the 1870 copyright revision provided authors with the same option to reserve dramatization rights that they were afforded with respect to translation.²²⁵ By then, dramatizations—like other derivative works—already had enjoyed almost a century of substantial independence. During this period, courts construing federal copyright statutes were willing to extend protection to them, but were reluctant to interfere with their unauthorized production.

In England, moreover, even the availability of statutory protection against the unauthorized production of derivative works was not viewed as inconsistent with the proposition that, once in being, those works enjoyed a form of independence. By the early nineteenth century, for example, it was clear that, unless authorized, an arrangement could infringe a musical copyright.²²⁶ The 1868 Exchequer Chamber decision in *Wood v. Boosey*,²²⁷ however, dealt with the unlicensed republication of an arrangement for piano and voice which had been prepared by one Brissler from the orchestral score of an opera by Otto Nicolai. The orchestral score itself had not been properly registered for copyright, and thus was in the public domain; although the piano score had been registered, it was in Nicolai's name rather than Brissler's. In explaining why this was not a proper registration, so that no action lay against the defendant, Chief Baron Kelly wrote:

It is perfectly clear, therefore, that in point of fact—for it is rather a matter of fact than anything else—the adaptation of the pianoforte, or the arrangement for the pianoforte, of an opera already published, is itself a new and separate work, and is not one and the same with the original opera.²²⁸

*Boosey v. Fairlie*²²⁹ offers more than emphatic general language in support of the idea of derivative work independence. The facts were the converse of those in *Wood*: The full orchestral score of a comic opera by Jacques Offenbach had been registered for English copyright, but a voice and piano version authorized by Offenbach and "arrangée par L. Soumis" was in the public do-

225. Copyright Act of July 8, 1870, ch. 230, § 86, 16 Stat. 198. Professor Kaplan has termed this an "enlargement of the monopoly to cover the conversion of a work from one into another artistic medium." B. KAPLAN, *supra* note 33, at 32.

226. See *D'Almaine v. Boosey*, 1 Y. & C. Exch. 288, 160 Eng. Rep. 117 (Ex. 1835).

227. L.R. 3 Q.B. 223 (1868).

228. *Id.* at 230.

229. 7 Ch. D. 301, 309 (1877).

main in England. The defendant had reconstructed an orchestral score from this piano arrangement, and a performance of this reconstruction had stimulated the English publisher of the copyrighted original to bring suit. In holding for the plaintiff-publisher, the court of appeal stated:

There is scarcely any popular opera the score of which is not, within a short time after its first performance, arranged for the piano, and if by reversion of the pianoforte arrangement into an operatic score, . . . the penalties of infringement could be escaped, the protection given to operatic compositions would be almost nugatory.²³⁰

The court was required to address the question of whether reproducing the original by indirect means infringed its copyright because it assumed that merely performing the authorized arrangement which had fallen into the public domain would not; where the defendants had overstepped was in attempting to reproduce the copyrighted original by indirect means.²³¹

The opinions in the subsequent consideration of the *Fairlie* case by the House of Lords express the same assumption and further illuminate the basis for it.²³² Lord Blackburn explained his position by reference to the *Wood* precedent:

What I understand to have been proved in that case was, that in an opera the tunes and the harmonies and accompaniment are the composition of the original composer . . . ; but that to bring out these tunes and harmonies . . . , farther work is required [in preparing] the original score for the performance on the stage by many instruments, and by the voices of many singers But if the same tunes and harmonies are to be performed on the pianoforte . . . , something more is required. It must be indicated what notes are to be played on the pianoforte so as to . . . give the harmony and tune as near to [the effect of the full orchestration] as the arranger for the pianoforte can contrive. And that arrangement, though it adopts the harmony and tune, is an original composition, or at least a new work.

Now, in the present case, the arrangement for the piano . . . did . . . contain the whole of the tune and harmony performed in the theatre . . . ; but did not contain all that was there performed, for *Offenbach* had in effect arranged that tune and harmony for a full orchestra and voices, and it also contained something else, for *Offenbach* had not arranged that tune and harmony for the piano, but *Soumis* had.²³³

230. *Id.* at 317.

231. The position of the defendant in *Fairlie* can be analogized to that of the writer who dramatizes a novel which itself is a prose version of a previously copyrighted play. Under the English case law of the period, such a writer would have been an infringer. See text accompanying note 219 *supra*.

232. See 4 App. Cas. 711, 725-26 (1879).

233. *Id.* at 728-29.

The opinions in *Fairlie* indicate that, at least in some circumstances, courts have recognized the independence of derivative works originally prepared under license. It remains possible, however, that the principle never was recognized on this side of the Atlantic, or that it did not take sufficient hold to survive the 1909 general revision of the copyright law. The evidence, however, indicates otherwise. Eaton Drone, the 19th century American authority, was critical of the *Fairlie* decision because it did not go far enough in recognizing the distinction between underlying and derivative works. In his view, it was an error to bar even the defendant's indirect copying of the protected opera: "The piano-forte arrangement of which the defendant made use was common property, and hence there was nothing to bar him from using it in any manner."²³⁴

Pre-1909 American cases reflect the idea of derivative work independence as completely as do the English decisions. Not only do they provide language characterizing a musical arrangement produced under license from the owner of the copyrighted original as a "new and distinct composition,"²³⁵ but the opinion in *Thomas v. Lennon*,²³⁶ a federal equity case from 1883, also cites the *Fairlie* decision and virtually reproduces its reasoning. In *Thomas*, the authorized piano arrangement of a copyright-protected Gounod oratorio was in the public domain, having been published without requisite formalities.²³⁷ An unlicensed orchestral performance of the oratorio had been staged using a score reconstructed from the arrangement. Following *Fairlie*,²³⁸ the

234. E. DRONE, *supra* note 215, at 611.

235. See, e.g., *Carte v. Evans*, 27 F. 861, 862 (C.C.D. Mass. 1886).

236. 14 F. 849, 852 (C.C.D. Mass. 1883).

237. The score was printed in England, and copies were imported into the United States and offered for sale. *Id.* at 850. The opinion does not reveal what particular acts or omissions caused the work to enter the public domain, but in the 1880s such a book could be protected under American law only if a copy of the title page had been deposited with the Librarian of Congress *before* the book's distribution in England, and if a copy or copies of the book itself were deposited within 10 days after the American publication; in addition, those copies distributed in the United States were required to bear a copyright notice, while British law imposed no equivalent requirement. Given this series of hurdles, forfeitures easily could—and did—occur. See Act of July 8, 1870, ch. 230, §§ 90, 93, 97, 16 Stat. 198. See also S. NOWELL-SMITH, *supra* note 114, at 65-66.

Whatever the reasons for the forfeiture identified in this case, it cannot have been the result only of the fact that the foreign-manufactured copies of the work were distributed in the United States. Until the Act of March 3, 1891 (Chace Act), ch. 565, 26 Stat. 1106, American copyright statutes contained no "manufacturing clause." S. NOWELL-SMITH, *supra* note 114, at 66.

238. 14 F. at 853. The court also relied upon an American decision, *Goldmark v. Collmer* (Cir. Ct., Cook County, Ill. 1883), which it cited as having been "printed by itself as a pamphlet." A search of the Library of Congress has failed to produce a copy, and the relevant file is missing from Cook County records.

court granted the injunction sought by the assignee of the American copyright in the original orchestral score of the oratorio. As in *Fairlie*, an assumption that the arrangement itself was free for public use was implicit in the court's discussion: "If necessary to the logic of the argument, we might, perhaps, hold that the publication of the piano score is a restricted dedication of that and nothing more. This seems to be the opinion of the English judges

... "239

Thomas also stands for derivative work independence in its rejection of the view that dedication by publication of a derivative work necessarily dedicates the incorporated portion of an underlying work:

It is clear that the book [of the arrangement] is common property in the United States. What does it dedicate to the public? [Expert testimony showed] that any one who adapts [a piano] score for an orchestra must add a great deal to it, not in the way of new harmonies and melodies, but in the way of carrying out and applying them to produce the proper effects upon notes and combinations impossible for the piano. . . . These being the facts, we consider it to be clear that a dedication to the public of the arrangement for the piano does not dedicate what it does not contain, and what cannot be reproduced from it. Therefore, the defendant does not in fact possess, and has no right to perform Gounod's "Redemption" as set for an orchestra.²⁴⁰

The separateness of the two versions meant that although the public must be free to use the piano arrangement of Gounod's work, it was no freer than before the dedication of the arrangement to use—or to imitate—the original full orchestral score.

2. The Survival of the Theory Under the Copyright Act of 1909

The view taken in *Thomas* of the significance of dedicatory publication of a derivative work carries over into post-1909 case law, helping, for example, to explain the 1915 case of *Bentley v. Tibbals*.²⁴¹ Bentley had published a code book and copyrighted it under American law. Later he issued an expanded version in England,²⁴² and allowed copies of this version to be sold in the

239. *Id.*

240. *Id.* at 852.

241. 223 F. 247 (2d Cir. 1915). Although the case grew out of conduct which had occurred in part before the effective date of the 1909 Act, the court appears to have assumed that it was governed by 1909 Act principles. See, e.g., *id.* at 249-50, 252-53.

242. Whether this version would be regarded as a "derivative work" or a "compilation" today, it was clearly a "new work" within the meaning of § 7 of the 1909 Act. See note 41 *supra*. Under the new law, an assemblage of separately copyrightable preexisting materials, the components of which have not been altered, is considered to

United States without proper copyright notice. When Tibbals began to offer reprints of this version for sale, Bentley sued and obtained an injunction. The court of appeals, however, reversed. Although the opinion focuses on why the notice in Bentley's new version was insufficient,²⁴³ it is important that the Court did not decide

[T]hat Bentley has lost his copyright in the Telegraph Cyphers, so that anyone is at liberty to reprint that book. . . . What we do decide is that he has no standing in court to prevent by injunction the publication of the Complete Phrase Code, which is an uncopyrighted work, the whole of which the defendant was at liberty to reprint, including the matter taken from the Telegraph Cyphers, although copyrighted, as there is nothing in the work which indicates the copyrighted from the uncopyrighted matter.²⁴⁴

To decide the case, it was unnecessary to consider whether the elements which the underlying work had in common with the new version had entered the public domain when the latter was published; it was enough that the new version was free for public use.²⁴⁵

Another instance of how the idea of derivative work independence has persisted is the 1955 Second Circuit decision in *Rushton v. Vitale*,²⁴⁶ which held that the publication without notice of a photograph showing a copyrighted three-dimensional doll did not

be a "collective work"—a subtype of "compilation"—rather than a derivative work. See 1976 Act, 17 U.S.C. § 101 (Supp. III 1979). The reference to "compilations" in § 7 of the 1909 Act is presumably to works of this kind, rather than to works which assemble facts or other noncopyrightable components. See M. NIMMER, NIMMER ON COPYRIGHT § 43, at 175 (1976). For many analytic purposes—under the old and new laws alike—compilations of copyrightable components and derivative works can be considered together. See 1 M. NIMMER, *supra* note 15, § 3.02, at 3-6.

243. See 223 F. at 252-56; Note, *Subsisting Copyrights*, *supra* note 116, at 130.

244. 223 F. at 257.

245. See also *Harper & Bros. v. Donahue & Co.*, 144 F. 491, 497-98 (C.C.N.D. Ill. 1905) (dictum that publication of new edition without notice does not "abandon" copyright in original), *aff'd*, 146 F. 1023 (7th Cir. 1906); E. DRONE, *supra* note 215, at 400 (footnote omitted):

The principle that copying from a protected publication is an essential element of piracy must hold good when an author has published substantially the same work in two forms, of which but one is copyrighted. The one unprotected is common property; hence its use cannot be a violation of the copyright in the other. It is true that to copy one may be but an indirect copying of the other. . . . But the answer to this objection is that copyright does not prevent any person from using a work which he has obtained from a source open to all. . . . Suppose the first edition is printed with and the second without a notice, the latter edition is not entitled to protection; and, even if the copyright in the first edition continue valid, cannot prevent any person from reprinting any copy of the second edition.

246. 218 F.2d 434 (2d Cir. 1955).

dedicate that figure to the public.²⁴⁷ A more recent example is the 1972 decision in *National Council of Young Israel v. Feit*.²⁴⁸ The plaintiff manufacturing firm had permitted its product drawings to be reproduced in the catalog of one of its dealer-customers.²⁴⁹ Permission had been conditioned on the catalog containing copyright notice, but notice was omitted. Finding against a competitive manufacturer which subsequently copied the same drawings from the plaintiff's own advertising, the court emphasized that the originals remained protected despite publication of the catalog.

The cases exemplified by *Feit* reflect a view of the consequences following dedicatory publication of a derivative work which is at odds with that of Professor Nimmer,²⁵⁰ who argues that such publication dedicates to the public as much of any copyrighted underlying works as the derivative work has employed. The best authority for his view is the 1941 decision in *Sieff v. Continental Auto Supply, Inc.*,²⁵¹ which like *Feit* involved a defendant engaged in the unauthorized reproduction of copyrighted com-

247. Although it has been suggested that the particular authorities relied upon by the court in *Rushton* were inadequate to support its conclusion, 1 M. NIMMER, *supra* note 15, § 4.12[B], at 4-60 n.21, that conclusion nevertheless had a considerable tradition behind it.

248. 347 F. Supp. 1293 (S.D.N.Y. 1972). There are other examples as well. See, e.g., *Baldwin Cooke Co. v. Keith Clark, Inc.*, 383 F. Supp. 650 (N.D. Ill.), *aff'd per curiam*, 505 F.2d 1250 (7th Cir. 1974).

249. In 1976 Act parlance, this catalog would probably be regarded as a "compilation" rather than a derivative work; for the purposes of an analysis applying 1909 Act principles, the distinction is not relevant. See note 242 *supra*.

250. See notes 175-77 & accompanying text *supra*.

251. 39 F. Supp. 683 (D. Minn. 1941). Other cases cited in support of it, see 1 M. NIMMER, *supra* note 15, § 4.12[B], at 459 nn.14-15, do not provide much enlightenment. The pre-1909 Act Supreme Court decisions, see *Mifflin v. R.H. White*, 190 U.S. 260 (1903) and *Mifflin v. Dutton*, 190 U.S. 265 (1903), treat the magazine serialization of a novel and its release in book form as alternative ways of publishing a single work; they do not recognize that one might be a "new version" of the other in the sense that § 7 of the 1909 Act was to use the term. See note 41 *supra*. *Holmes v. Hurst*, 174 U.S. 82 (1899), deals with the effect of serial publication on common law rights in an otherwise unpublished work, and the same is true of *Mail & Express Co. v. Life Pub. Co.*, 192 F. 899 (2d Cir. 1912). *Leigh v. Barnhart*, 96 F. Supp. 194 (D.N.J. 1951), does not decide the question of the effect of publication.

Sieff does not identify additional persuasive authority in support of its holding. Besides the *Mifflin* decisions, the court cites another pre-1909 Act precedent, *Record & Guide Co. v. Bromley*, 175 F. 156 (C.C.E.D. Pa. 1909), which likewise recognized no distinction between copyrighted works and "new versions" of such works, along with *Basevi v. Edward O'Toole Co.*, 26 F. Supp. 39 (S.D.N.Y. 1939), a case which involved the publication without notice of individual religious illustrations which had previously been included in copyrighted catalogues—the reverse of the problem in *Sieff* and *Feit*. *Atlantic Monthly Co. v. Post Pub. Co.*, 27 F.2d 556 (D. Mass. 1928), turned on the finding that copyright in the work was abandoned by the "wide and general publication of it without recognition of any copyright." *Id.* at 559. And in *McDaniel v. Friedman*, 98 F.2d 745 (7th Cir. 1938), it was crucial to the outcome that the defendant might as easily have copied from the published uncopyrighted version of the plaintiff's work as from the original. *Id.* at 748.

mercial illustrations which previously had been republished in an uncopyrighted sales catalog.²⁵² The difference in the outcomes in the two cases is explained in part by the courts' varying treatment of section 7 of the Copyright Act of 1909. The *Sieff* court dismissed the plaintiff firm's argument premised on the section 7 provision that "the publication of . . . new works shall not affect the force or validity of any subsisting copyright."²⁵³ It did not disagree that the republication of the illustrations in question involved the issuance of a "new work." Instead, it commented that section 7 does not concern itself with notice, and went on to insist that the notice provisions of the 1909 Act must be independently satisfied upon any republication of copyrighted material, even in the form of a "new work."²⁵⁴

The point is a puzzling one, even if considered in isolation from the legislative history of section 7, which tends to show that it was anticipation of precisely this kind of problem which prompted its adoption.²⁵⁵ If the *Sieff* court's reading is accepted, no obvious role remains for the "force or validity" clause of section 7. Except where it is issued without notice, the circulation of a "new work" cannot threaten subsisting copyrights in material which it incorporates.²⁵⁶ Notably, the court in *Feit* relied upon section 7 in holding that the "publication of the . . . catalogs without the copyright notice did not work a forfeiture of [the original] copyrights of the items included in the . . . publication."²⁵⁷

Whether or not it was correctly decided, *Feit* shows that the historical view of new works incorporating previously copyrighted material as separate entities, and for many purposes independent ones,²⁵⁸ is a lively influence on American copyright law today.

252. The principal difference between the facts of the cases is that while in *Feit* the reprinting of the illustrations had been by a licensee of the copyright owner, in *Sieff* the copyright owner itself had caused copyrighted material appearing in his initial catalogue to be reissued in a new format with inadequate notice. Although this difference may affect the equities, it seems immaterial to the holding in *Sieff*; although the court used the vocabulary of "abandonment," 39 F. Supp. at 686, it was clearly of the view that the copyright was lost regardless of the intentions of its owner.

253. 39 F. Supp. at 685. For the full text of this proviso, see note 108 *supra*.

254. 39 F. Supp. at 686. The decision refers to "section 6," using the pre-1939 numeration. See note 16 *supra*.

255. See notes 271-77 & accompanying text *infra*.

256. It has long been settled that notice in the name of the person entitled to claim copyright in a derivative or other "new" work is sufficient to protect all included matter in which copyright is already subsisting, as well as "new matter." See *Wrench v. Universal Pictures Co.*, 104 F. Supp. 374 (S.D.N.Y. 1952).

257. 347 F. Supp. at 1297-98.

258. Another indication of the place of the idea of derivative work independence in American copyright law is the case of *Champney v. Haag*, 121 F. 944 (C.C.E.D. Pa. 1903), holding that while the owner of the copyright in a pirated photographic reproduction might have a cause of action, the owner of the copyright in the painting represented in the photograph did not. This may have carried the idea of derivative work

Moreover, it illustrates that section 7 of the 1909 Act has been construed as a provision aimed at confirming the independence of such works in an otherwise problematic context.²⁵⁹

Against this background, a decision like *Edmonds* is far from being an aberration. Likewise, Judge Friendly's identification of *Edmonds* as a precedent in *Killiam Shows*, and his recognition that the principle of derivative work independence is a potential basis for the resolution of conflicts involving motion pictures based upon preexisting works, appear unexceptionable. It remains to ask whether the "force or validity" clause, or section 7 generally, operates to foreclose the particular application of the principle which Judge Friendly made.

3. The Legislative History of Section 7 of the Copyright Act of 1909

In the course of almost seven pages of discussion devoted to *Killiam Shows* in the most recent edition of his treatise, Professor Nimmer takes one paragraph to note that in his view Judge Friendly handled the issue "rather cavalierly . . . by relying upon a Senate Committee colloquy . . . which supposedly proves that the clause had a different purpose,"²⁶⁰ without suggesting where the flaw in that demonstration lies. And while most other critiques have treated the issue in equally summary fashion,²⁶¹ one of them offers a more complete discussion.²⁶²

In Judge Friendly's analysis the key to understanding the meaning of the "force or validity" clause of section 7 was the legislative history of the 1908 amendment which gave the clause its present form. Previously, the various revision bills had provided that "no such copyright [in a new version of a copyrighted work] shall affect the force or validity of any subsisting copyright upon the matter employed or any part thereof. . . ."²⁶³ The clause was

independence too far, even under pre-1909 law. See *Schumacher v. Schwencke*, 30 F. 690 (S.D.N.Y. 1887), discussed in Cook, *The Fine Arts: What Constitutes Infringement?*, in 13 ASCAP COPYRIGHT L. SYMP. 65, 82 (1964). After *Gilliam*, see text accompanying notes 102-17 *supra*, it would not seem to represent good law under either the 1976 or 1909 Act. But *Champney* remains as evidence that the subordination of new derivative works has never been a universal rule.

259. As interpreted by the *Felt* court, § 7 prevents the unintended forfeitures of copyright which could occur under such pre-1909 precedents as the Supreme Court's *Mifflin* decisions, particularly *Mifflin v. Dutton*, 190 U.S. 265 (1903). See note 251 *supra*.

260. 1 M. NIMMER, *supra* note 15, § 3.07[A], at 3-28.1. In fact, the colloquy in question occurred in the course of joint House-Senate hearings. See note 264 *infra*.

261. See, e.g., Note, *The Derivative Work Exception*, *supra* note 64, at 657-58; 11 SUFFOLK U.L. REV. 1374, 1377-78 n.25, 1386 n.67 (1977).

262. Note, *Derivative Copyright*, *supra* note 172, at 918-21.

263. See, e.g., S. 2990, 59th Cong., 2d Sess., introduced by Senator Kittredge on December 18, 1907, and other bills cited by Judge Friendly. 551 F.2d at 489 n.6.

revised to begin with the words "the publication of any such new works shall not affect" after a witness representing publishers suggested that this change would make it clear that the issuance of a new work without proper notice would not "affect the original copyrights in the works that have entered into and formed a part of" it, stating further that it "does not change the intent of the section in any way."²⁶⁴ For Judge Friendly,

[t]his makes clear, as indeed a close reading of the language of what is now § 7 would do alone, that the "force or validity" clause has no bearing on the problem here before us. That is rather how far an author's consent under the first clause of § 7 continues to authorize publication of the copyrighted derivative work during a renewal term of the underlying copyright secured by a statutory successor under § 24.²⁶⁵

If the analysis has a weakness, it is that it gives less detailed attention to the reasons for the initial inclusion of a "force or validity" clause in the revision bills than to those for the subsequent amendment.²⁶⁶ The above-mentioned critique suggests that this is a serious shortcoming: "By circumscribing its historical analysis of section 7, the . . . court lost sight of Congress' primary intent: to insulate the underlying work's copyright from any possible interference resulting from the publication of the copyrighted derivative work."²⁶⁷ Urging a "more comprehensive view of the legislative history,"²⁶⁸ the writer notes that the drafters of the 1909 Act were concerned that derivative work copyright could be used to circumvent constitutional and statutory limits on copyright duration, and

considered overcoming the extension problem (ultimately met by the last provision of section 7) by actually terminating the derivative copyright on the expiration of the underlying copyright. This would seem to support the view that a derivative copyright, as the new member of the copyright family, was of secondary importance compared to the copyright on the underlying work. Congress was concerned that the derivative copyright not be used as a tool by the underlying author to extend his copyright monopoly, *nor as a tool against the author to diminish his legitimate copyright protection.*²⁶⁹

264. *Joint Hearings on Revision of Copyright Laws before the House and Senate Comms. on Patents*, 60th Cong., 1st Sess. 78 (1908) (testimony of W.B. Hale, American Law Book Co.), reprinted in 5 1909 LEGISLATIVE HISTORY, *supra* note 86, pt. K, at 76, 78, quoted in 551 F.2d 489.

265. 551 F.2d at 489-90.

266. Judge Friendly does state generally that when a "force or validity" clause first appeared in the revision bills, it was intended to serve the same limited protective function which the subsequent amendment would clarify. 551 F.2d at 489.

267. Note, *Derivative Copyright*, *supra* note 172, at 920 (citations omitted).

268. *Id.*

269. *Id.* at 921 (emphasis added).

Apart from its questionable reliance on a proposal actually rejected by Congress, this student note fails to support the view that section 7 generally, or the "force or validity" clause specifically, was designed to accomplish the subordination of derivative works, or to further the protective purpose referred to in the last phrase of the quoted passage. The only even arguable basis for this understanding of section 7 is found in the transcripts of conferences convened by the Librarian of Congress in 1905; at the beginning of the copyright revision effort, to obtain the views of artists' organizations and representatives of the copyright industries.²⁷⁰

At the first Librarian's conference, a music industry representative objected, on grounds of expense,²⁷¹ to any requirement that arrangements be copyrighted separately from underlying compositions, and similar criticisms were voiced by representatives of firms engaged in making fine art reproductions.²⁷² One of these, B.J. Falk of the Photographer's Copyright League of America, expressed the additional concern that if an authorized reproduction of a painting were required to bear copyright notice, and that notice were omitted, it would leave the reproduction "open to be copied by everybody, and in that way, indirectly, or rather, very materially affect the property rights of the author of the painting, the original painter."²⁷³ A. Beverly Smith of the Reproductive Arts Copyright League [formerly the Lithographer's Association (East)] took the view that in the case described by Falk, the public domain reproduction could not be copied by the public "because of their obligation to the original copyright of the work of art. The work of art, in other words, would stand in exactly the same position after that occurred as if no copy had been made whatever"²⁷⁴

Although this colloquy is the best evidence for a legislative intention to subordinate derivative works to underlying works,²⁷⁵

270. See note 86 *supra*. The conferences were suggested by the Library and encouraged by the chairman of the Senate Patent Committee. See letter from Sen. A.B. Kittredge to Herbert Putnam, Jan. 27, 1905, in 5 1909 LEGISLATIVE HISTORY, *supra* note 86, pt. M, at 5.

271. See Stenographic Report of the Proceedings of the Librarian of Congress' Conference on Copyright, 1st Sess., May 31-June 2, 1905, at 110-11 (remarks of George W. Furniss, Music Publisher's Ass'n of the U.S.), reprinted in 1 1909 LEGISLATIVE HISTORY, *supra* note 86, pt. C, at 110-11.

272. See, e.g., *id.* at 111-12 (remarks of W.A. Livingstone, Print Publishers' Ass'n of America), 1 1909 LEGISLATIVE HISTORY, pt. C, at 111-12.

273. *Id.* at 112, 1 1909 LEGISLATIVE HISTORY, pt. C, at 112.

274. *Id.*

275. Other passages from the legislative history cited in Note, *Derivative Copyright*, *supra* note 172, at 918 n.67, contain only general language open to a range of interpretations.

there is no indication that the "force or validity" language in section 7 was adopted in direct or indirect response to concerns of the kind expressed by Falk. Although a draft bill prepared by the Register of Copyrights after the Librarian's first conference included language classifying abridgements, dramatizations, translations, compilations, musical arrangements, and new editions as "new works" subject to copyright, and expressed concepts which were later to find places in section 7,²⁷⁶ it contained no "force or validity" language.

Moreover, to the extent that any final language of section 7 may have been intended to address issues of the sort raised by Falk, there is no indication that it was designed to satisfy his concerns fully, or to adopt Smith's interested suggestion that forfeitures of protection for reproductions of copyrighted works be made literally impossible. Significantly, no commentator has asserted that the effect of section 7 as enacted is as Smith urged. Differences have not centered on whether a reproduction (or other derivative work) published without notice is free for public use, which is undisputed,²⁷⁷ but on whether, in addition, aspects of the copyright in the underlying work itself may be vitiated by such publication.

The legislative history of the 1909 Act is inconclusive as to this issue, but it does make clear that those concerned with copyright law revision gave more attention to protecting the public from overreaching by derivative copyright owners²⁷⁸ than to clarifying the legal relationship between underlying and derivative works generally. Legislators did not even discuss the potential deadlock which could follow a statutory successor's renewal of copyright in an underlying work, nor the difficulties which could arise when a derivative work entered the public domain through failure to renew. To suggest that these issues were somehow resolved by implication in discussions concerned with quite different

276. See Memorandum Draft of a Bill to Amend and Consolidate the Acts Respecting Copyright, C.O. Bull. No. 10, §§ 38-40, 115 (1905), *reprinted in* 2 1909 LEGISLATIVE HISTORY, *supra* note 86, pt. D, at XXXII-XXXIII, LXVIII. In particular, § 40 provided that the owner of copyright in a "new work" would not thereby gain any "exclusive right" in works incorporated in it, while § 115 provided that where a new edition of a public domain book was copyrighted, the original would remain free for public use.

277. See notes 248-57 & accompanying text *supra*. This reading of the section is consistent with the views expressed by Hale during the joint House-Senate copyright revision hearings, *see* note 264 *supra*, on which Judge Friendly placed emphasis in the *Killiam Shows* opinion.

278. See Note, *Derivative Copyright*, *supra* note 172, at 918 n.66. See, e.g., Stenographic Report of the Proceedings of the Librarian of Congress' Conference on Copyright, 2d Sess., Nov. 1-4, 1905, at 309-10 (remarks of A. Beverly Smith, Reproductive Arts Copyright League), *reprinted in* 2 1909 LEGISLATIVE HISTORY, *supra* note 86, pt. D, at 309-10.

and more immediately pressing issues is to overread, as well as to misread, the legislative history. On the whole, the caution which characterizes Judge Friendly's reading of the "force or validity" clause is amply justified.²⁷⁹

The legislative history of the 1909 Act also has been invoked in support of the argument that, in cases like *Killiam Shows*, the claims of underlying work copyright owners are dominant because ownership of derivative work copyright carries with it no interest in an underlying work.²⁸⁰ In a recent article, Malcolm Mimms wrote that

[T]here are indications in the hearings that section 7 (then section 6) was intended to secure protection for only the "new matter" added to the underlying work. This lends support to plaintiff's position in [*Killiam Shows*].

. . . .

The court's answer to this argument is that any such statements in the hearing were made "to answer expressed fears that the grant of derivative copyright might extend the term of copyright in the underlying work." Such a response cannot be supported by a reading of the legislative history.²⁸¹

In no event, however, does the legislative history lend support to the argument that derivative copyright should be subordinate for all purposes. Rather, it shows that the "new matter" limitation was designed to address copyright problems altogether distinct from those posed in *Killiam Shows* and the other cases under discussion.²⁸²

279. It is even possible to draw some support from the legislative history of the Act of 1909 for the view that derivative works should be considered as independent entities. Those responsible for Copyright Office policy in the revision effort leading up to the 1909 Act stressed on several occasions that the significant input often made by the creators of derivative works required that such works be treated as separate for copyright purposes. See, e.g., Memorandum in Support of Copyright Office Substitute for Section 18 of the Revision Bill, Jan. 22, 1907, at 3, reprinted in 5 1909 LEGISLATIVE HISTORY, *supra* note 86, pt. N, at 31, 33; Stenographic Report at the Proceedings of the Librarian of Congress' Conference on Copyright, 2d Sess., Nov. 1-4, 1905 at 293 (remarks of T. Solberg, Register of Copyrights), reprinted in 2 1909 LEGISLATIVE HISTORY, *supra* note 86, pt. D, at 293 (translations as "new subject-matter").

280. See generally 1 M. NIMMER, *supra* note 15, § 3.07[A]. See also *id.* § 3.04. A similar argument can be made with respect to a member of the public seeking to use a public domain derivative work. See *Russell v. Price*, 612 F.2d 1123, 1128 (9th Cir. 1979), *cert. denied*, 446 U.S. 952 (1980).

281. Mimms, *supra* note 44, at 609 & n.98, citing *Killiam Shows* at 493 n.10 (other citations omitted).

282. In support of his statements, Mimms cites (in his note 97) the discussion of the legislative history in Ringer, *supra* note 88, at 170 n.484, 1 STUDIES ON COPYRIGHT 566 n.484. In his note 98, Mimms also cites to Ringer "at 556," but the Committee Print of the study has no such page; at that page of the reprint there appears a discussion of the "assignability of the renewal term" which is not relevant to Mimms' argument.

The passages in the legislative history to which Mimms refers occur in the course

4. *Fitch v. Shubert* and *G. Ricordi & Co. v. Paramount Pictures, Inc.*: Misleading Cases

The final major objection to the *Killiam Shows* reasoning is that it undervalues post-1909 case authorities. A critical examination of the arguments for this view will reveal how misunderstanding of those precedents has led commentators and judges to support the role of derivative work subordination.

Between the *Edmonds* decision in 1918 and *Ricordi* in 1951, no federal court passed on any aspect of the "new property right" question. Although the proposition that derivative copyright protects only "new matter" was often repeated during this period, it was always in other contexts.²⁸³ *Fitch v. Shubert*²⁸⁴ is one case from the *Edmonds-Ricordi* interregnum sometimes cited in discussions of the status of derivative works, but it is ultimately uninformative on the general question of the theory's validity, as it is on the narrower one of whether statutory successors to renewal

of testimony given by representatives of the player piano and piano roll industry, expressing fear that competitors would use the derivative copyright provisions of the proposed new copyright law to capture public domain musical classics which should be free for all to reproduce. In the context of attempts to reassure these witnesses, several members of Congress expressed their conviction that derivative work copyright would be limited to "new matter." See, e.g., *Joint Hearings on Copyright Revision Before the House and Senate Patent Comms.*, 59th Cong., 2d Sess., 307-09 (1906) (testimony of G.W. Pound, representing the Aeolian Co., and remarks of Sen. Kittredge and Rep. Currier), reprinted in 4 1909 LEGISLATIVE HISTORY, *supra* note 86, pt. J, at 307-09.

Mimms is correct that this issue is not literally within Judge Friendly's description of the purposes of the "new matter" limitation. But in one of the passages referred to by Mimms, a witness' fears that derivative work copyright would be used to achieve actual or apparent extensions in the copyright life of underlying works which would otherwise fall into the public domain—emphasized by Judge Friendly in his discussion—are stated in the face of the legislators' attempt to demonstrate that when copyright is secured in a new version, "[A]ll that is copyrighted . . . is the change." *Joint Hearings on Copyright Revision Before the House and Senate Patent Comms.*, 59th Cong., 2d Sess., 364-65 (testimony of J.J. O'Connell, Esq., representing various player piano interests, and remarks of Rep. Currier), reprinted in 4 1909 LEGISLATIVE HISTORY, *supra* note 86, pt. J, at 364-65. It is not apparent, moreover, why evidence of congressional intention to protect public access to uncopyrighted material bears on whether derivative works originally produced with the consent of the owners of underlying copyrights should later be subject to recapture. The legislative history of the 1909 Act does not resolve that question in favor of the would-be user of the derivative work, but neither does it resolve it the other way.

The author's search of the legislative history has discovered no additional information on the origins of the "new matter" limitation.

283. See, e.g., *Reyher v. Children's Television Workshop*, 533 F.2d 87 (2d Cir.), cert. denied, 429 U.S. 980 (1976) (derivative work copyright in children's story does not extend to underlying public domain folktale); *Davis v. E. I. DuPont de Nemours & Co.*, 240 F. Supp. 612 (S.D.N.Y. 1965) (derivative work copyright in dramatization of classic protects dramatist's contributions against infringement).

284. 20 F. Supp. 314 (S.D.N.Y. 1937).

copyright in underlying works should enjoy rights over derivative works.

In that case, the plaintiff was a statutory successor whose cousin, Clyde Fitch, had died intestate after writing a copyrighted play entitled *Barbara Frietchie, The Frederick Girl*. The balance of the initial term of copyright had passed to Fitch's mother, who had willed it to the Actor's Fund of America. They had authorized the Shubert organization to produce an operetta based on the play, which in turn was entitled *My Maryland*.²⁸⁵ No detailed consideration of the relations between the two works was required to resolve the demand for a preliminary injunction barring the Shuberts from staging a new production of *My Maryland*; the court found that the plaintiff himself, as holder of copyright renewal in the play, had authorized them to do so. On the way to its conclusion, however, the court used this language:

It is evident . . . that all rights which the defendants acquired in 1925 to use the Fitch play as the basis of a musical operetta expired when the copyright for the original term expired in 1928 and when a new grantee appeared as the owner of the Fitch play for the renewal term.²⁸⁶

This has been taken as a statement that the owner of an authorized derivative work has no right to use that work over the objection of the statutory successor to renewal in an underlying work, and thus as an implicit repudiation of the "new property right" theory.²⁸⁷

There is, however, another explanation of the *Fitch* dictum: Because the consent to produce a musical which the Actors' League gave the Shuberts was limited to the original term of copyright in *Barbara Frietchie*, which was all the League could grant,²⁸⁸ they were barred as a contractual matter from producing *My Maryland* in 1928 without a new consent from the owner of copyright in the underlying play.²⁸⁹

At most, *Fitch* indicates that the enjoyment of a "new prop-

285. The facts which place Clyde Fitch's mother and the Actor's Fund in the chain of transfers do not appear in the opinion in *Fitch*, see 20 F. Supp. at 314, but are recited in Judge Friendly's opinion in *Killiam Shows*, 551 F.2d at 490. Presumably, the *Killiam Shows* court consulted the files on the *Fitch* case in order to clarify its significance as a precedent.

286. 20 F. Supp. at 315.

287. See, e.g., Mimms, *supra* note 44, at 610.

288. As a mere assignee of the balance of the initial term, the Actors' Fund had no status as a potential renewal claimant under § 24 of the 1909 Act. See note 12 *supra*.

289. Earlier in the passage under discussion, the court also referred to the statutory successor's renewal as a "new and independent right in the copyright, free and clear of any rights, interests, or licenses attached to the copyright for the initial term." 20 F. Supp. at 315. Given the nature of the facts in *Fitch*, however, little significance can attach to this sweeping language, which in any event is cited to *Silverman v. Sunrise Pictures Corp.*, 273 F. 909 (2d Cir. 1921), a decision taking a view of the "new

erty right" by the owner of a derivative work may be contractually qualified, and that the owner of copyright in an underlying work may write such a qualification into a consent to the creation of a derivative work. Although important, these propositions are non-controversial. They do not bear on the question of the status of derivative works created on the basis of unqualified consents.

Edmonds appears to speak to this question, and so does *Ricordi v. Paramount Pictures, Inc.*,²⁹⁰ but the latter decision provides less reliable guidance than sometimes has been supposed. The case involved a dispute over ownership of motion picture rights in the 1904 Puccini opera, *Madame Butterfly*, which was actually the third rendition of that story of doomed love. The opera had been produced by Ricordi under a grant of rights from John Luther Long, whose copyrighted novel dated from 1897, and from David Belasco, whose play of 1900 had been based (with Long's consent) on the novel. Some years later, Paramount Pictures obtained a series of limited-term licenses of motion picture rights in the novel, and in 1915 actually produced a silent motion picture entitled *Madame Butterfly*.²⁹¹ In 1932, after the renewal of copyright in the novel and the subsequent death of its author, Paramount had received a new grant of exclusive motion picture rights under the renewal copyright. Ricordi sought a declaratory judgment that, as the owner of the opera, it was free to license the right to bring it to the screen. Paramount contended that it was the only motion picture company entitled to do so.

The district court rejected Paramount's contention in an opinion which cited *Edmonds* in noting that the opera was "a piece of property wholly separate and independent from the novel and drama,"²⁹² but its decision was not based on the "new property right" theory. Instead, the decision had a contractual foundation in the court's finding that Long and Belasco had given Ricordi all their rights, "in so far as the creation of the Opera is concerned."²⁹³ These were given in a grant which contained "absolutely no restrictions except that the source must be indicated,"²⁹⁴ and was intended to convey motion picture rights in any

estate" of renewal which the Supreme Court subsequently repudiated as overbroad in *Fox Film Corp. v. Knowles*, 261 U.S. 326 (1923).

290. 189 F.2d 469 (2d Cir.), *cert. denied*, 342 U.S. 849 (1951).

291. The film was a vehicle for "America's Sweetheart," Mary Pickford. *See Review*, N.Y. Times, Nov. 8, 1915, at 13, col. 5. It did not figure in the court of appeals' analysis of the *Ricordi* case. Neither did a license of rights Paramount had taken in 1932 from Belasco's estate; apparently, the copyright in the play had not been renewed, so that it had entered the public domain in 1928. 189 F.2d at 470.

292. 92 F. Supp. 537, 540-41 (S.D.N.Y. 1950), *rev'd*, 189 F.2d 469 (2d Cir.), *cert. denied*, 342 U.S. 849 (1951).

293. *Id.* at 540.

294. *Id.*

opera actually created.²⁹⁵ Thus, the district court reasoned that Ricordi was free to film the opera without interference.

This decision was reversed by a Second Circuit panel consisting of Judges Swan, Frank, and Learned Hand. The reversal has been viewed as a repudiation of the trial court's acceptance of *Edmonds*.²⁹⁶ Indeed, when the holding below is deprived of its contractual basis, only a highly questionable extension of the "new property right" theory would be adequate to support it. But there is nothing in the court of appeals' opinion which discredits the essentials of that theory.²⁹⁷ The opinion does not address the debatable question of whether the grant should have been understood as authorizing Ricordi to film the opera even during the original term of copyright in the underlying works.²⁹⁸ Instead, it concludes that any authorization it contained was implicitly limited, so that it did not carry over into the renewal terms of copyright in the underlying works—or more accurately, since the play had fallen into the public domain, into the renewal term of Long's novel.²⁹⁹

To have upheld Ricordi's claim to a right to film the opera over Paramount's objection, while demolishing the contractual basis of the holding below, would have necessitated an unwarranted extension of the idea of "new property rights" in derivative works. At stake in *Edmonds*—as in the recent motion picture cases—was the continued use of a derivative work itself, as it originally had been prepared under license. *Ricordi*, however, involved a proposal for a new, albeit indirect, borrowing from the copyrighted underlying novel. It is hardly surprising that the *Ricordi* court avoided taking a step from which even courts adopting "new property right" have drawn back.³⁰⁰

To understand the treatment of *Ricordi* in *Killiam Shows*, it is as important to realize what *Ricordi* does not hold as to understand what it does hold. In particular, *Ricordi* does not decide

295. *Id.* The grant provided that the libretto of the opera "and all rights therein dramatic or otherwise" were to be Ricordi's exclusive property.

296. See, e.g., 1 M. NIMMER, *supra* note 15, § 3.07[A], at 3-24; Mimms, *supra* note 44, at 614.

297. See the discussion of *Ricordi* in Judge Friendly's *Killiam Shows* opinion. 551 F.2d at 491 n.8.

298. To make a motion picture of the opera would be to prepare a new derivative work, rather than to continue to use one already in existence; inevitably, new indirect borrowing from the underlying works would occur. See notes 302-03 & accompanying text *infra*. The grant, however, gave *Ricordi* rights in the opera libretto only. See note 295 *supra*. The *Ricordi* court's finding on the limited nature of the original license renders its comments on the "new estate" of renewal, see 189 F.2d at 471, mere dictum.

299. See note 291 *supra*.

300. See, e.g., the discussion of the nineteenth-century English musical arrangement decisions at text accompanying notes 226-34 *supra*.

whether Ricordi was free to continue to perform or publish the opera libretto itself.³⁰¹ In one view, nothing short of an explicit limitation in the original license of opera rights would have been sufficient to bar continued use of an existing opera, although a new one could not be created after the expiration of the original grant.³⁰² In another view, an objection by Long's successor should have been effective to prevent even continued staging of the opera or sale of its libretto, because Long's failure to grant any rights in the renewal term of the novel can be viewed as a contractual limitation on his consent to the creation of the opera. Some passages of the *Killiam Shows* opinion suggest that the court was inclined to adopt this view.³⁰³ Finally, however, the court took no position on what uses could be made of the *Madame Butterfly* opera itself during the renewal term of the novel upon which it was based.

In the view of the *Killiam Shows* court, an opera or motion picture created with the unlimited consent of the copyright owner of a work upon which it is based is a "separate and independent" work from the time of its creation, immune from recapture by that—or a subsequent—underlying work owner. However, as Judge Friendly makes clear, the owner of the underlying work "can always protect his heirs by imposing a contractual limit" upon a grant of rights to prepare an opera or motion picture.³⁰⁴ Thus, the issue *Ricordi* did not address—the status of the original opera after the renewal of copyright in the novel—could turn on whether the initial assignment of opera rights were construed as incorporating a "contractual limit" of the sort to which the *Killiam Shows* opinion refers.³⁰⁵

In summary, nothing in the holding of *Ricordi* is contrary to the result in *Killiam Shows*, or in conflict with the analysis of relationships between underlying works and derivative motion pic-

301. Given Paramount's interest in the litigation, it had no motivation to press this question; indeed, it would not have had standing to challenge Ricordi's authority to stage productions of the opera.

302. This appears to be the view of Donald Engel in an article quoted in *Killiam Shows*. See Engel, *supra* note 88, at 119-20 & n.126, quoted at 551 F.2d 493. One quoted passage from the Engel article merely concludes that *Ricordi* is inconclusive on the question of continued use; of it, Judge Friendly wrote that it characterizes the case "correctly in our judgment." The other passage states:

The cases indicate that the proprietor of the copyright in an authorized new work who no longer has authorization to use the underlying work may continue to use the new work in substantially identical form but may not create a new version of the new work which also constitutes a new version of the underlying work.

Engel, *supra* note 88, at 119.

303. See 551 F.2d at 491 (passage beginning "*Ricordi* is not determinative here . . .").

304. 551 F.2d at 494.

305. See the discussion of rules for the construction of assignments, *supra* note 23.

tures which is employed to reach that result. In addition, however, *Ricordi* contains dictum with potential importance for the "new property right" theory.

At one point in its opinion, the *Ricordi* court noted in passing that because the David Belasco play was no longer protected by copyright, "the plaintiff was as free . . . as was the defendant" to use it in making a motion picture.³⁰⁶ This prompted Paramount to petition for an amendment of the opinion making it clear that only the new matter contributed by Belasco was in the public domain. Somewhat grudgingly, the court complied, after stating that, "It is implicit in the opinion as a whole that what is dedicated to the public as a condition of obtaining a copyright is only such matter as is copyrightable"³⁰⁷ This language could be taken to mean that a derivative work which has entered the public domain cannot be used for any purpose without a license, so long as an underlying work remains protected.³⁰⁸ More generally it could be understood as an implicit rejection of "new property right" reasoning.

Such readings overlook the context in which the dictum on the copyright status of the play, and its subsequent clarification, occurred. The issue before the court was whether a new, second-generation derivative work based on the copyrighted opera could be made without Paramount's consent. As the owner of motion picture rights in the novel, however, Paramount also had an obvious interest in establishing that a motion picture based on the public domain play could not be made over its objection. It may be assumed that it was this interest which motivated Paramount's petition, and that the court understood Paramount's interest when it framed its response. To read the clarification as bearing on the question of whether the play itself could be reprinted or performed freely would be to assume that the court was piling dictum upon dictum, and reaching out for issues which were in no way before it.³⁰⁹ Although the broad language of the clarification may invite such a reading, the invitation should be declined. Thus the *Ricordi* dictum does not repudiate the essence of the "new property right" theory as it was advanced in *Edmonds* and confirmed

306. 189 F.2d at 471.

307. 189 F.2d at 472 ("On Petition for Clarification").

308. See the discussion of *Gilliam* and *Grove Press* at notes 102-17 & accompanying text *supra*.

309. No party to the litigation was concerned with reproducing or performing the play as such. *Cf.* note 301 *supra*. For the court to have addressed this issue, even in a declaratory judgment action, would have been to violate the case and controversy requirement by volunteering to decide an as yet hypothetical dispute. See generally P. BATOR, P. MISHKIN, D. SHAPIRO & H. WESCHLER, *HART & WESCHLER'S THE FEDERAL COURTS AND THE FEDERAL SYSTEM* 107-12, 120-49 (2d ed. 1973).

in *Killiam Shows*.³¹⁰

5. The Influence of *Ricordi*

Neither the language and history of the 1909 Act, nor the cases which have construed it, are inconsistent with the analytic approach adopted by Judge Friendly in *Killiam Shows*. But the choice of that approach was nevertheless unexpected. Commentators had assumed that a case with facts like those of *Killiam Shows* would be decided in favor of the owner of renewal copyright in the underlying works.³¹¹ In recent years the practice of the motion picture industry had apparently been premised on the same assumption.³¹²

The general language of *Ricordi* invites such overreading, and a notable example of its misleading potential is the *Grove Press* case. As has been noted, that court's willingness to restrict public use of a public domain translation depended in large part on its reading of the "force or validity" clause of section 7 of the 1909 Copyright Act,³¹³ although to treat section 7 as declaring underlying work copyright owners' continuing general authority over derivative works is neither required by the language of the statute nor justified by its legislative history. But the reasoning of *Grove Press* is also supported by reference to *Ricordi*—and specifically to the Second Circuit's "clarification" of its dictum on the

310. Indeed, in the aftermath of *Ricordi*, the Second Circuit Court of Appeals handed down at least one decision which assumed that the principles of *Ricordi* were consistent with the recognition of limited independence for "new works," within the meaning of § 7 of the 1909 Act. In *Shapiro, Bernstein & Co. v. Jerry Vogel Music Co.*, 115 F. Supp. 754 (S.D.N.Y. 1953), *rev'd*, 221 F.2d 569, *rev'd on rehearing*, 223 F.2d 252 (2d Cir. 1955) (the *12th Street Rag* case), the district court had decided a conflict over renewal rights in a popular song adversely to a claimant who was the successor of a writer who had added lyrics to an already completed melody. This claimant had argued that the resulting song was a "joint work." The court viewed the principle that a "new work" copyright protects the only "new matter," for which it cited generally to *Ricordi*, as destructive of the lyricist's successor's claim to an undivided half interest in the final version as a whole.

Reversing, the Court of Appeals made no mention of *Ricordi* as such, but implicit in its conclusion that the song was a "joint work" was a recognition that, *Ricordi* notwithstanding, a species of "new property right" can come into being in a work which is created by adding new matter to old. *See* 223 F.2d at 254.

The *12th Street Rag* decision has been criticized, in part because it does imply the limited independence of derivative works. *See* 1 M. NIMMER, *supra* note 15, § 6.06[B]; Ringer, *supra* note 88, at 170; 1 STUDIES ON COPYRIGHT, *supra* note 2, at 566. It is important here for its demonstration that the Second Circuit has not read the general language of its *Ricordi* decision to require the rejection of all "new property right" reasoning.

311. *See, e.g.*, Bricker, *supra* note 88, at 43.

312. *See* notes 64-67 & accompanying text *supra*. *See also* Judge Friendly's discussion of industry practice in *Killiam Shows*. 551 F.2d at 493.

313. *See* notes 116-17 & accompanying text *supra*.

status of the public domain play, which is quoted at length.³¹⁴ If the prop erected by taking the broad language of *Ricordi* out of factual context is removed, the holding in *Grove Press* collapses.

The absence of any statute or case law dictating the approach taken by the court in *Grove Press* lends additional appeal to the alternative analysis suggested by one critic, under which a derivative translation copyrightable under section 7 "might be considered a wholly 'independent entity,' so that the underlying work would arguably merge into the derivative work Thus, when the derivative work falls into the public domain, it would carry the underlying work with it as to that particular medium."³¹⁵ Even without going so far as to conclude that the underlying work itself had been dedicated as to the "medium" of English translation generally, one might argue that there had been a limited dedication of as much of the original as is merged into the particular derivative work which had entered the public domain.³¹⁶

The legacy of *Ricordi*, as interpreted by the court in *Grove Press*, has tended to stifle such alternative analyses. In at least four of the recent group of decisions involving the status of derivative motion pictures, the reasoning has been to some degree distorted by uncritical acceptance of the *Grove Press* holding, or of its interpretation of *Ricordi*, or both. The effect is perhaps most clear in *Russell*, the *Pygmalion* case.³¹⁷ But it is also evident in *Filmvideo*, where the court relied on *Grove Press* and the *Ricordi* clarification on its way to the eventual conclusion that the public domain Hopalong Cassidy features were not free for public use. It would seem that reliance on these precedents prevented the *Filmvideo* court from focusing more squarely on the construction of the original grants of rights in the underlying novels,³¹⁸—an issue it identified only in the last paragraph of its first opinion, and to which it did not return in either of its subsequent opinions.

314. See 247 F. Supp. at 526, where the clarification is characterized as a "holding."

315. 79 HARV. L. REV. 1716, 1718 (1966). The author also criticizes the court's reliance on *Ricordi*, but errs by following *Grove Press* in treating the *Ricordi* court's discussion of the Belasco play as holding rather than dictum. *Id.* at 1717.

316. If such analysis has appeal where a translation is concerned, it also deserves serious consideration where the derivative work which has been dedicated to the public is a motion picture. Like translations, motion pictures involve substantial transformation of the material they take from preexisting works. See notes 50-55 & accompanying text *supra*.

317. See notes 156-69 & accompanying text *supra*; notes 343-44 & accompanying text *infra*.

318. See notes 139-41 & accompanying text *supra*. Another yield of this misdirection of judicial attention was in dubious dicta with the potential to mislead future courts, such as the statement that copyrighted Hopalong Cassidy books "can be infringed by the use of materials in the public domain as readily as they are by the use of separately copyrighted matter." 426 F. Supp. at 694.

The same distortive influence can be observed at work in *Gilliam*, where the court emphasized the subordination of derivative works to explain a result which could have been explained adequately by reference to the limited character of the original grant alone. One result was the inclusion in the *Gilliam* opinion of dicta apparently inconsistent with the analytic approach of *Killiam Shows*. Finally, in *Classic Film Museum*, it was the court's uncritical acceptance of the *Grove Press* interpretation of *Ricordi* which necessitated adoption of the unsatisfactory distinction between those conflicts which involve public domain motion pictures based on underlying works protected under state law at the beginning of 1978, and those in which the underlying works had been published.³¹⁹ Thus, attention was directed away from the root issue in *Classic Film Museum* and the other cases in the group: Whether a rule which subordinates derivative motion pictures to copyright in underlying works is consistent with the goals of American copyright?

V. BALANCING PUBLIC AND PRIVATE INTERESTS IN THE
RESOLUTION OF COPYRIGHT CONFLICTS INVOLVING
DERIVATIVE MOTION PICTURES

A. *Public and Private Interests in the Evolution of Modern
Copyright Law*

There is no perfectly equitable general solution to conflicts between owners of underlying works and owners of derivative works. Questions of how much particular derivative works owe to their creators' efforts, as against those of the creators of works on which they draw, are fundamentally subjective. Generalizations about the appropriate treatment of entire classes of derivative works may be potentially more reliable, but still should be advanced with caution.

If no more than the adjustment of private interests were at stake in conflicts involving derivative motion pictures, the advantage of an approach incorporating the "new property right" theory over one based on their subordination would lie in the legal recognition it affords to the generally important contributions made by the creators of such films. But something more is involved: the interests of the ultimate intended beneficiary of copyright in Anglo-American law—the public.

Whether authors possess natural rights in the nature of copyright is perhaps a moot question. Certainly they always have enjoyed a "right of first publication,"³²⁰ because as a practical matter

319. See notes 148-52 & accompanying text *supra*.

320. See generally *Donaldson v. Becket*, 4 Burr. 2408, 98 Eng. Rep. 257, 2 Bro.

they always have been able to choose between suppressing and selling a work. But as copyright in published works became the exclusive province of decree and legislation,³²¹ the laws reflected no consistent concern for the interests of individual authors. The original goal was to carry on official censorship by controlling the market for printed books; official support of the booksellers' monopoly was exchanged for their implicit undertaking to cooperate in a scheme of pre-publication licensing.³²²

With the Statute of Anne, authors were defined as rights-holders for the first time. It is clear, however, that the true beneficiaries of the 1710 law were the booksellers who had purchased—and would continue to purchase—authors' manuscripts and rights, and who had lobbied actively for a new statute since 1706.

The introduction of authors into the statutory scheme was one result of that lobbying; by adding an appeal on behalf of authors and their families to their own, the booksellers hoped to heighten the poignancy of their petitions. Moreover, those petitions were not mere requests for the relief of private persons, but sought to relate the requested legislative action to a public purpose. The piracy of printed books, the booksellers argued, operated "to the great Discouragement of Persons from writing Matter, which might be of great use to the Publick."³²³ This justification was adopted, along with that of preserving the well-being of publishers and authors, in the preamble of the legislation.³²⁴

Against this background, certain language of the intellectual property clause of the United States Constitution takes on special significance:

The Congress shall have power . . . to promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries.³²⁵

Although some of the framers apparently believed that the rights of authors were inherent, and that no other justification was re-

P.C. 129, 1 Eng. Rep. 837 (H.L. 1774); 17 J. HANSARD, PARLIAMENTARY HISTORY OF ENGLAND 953-1003 (London 1813).

321. See notes 211-12 & accompanying text *supra*.

322. See generally B. KAPLAN, *supra* note 33, at 2-9; L. PATTERSON, *supra* note 212, at 42-77, 114-38.

On occasion, individuals were granted Crown monopolies in the printing of particular books; significantly, the "patent" in a book was likely to be awarded to one having a particular claim to royal favor, but no preexisting connection with the book in question. See L. PATTERSON, *supra* note 212, at 78-113; A. BIRRELL, *supra* note 211, at 55-57.

323. L. PATTERSON, *supra* note 212, at 142.

324. The preamble describes the statute as, *inter alia*, an act "for the encouragement of learned men to compose and write useful books." 8 Anne, c. 19 (1709).

325. U.S. CONST. art. I, § 8, cl. 8 (emphasis added).

quired for "securing" them,³²⁶ the final version of the clause explicitly ties the power to grant private copyright monopolies to a general public purpose: the encouragement of "science," in the broad eighteenth-century sense of that term.³²⁷

The clause also emphasizes the importance of the public interest in statutory copyrights that endure for "limited Times" only. In this light, the public appears as the intended beneficiary of copyright in two respects: It stands to gain first because a market in works of imagination is encouraged by insuring authors a fair return while their monopolies endure, and second because when those monopolies have run their course, the works to which they have attached will become generally available for the public to reproduce in their original form, or to adapt to new uses. The copyright laws enacted pursuant to the clause create an implicit contract between the author and the public.³²⁸ In exchange for the grant of a monopoly, the author gives up other privileges, of which perpetual control over the work is the most valuable.

The view that rewarding authorship with copyright protection is not an end in itself received its most eloquent nineteenth-century expression in a Parliamentary address by T.E. Macaulay. Speaking against a proposal to extend the duration of copyright, Macaulay stressed the importance of balancing the incremental advantages and disadvantages of the proposed change, and went on to describe the principal advantage of copyright thus: "It is desirable that we should have a supply of good books; we cannot have such a supply unless men of letters are liberally remunerated; and the least objectionable way of remunerating them is by means of copyright."³²⁹ Rewarding authorship, by contrast, Macaulay saw only as a means of securing that advantage. Incre-

326. See the discussion of the views of James Madison and Charles Pinckney in B. BUGBEE, *THE GENESIS OF AMERICAN PATENT AND COPYRIGHT LAW* 125-30 (1967). See generally Fenning, *The Origin of the Patent and Copyright Clause of the Constitution*, 17 GEO. L.J. 109 (1928). For an interesting discussion of the meaning of the term "secure" in the context of the clause, suggesting that it carries no overtones of inherent right, see *Joint Hearings on Copyright Law Revision Before the House and Senate Patent Comms.*, 59th Cong., 2d Sess. 257 (1906) (remarks of C.S. Burton, Esq., representing various player piano firms), reprinted in 4 1909 LEGISLATIVE HISTORY, *supra* note 86, pt. J, at 257. For a related discussion of the basis of the copyright power, see *id.* at 273, 4 1909 LEGISLATIVE HISTORY, pt. J, at 273 (remarks of A.H. Walker, Esq., also representing player piano makers).

327. See 9 OXFORD ENGLISH DICTIONARY 221 (1961) ("Knowledge acquired by study; acquaintance with or mastery of any department of learning."). See 1 M. NIMMER, *supra* note 15, § 1.03[A], at 1-28 n.1.

328. For the "contract" terminology, employed in a somewhat different context, see *Joint Hearings on Copyright Law Revision Before the House and Senate Patent Comms.*, 59th Cong., 2d Sess. 377 (1906) (memorandum of objections submitted by P. Mauro, Esq., representing the American Gramophone Co.), reprinted in 4 1909 LEGISLATIVE HISTORY, *supra* note 86, pt. J, at 376, 377.

329. T. MACAULAY, *supra* note 168, at 178.

ments or decrements in the well-being of authors which particular proposals for copyright reform might work were irrelevant except in their effect on the availability of works of authorship for public consumption.

On the relatively few occasions when the drafters of the Copyright Act of 1909 discussed objectives rather than mechanics, they professed allegiance to this view of the purposes of copyright.³³⁰ They clearly were conversant with both the constitutional language and the Macaulian rhetoric.³³¹ The United States Supreme Court has also recognized the instrumental nature of copyright. In *Fox Film Corp. v. Doyal*,³³² Chief Justice Hughes stated that "The sole interest of the United States and the primary object in conferring the monopoly lie in the general benefits derived by the public from the labors of authors."³³³ This language has been quoted with approval by subsequent courts.³³⁴

330. See, e.g., *Joint Hearings on Copyright Law Revision Before the Senate and House Patent Comms.*, 60th Cong., 1st Sess. 135 (1908) (colloquy between Rep. Currier and G.H. Putnam), reprinted in 5 1909 LEGISLATIVE HISTORY, *supra* note 86, pt. K, at 135. In particular, the two-term scheme of copyright incorporated in the 1909 Act was designed to promote, among other things, free public access to unrenewed works. See *Renewal of Copyright*, *supra* note 12, at 735 (single term of copyright would have barred public from "gaining general access to . . . particular work[s] for a longer time").

331. See, e.g., 43 CONG. REC. 3854 (remarks of Rep. Chaney in final House debate on 1909 Act), reprinted in 6 1909 LEGISLATIVE HISTORY, *supra* note 86, pt. M, at 119.

332. 286 U.S. 123 (1932).

333. *Id.* at 127.

334. See, e.g., *United States v. Loew's, Inc.*, 371 U.S. 38, 46 (1962); *United States v. Paramount Pictures, Inc.*, 334 U.S. 131, 158 (1948). A recent Supreme Court decision has developed the theme which suggests how the purpose of copyright, when correctly understood, may limit the extent of copyright protection:

Creative work is to be encouraged and rewarded, but private motivation must ultimately serve the cause of promoting broad public availability of literature, music, and the other arts. The immediate effect of our copyright law is to secure a fair return for an "author's" creative labor. But the ultimate aim is, by this incentive, to stimulate artistic creativity for the general public good.

Twentieth Century Music Corp. v. Aiken, 422 U.S. 151, 156 (1975) (footnotes omitted).

Similar points were made by Professor Chafee in his discussion of the "ideals" in the law of copyright which "tend to limit the scope of protection." Of these ideals, one is that "Protection should not go substantially beyond the purposes of protection." For Chafee, achieving it entailed providing incentives by conferring benefits on authors, their surviving families, and their publishers; it also meant doing so without permitting "the family to abuse a prolonged monopoly," or the publisher to "prevent the public from getting easy access to the creation after the author's death." Chafee, *supra* note 15, at 504, 507, 511.

Another limiting "ideal" was:

The protection given the copyright owner should not stifle independent creation by others. . . . Progress would be stifled if the author had a complete monopoly of everything in his book for [a] . . . long period. Some use of its contents must be permitted The very policy

B. *Striking the Balance in Contemporary Copyright Law*

If limiting the monopoly power of authors in the public interest is consistently emphasized in American copyright law,³³⁵ it remains to ask how this emphasis is accommodated by the alternative approaches to applying 1909 Copyright Act principles in conflicts involving underlying works and derivative motion pictures. An approach which subordinates derivative works to underlying works fails on several accounts. To begin, its adoption would be a step largely unrelated to the provision of incentives for creativity. No decisions made today about the scope of copyright in underlying works can affect the creation of works already in being, and it cannot be shown that the creators of those underlying works labored in the expectation that they or their successors would enjoy noncontractual rights over motion pictures they permitted to be produced. Indeed, there is reason to think that they anticipated quite the reverse.³³⁶ At least until the 1950s, any expectation of recapture would have been without even colorable justification in the statute, the cases, or the literature. Even after *Ricordi* and the developments in its train, the indications are that attitudes changed mainly among motion picture producers, who adapted their practices to meet the possibility of recapture,³³⁷

which leads the law to encourage his creativeness also justifies it in facilitating the creativeness of others.

Id. at 511. The argument is a reminder that the public which copyright is designed to benefit includes those who wish to use the works of others as a basis for new works, along with the consumers-to-be of these new works. Although Chafee's points were made in a discussion of legislative copyright reform, they also can guide judicial interpretation of ambiguous statutory language.

335. The contemporary counterpressure for recognition of authors' "moral rights" against the distortion of their works, on the continental model, *see generally* Roeder, *The Doctrine of Moral Right: A Study in the Law of Artists, Authors, and Creators*, 53 HARV. L. REV. 554 (1940), should not influence the resolution of conflicts involving derivative motion pictures, although it may affect judicial decision making in other contexts. *See* Comment, *Toward Artistic Integrity: Implementing Moral Right Through Extension of Existing American Legal Doctrines*, 60 GEO. L.J. 1539 (1972); Note, *Judicial Creation of the Prima Facie Tort of Plagiarism in Furtherance of American Protection of Moral Rights*, 29 W. RES. L. REV. 735 (1979). Not only is there no statutory warrant for the use of moral right reasoning in resolving conflicts arising under the copyright laws, *see* Note, *An Author's Artistic Reputation Under the Copyright Act of 1976*, 92 HARV. L. REV. 1490 (1979), but that mode of analysis is fundamentally inappropriate to the problem. When the original copyright owner in an underlying work has given consent to the creation of a derivative motion picture based upon it, issues about the continued use of that derivative work do not go to moral right; any strictures which the author of the original desired to enforce as to the fidelity of the adaptation could have been incorporated into the original grant of motion picture rights. The underlying copyright owner's interest in preventing the continued use of a derivative work already in being is a purely pecuniary one.

336. *See, e.g.*, the contract between Edith M. Hull and Joseph H. Moskowitz, note 120 *supra*.

337. *See* Bricker, *supra* note 88, at 33. This writer (then "Studio Attorney, Univer-

rather than among screenwriters, playwrights, or novelists.

Moreover, had the principle of derivative work subordination been firmly established during the 1909-1978 period, it could actually have detracted from the public purpose of copyright. The result might well have been to discourage the making of derivative motion pictures, without offering demonstrably equivalent offsetting incentives to the creation of novels, plays, or screenplays.³³⁸ Moreover, had motion picture producers been so discouraged, the further indirect effect would have been to deprive some authors of an important source of income, thus reducing the incentives for their creativity and calling further into question the consistency of the subordination principle with the aims of copyright.

To adopt the subordination principle today would disserve the aims of copyright still more directly, limiting public access to classic motion pictures instead of promoting it. In the cases of derivative motion pictures themselves still under copyright, a prospective user would be required to obtain two copyright clearances where one might otherwise suffice. Likewise, the necessity of obtaining the underlying work copyright owner's consent would be a potential barrier between the public and public domain movies. The presence of these obstacles to access would necessarily mean that fewer older American films would be seen by the public. Indeed, by burdening conscientious prospective exhibitors with responsibility for searching records to determine whether there exist potential claims based on underlying works, adoption of the subordination principle would discourage exhibition of even those films which are not subject to such claims. These results would not be counterbalanced by any consequent overall gain in the number or variety of works—underlying or derivative—available to the public.

The failure of the 1909 Copyright Act to address comprehensively the relationships between underlying and derivative works leaves the courts with choices. They must choose the best means for resolving particular conflicts in the light of the objectives of copyright protection. Compared to an analytic approach based on the subordination of derivative works, one which recognizes the existence of a limited "new property right" in those productions is more hospitable to the balancing of interests which will ensure outcomes consistent with those objectives. In *Killiam Shows*, for example, the use of such an approach permitted Judge Friendly to

sal Pictures Co., Inc.") noted the practice of taking licenses of renewal term motion picture rights from the families of authors, as well as from the authors themselves. See also notes 63-64 *supra*.

338. As Bricker pointed out, motion picture producers could not guarantee against recapture by anticipatory purchasing of licenses, given the vagaries of copyright renewal. Bricker *supra* note 88, at 31, 33.

strike a balance between the competing private interests of two copyright holders by taking explicit account of the various contributions which make up a derivative motion picture. An additional result of the balance struck was to clear away an obstacle to public access.

The desirability of such outcomes—where available—was stressed in the Second Circuit's 1968 decision in *Bartsch v. Metro-Goldwyn-Mayer, Inc.*³³⁹ Rather than involving construction of the copyright statutes, that case turned on a point of contract interpretation: Should an assignment of "motion picture rights" in a play be read to convey the right to televise a motion picture produced pursuant to it? Concluding that it should be, the court stated (in another opinion by Judge Friendly):

A further reason for favoring the broader view in a case like this is that it provides a single person who can make the copyrighted work available to the public over the penumbral medium [i.e., television], whereas the narrower one involves the risk that a deadlock between the grantor and the grantee might prevent the work's being shown over the new medium at all.³⁴⁰

Similarly, an interest-balancing approach to the conflicts with which this article is concerned can function to prevent "deadlocks" which might otherwise bar all public access to the motion pictures involved.

On occasion, a balance which gives effect to all private and public interests may be difficult or impossible to strike. Had the underlying work copyright owner's initial consent to the creation of a derivative motion picture been a limited one—embracing, for example, only the initial term of copyright in the novel—the outcome in *Killiam Shows* would have been different. The bargain giving both copyright owners certain rights over the derivative work would have demanded enforcement, even though to enforce it could be viewed as working against the public interest in access. In a broader perspective, however, their freedom to make such a bargain appears as a necessary element of the package of incentives which the copyright statutes hold out to creative artists.

In cases where a derivative film has entered the public domain, use of a balancing approach requires that the public interest in access be specifically considered, because there is no private copyright interest represented which can serve as a proxy for it. When that approach is applied to the facts of some actual cases, the rationales and results suggested diverge from those which actually have been adopted by the courts.

So viewed, for example, the *Classic Film Museum* opinions

339. 391 F.2d 150 (2d Cir.), cert. denied, 393 U.S. 826 (1968).

340. *Id.* at 155.

embrace the correct result, but are based on an incomplete analysis. Although recognizing a public interest in access to public domain motion pictures, the courts viewed the public interest as enhanced because the claim of the owner of the underlying script was based on a common law copyright. As already has been argued,³⁴¹ this analysis did not accurately reflect the state of the law respecting the demands for prospective relief in that case. However, the public interest should have tipped the balance, whatever the precise basis of the underlying work claim.³⁴² A script prepared as a work made for hire, and owned from its inception by a motion picture producer, cannot be the basis for contractual reservations of rights over a derivative motion picture based upon it. The motion picture is clearly the dominant work, and the producer's unconditional consent to the incorporation of the script into the film is implicit in its production. To honor the producer's subsequent claim to continued authority over the motion picture, after it has entered the public domain through that producer's act or omission, would be to ignore the original practical and legal relationship between the works to the detriment of the public interest in access.

It is only slightly more problematic to apply the interest-balancing analysis to a case like *Russell*, where the underlying work was not written with motion picture production in mind, but was licensed for that purpose after enjoying success in another medium. If it is assumed that the license embodied an unconditional consent,³⁴³ the case is analytically indistinguishable from *Classic Film Museum*. By giving such a consent, the owner of the play copyright struck a bargain under which the producer of the motion picture was free to exploit that work without limitation as to time or otherwise. If the producer later dedicated the motion picture to the public, the owner of the play copyright should not be heard to complain, so long as members of the public use only the motion picture, and do not borrow anew from the play. The technical lack of privity between the former owner of the motion picture and the members of the public who may now wish to use it, which the Ninth Circuit found crucial in *Russell*, becomes irrelevant if the public is viewed as the ultimate beneficiary of the operation of the copyright laws, including failures to claim or maintain copyright protection. If the choice is between providing perfect

341. See notes 148-52 & accompanying text *supra*.

342. For the *Classic Film Museum* courts, by contrast, a different balance might have been appropriate had the script been registered under § 12 of the Copyright Act of 1909 prior to the production of the motion picture. See notes 148-49 & accompanying text *supra*.

343. The Ninth Circuit apparently believed that this could be assumed. See notes 159-60 & accompanying text *supra*.

protection for the underlying work and giving the public practical access to what has been dedicated to it, the immediate public interest should prevail.³⁴⁴

If the owner of an underlying work would suffer as a result of the dedication of a motion picture—if the original license called for continuing royalty payments by the licensee of motion picture rights, for example, or if wide exhibition of a public domain film would interfere with the market for rights to produce new film versions—there may still be recourse against the former owner of the motion picture copyright through an action for breach of an implied duty to take the steps necessary to maintain the value of both works.³⁴⁵ Such recourse certainly could have been provided for in the original license agreement, by specifying the film producer's duty to secure and maintain copyright. Moreover, where maintenance of protection is concerned, the person licensing rights in the underlying work may have been in a position to ensure against the consequences of an omission by the owner of the motion picture copyright by claiming renewal on his behalf.³⁴⁶ Certainly the original license could have made the underlying work owner's authority to do so unambiguous. Given these possibilities, it is not inequitable to read the copyright laws to give the public its due—meaningful access to public domain motion pictures.

The most difficult variant is that in which the motion picture which has entered the public domain was produced under a license which was limited in duration, restricted the media in which the motion picture could be used, or was otherwise conditioned. The *Filmvideo* court apparently believed that such limitations might be effective to define the scope of free public access to public domain derivative motion pictures—though it ultimately decided on other grounds.³⁴⁷ Such a view of the significance of

344. It can, of course, be argued that to deny the public immediate access would be consistent with the public interest, in that it would preserve the full value of the copyright which was the incentive of the underlying work's creator. The argument seems weak, however, when the underlying work has had a successful commercial life of its own, and in any event depends on nondemonstrable assumptions concerning authors' understandings of the scope of a 1909 Act copyright. See notes 336-37 & accompanying text *supra*.

345. See *April Prods., Inc. v. G. Schirmer, Inc.*, 308 N.Y. 366, 126 N.E.2d 283 (1955) (implied covenant binding licensee to take all steps necessary to protect copyright in licensed work).

346. A recent decision has cast some doubt on the once generally accepted principle that a valid renewal can be claimed only in the name of one qualified as a claimant under the statute. See *Bartok v. Boosey & Hawkes, Inc.*, 523 F.2d 941 (2d Cir. 1975). In any event, however, a renewal need not be claimed by the person in whose name it is made. Anyone with an express or implied power of attorney may do so. See *Rose v. Bourne, Inc.*, 279 F.2d 79 (2d Cir.), *cert. denied*, 364 U.S. 880 (1960).

347. See notes 139-41 & accompanying text *supra*.

license restrictions can be supported by an analogy to the logic of *Killiam Shows*. If license limitations can protect the rights of the underlying work owner against the owner of copyright in the licensed derivative work, they should also protect the underlying work owner's interest against the public. Such an argument, however, overlooks the legal and practical significance of a derivative motion picture having entered the public domain.

VI. CONCLUSIONS

So long as a derivative motion picture is the subject of copyright, an approach to the terms of the consent under which it was created produces a reasonable harmonization of the several private interests involved—and the public interest as well. Requiring its owner to obtain a new license from the owner of an underlying work when—and only when—such additional licensing was anticipated in the original license adjusts the interests of the several copyright holders, while assuring that public access to copyrighted works will not be unnecessarily restricted. But whereas the public has an interest in access to copyrighted works, it enjoys no absolute right to use them.³⁴⁸ Its interest in access to works which have been “dedicated” is not only more intense, but different in kind, and any limitation placed on that access threatens the foundations of copyright as a bargain between the artist and the public.

Like the underlying copyright owner who has given an unlimited license, one who has given conditional consent to creation of a derivative motion picture has various means by which to prevent the dedication of that motion picture, or to obtain redress if dedication occurs. Some prospects for redress may be even more favorable, in that an implied obligation to maintain copyright in the derivative work may appear more clearly if motion picture rights in the underlying work were granted only for a limited time, or only for a particular medium. There is little to be gained by affording underlying copyright owners the additional option of enforcing against members of the public the restrictions to which they formerly bound their licensees. As the court of appeals in *Russell* pointed out, no privity exists between those licensees and the public,³⁴⁹ and to fictionalize its existence in order to protect the underlying copyright owner's attenuated pecuniary interest is a step which cannot be justified by reference to the goals of copyright.³⁵⁰

348. It is a truism that a copyright owner may withhold a work from the public, no matter how generously it may be willing to pay for access. *Fox Film Corp. v. Doyal*, 286 U.S. 123, 127 (1932). *But see* *Ziniewicz, supra* note 67, at 16.

349. *See* text accompanying note 167 *supra*.

350. If it could be demonstrated that a reasonable expectation of protection under

An additional advantage of treating the question of public access consistently for all public domain films, irrespective of the contractual arrangements under which they were produced, is that to do so will enhance certainty as to which films are—and are not—available. If a search of accessible public records shows that a copyright was not renewed, no additional investigation of private business records will be required.³⁵¹ In practice, uncertainty about the copyright status of a work can be as great a disincentive to public access as the existence of a known bar to its use.

The conclusions yielded by application of an interest-balancing analysis to the problem of conflicts between the owners of copyrighted underlying works and the users of derivative motion pictures can be summarized as follows:

- (1) Where both works are protected by copyright, and the original license of motion picture rights is construed as having been without limitation, the owner of the motion picture copyright should be free to use the film without a new license from the underlying copyright owner; this freedom should not extend, however, to the preparation of new film versions, such as remakes;
- (2) Where both works are copyrighted, but the original license was a limited one, any use of the motion picture by its copyright owner which exceeds the license terms should be treated as an infringement of the underlying copyright, as well as a contractual violation;
- (3) Where the motion picture is in the public domain, whether

federal copyright law against the consequences of a licensee's failure to secure or maintain protection in a derivative motion picture had been a real incentive for pre-1978 underlying copyright owners to make their works available for motion picture use, a different result might follow. But there is no reason to believe that such an expectation was in fact widely held, that it would have been justified by the statutes and cases, or that it would have been a factor in decisions to grant or withhold motion picture rights. *See* notes 336-38 & accompanying text *supra*.

351. Copyright registrations are recorded in the files of the Copyright Office, and under both the new Act, 17 U.S.C. § 707(a) (Supp. III 1979), and the old, ch. 391, §§ 201-11, 61 Stat. 652 (1947), they must periodically be published. The Copyright Office meets the requirement through issuance of the CATALOG OF COPYRIGHT ENTRIES. *See* note 17 *supra*. Not all works protected by initial-term copyright will be included, because registration is not required to secure copyright, *see* note 14 *supra*, but works under renewal copyright must be registered.

By contrast, although the Copyright Office is required to maintain files of copyright licenses and agreements, *see* 17 U.S.C. § 205 (Supp. III 1979), these include only those transfers which have been voluntarily recorded. Moreover, these records are neither available in published form, nor complete in the form in which they may be consulted at the Copyright office. Parties to copyright transfers have long made it a practice to register only "short-form" versions of their agreements, which may not contain details of any restrictive terms they incorporate. *See generally* Latman, *The Recordation of Copyright Assignments and Licenses*, in SUBCOMM. ON PATENTS, TRADEMARKS, AND COPYRIGHTS, SENATE COMM. ON THE JUDICIARY, 86th Cong., 2d Sess., COPYRIGHT LAW REVISION (STUDY NO. 19) 107, *reprinted in* 1 STUDIES ON COPYRIGHT, *supra* note 2, at 761.

because copyright protection was not secured in the first instance, or because it was allowed to expire or was forfeited, the motion picture should be free for public use regardless of the terms of the original license of motion picture rights; again, this freedom should not extend to the preparation of new film versions.

If these conclusions are accepted, it follows that the copyright laws as such afford relatively little protection to the underlying work copyright owner in such conflicts. The extent of any rights that the copyright owner enjoys depends in large part on what efforts were made to secure contractual protection when motion picture rights initially were granted.

The suggested analysis addresses a contemporary copyright problem unanticipated by the drafters of the Copyright Act of 1909. It provides solutions consistent with that statute's objectives and with its provisions on derivative works. On the whole, they are solutions which will help to assure that the artifacts of motion picture history are available, as widely as is possible, to film scholars, other students, and the general public.

The analysis may also have some implications for derivative works other than motion pictures. Motion pictures, as a class of derivative works, are notable for the complexity of their relations with the underlying works upon which they draw, and especially for the inevitable transformation they work on the borrowed material. It is the nature of these relations which makes it appropriate to premise an analysis on the idea of limited derivative work independence.

For no other class of derivative works is such an analysis so obviously suitable. A relatively strong case can be made for translations, but it is a degree less compelling than that for motion pictures. Although translators transform the material from which they work, the extent of their new creative inputs varies considerably. Furthermore, analysis of the status of translations, as well as that of musical arrangements, may be influenced by the fact that these derivative works are in the same media as their associated underlying works. Certainly this factor, along with the absence of many of the other indicia of independence present in motion pictures, could weigh against the recognition of a significant degree of independence for fine art reproductions.

In any event, with the possible exception of translations, few classes of derivative works are likely to possess as much present value or popular appeal, relative to that of their related underlying works, as do motion pictures. Without such value and appeal conflicts between the users of derivative works and the owners of underlying works are unlikely as a practical matter. Moreover, while grants of motion picture rights in novels, plays, and scripts

may fairly commonly have been given without limitation, especially in the early decades of the motion picture industry, this is not necessarily true of the grants of authority under which other kinds of derivative works have been created. Outside the context of motion pictures, underlying work owners may thus enjoy a greater degree of continuing control over derivative works, regardless of the analysis adopted.

Finally, it may be that when cases involving derivative works other than motion pictures are presented, the balance between private and public interests should be differently struck, even if the limited independence of the class of derivative works in question is recognized, and even though the particular derivative works involved were created under unlimited licenses. The problem of public access to motion pictures, each of which exists in relatively few, closely-held copies and cannot be made available for viewing without risk of copyright liability, is unlike the problem of public access to printed books, phonograph records, or works of the plastic arts, which may be available for reading, listening, or viewing without such risks to either the users or the persons making the works available. A balancing analysis which weighs the scope of the protection afforded underlying works against the public interest in access to those derivative works which are in the public domain might reach different conclusions when applied to works other than motion pictures. Where motion pictures are concerned, the suggested analysis will assure that the secondary, instrumental objectives of copyright will not be elevated above its public purposes.