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[An insufferably long read, but it does dig well into the damned thing, for those who are interested. - DC]

Tasini v. New York Times Co.:

A Copyright, or a Right to Copy?

Introduction

Are publishers entitled to take their periodicals which include articles written by freelance writers and place them onto electronic databases and CD-ROMS without obtaining permission from the freelance writers? Are
such actions by the publishers an act of copyright infringement, or a properly condoned electronic revision? Has copyright been taken to a new level of understanding by the advent of the Internet and electronic database publishing? Have writers' constitutional rights been forgotten in a new world of communication and publishing, or has Congress just been slow in responding to the new millennium? These were the issues addressed and decided in Tasini v. New York Times Co.(1)

Plaintiffs were six freelance writers who in the past had sold articles to various publishers, including The New York Times Company, Newsday, Inc., and Sports Illustrated, Inc.(2) After circulating the hardcopy version of the collective freelance articles, which the writers were paid for, the publisher then sold the collective works to electronic databases and for CD-ROM use.(3) The group of freelance journalists argued that this practice by publishers is an infringement of the copyright that each writer holds in their individual articles.(4)

The publishers maintained that they had not exploited the writers' articles as part of electronic revisions, but in fact that they had properly reproduced the articles as "collective works."(5) The publishers argued that they were invoking their "revision"(6) privilege contained in the "collective works" provision of section 201(c) of the Copyright Act of 1976.(7)

Part II.A of this Comment focuses on the issue presented in the Tasini case, which deals with section 201(c) of The Copyright Act of 1976 and its relation to electronic reproduction of collective works and authors' rights.(8) Part II.B details the legislative history of section 201(c) and its application to the issue in this Comment.(9) Part II.C discusses prior Supreme Court opinions and the Supreme Court's interpretation and application of the Act with regard to the copyright issue in this Comment.(10)

Part III.A concentrates on the background and facts of the Tasini case. (11) Part III.B covers the procedural history of the case.(12) Part III.C discussess the court's reasoning and specifically its interpretation of the Act.(13) Part IV.A analyzes the Tasini holding and the Congressional intent of the revisions to the Copyright Act, along with an analysis of case and policy based arguments for the revision to the Act.(14)

Part IV.B covers the (unfair and unjust) ramifications of the Tasini decision with regard to freelance writers and the Congressional aim of the Copyright Act.(15) Additionally, this section includes comments by publishers, critics, periodicals, and authors, as well as professional writers' opinions of the Tasini holding and its future ramifications. (16) Part IV.C recommends implementing further revisions to the Copyright Act, thus, making suggestions and giving examples on how Congress should act to solve the issues presented in this Comment.(17) Part V provides a brief conclusion of the issue based upon the theory developed in this Comment.(18)

Background

A. The Origin of the Copyright Act

The Copyright Act of 1976(19) was designed to protect and stimulate the creation of as many works of art, literature, music and other works of authorship as possible, for the benefit of the public.(20) A copyright grants an exclusive bundle of rights in creations and may be obtained for an original work of authorship that is in a fixed, tangible medium,

that is reproducible or communicable.(21) Copyright strives to reach the optimal balance between the conflicting public interests of encouraging creativity by granting exclusive property rights in creations and fostering a competitive marketplace by giving the freest possible public access to works of authorship and the ideas they encompass.(22)

Copyright protection is limited to the author's particular method of expressing an idea or information.(23) Copyright never protects ideas being expressed, facts, or areas that are public domain that the author may implement into their work.(24) Other authors are free to express the same idea as the copyrighted author, or use the same facts, as long as they do not copy the original author's distinct way of expressing the ideas or facts.(25)

Until the 1976 revision, the courts had been deciding copyright cases under the 1909 Copyright Legislative Act.(26) The 1909 Act had become obsolete in the modern world, and required the courts to "stretch . . . the limits of statutory language" in order to make the Act functional, thus paving the way for the 1976 revisions.(27)

In 1976, Congress answered this need for guidance by enacting a General Revision of Copyright Law.(28) The 1976 revisions to the 1909 Act created federal preemption to common law in copyright and broadened the scope of copyright to include a wider range of artistic impression.(29)

This Comment discusses the relationship between sections 102 and 103, thus elaborating the distinguishing derivative works under The Copyright Act of 1976.(30)

The Copyright Act of 1976 was drafted through "a unique and lengthy process involving the input of numerous experts from assorted groups and industries."(31) Yet, there is virtually no case law to date parsing the terms of section 201(c), and certainly no precedent focusing on the relationship between that provision and modem electronic technologies.(32) As a result, "the pertinent legislative history is notoriously impenetrable."(33) Therefore, with no precedent on the issue in discussion, the Tasini case sets a precedent in the courts, and is of great importance to the future treatment of derivative works.(34)

Despite the fact that there is no case law interpreting modem electronic reproductions in copyright, there is an organized and principled approach to analyzing collective works under section 201(c).(35) Under

the Copyright Act of 1976, a derivative or collective work is defined as "a work based upon one or more preexisting works, such as a translation, musical arrangement . . . or any other form in which a work may be recast, transformed or adapted."(36) To be fully understood, a provision therefore cannot be interpreted in isolation, but instead must be considered along with and in relation to other sections of the Act.(37)

1. Collective and Derivative Works

"Both collective works and derivative works are based upon preexisting works that are in themselves capable of copyright."(38) Derivative works are comprised of one or more preexisting works, which are altered, and then in themselves become new creations.(39) Collective works are comprised of original contributions, where the creator then assembles the collective work into a new and original collective whole.(40) An example of a collective work would include a book of poetry by various copyrighted authors, composed and grouped by similar topics; a derivative work would be a book based upon the poetry excerpted from various copyrighted authors.(41)

In derivative and collective works, both the contributed part and the finished work are copyrightable.(42) Under section 103(b),(43) a copyright granted to a derivative work (i.e., a work that has original parts and also contributed parts from other copyrighted works) will be granted a copyright covering only those parts that are of original authorship.(44) Therefore, a copyright in a collective or derivative work is independent of, and does not affect or enlarge the scope, duration, or ownership in any copyright protection that exists in the preexisting material.(45)

Section 103(b)(46) was enacted by Congress to clarify a commonly misunderstood point, specifically, that "copyright in a `new version' covers only the material added by the later author, and has no effect one way or the other on the copyright" of any preexisting material inc luded in such.(47)

In opposition to this theory of copyright, Judge Friendly of the Second Circuit created the "new property rights"(48) theory, thus creating the common misinterpretation between copyright protection of "new versions" and "preexisting materials."(49) Judge Friendly stated:

[o]nce 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.(50)

Under section 103(b),(51) the portions of a derivative or collective work added by the derivative or collective author are that author's property, but the elements drawn from the preexisting work remain on grant from the owner of the preexisting work.(52) Therefore, the use of a preexisting work will infringe the copyright of an author who uses another author's copyrighted material and does not have a valid license or assignment for the use of that preexisting copyrighted work.(53) It is irrelevant whether the preexisting work is inseparably intertwined with the derivative work."(54)

Under section 201(c), a copyright in each separate contribution to a collective work is "distinct from copyright in the collective work as a whole, and vests initially in the author of the contribution."(55) If the wording of the 201(c) ended with the first part of the preceding sentence, then perhaps a publisher would not be at liberty to reuse a writer's individual contributions, even in new versions of their periodicals.(56) Interpreting section 201(c) under the plain meaning of the text, however, expands upon the established meaning in section 103(b) by granting to the creators of collective works "only the privilege of reproducing and distributing the contribution as part of that particular collective work, and any revision of that collective work, and any later collective work in the same series."(57)

By looking at both section 201(c) and section 103(b) together, the producer of a collective work is entitled to reproduction and distribution of the contributive work to the extent that it is used permissibly in the collective work.(58) Therefore, the author or a collective book of preexisting poems is allowed reproduction and distribution rights of the preexisting material only as it is used and portrayed in the collective work.(59) If the author of the collective book of poems used one of the contributed preexisting poems out of the context of her collective poem book, she would be infringing the

preexisting author's copyright in that material.(60)

B. The Legislative History of Section 201(c)

Professor Jane D. Litman of Cornell Law School explained that section 201(c) of the "statute is facially ambiguous, complicated and confusing."(61) Those courts that have attempted to apply the plain meaning of the text have been left in a quandary.(62) As such, many commentators have offered their interpretation of the legislative intent, in an attempt to aid the understanding of the uninviting copyright system.(63) According to Litman, the legislative history of the 1976 Copyright Act is "a troublesome aid in determining the statute's meaning."(64)

According to Litman, Congress intended that the final wording and interpretation of the Act grant authors "expansive rights covering any conceivable present and future uses of copyrighted works."(65) By using broad language, Litman reasons, Congress intended the ambiguous nature of the Act's language to solve the problem of expressly defining rights; thus allowing for unknown technologies to be reserved for copyright in future authors.(66) The intentional use of broad language, therefore, allows the Act to be applied to future technologies that are not yet known of or have yet to be invented.(67)

Because exploiters of yet to be invented communications technology were the very parties who were not present at the revision drafting table, there was nobody to argue that the bill's basic structure gave them too little consideration.(68) Therefore, the Congressional language used in the revisions to the Act(69) were intentionally ambiguous with regard to authors' protection in future not yet known technologies.(70)

Prior to the 1976 Copyright Act revisions, proprietors in a derivative work needed permission to continue to exploit the work after the grant expired.(71) During the Congressional hearings to revise the 1909 Copyright Act, the Register of Copyright proposed that the requirement for a proprietor to obtain permission to continue to exploit the work after the grant expires should no longer be needed.(72)

Therefore, by allowing for this revision to the 1909 Act, the proprietor in the derivative work would be allowed to continue exploitation even

after the license or grant expired.(73) The motion picture industry objected that the automatic reversion to the author without a renegotiated license "would prevent the showing of films unless producers negotiated new licenses, and the right to prevent further exploitation of expensive, valuable properties would permit the owners of reversion interests to demand unreasonable terms."(74) The position espoused by the motion picture industry was that this practice under the 1909 Act of renegotiating licenses and grants gave too much power to authors and composers, and that by the use of a "derivative works exception" authors and composers would be prevented from unfair advantage.(75)

One of the fundamentals of statutory interpretation is the assumption that the statutes were written by the members of Congress, in the language intended by Congress to convey their decisions.(76) In fact, the language of the 1976 revision was created by "encourag[ed] negotiations between interests affected by copyright, by trusting those negotiations to produce substantive compromises, and by ultimately enacting those compromises into law."(77) Because the legislative process used by Congress to create the copyright revisions were largely based on contributions by experts in the field and industry representatives, Congress' intent should be examined through the intentions of those negotiators who largely contributed to the revisions.(78) Courts need to start looking at the legislative history of copyright revisions through the eyes of those who actually created the language.(79)

Interpreting the plain language text of section 201(c), establishes that Congress assumed that the owner of the preexisting work continued to possess the right to sue [an infringing derivative author] for [copyright] infringement even after incorporation of that work into the derivative work, since, otherwise, Congress would not have explicitly withdrawn the right to terminate use rights in the limited circumstances contemplated by this section.(80)

C. The Supreme Court's View of the Scope of the Copyright Act of 1976

The Supreme Court decided the issue of derivative and collective property rights in 1990 in Stewart v. Abend.(81) Although Abend deals with derivative works and Tasini deals with electronic reproduction, the

Court's discussion in Abend illuminates its view of collective and derivative works.(82) Therefore, the Abend decision has direct significance and relevance to collective authors' rights of the publishers in Tasini.

The Abend Court, in an opinion authored by Justice O'Connor, dealt directly with the issue of new property rights. In Abend, the author of a fictional story agreed to assign the rights in his renewal copyright term to the owner of a movie version of that story, but died before the commencement of the renewal period.(83) The Court was presented with the
question of whether the owner of the derivative work infringed the rights of the contributory pre-existing owner, by continued distribution and publication of the derivative work without permission during the renewal term.(84)

The Court ruled that because the assignment never occurred, the defendant infringed the copyright of the successor owner of the story by continuing to distribute the film during the renewal term of the pre-existing work.(85) In reaching this result, the Abend Court rejected the defendant's view that the derivative "new property rights" work extinguishes any right the owner of rights had in the preexisting work. (86)

The Court examined the legislative history behind the 1976 revision to the Copyright Act, and determined that Congress intended and assumed that the owner of the pre-existing work would continue to have the right to sue for infringement "even after incorporation of that work in the derivative work."(87) This intent was evidenced by Congress' explicit withdrawal from this section of the right of the author to terminate use rights under limited circumstances.(88)

The Court further stated that "[t]he plain language of the termination provision . . . indicates that Congress assumed that the owner of the pre-existing work possess[es] the right to sue for infringement even after the incorporation of the pre-existing work in the derivative work."(89)

The Court reiterated the well established principal that "[t]he aspects of a derivative work added by the derivative author are that author's

property, but the element drawn from the pre-existing work remains on grant from the owner of the pre-existing work."(90) The Court, based on their understanding of the wording of the Copyright Act of 1976, along with the legislative intent, ruled that there existed no new property right in the derivative work as a whole.(91)

The Court further stated that "[i]t is irrelevant whether the pre-existing work is inseparable intertwined with the derivative work." (92) The Court decided that the plain text language of the Act supported the contention that "the full force of the copyright in the pre-existing work is preserved despite incorporation into the derivative work."(93)

The Court concluded that the idea of a new and isolated property right in the derivative work runs counter to the terms of section 103 of the Copyright Act.(94) The Copyright Act was intended to "create [ ] a balance between the artist's right to control the work during the term of the copyright protection and the public's need for access to creative works."(95) The Court held that a derivative work is not "completely independent" of the pre-existing work and established three distinct principles: "(1) copyright protects the copyrightable parts of the work; (2) copyright extends to parts of the work in which copyright was already obtained, and (3) the duration or scope of the copyright already obtained will not be extended."(96)

The Abend Court held that the plain meaning of the Copyright Act of 1976 is appropriate in its application to "[c]ompilations or abridgements, adaptations, arrangements, dramatizations, translations, or other versions of works."(97) The Court additionally held that the movie version encompassed enough of the derivative version that the re-release of the film, without the new grant from the author of the derivative story, constituted a copyright infringement.(98)

The Abend case was granted certiorari by the Supreme Court for the purpose of clarifying the extent of the rights that a contributory author is granted in her work after the work has been combined with a new or collective work.(99) The Court used the Abend decision to put to rest the notion that a contributory author's rights were extinguished by the implementation of their work and the new collective work as one piece.(100) No longer would there be considered a new property created by this combination of works in a whole; rather, the new property right

would only extend to the collective author's expressions that have been added to the original work.(101) For example, an author who writes a fictional story and licenses the use of the main character of the story to a movie studio for a feature keeps rights over the character for future use. That studio cannot claim that it is entitled to make a sequel of the film using that same character without the original author's approval on the grounds that the film version created an entirely new property right for the studio.(102)

The Abend decision is of great importance to copyright law. The Abend Court recognized that the original author still held rights to the work even after the work was intertwined with the new collective author's work.(103) A collective work, therefore, will always have at least two prongs of rights attached to it: the original authors' rights in the pre-existing work, and the collective authors' rights in the collaboration.(104)

Statement of the Case

A. Background and Facts

Six freelance writers (Writers) who had sold articles for publication to a number of popular newspapers and magazines, including The New York Times, Newsday, and Sports Illustrated, filed a copyright infringement action against the publishers (Publishers) for electronic reproductions of writers' works.(105) In addition to circulating hard copy versions of their periodicals, the publishers sold the contents of their publications to the remaining defendants, University Microfilms, Inc. (UMI) and the MEAD Corporation (MEAD), for inclusion in electronic databases.(106)

All six Writers contended that the Publishers, between the years 1990 and 1993, infringed their copyrights in twenty-one articles that were sold for publication.(107) The New York Times' practice of purchasing articles from freelance writers were oral agreements as to topic, length of article, deadline, and payment fee.(108) "These discussions seldom extended into negotiations over rights in the commissioned articles." (109) Newsday negotiated their freelance articles in a similar manner, but did have a disclaimer on the endorsement section of the check for the writers' payments, which included an electronic usage release.(110)

Sports Illustrated practiced a more formal method of contracting with freelance writers, which actually had a written contract drawn that promised the freelance writer "(50%) of all net proceeds it receives for . . . republication."(111) Beginning in the early 1980s the defendant Publishers, on a weekly basis, electronically transferred the full text of their periodicals to the on-line defendants.(112)

Writers contended that Publishers had exceeded their privileges by selling Writers' articles reproduced for the electronic defendants' databases,(113) and that this practice was not a revision of the Publishers collective works, but instead an exploitation of Writers' individual articles.(114)

Aside from Publishers' claim that the electronic rights were expressly granted at either the time of negotiation or by endorsement or written contract,(115) Publishers argued that "the practice of electronically reproducing plaintiffs' articles is authorized under section 201(c) of the Copyright Act."(116) Additionally, Publishers argued that the electronic technologies were merely generating `"revisions of [the defendant Publishers'] collective work[s],' and therefore did not usurp Writers' rights in their individual articles."(117) Writers countered Publishers' contentions by arguing that section 201(c) was never intended to permit revisions of collective works by electronic means, and that in any event the electronic technologies are incapable of creating revisions under the meaning of section 201(c).(118)

B. Procedural History

The freelance journalist plaintiffs led by Tasini, the president of the National Writer's Union, filed a claim action in the U.S. District Court for the Southern District of New York in 1993.(119) Tasini and the other writers were seeking damages for copyright infringement for taking their written material which was originally published in print form and placing the works on on-line databases and CD-ROMs without permission nor any further compensation from the publishers.(120) A hearing was scheduled for June of 1997, at which point summary judgment arguments w
ere heard.(121)

The plaintiffs moved for a summary judgment based on their claims of

copyright infringement, contending that the electronic reproductions of their articles were improper under the Copyright Act.(122) Defendants Time and Newsday moved for summary judgment on the grounds that the Writers entered into contracts authorizing these Publishers to sell Writers' articles to the electronic defendants.(123) All of the defendants contended that this practice was acceptable because the publisher defendants properly exercised their right, under the Copyright Act, to produce revisions of their publications.(124)

All of the parties recognized that the defendant publications constituted "collective works" under the terms of the Copyright Act of 1976.(125) A collective work "consists of numerous original contributions which are not altered, but which are assembled into an original collective whole."(126) With the parties in agreement that the electronic reproductions constitute "collective works," the issue in the case fell to whether the electronic defendants produced "revisions," (127) authorized under section 201(c) of the Copyright Act, of the publisher defendants' collective works.(128)

C. The Opinion of the Tasini Court

The court agreed with the Publishers that their electronic reproduction of the Writers' individual contributions was merely a permissible reproduction as part of an electronic revision of the newspapers and magazines in which the articles first appeared.(129) Judge Sotomayor of the Southern District of New York stated that "[t]he Court did not take lightly that its holding deprives plaintiffs of certain important economic benefits associated with their creations. This does not result from any misapplication of section 201(c), however, but from modern developments which have changed the financial landscape in publishing." (130) When the Copyright Act was formulated and designed in the 1960s and 70s, the most immediate economic threat to freelance writers was not
that of the advancing computer technologies, but instead, by magazine publishers that were reworking featured articles into full length books. (131) Therefore, with that threat in mind, the 1976 revisions to the Act were drafted to protect writers from the strong arm tactics of powerful publishers.(132)

The court held that section 201(c) expands upon the basis established in

section 103(b) by extending to the "creators of collective works only the privilege of reproducing and distributing the contribution as part of that particular collective work, any revision of that collective work, and any later collective work in the same series."(133) As such, the court concluded that "the right to reproduce a work, which necessarily encompasses the right to create copies of that work, presupposes that such copies might be `perceived' from a computer terminal."(134)

Judge Sotomayor stated that both the terms of the Copyright Act, and the terms of the legislative history, reveal a design to extend display rights, in "certain limited circumstances," to the creators of collective works.(135) Therefore, the court concluded that as long as defendants are operating within the scope of their privilege to `"reproduce' and "distribute" Writers' articles in "revised versions of [Publishers'] collective works, any incidental display of those individual contributions is permissible."(136)

Writers argued that section 201(c) could not have been intended to extend to electronic reproductions of the collective work.(137) The court disagreed with the Writers' contention, stating that it is an undisputed fact of the publishing industry that there exists a right to microfilm a publication or a periodical, and that such privilege is encompassed under section 201(c).(138)

The court reasoned that the use of microfilming a publication or periodical amounted to permissible reproduction under section 201(c) of the collective work in a "new medium."(139) With this understanding, Judge Sotomayor reasoned that section 109(c)(140) permits a person lawfully in possession of a copy of a protected work "to display that copy publicly." Therefore, if publishers have reproduced writers' articles in accord with section 201(c), they would be entitled to display those copies electronically, pursuant to section 109(c).(141) The court further stated that the broad language of the Act and the congressional intent to allow copyright to extend to technologies not yet invented, have thus allowed for the interpretation of "revisions" to include electronic reproductions.(142) The court's broad interpretation creates an understanding that print medium revised to electronic medium is not a different medium, rather it is the same medium with technological advances.(143)

For example, the analogy of print to electronic display is similar to handwritten books of the sixteenth century then revised to machine printed books of the nineteenth century.(144) Therefore, the court reasoned that electronic display by CD-ROM and on-line services are merely technological advances that further the same medium, thus allowing the defendant Publisher the privilege to display the collective work electronically.(145) Judge Sotomayor stated that the Writers' narrow reading of the term "revision' follows from the dictionary definition of that term" and that such a narrow definition of the term does not fully satisfy the purpose of the Act nor the congressional intent.(146)

Although the Writers argue that the framers of section 201(c) never intended the windfall for publishers permitted under this court's ruling, the court stated that if this result is unintended, it is because "Congress could not have fully anticipated the ways in which modern technology would create such lucrative markets for revisions." (147) Until and unless this happens courts must apply section 201(c) according to its terms, and not on the basis of speculation of how Congress might have done things differently had it known then what it knows now.(148) In closing, the court reiterated its contention that `"what Congress may or may not do in the future to redefine [a copyright] term is not for us to speculate.'"(149) Judge Sotomayor stated that the ruling was not intended to benefit publishers nor harm freelance writers; rather, to justly interpret the Act and apply the law to the facts accordingly.(150) The judge left the fairness or lack of fairness of the decision's ramifications to the legislature, thus leaving the burden on Congress to alter or adapt the Act to the modern technologies.(151)

Analysis

A. The Tasini Court's Broad Interpretation of the Scope of Section 201(c) Is Sound under the Existing Law

1. Congressional Intent

The decision reached in the Tasini case, while seemingly unfair, was in accord with congressional intent of a foreseeable medium, and is in accord with policies underlying the Copyright Act. Thus, the Tasini Court's broad understanding of the meaning of "revisions" under the Act leaves freelance writers in a weakened position; a position that Congress may have intended.(152) Because the court could not determine whether the writers had expressly transferred electronic rights in their articles to the publishers, the issue subsequently turned to whether publishers produced "revisions" authorized under section 201(c) of the Copyright Act, by electronically displaying the collective works.(153)

The court stated that under section 201(c), the first sentence of the section proves that the `"[c]opyright in each separate contribution to a collective work is distinct from copyright in the collective work as a whole, and vests initially in the author of the contribution.'"(154) The court reasoned that if this provision ended with the first part of the sentence, then the freelance writers would have prevailed in the action. However, the second half of the sentence allows the contributory authors to retain control over their pre-existing work, yet grants to the collective author the right to reproduce and distribute the material. (155)

The Writers in Tasini contended that section 201(c) was intended to limit the creators rights of collective works to "revising and reproducing their works in the same medium in which those collective works initially appeared."(156) The Writers reached this conclusion by comparing section 201(c) with section 106, which grants authors display rights. They argued that section 201(c)'s omission of display rights evidences the Congressional intent that computer-generated images not be
included as reproductions under the section.(157) The court pointed out that by focusing on the display rights the Writers failed to account for the "reproduction and distribution" rights accorded to the collective authors.(158)

Although the Writers argued that section 201(c) has no express limitation upon the medium in which a revision can be created, legislative intent suggests that any revision of a collective work is

permissible, as long as it is a revision of that collective work.(159) Neither the language of section 201(c) nor any other provision of the Copyright Act is restrictive of the medium in which a revised work or subsequent revision may be published or distributed.(160) In actuality, "the entire Act was designed specifically to be neutral in its treatment of media and technology."(161)

In the text of the Act itself, Congress never expressly discussed computer rights, electronic rights, paper rights, or microfilm rights. (162) Rather, the focus of the Act is on the work itself and not the choice of medium in which the copyrighted material will be published, thus providing a "medium neutral" attitude toward reproduction and distribution.(163)

Further review of the legislative history of section 201(c) reveals that Congress intentionally granted collective authors permission to publish freelance contributions in original or revised editions of the collective work in any medium.(164) Under prior copyright law, there was a presumption that copyright interests not expressly reserved by the freelance author were granted to the publisher.(165) Congress changed that presumption by using section 201(c) to create a group of rights there were expressly granted to the collective author, unless the rights were otherwise reserved by the contributive author.(166) Therefore, the publishers need not contract to use the collective works electronically, because it was presumed that such rights were granted under section 201(c)'s granting of rights to the collective authors.(167)

2. Case Argument for the Tasini Holding

With no case law directly on point, the Tasini court looked to Judge Friendly's majority approach as explained in Bartsch v. MetroGoldwyn-Mayer, Inc.(168) The Bartsch court held that a grant or license for the use of a copyrighted work assumes that the work may be properly used or displayed in any medium that the "parties had reason to know of" as a potential expression of that work at the time of the grant.(169)

In Bartsch, a copyright in a screenplay was sold to a motion picture company, which, after releasing the film, aired the movie on television without further compensation to the screenplay author.(170) By calling

this a "foreseeable" medium of the work, the Bartsch court then properly extended the use of motion picture rights to television by applying the "foreseeable use" approach.(171)

The "foreseeable use or medium" approach would allow such an extension of use if television were a foreseeable medium at the time of the grant between the parties.(172) Therefore, under Bartsch, the holder of the motion picture rights to the work could freely air the motion picture on television without any further compensation to the contributory author of that work, since television was a foreseeable medium at the time of agreement.(173)

The strength in the reasoning of the Bartsch court is "that it encourages the use of media by expanding the definition of the originally licensed medium to include those new media within its vague linguistic penumbra."(174) Encouraging the use of media promotes the free passage of news and information to society, and sparks the technological advancement of media.(175) The court's reasoning leaned toward a broad interpretation that would allow copyrighted works to be available to the public over penumbral media, whereas a narrower reading might prevent works from being shown in a new media at all.(176)
Applying the reasoning in Bartsch to Tasini validates Judge Sotomayor's reasoning in granting the Publishers electronic rights to the freelance Writers' articles.(177) The freelance Writers were aware of on-line and CD-ROM technologies when they granted the rights to their articles to the Publishers, so it was quite foreseeable at the time of agreement between the Publishers and the Writers that the articles would potent ially be used for on-line services.(178) Because the "foreseeability of the medium" test espoused under Bartsch is met in Tasini, it is understandable that the court found the electronic use of the Writers' articles to be reasonable.

3. The Policy Argument for the Tasini Holding

Copyright Law is designed for the purpose of promoting an efficient allocation of resources, and should maximize utility.(179) The Bartsch approach reduces "transaction costs imposed on producers of existing media by channeling existing content into new media."(180) The Bartsch approach was based upon the notion that the new medium was not beyond the intentions of the parties as a possible medium; rather, it was

merely beyond the intention of the contributory author that there would be access to the new medium to display the collective works.(181) Therefore, the access is through the channel of the collective author who has more resources and access to the new medium.(182)

The use of economies of scale and the notion of the public having a right and a need for information, in essence, creates a subsidy in the form of a financial incentive to the collective author in an effort to develop the new medium.(183) This notion of a subsidy to the collective author acts as the incentive to invest and create in new media and avenues to relay information.(184) Applying the Bartsch theory to the holding in Tasini justifies the court's reasoning for the Publishers to receive the right to electronic reproduction of contributive works. Thus, applying the Bartsch reasoning to Tasini would allow publishers with capital and access to on-line services the right to create and build on-line information and news in the new medium.(185) If the publishers were not granted the right to revise the articles on-line, there would be little if no advancement of electronic technologies.(186) Regardless, the freelance writers individually do not have the strength nor the resources that the publishers have to build giant on-line databases and news information services.(187) The windfall in the form of a subsidy to the publishers acts as an incentive to develop the new medium, without which there would exist no outlet for the freelance writers' work after the initial publishing.(188)

Once the new medium rights are of worth in the new medium, as they are now in this case, supply and demand economics will correct the windfall thus reverting to new authors in the form of writer's contracting for additional payments for electronic rights.(189) We have evidenced this exact occurrence since the holding in Tasini by publishers now contracting outright for the electronic rights and making additional payments to the freelance writers for the electronic use, coupled with the expanse of the on-line database as the result.(190)

This method of subsidizing the collective authors (as professed under Bartsch) allows for an incentive to the collective authors, since they are in the best position to develop the new medium.(191) In so developing the new medium, society benefits from newer and faster forms of transmitting information.(192) Additionally, the contributive authors may lose revenues in the short term, but will have helped cultivate a

new medium to express their work, from which they will receive profits in the long term.(193)

B. As a Matter of Public Policy, the Tasini Decision is Unfair and Has Unjust Ramifications in the Short Term to the Contributory Authors

1. The Congressional Aim of Section 201(c) was that Contributing Authors Should Receive a Fair Return on the Use of Their Work

While Judge Sotomayor took a plain text approach to the understanding of section 201(c), she did not fully consider the Congressional aim of section 201(c), which was to avoid the `"unfair[ness]' of indivisibility."(194) "The rights conferred by copyright are designed to assure contributors to the store of knowledge a fair return for their labors."(195) The Congressional intent behind the 1976 revisions was to protect contributory authors from being stripped of future revenues by the collective authors, thus evidenced by the preceding statement.(196) Therefore, the holding in Tasini, which will deprive contributory authors of "a fair return for their labors," clearly contradicts Congressional intent in this area.(197)

Congress explicitly stated that "contributors" should receive their "fair return," "contributors" referring to the contributory authors, who under Tasini, are now left without recourse against publishers, who may freely reuse their articles in mediums other than print.(198) While copyright limitations are essential for public interest, they are not intended to be so burdensome as to deprive authors of their just rewards, and "their rights should be broad enough to give them a fair share of the revenues to be derived from the market from their works." (199) The implication of this was that Congress wanted to give authors of pre-existing material more bargaining power and an opportunity to have more of a share of the revenues.(200) Thus, applying the reasoning in Tasini to this part of the Congressional intent further establishes that Congress did in fact have a concern for the pecuniary effects that might be suffered by a contributory author to a derivative work. While the Tasini court has acknowledged this shortcoming to the contributory author, it has failed to correct the uneven flow of revenues that the publishers stand to gain from electronic reproductions.

The uneven flow of revenue that occurs from the Tasini decision is the

product of a bifurcated system as resulted from the Bartsch approach. For example, the freelance writers' articles that have been placed on-line will generate revenues for the publishers, who will not be paying any additional sums to the freelance writers for the electronic use. Freelance writers, since the Tasini holding, are now contracting separately for electronic use rights, and are being paid some nominal amount for that use.(201)

All works that are currently on-line, and all works that do not contract separately for electronic use will not be compensated for their electronic use.(202) Therefore, the writers in Tasini will never be compensated for their works that were electronically displayed.(203) This system is referred to in Bartsch as a bifurcated treatment of contributory authors.(204)

This bifurcated treatment of authors does not help to further the Congressional aim of promoting pecuniary rewards to contributory authors.(205) In fact, it contradicts the Congressional intent of 201(c), which was intended of ensuring contributory authors receive "a fair return for their labors."(206) The Congressional intent behind the 1976 revisions was to protect authors from being stripped of future revenues, yet the Tasini decision, supported by the Bartsch decision, not only strips the contributory author of the fair return, but justifies it as being for the benefit or society.(207)

The legislative history mentions nothing of the benefit of society through the promotion of new media by subsidy incentives to collective authors.(208) Nor is there any mention in the legislative history that supports the reasoning in Bartsch to favor those with access to the new media.(209) In fact, the congressional intent was to protect the contributory authors' rights against large collective authors' pressures.(210)

The 1976 revisions were primarily concerned with providing a fair return for the contributive authors on future use of the collective work.(211) This intent is now stunted by the holding in Tasini, which was fueled by the reasoning in Bartsch.(212) The Tasini decision strips the contributory author of her compensation for reuse, resulting in an outcome that Congress specifically sought to prevent.(213)

2. The Ramifications of the Tasini Opinion from the Publishing Industry's Point of View

Jonathan Tasini, the lead plaintiff and president of the National Writers Union, stated that "[t]he fight for a fair share continues . . . [w]hen multimillion-dollar media companies make a dollar from the sweat of their contributors' brows, those creators deserve to share in the profits. That is what copyright is all about preserving independent, vital and diverse voices in American journalism and American culture." (214)

An official with the writers union in Oakland stated, "the issue is much more than what was decided in the New York court. It's not just about writers wanting to get a few pennies every time an article is downloaded, it's about preservation of independence for free-lance writers in the 21st century."(215) Freelance writers feel that under the copyright laws which were redesigned in 1976 to further protect writers from future revenues derived from their works; they are entitled to a nominal piece of the pie.(216) The writers contend that the electronic reproduction constitutes an entirely new publication that has been stripped of "photo's graphics, ads, and other non-text materials."(217) The writers argue that Congress intended for them to have a "fair return" for their labors.(218)

On the other side, publishers applauded the ruling. "We think the judge properly analyzed the technology, and so will the court of appeals." (219) Publishers contend that the holding represents the court's clear understanding of the purpose of copyright law.(220) Some publishers rejoice at the holding, claiming the court understood the dilemma that publishers face in developing the new media of the next millennium, and has thus held accordingly.(221)

Not all publishers agree, however, with the Tasini holding and Bartsch approach.(222) Other publishers, such as Publishers Weekly and the Nation, have followed Harper's lead on sharing royalties with freelancers, while other magazines such as Woman's Day and Sierra routinely pay a separate fee for electronic republishing.(223)

The Tasini case was considered a pivotal development in the conflict between writers and editors as each tries to define ownership rights in

the expanding world of electronic media.(224) Prior to the suit, most discussions between writers and editors never addressed the issue of rights and usually did not involve a written contract.(225) Since the suit's filing, most major newspapers and magazines, trying to retain control of the reuse of materials, began introducing contracts requiring writers to relinquish their electronic rights as a condition of having the article appear in print.(226)

"Most articles are now done under a written contract and whether they cover or do not cover compensation for electronic rights is spelled out," said Dan Carlinsky, vice president for contracts for the American Society of Journalist and Authors.(227) As a result of the Tasini ruling, freelance writers are forced to sign over their electronic rights willingly, or lose them to the publishers anyway.(228) It's a lose-lose situation for the writers.(229) However, many newspapers take work from freelance authors on breaking stories when there is little time for the formality of contracts, those situations are now covered by the Tasini ruling.(230)

C. Congress Should Act to Resolve the Inconsistency in Copyright Law Created by the Tasini Holding

There is some inconsistency with the legislative intent behind the 1976 Copyright Act.(231) On one hand, Congress clearly intended to protect the pecuniary interests of the contributory author; on t
he other, they
are granting revision rights to the collective author.(232) Perhaps Congress intended this two sided coin to act as a balance of power fueled by the friction between the parties.

Nowhere in the Congressional Hearing Committee notes does it clearly contend the Congressional legislative intent behind this apparent inconsistency.(233) In fact, in looking at the hearing committee notes behind the 1976 revisions of the Act reveals a concern that the 1909 Act had become antiquated and required too much judicial interpretation, therefore, creating conflicting rulings in various jurisdictions.(234) The 1976 revisions were much needed due to technological advances that were not anticipated from 1909 to 1976.(235)

Much the same is true for the 1976 Act as it applies to the

technological advances that have come in the past 20 years.(236) The 1976 Act has become antiquated as it applies to electronic technologies that have only become prevalent in the past seven years.(237) The advent of electronic media has "profoundly and permanently changed the conventional means by which information is distributed."(238) These changes have created a new bundle of rights whose ownership is uncertain.(239)

Before the advent of a new medium, authors do not expect additional compensation for their work.(240) However, after the new medium becomes
a source of additional income to the collective authors, the contributory authors awaken and seek their shares to the new found revenues reaped from their labor.(241)

Congress needs to speak in the form of a revision to the 1976 Act, by clarifying the extent of electronic display rights and reuse the authors' works on-line.(242) If Congress' intention is to foster the growth of new medium through the use of existing works, by granting a subsidy to the collective authors as an incentive, then they need to enumerate this in the form a revision to the 1976 Act.(243)

If the Congressional intent is to create an incentive to foster growth of new media, then it would best be achieved by a revision, that specifically states that for the purpose of commercialization and growth of a new media, such a system is favored.(244) Additionally, the revision may allow that when a medium becomes clearly recognizable through its commercialization and ceases to be a new medium, it may be presumed that the authors' rights will be compensated accordingly.(245)

Much the same as the 1909 Act, the 1976 Act's ambiguity has required judicial interpretation and creativity stretching the statutory language in order to make the Act functionable.(246) As Judge Sotomayor stated in the Tasini holding: plaintiffs insist that the framers of Section 201(c) never intended the windfall for publishers permitted under this Court's ruling. This may well be. If today's result was unintended, it is only because Congress could not have fully anticipated the ways in which modern technology would create such lucrative markets for revisions . . . .(247)

Thus, the Writers' real complaint lies in the fact that modern technology has now created a situation in which revision rights have become far more valuable than were anticipated at the time that the terms of the Copyright Act were being negotiated.(248) Judge Sotomayor concluded:

If Congress agrees with the plaintiffs that, in today's world of pricey electronic information systems, Section 201(c) no longer serves its intended purposes, Congress is of course free to revise that provision to achieve a more equitable result. Until and unless that happens, however, the courts must apply Section 201(c) according to its terms, and not on the basis of speculations as to how Congress might have done things differently had it known then what it knows now.(249)

1. Congress Has Acted in the Past to Resolve Inconsistencies in Copyright Law

Judge Sotomayor's reluctance to interpret the meaning of section 201(c) of the Copyright Act to benefit the Writers' position in Tasini, is not uncommon and was not without considerable deliberation. By holding oppositely, Judge Sotomayor would be creating common law that might obstruct the proffered sentiment of Congress in this area of law. The ramifications of an improper reading by the court of the Copyright Act of 1976 could lead to disastrous and unfair circumstances for large masses of people--writer and publishers alike.

Perhaps, looking at the evolution of copyright law in America may shed light on Judge Sotomayor's holding and the deference to Congress on the issue of electronic reproductions. Prior to the American Revolution, the American colonies were operating under fragments of copyright common law
from Great Britain.(250) After the Revolution each of the former colonies adopted their own set of copyright laws.(251) The Framers of the Constitution recognized the importance of uniform and standardized federal copyright law.(252) As such, Article I, Section 8, Clause 8 of the newly formed Constitution was drafted, and granted Congress the power to legislate and regulate the writings of authors.(253)

The level of importance of copyright to the workings of a free market economy and to the progress of the arts and sciences was and still is of

paramount importance to the health and growth of the U.S. economy.(254) While freedom of speech and religion, the right to bear arms, the right to a jury trial, and the right against self incrimination are all amendments to our Constitution, copyright is part of the original text. (255) The artists' expression and their right of authorship over creative works are as basic a constitutional right as any in the Bill of Rights.

Congress passed the first federal Copyright Act in 1790.(256) This Act was in effect until 1905, when President Theodore Roosevelt urged a complete revision of the copyright law in order to meet then modern conditions.(257) This resulted in the Copyright Act of 1909. "Despite the four-year revision process, the 1909 Act was hardly a model of clarity, coherence or precision."(258) Yet it did contain much needed changes of the time.(259)

The Act changed only slightly over the next eighty years, but technology changed more rapidly.(260) In 1912, recognizing a new and growing American industry, Congress added motion pictures as a subject matter category.(261) However, the twentieth century brought increasingly rapid advances in technology and new medium.(262) The result was inconsistencies and various common law in the copyright area.(263) Congress could no longer piecemeal the copyright law to the ever changing tide of media.(264)

In 1955, Congress authorized a revision project for copyright.(265) The result was twenty-one years of reports, hearings, and discussions, after which Congress passed the Copyright Act of 1976.(266) The new Act made a
number of innovative changes and clarifications to gray areas of law. (267) No longer was there a dual system of state and federal copyright law.(268) Federal law preempted in areas of fixed tangible media.(269) Subject matter was broadened.(270) Termination rights had been limited. (271) In essence, Congress responded slowly, but thoroughly, in modernizing the Act.(272)

However, it has not stopped there. In 1980, Congress was faced with even faster and greater technological advances in the computer industry.(273) As such, Congress amended section 117 of the Act to establish protection and scope of rights in computer programs.(274) Other

amendments include the Semiconductor Chip Act of 1984, compulsory licenses for home satellite viewing, and adherence to the Berne Convention, which altered U.S. copyright law to adjust with international agreements.(275)

Conclusion

Although harsh, perhaps the Tasini decision was an attempt by the court to prevent common law repairs to legislative dilemmas. Perhaps the court deferred to Congress in order to answer the question of electronic technologies and reproduction rights, as a wake up call to Congress to address the much needed amendments to the Copyright Act. In light of the history of copyright law in the United States from its Constitutional roots to modern day codification, it is not unrealistic to expect that Congress will address the new technologies at some point in the near future.

Historically, there has been continual change in the Copyright Act. Looking at the 1909 verbiage, which was effective for its 19th century purposes, and its evolution to its current state, it was not unrealistic for the court to expect Congress to once again fine tune the copyright process in the form of an amendment. It is also no surprise that historically Congress and the courts are slow to address new changes in technology, sometimes being years behind the issues.

The court's opinion in Tasini, although seemingly callous to the needs of freelance writers, is actually not. In fact, it may aid freelance writers in the form of a Congressional amendment to effect the needed change. While the court acknowledged that its holding was not contemplated by the drafters of section 201(c), nevertheless, section 201(c) employs an "any revision" media neutral standard.(276) Congress has left a gap that allows publishers to gain large profits from new technologies; nevertheless, the court did not consider it an appropriate judicial response to rework the text and function of section 201(c). (277)

Unfortunately, those freelancers affected in the short-term by the Tasini decision may not prevail in the long run by the strong hand of Congressional intervention. Due to Congress' slow response to implement change in the form of amendments, there will always be those that are

negatively affected by the law as it stands, before a change is promulgated.

Without those parties being negatively affected by needed change in the law, however, how and why would Congress know of the need to amend laws
in the first place? It is inevitable in our democratic process and absence of retroactive policy in new statutes that some parties will fall through the cracks when there is change in the law. Yet others in the future will reap the benefit from those that fell through the cracks and suffered a loss. In Tasini, those who lose in the short term--the freelance writers--become the fall guys for those who will reap the reward for their efforts when Congress finally amends the law to protect future freelance writers.

Congress has previously intervened in the modernization of the Copyright Act, and has always sought to carry out the Founding Fathers' goals of copyright protection.(278) By the use of amendments, and total restructuring of the Copyright Act, Congress has sought to preserve the underlying goal of copyright protection: to promote and protect new works of authorship.(279)

I believe that Congress, given the response time, will amend electronic revision rights under the Act. Furthermore, in so doing, the adjustment to the Act will be of greater use and protection to freelance writers; much greater a protection than that of the Federal Court, which Tasini hoped to convince.

For freelance writers, Tasini represents a loss in the short term battle, but as history has indicated, Congress will eventually address the issue, promote change, and finally then, freelance writers will win the war.

Frank H. Smith

1. 972 F. Supp. 804 (S.D.N.Y. 1997).

2. See id.

3. See id.

4. See id. at 805.

5. See id. at 807. For an explanation of "collective works," see infra notes 38-60 and accompanying text.

6. For an explanation of "revision," see infra notes 38-60 and accompanying text.

7. 17 U.S.C. 201(c) (1994). For the full text of 201(c), see infra notes 55-60 and accompanying text.

8. See infra notes 19-60 and accompanying text.

9. See infra notes 61-80 and accompanying text.

10. See infra notes 81-104 and accompanying text.

11. See infra 105-18 and accompanying text.

12. See infra 119-28 and accompanying text.

13. See infra 129-51 and accompanying text.

14. See infra 152-93 and accompanying text.

15. See infra 194-213 and accompanying text.

16. See infra 214-30 and accompanying text.

17. See infra 231-75 and accompanying text.

18. See infra 276-79 and accompanying text.

19. 17 U.S.C. 102 (1994).

20. See Jessica D. Litman, Copyright, Compromise, And Legislative History, 72 Cornell L. Rev. 857, 857-59 (1987).

21. 17 U.S.C. 103(b) (1976). Congress has the power to grant a

copyright "in original works of authorship fixed in any tangible medium of expression, now known or later developed, from which they can be perceived, reproduced, or otherwise communicated either directly or with the aid of a machine or device." Id. Under the Constitution of the United States, Congress was empowered to legislate copyright statutes. See U.S. Const. art I, 8, cl. 8. The founding fathers recognized the importance of copyright to the market economy. See Mazer v. Stein, 347 U.S. 201, 219 (1954) ("The economic philosophy behind the clause empowering Congress to grant . . . copyrights is the conviction that encouragement of individual effort by personal gain is the best way to advance the public welfare through the talents of authors . . . ."). Copyright is often referred to as a "bundle of rights" that are exclusively given to an author or creator for a period of time so that the author may receive economic gain from the distribution, performance, or public display of their work. See Jane C. Ginsburg, Putting Cars On The "Information Superhighway": Authors, Exploiters, And Copyright In Cyberspace, 95 Colum. L. Rev. 1466, 1475 (1995).

22. See Litman, supra note 20, at 882.

23. See id. at 887.

24. See id.

25. See id. For example, a painter does an oil painting of a particular mountain, choosing specific lighting, colors, angles, etc. See id. The mountain then becomes the subject matter or the idea being expressed. See id. The painter does not prevent other painters from painting the same mountain merely because she was the first to paint it. See id. In fact, the painter does receive copyright protection in the painting as far as preventing other painters from expressing the same style of expression of the mountain, thus preventing others from using similar distinct brush strokes, lighting, angles, and texture combined. See id. See generally 17 U.S.C. 102 (1994).

26. See Litman, supra note 20, at 857. For over sixty years the courts had been deciding copyright issues under the Copyright Act of 1909. See id. The 1909 Act had become antiquated in recent years and required much interpretation and ad hoc application of it provisions, thus creating a great deal of common law on the issue of copyright. See id.

27. Id. at 858; see also Bleistein v. Donaldson Lithographing Co., 188 U.S 239, 239-41 (1903) (Holmes, J.). Years of technological development had made the need for judicial creativity acute in copyright law. See Litman, supra note 20, at 857. The 1909 Act's ambiguity had left the courts with no other choice but judicial interpretation, thus, creating contradictions in the common law. See id. at 857-58 (citing Nichols v. Universal Pictures Corp., 45 F.2d 119, 139 (2d. Cir. 1930) (Hand, J., concurring)).

Like many bodies of judge-made law, the common law doctrines [of copyright] are often inconsistent and contradictory, not only among the courts but within the courts; not only among lines of cases, but within lines of cases. The law is riddled with analytically indefensible distinctions, impractical definitions, and wholesale distortion of statutory language. It is nonetheless a magnificent edifice.Id. at 858.

28. See 17 U.S.C. 102, 201 (1994).

29. See Marshall Leaffer, Understanding Copyright Law 2.8-2.9 (2d ed. 1995).

30. See id.

31. Tasini v. New York Times Co., 972 F. Supp. 804, 812 (S.D.N.Y. 1997); see also Leaffer, supra note 29, 1.3-5.

32. See Tasini, 972 F. Supp. at 812.

33. Id. (citing 17 U.S.C. 201(c) (1976)). Section 201(c) explains the proscriptions of reproduction and distribution of collective works under the Act. See 17 U.S.C. 201(c) (1976).

34. See generally Tasini v. New York Times Co., 972 F. Supp. 804, 812 (S.D.N.Y. 1997).

35. See id.; see also infra notes 39-62 and accompanying text.

36. 17 U.S.C. 101 (1994).

37. See Tasini, 972 F. Supp. at 812.

38. Id. (quoting M. Nimmer & D. Nimmer, Nimmer on Copyright 3.02, at 3-8 (1996) [hereinafter Nimmer]); see also Leaffer, supra note 29, 2.8, 5.6.

39. See Tasini, 972 F. Supp. at 812; see also Leaffer, supra note 29, 2.8.

40. See Tasini, 972 F. Supp. at 813; see also Leaffer, supra note 29, 5.6.

41. See Tasini, 972 F. Supp. at 813.

42. See id.

43. 17 U.S.C. 103(b) (1994). Section 103(b) extends "[t]he copyright in a compilation or derivative work . . . only to the material contributed by the author of such work, as distinguished from the preexisting material employed in the work, and does not imply any exclusive right in the preexisting material." Id.

44. See id.

45. See Tasini, 972 F. Supp. at 813; see also 17 U.S.C. 103(b) (1994). When a collective author copyrights a work that has portions of a preexisting copyrighted work in it, the collective author's copyright only extends to the newly added portion of the material and does not protect, extend, nor have any effect on the preexisting material incorporated in their work. See id.

46. 17 U.S.C. 103(b) (1994).

47. Tasini, 972 F. Supp. at 813. The preexisting copyright material that is included in the author's new work is not affected by the copyright of the new work as a whole. See id. The copyright in the new version covers only the newly added material. See id.

48. Id. the "new property" rights theory gave rise to a belief that collective and derivative works took on full copyright allowances for

the collective or derivative author. See id. Under this school of thought, copyrighted material that is integrated with new original material would create a full copyright for the new author that covers the contributed already copyrighted material as well. See id.

49. Id.

50. Id. (quoting Nimmer, supra note 38, 3.07(A)(1), at 3-34.9); see also Rohauer v. Killiam Shows, Inc., 551 F.2d 484, 492-94 (2d Cir. 1977) (recognizing a new property right). In Rohauer, a film producer retained the rights to the underlying story in spite of the fact that the novelist authorizing the use of the story had died before granting the producer a renewal right in the property. See id.

51. 17 U.S.C. 103(b) (1994).

52. See Tasini v. New York Times Co., 972 F. Supp. 804, 814 (S.D.N.Y. 1997).

53. See id.

54. Id.

55. 17 U.S.C. 201(c) (1994). Author's copyrights extend to that portion of their work that was originally contributed by them. See id. if section 201(c) ended with the first part of the sentence, the publishers of collective works would have a copyright in the collective work as whole, therefore making their copyright inclusive of all copyrighted material that had been contributed. See id.

56. See Tasini, 972 F. Supp. at 814; see also 17 U.S.C. 201(c) (1994).

57. Tasini, 972 F. Supp. at 815.

58. See id.; see also Leaffer, supra note 29, 2.8, 5.6.

59. See Tasini, 972 F. Supp. at 815; see also Leaffer, supra note 29, 2.8, 5.6.

60. See Tasini, 972 F. Supp. at 815; see also Leaffer, supra note 29, 2.8, 5.6.

61. Litman, supra note 20, at 881; see, e.g., Mills Music, Inc. v. Snyder, 469 U.S. 153 (1985); Aldon Accessories Ltd. v. Spiegel, Inc., 469 U.S. 153 (1985).

62. See Litman, supra note 20, at 857-59, 881.

63. See id. at 857-59.

64. Id. at 871. This viewpoint, shared by many legislators, is a general consensus of the opinion surrounding the legislative intent of the Act. See id. The 1976 Copyright Act was the culmination of 50 years of copyright case law, multiple revisions of the 1909 Copyright Act, congressional intent, lobbyists, and input from the Federal Register of Copyright. See id. at 872. Courts generally consider it as the most undiscernible of all legislative intent. See id.

65. Id. at 883. The definition of "uses" was intentionally left broad. See id. Congress intended that desired "uses" should be intentionally vague to encompass technologies not yet invented, therefore giving authors the full right in unknown and yet to be invented technological uses, thus allowing the extent of those to be left up to the courts to decide. See id.

66. See id. at 884. Congress took into consideration the need for broad interpretation in the language of fair use for the sake of unknown technologies. See id. When the legislature was debating the restructure of the 1909 Act in the late 1960s, they could have never envisioned the Internet or CD-ROM. See id. Nevertheless, Congressional intent was for authors to have copyright protection in unknown technologies. See id.

67. See Litman, supra note 20, at 884.

68. See id. This statement as it apples to the Tasini case, implies that the defendant publishers were given too little power and thought in the drafting of the Act. See id. During drafting of the Act, there was no one present to represent the rights of the collective authors of yet to be invented technologies. See id. Applying this reasoning to the Tasini

case, would lead to the conclusion that the publishers' rights were never represented against the rights of freelance writers. See id. Although it may not have been the intent of the legislature to give so many rights to the creators of collective works, it seems that this may have happened as an unforeseen after result of the publishers not being heard at the time of the drafting of the 1976 Copyright Act. See id.

69. 17 U.S.C. 201(c) (1994).

70. See Litman, supra note 20, at 883-84.

71. See id. at 893.

72. See id. The Copyright Act of 1909 required a proprietor of a derivative work to renegotiate new licenses in the material, in order for the derivative author to continue reuse. See id. For example, this would require a movie studio that has made a picture from a novel to negotiate a new license periodically from the author of the novel. See id. If a new license were not negotiated the picture could not continue to be shown. See id. This would put the movie studio at the mercy of the author or the author's heirs to negotiate a relicensing. See id. Therefore, the author could hold out on the relicense in order to rake the studio for more money. See id.

73. See id. at 893.

74. Id. The proposal to Congress from both the motion picture industry and the Register of Copyrights was to make an exception in cases such as this and do away with need for renegotiation of the grant of right of continued use from the author. See id. If the author gave permission in the first place to use the work as part of a derivative work, then the author has given up the right to renege that right at a future date. See id.

75. Litman, supra note 20, at 893. The derivative works exception refers to the proposed revision to the 1909 Copyright Act that would do away with the required renegotiation of the contributory authors rights, and thus allow the collective author, i.e. movie studio, to have an uninterrupted license in the work by calling it a derivative work and thus allowing for the continued use of that derivative work. See id.

76. See id. at 903. Congress will often allow opposing sides to a bill to negotiate and create a satisfactory agreement between them, and then using the mutual agreement as the language of the proposed bill. See id. Therefore, there is really nothing but a legal fiction in the notion that Congress had certain intentions in their verbiage, when Congress' real intent was merely to create a revision in the Copyright Act that would satisfy both parties. See id.

77. Id. Congress not only fostered negotiations between publishers and writers, but in fact encouraged talks in order to help create the language and intent needed to revise the copyright laws. See id. Congress' use of this tactic to compromise the needed revisions was beneficial to the parties involved and represented, but leaves the public at a loss as to Congressional stance. See Stewart v. Abend, 495 U.S. 207, 208 (1990).

78. See Litman, supra note 20, at 903.

79. See id. The ambiguities in the revisions can be more clearly understood by examining the Register's reports and the Congre ssional committee reports, which encompass the intent and context of the negotiations that developed them. See id. at 904.

80. Abend, 495 U.S. at 209. Congressional intent is evidenced by Congress' expressly withdrawing the right of authors to terminate use rights in other sections that were granted under the 1909 Act. This was accomplished by allowing the owner of the preexisting work to retain the right to sue the derivative author for the misuse of the contributive works. See id. See generally 17 U.S.C. 4, 10, 24 (1994) (1909 Act).

81. 495 U.S. 207 (1990).

82. See id. at 209.

83. See id. at 207. Author Cornell Woolrich, in 1945, agreed to assign his rights in several of his stories for use in motion pictures. See id. at 210. Under the Copyright Act of 1909, which was then in effect, Woolrich granted a license to the motion picture company to make

derivative works, requiring a renewal for the grant of use in 28 years. See id. Woolrich agreed to renew his license to the motion picture company at the expiration of the grant in 28 years, but subsequently died. See id.

84. See id. at 211.

85. See id. at 210. Distribution and publication of derivative works during the copyright renewal period, for grants of preexisting works that have been incorporated into derivative works, will infringe upon the rights of the owner of the preexisting work if the preexisting owner or his heirs, at the end of the 28 year grant, have not reassigned their rights. See id. at 210.

86. Id. at 207.

87. Id.

88. See Abend, 495 U.S. at 210.

89. Id. at 226. The Court explained that

'[a] derivated 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 cover by the terminated grant.'Id. (quoting 17 U.S.C. 304(c)(6)(A) (1976)).

90. Id. at 223 (citing Russel v. Price, 612 F.2d 1123, 1128 (9th Cir. 1979)). The Supreme Court's interpretation of Congress' intent was that there exists a new property right only to the extent of the material added by the derivative author, and all contributions by the pre-existing author's work will always remain the property and rights of the preexisting author. See id.

91. See id. at 223.

92. Abend, 495 U.S. at 223.

93. Id. According to the Abend Court, under the language of section 103(b), "the copyright in a compilation or derivative work extends only to the material contributed by the author of such work, as distinguished from the pre-existing material employed in the work, and does not imply any exclusive right in the pre-existing material." Id. at 234. "The copyright in such work is independent of, and does not affect or enlarge the scope, duration, ownership, or subsistence of, any copyright protection in the pre-existing material." Id.

94. See id. at 224.

95. Id. at 228.

96. Id. at 234. While an author may obtain a copyright on an entire work, the parts of it that were previously copyrighted are protected "only according to the `duration or scope' of the already existing copyright." Id. Therefore, if an author wishes to copyright a book which was derived from a short story, she will receive a copyright for the book, but not for the preexisting story. See id. However, she will receive protection only for the parts which she added to the preexisting work. See id.; see also 17 U.S.C. 103(b) (1994).

97. Abend, 495 U.S. at 234.

98. See id. at 237-38. The Abend case was a prime example of an unfair use of a derivative work, in that it dealt with the commercial usage of a fictional story that negatively affected the derivative story owner's adaption rights. See id.

99. See id. at 211.

100. See supra notes 81-98 and accompanying text.

101. See id.

102. See id.

103. See supra notes 81-98 and accompanying text.

104. See id.

105. See Tasini v. New York Times Co., 972 F. Supp. 804 (S.D.N.Y. 1997). The first two periodicals, which are respectively published by The New York Times Company and Newsday, Inc., are daily newspapers with an extremely wide circulation. See id. Sports Illustrated is published by Time, Inc. and is a weekly magazine specializing in the field of sports. See id.

106. See id. MEAD is the owner and operator or NEXIS, which provides an on-line database of newspapers, magazines, and wires. See id. NEXIS includes in its database articles from The New York Times, Newsday, and Sports Illustrated. See id. UMI is responsible for producing and distributing CD-ROM products that include The New York Times, Newsday, and Sports Illustrated articles. See id.

107. See id. at 805. Twelve of the twenty-one articles appeared in the New York Times, eight were printed in Newsday, and the remaining piece was printed in Sports Illustrated. See id.

108. See id.

109. Id. Generally, the Times purchased articles from the freelance writers with only an oral agreement, and never any discussion or negotiation with regard to future rights in the articles being sold. See id.

110. See id. The verbiage under the endorsement stated: "This check accepted as full payment for first-time publication rights . . . to material described on face of check in all editions published by Newsday and for the right to include such material in electronic library archives." Id. Thus, Newsday was attempting to obtain the electronic rights from the freelance writers.

111. Tasini, 972 F. Supp. at 807. Tasini contended that by the use of this language he did not intend to grant to Time any "electronic rights in his article." Id.

112. See id. The electronic databases allow for retrieval of the document in its entirety as it was originally publicated, and are identified by the publication in which it appeared and the authors'

name, without print ads attached. See id. Both CD-ROM and on-line databases retrieve and display information in much the same way. See id.

113. See id. at 809.

114. See id. An owner of a copyright in a collective work is generally entitled to the privilege of "reproducing and distributing the contribution as part of that collective work, any revision of that collective work, and any later collective work in the same series." Id. at 808.

115. See id.

116. Id. Defendants, Time and Newsday, contend that they are not limited by section 201(c), since Writers have `"expressly transferred" the electronic rights in their articles. Newsday is relying upon the check endorsement's verbiage, and Times is relying upon its rights under its written contracts." Id.

117. Tasini, 972 F. Supp. at 809 (citing 17 U.S.C. 201(c) (1994)). Defendants' contention is that the use of the article on the electronic databases, both CD-ROM and on-line services, are actually a privileged right of reproductions allowed by the Copyright Act of 1976. See id.

118. See id. Writers' contend that section 201(c) was not meant to include computer generated or electronic revisions of their contributive works, but rather merely reproductions in the same medium. See id.

119. See id. Plaintiff Jonathan Tasini is a freelance journalist and president of the National Writers' Union, an organization made up of approximately 4600 freelance writers, whose primary goal is to protect the interests of freelance writers in America from exploitation by large publishers. See id.

120. See id. at 804.

121. See id.

122. See id. at 809. "Summary judgment is required when `there is no

genuine issue as to any material fact and . . . the moving party is entitled to a judgment as a matter of law."' Id. at 814 (quoting Fed. R. Civ. P. 56(c)). The moving party has the burden of proving to the court the basis for the motion of summary judgment and establishing any absence of material fact to an issue. See id. If there are competing claims, as in this case, the court must find for the nonmoving party with regard to any factual ambiguities. See id. As in this case, where there were cross motions for summary judgment, the standard is the same as if there were individual motions, and therefore must be considered separately and argued that, even in absence of such agreements, dismissal of this action is warranted independent of one another. See id.

123. See Tasini, 972 F. Supp. at 810.

124. See id.

125. Id.

126. Id. at 812.

127. A "revision" is the right of the owner of a copyright in a collective work to reproduce and distribute the contribution as part of that particular collective work, a revision of the collective work, or as part of any later collective work in the same series. See 17 U.S.C. 201(c) (1976). For example, a magazine is comprised of various articles written by several freelance writers whose articles are in themselves copyrighted. While the magazine publisher may republish the magazine, they may not republish individual articles without the owners permission. See id. Therefore, the owner of a collective work does not necessarily have the right to republish individual contributions without authority. See id.

128. See Tasini, 972 F. Supp. at 819-21.

129. See id.

130. Id. at 826. The court was aware of the ramifications of allowing the Publishers to continue their practice of electronic redistribution of Writers' articles, but the court reasoned that the responsibility

falls on Congress to correct this apparent shortcoming in the text of the statute. See id. The court reasoned that it could not redefine the scope of the Copyright Act of 1976, and that such a gross interpretation should be dealt with at the legislative level. See id.

131. See id.

132. See id. The court was attempting to explain its conjecture as to why such issues as electronic reproduction, as here, are not, and were not intended to be covered by the Copyright Act of 1976. See id. The court's interpretation of the legislative intent lead them to the finding, that Congress could not have meant for the authors to have such electronic rights in their material, because such electronic rights were not part of the general picture in the 1960s and early 1970s when the Act was being formulated. See id. Therefore, it could not have been Congress' intent for the Act to include such rights for the authors now. See id.

133. Id. at 814. With this interpretation of sections 201(c) and 103(b) as interdependent yet co-related sections, the court has recognized a right of the author of the collective work in reproducing the collective work along with the contribution, or derivative work intertwined. See id. This understanding allows the collective author the freedom of reproduction and distribution without reprise from the contributory author. See id.

134. Tasini, 972 F. Supp. at 817. The court noted that both the text of the legislative history and the terms of the 1976 Act were designed to allow Publishers to `"reproduce' and `distribute'" collective works, and that any incidental electronic display of the collective work is permissible, as long as Publishers are operating within the scope of their privilege. Id.

135. Id.

136. Id. at 817. The court interpreted reproduction and distribution rights to include electronic display on computer screens. See id. The court chose a broad interpretation of the meaning of reproduction and distribution rights. See id. The court clearly states that a new medium in which to display the collective work does not violate the

reproduction and distribution rights. See id. at 818. "Indeed, Section 201(c) contains no express limitation upon the medium in which a revision can be created. To the contrary, `any revision' of a collective work is permissible, provided it is a revision of `that collective work.'" Id. at 817-18.

137. See id. at 812.

138. See id.

139. Id. at 811.

140. See 17 U.S.C. 109(c) (1994). Under section 109(c), an owner of a lawfully made copy may "display that copy publicly, either directly or by the projection of no more than one image at a time, to viewers present at the place where the copy is located." Id. "This provision was intended to give copyright owners control over computer uses for their work, because such use may indirectly affect the market for the reproduction and distribution copies of the work." Leaffer, supra note 29, 8.26. Judge Sotomayor found that the publishers had clear copyright privilege under the provision of section 201(c), and not merely an owned copy of the writers' works, under section 109(c). See id.; see also Tasini, 972 F. Supp. at 811. Therefore, the electronic display of the publications were not subject to the limitations of display rights under section 109(c). See Tasini, 972 F. Supp. at 811-12.

141. See Tasini, 972 F. Supp. at 811.

142. See id. at 821.

143. See id.

144. See generally id.

145. See id.

146. Id.

147. Tasini, 972 F. Supp. at 827. The court stated that this result was

not because Congress had intended this broad understanding of the Act, but merely because congress never anticipated such electronic uses of reproduction and distribution. See id.

148. See id. at 827. The Writers contented that electronic reproductions are not reproductions under the meaning of the section 201(c), and that the true discrepancy lies in the advent of modem technology creating revision rights that are far more valuable then were anticipated at the time of drafting of the Act's revisions. See id. Therefore, if section 201(c) is no longer adequate to serve its drafter's intentions, it is up to Congress to address this issue by revising the Copyright Act of 1976 to reflect modern technologies. See id.

149. Id. The court was reluctant to make any gross modifications in the law with respect to the meaning of reproduction and distribution rights. See id. The court strongly and expressly recommends the intervention of Congress in order to determine and qualify the issue of newly evolved modern technologies and their shortcomings with the Copyright Act of 1976, particularly in the area of electronic reproductions. See id.

150. See id.

151. See id.

152. See supra Part III.C.

153. See Tasini, 972 F. Supp. at 812. Rather than spend time clarifying the intentions of the parties' when transferring the rights in and to the articles, the court focused on whether such electronic rights were part of the `"reproduction and distribution"' rights granted to authors under section 201(c) of the Copyright Act. Id. As of the Tasini decision there was no other case law on point and most certainly no precedent on the relationship between section 201(c) and modem electronics.

154. Tasini, 972 F. Supp. at 814 (quoting 17 U.S.C. 201(c) (1994)). The court acknowledged that no new property right exists from section 201(c), other then the right of "reproducing and distributing the contribution as part of that . . . collective work, any revision of that collective work, and any later collective work, in the same series." Id.

155. See id.

156. Id. at 816. The Writers' position that section 201(c) was intended to provide reproduction and distribution rights in the same medium as the original work, was summarily discounted by the court. See id. The court merely stated, "the Court finds nothing in the terminology of Section 201(c), the relevant legislative history, or the nature of revisions generally which supports such an approach." Id. The court appeared to set aside the Writers' argument of reproduction and distribution limits, but at closer look the court did in fact address the issues of reproduction and distribution systematically and with due regard to the ambiguities in the Act. See id.

157. See id. at 816-17. The Writers' argument that the omission of the word "display" from section 201(c), when the term is used in other sections of the Act, does not in itself establish that Congress intended to omit computer generated technologies. See id. By a plain text analysis, Congress would need to explicitly state, "no computer generated reproductions." Id. In fact, Congress included and extended other express rights to the collective author, such as, "reproduction and distribution." Id.

158. See id. at 817. The "reproduction and distribution" rights afforded by Congress were according to legislative history, a paraphrase of "distribution of copies" which presupposes that copies include computerized display images and the hard paper copies derived from them. Id. The pertinent legislative history reveals an intent to extend display rights to the authors of collective works as long as the collective author is operating within the scope of reproducing and distributing. See H.R. Rep. No. 94-1476, 94th Cong. 122 (1976).

159. See Tasini, 972 F. Supp. at 818; see also Feist Pubs., Inc. v. Rural Tel. Serv. Co., Inc., 499 U.S. 340 (1991); H.R. Rep. No. 94-1476, 94th Cong. 122 (1976).

160. See generally Defendant's Main Brief in Support of Motion for Summary Judgment, Tasini v. New York Times, 972 F. Supp. 804 (S.D.N.Y. 1997), reprinted in Robin Bierstadt, Litigating On-Line Issues, in Practicing Law Institute: Patents, Copyrights, Trademarks, and Literary

Property Course Handbook Series, PLI Order No. G4-4005 (May, 1997) [hereinafter Defendant's Brief].

161. See id.

162. See id. Legislative intent in this area of the Act tends to establish that any vagueness in the plain language in the text of the Act was intentional, thus allowing for media advances that had not yet been contemplated at the time of the drafting of the Act., i.e. CD-ROM and Internet publications. See id.

163. See id. at 189. The Copyright Act specifically emphasizes in its "first substantive provision that copyright protection exists for any `original work of authorship . . . in any . . . medium of expression now known or later developed.'" Id. (quoting 17 U.S.C. 102(a) (1976)). This language in the general provisions of the Act, expressly states the intention of Congress to allow for the reproduction and distribution of collective works in other mediums. See id. The fact that this wording is not used in section 201(c) does not preclude the application of section 102(a) to the text of section 201(c). See id.

164. See id.

165. See Defendant's Brief, supra note 160, at 189.

166. See id.

167. See id. at 189-90. The argument espoused here is that the Publishers did not need to expressly contract for the rights in electronic reproductions of the freelance authors' works, since there was an express grant to the publishers of the reproduction right under t he plain meaning of the text of section 201(c). See id. The wording of section 201(c) allows for the enumerated rights granted to the collective author, such as right to reproduce and distribute, thus giving a contributory author the notice necessary to expressly retain certain rights not clearly granted. See id. The fact that none of the Writers in Tasini ever requested additional payments during the original contract for freelance services for the electronic rights establishes their understanding and interpretation at the time of the agreement to be that the publishers were to receive such computerized display rights

as a result of the sale of their articles. See infra note 178 and accompanying text.

168. 391 F.2d 150 (2d Cir. 1968).

169. Bartsch, 391 F.2d at 151-54.

170. See id.

171. Id.

172. Id. at 154. The Bartsch court allowed the concept of same medium of expression to encompass any medium that was known or foreseeable as a potential medium for the work to be revised in. See id.

173. See id.

174. See Sidney A. Rosenzweig, Don't Put My Article On Line!: Extending Copyright's New-Use Doctrine To The Electronic Media And Beyond, 143 U. Pa. L. Rev. 899, 918 (1995).

175. See id. at 929.

176. See Bartsch, 391 F.2d at 151-55. The court reasoned that "because new media are designed to improve the quality or facilitate the flow of information in society, efforts to encourage their development are in the public interest." Id.

177. See Tasini, 972 F. Supp. at 804; see also Bartsch, 391 F.2d at 150.

178. See Tasini, 972 F. Supp. at 804. At the time of the granting of the rights in the Writers' articles in the early nineties, electronic technologies such as on-line services and CD-ROM were generally commercially used and well known. See id.

179. For a discussion of the goal of copyright, see supra note 21 and accompanying text.

180. See Rozenzweig, supra note 174, at 922.

181. See Bartsch, 391 F.2d at 154-55.

182. See id.

183. See id. at 155-57.

184. See id.

185. Id. at 155-57.

186. See id. at 158.

187. See Bartsch, 391 F.2d at 158.

188. See id.

189. See id.

190. See Anne Marriot, Free-Lance Writers Outraged At Loss of Rights To `Revisions', Wash. Times, Aug. 15, 1997, at B7.

191. See Bartsch, 391 F.2d at 155-57.

192. See William Landes & Richard Posner, An Economic Analysis of Copyright Law, 18 J. Legal Stud. 325-28 (1989). Economies of scale and theories of economic utility are encompassed in the very grain of copyright law and the motivation behind it. See id. The very basis of individual creativity is sparked by a government granted monopoly in the copyright, pushing economically against the public's right to have access to information. See id.

193. See Rosenzweig, supra note 174, at 920-29.

194. See Tasini, 972 F. Supp. at 815 (citing H.R. Report No. 94-1476, 94th Cong. 122 (1976)). The Congressional intent behind section 201(c) was to prevent publishers of collective words from usurping their power, and thus taking all rights in the individual articles from the contributive authors. See id. The creators of collective works have only limited rights in the contributions, but those limited rights are

Congressional intent.

212. See Copyright Revision, supra note 195, at 6; see also Bartsch, 391 F.2d at 154-55; Tasini, 972 F. Supp. at 804-12.

213. See Copyright Revision, supra note 195, at 6.

214. David Armstrong, Writers' On-Line Rights Hot Topic At Conference, S.F. Examiner, Feb. 29, 1996, at B5.

215. Davis Einstein, Free-Lance Writers Vow to Fight for Electronic Rights, S.F. Chronicle, Aug. 15, 1997, at B1.

216. See id.

217. Id.

218. Id.

219. Mark Garring, Business Financial Desk, L.A. Times, Sept. 2, 1997, at B3.

220. See id.

221. See id.

222. See id.

223. See id.

224. See id.

225. See Rita Ciolli, Writers Lose Decision On Electronic Publishing, Newsday, Aug. 14, 1997, at B16.

226. See id.

227. Garring, supra note 219, at B3.

228. See id.

229. See id.

230. See id.

231. See H.R. Rep. No. 94-1476, 94th Cong., 2d Sess., at 122 (1976); see also Litman, supra note 20, at 857.

232. See generally H.R. Rep. No. 94-1476; see also Litman, supra note 20, at 857.

233. See generally H.R. Rep. No. 94-1476.

234. See id.; see also Litman, supra note 20, at 857.

235. Litman, supra note 20, at 864-65.

236. See Rosenzweig, supra note 174, at 931.

237. See id. at 931-32.

238. Id. at 931-33.

239. See id.

240. See id.

241. See id. at 931-34.

242. See, e.g., Sony Corp. of Am. v. Universal City Studios, Inc. 464 U.S. 417, 417 (1984).

243. See Rosenzweig, supra note 174, at 931-33.

244. See id.

245. See id.

246. See Litman, supra note 20, at 865-68.

247. Tasini v. New York Times Co., 972 F. Supp. 804, 827 (S.D.N.Y. 1997).

248. See id.

249. Id. at 827

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250. See Craig Joyce et al., Copyright Law 1.04, at 9 (3d ed. 1995).

251. See id. at 9-10.

252. See id.

253. See id. (citing U.S. Const. art. 1, 8, cl. 8). The Constitution granted Congress the 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." Id.

254. See Joyce, supra note 250, at 9-10.

255. See U.S. Const. art I, 8, cl. 8.

256. See Joyce et al., supra note 250, at 9-10.

257. See id.

258. Id.

259. See Joyce, supra note 250, at 11.

260. See id.

261. See id.

262. See Joyce et al., supra note 250, at 11.

263. See id.

264. See id. Congress made adjustments to the Act as an attempt to make

the Act operational with the advancing technologies. See id. For example, in 1912, motion pictures were added as a subject matter category; in 1952, a right to authorize a performance for profit was provided for non-dramatic literary works; and in 1954, the U.S. ratified the Universal Copyright Convention, creating an international copyright recognition with member nations. See id.

265. See id.

266. See id. at 12-14.

267. See id. Congress addressed the much needed changes to the Act by creating a federal preemption to copyright law; expanding the range of subject matter covered by the act to include a broader range of works; division of owner's bundle of rights; a simplified basic measure of copyright term for the life of the author plus 50 years and; other key points that will not be covered in this Comment. See id.

268. See id.

269. See id. Under the 1976 revision to the Copyright Act, there is no longer a dual system of federal law for published works and state law for unpublished work. Now, all original works of authorship that are fixed in a tangible medium of expression are covered by federal law at the moment of creation, and states may still govern those works that are unfixed expressions. See id. at 12.

270. See id. at 12-14.

271. See id.

272. See id.

273. See id.

274. See id.

275. See Joyce, supra note 250, at 12-14.

276. See supra Part III.C.

277. See Tasini v. New York Times Co., 981 F. Supp. 841, 847-51 (S.D.N.Y. 1997).

278. See supra Part IV.C.

279. See supra Part II.A.

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[This is a good summary of the state of the two big current US legal cases that we're watching with great interest. Worth your reading time. - DC]

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Does 'Ryan' put 'Tasini' on the road to reversal?
Authors' victory in photocopy distribution case causes some to question viability of 'Tasini.'

BY DON F. LIVORNESE

SPECIAL TO THE NATIONAL LAW JOURNAL

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With the advent of the electronic information age, an entirely new set of distribution channels has emerged, through which periodical publishers have
begun to republish their content. Some publishers, for example, are making past volumes of their periodicals available for sale on compact disc. Others are licensing their content to third-party database compilers that combine the periodicals of multiple publishers on databases, which are made
available for searching or downloading over the Internet.

Because this information has until now sat unused after its initial

publication, publishers and database compilers alike are eagerly embracing these new electronic database distribution opportunities, as well as the additional revenues they generate. Researchers and the public as a whole are benefiting immeasurably from the increased and widespread availability of the underlying information.

In contrast to publishers and database compilers, freelance authors as a class have been slow to embrace the electronic redistribution concept. The primary reason for their concern has been the database compilers' refusal to pay them licensing royalties. Authors claim that, pursuant to the first sentence of S 201(c) of the Copyright Act, they continue to hold a copyright in their underlying contribution.

Sec. 201(c) provides, "Copyright in each separate contribution to a collective work is distinct from copyright in the collective work as a whole, and vests initially in the author of the contribution. In the absence of an express transfer of the copyright or of any rights under it, the owner of copyright in the collective work is presumed to have acquired only the privilege of reproducing and distributing the contribution as a part of that particular collective work, any revision of that collective work, and any later collective work in the same series." Pursuant to the first sentence of S 201(c), authors claim that they are entitled to compensation when their individual contributions are republished as part of a collective work.

Publishers, on the other hand, contend that they have a copyright in the collective work as a whole. Sec. 101 defines a collective work as a "work, such as a periodical issue, anthology, or encyclopedia, in which a number of contributions, constituting separate and independent works in themselves, are assembled into a collective whole." Publishers claim that the second sentence of S 201(c), which permits the owner of a copyright in a collective work to make a "revision" to the whole, permits them to compile and distribute electronic "revisions" of their publications, or license others to do so, without additional compensation to individual

contributing authors.

'Tasini' set the standard

In a landmark case of first impression, in 1997, the U.S. District Court for the Southern District of New York resolved the issue in favor of publishers. In Tasini v. New York Times Co.,1 several freelance authors sued the New York Times, Newsday, Sports Illustrated and several database compilers for copyright infringement arising from the defendants' creation of full-text databases of previously published periodicals.

The court held that the conversion to an electronic format was a permissible revision under S 201(c) because the database maintained the original selection of articles and that the defendant publishers and compilers could create those databases without obtaining permission from or giving compensation to the authors. Most troubling for authors was the fact that searches performed on the databases retrieved the full content of individual articles, as opposed to the entire issues.2 Users of the database therefore could print copies of individual articles without knowing which other articles were part of the same collective work. As expected, the decision has been hailed as an overwhelming victory for publishers and a bitter defeat for authors.

In October 1998, the U.S. District Court for the Northern District of California issued a copyright ruling that has fueled the authors' claim for entitlement to royalties. Does Ryan v. Carl Corp.3 contradict Tasini and vindicate the rights of freelance authors, obligating publishers and database compilers to pay royalties for republication of the authors' contributions to collective works? Is a split of authority developing between district courts in New York and California, giving authors and publishers the ability to forum shop for the court most sympathetic to their cause?

In Ryan, the plaintiffs were four authors who had published articles in magazines and scholarly journals. Defendant UnCover, a partnership owned by

defendants CARL Corp. and Dialog Corp., was a document retrieval and delivery business. UnCover maintained an Internet database that contained the titles, but not the text, of about 8 million articles from about 17,000 periodicals.

UnCover's customers--mostly libraries and some individuals--could search
the Internet database by title, author, periodical title and subject. When a customer requested an article, an UnCover representative would go to a library that carried the periodical, make a photocopy of the article and send it to the customer. The fee charged depended on how quickly the customer needed the article. After the article was sent, UnCover sent a copyright payment to the publisher or a copyright clearinghouse.

UnCover did not contact or send any payment to the authors of the copied articles. The plaintiffs repeatedly ordered copies of their articles, which were listed in UnCover's Internet database. In each instance, UnCover photocopied and delivered copies of the articles without asking the authors' permission or making copyright payments. The plaintiffs filed a class action for copyright infringement on behalf of all authors whose articles were being photocopied and delivered by UnCover.

How 'Ryan' and 'Tasini' differ

In contrast to Tasini, the authors in Ryan never challenged the propriety of UnCover's database. This was not surprising, as the database did not include full text and thus included none of the authors' copyrighted content. The court in Ryan therefore never addressed the central issue in Tasini: whether a full-text database that includes the publishers' copyrighted content was a permissible revision under S 201(c). For this reason, Ryan would appear at first glance to have little impact on the holding in Tasini.

Instead of claiming that UnCover's database was an infringement, the authors in Ryan alleged that UnCover infringed their copyrights by sending representatives to the library to photocopy their individual articles. Under copyright law, photocopying individual articles from a collective work is a classic case of infringement, assuming that the author never transferred away his or her right in the contribution. This has been the case since long before Tasini was decided in 1997. Indeed, if publishers

were able to photocopy contributing articles freely, without the authors' consent, that would render the authors' rights in their individual contributions--as provided by S 201(c)--essentially worthless.

Facing a likely finding of infringement as a result of its photocopying, UnCover alleged that the photocopies were permissible "revisions" under S 201(c). UnCover did so by suggesting a novel interpretation of S 201(c) whereby the publisher (the holder of the collective work) would have been presumed to have acquired the privilege of reproducing and distributing "any revision of the collective work," as opposed to "the contribution as a part of any revision of that collective work" under the interpretation proposed by the plaintiffs. UnCover argued that S 201(c) therefore granted it the privilege to make "any revision" of the publisher's collective work, including photocopy reproductions of the individual works of the contributing authors.

It is noteworthy that the court in Tasini had previously adopted the interpretation suggested by the plaintiffs in Ryan and not that suggested by UnCover.4 Apparently, even UnCover realized that photocopying individual articles is not a permissible "revision" pursuant to the interpretation of S 201(c) applied in Tasini.

The Ryan court ultimately granted summary adjudication in favor of the plaintiffs, holding that "publishers of a collective work do not have the right to reproduce individual contributions."5 The court left for another day the issue of whether the authors had previously surrendered their rights to the publishers. The court also expressly rejected the interpretation proposed by UnCover, stating that such an interpretation would impermissibly expand publishers' rights beyond that contemplated in the statute's legislative history ("Congress passed the section [201(c)] to enlarge the rights of authors," not publishers). The court found Tasini "instructive but not determinative" and held that "[n]o reasonable argument can be made that the defendants in this case are 'revising' their collective works when they photocopy individual articles." The court concluded that calling the reproduction of a single article a "revision" of a collective work "is more strained than even a flexible interpretation can withstand."6

How significantly Ryan impacts Tasini is a matter of perspective. For authors, Ryan looks like a step toward an eventual reversal of Tasini. From the authors' perspective, it is inconsistent to allow publishers and data compilers to retrieve electronic copies of their individual works pursuant to Tasini when they are expressly prohibited from photocopying those works pursuant to Ryan. Authors note Ryan's observation that S 201(c) was adopted to enlarge the rights of authors, as opposed to publishers, and they urge that Tasini be reversed because it flies in the face of Congress' intent.

Publishers and database compilers, on the other hand, submit that Ryan is of little significance because it addresses the limited issue of photocopying individual articles, an activity that they do not perform. Moreover, Tasini already addressed the issue of individual articles' being retrieved by database searches and found nothing improper with that practice. Publishers also submit that there is no conflict between Tasini and Ryan because Ryan never addressed the infringement considerations associated with a database containing full text of the collective work (UnCover's database did not include full text), which was the central issue in Tasini.

While the impact of Ryan has yet to be determined, it will have a significant impact on companies like UnCover, which are in the business of retrieving and copying individual articles. Pursuant to Ryan, these companies must now make royalty payments to the individual authors. But locating and keeping track of the whereabouts of thousands or even hundreds of thousands of authors could present an administrative nightmare too severe for any company to bear. One option would be the establishment of a copyright clearinghouse for authors, whereby the burden of contacting any paying authors could be shifted to the clearinghouse.

Ironically, Tasini suggests another alternative. UnCover might want to replace its Internet database with the full text of the underlying publications under license from the participating publishers. Pursuant to

Tasini, it could do so and offer users the opportunity to retrieve individual articles electronically. The customers could review and obtain copies of their articles more quickly than they can now, and UnCover could continue making payments only to publishers. This would certainly be a frustrating turn of events for authors, although it appears entirely permissible under Tasini.

As for Tasini, both sides are bracing for the decision by the U.S. Court of Appeals for the 2d Circuit. Key issues on appeal are whether the retention of the publishers' selection of underlying works alone will be sufficient to deem a database a "revision"; whether a database can be a "revision" of any particular collective work when it is actually a compilation of a large number of collective works; and whether users can retrieve and reproduce individual articles without payment of royalties to authors. Arguments by the publishers and database compilers have focused on the manner in which the integrity of the entire collective work is maintained on their databases, whereas authors have focused on the manner in which individual contributions are retrieved, displayed and copied separate and apart from the collective work as a whole.

Following 'Tasini'

In the meantime, at least one district court has followed Tasini and denied an author compensation for the electronic redistribution of his underlying works. In Greenberg v. National Geographic Society,7 a freelance photographer sued the National Geographic Society and others for copyright infringement based upon their production and sale of a CD-ROM set that contained every issue ever published of the National Geographic Society's magazine. The photographer had contributed a number of photographs to the magazine over the years, including one of a woman scuba diving around a coral reef.

The court held that because the original magazine selection and arrangement was preserved in the CD-ROM set, it constituted a permissible revision

under
S 201(c). The court granted summary judgment in favor of the National Geographic Society and the other defendants.

Of course, the holding in Tasini presumes that authors have retained the rights in their underlying contributions. Many publishers, however, would prefer to avoid the implications of S 201(c) entirely, as well as the pending uncertainty over whether the district court's ruling in Tasini will be upheld on appeal.

Thus many publishers are adopting or contemplating adopting "all rights" contracts, whereby authors surrender all of their rights, including the rights to their individual contributions. The New York Times, for example, adopted such a policy even before the Tasini decision was published. [Not really; that applies only to some sections of the Times. - DC] Only time will tell how successful publishers will be in convincing (or coercing, depending on one's viewpoint) authors to sign such agreements.

Footnotes

(1) 972 F. Supp. 804 (S.D.N.Y. 1997).

(2) Id. at 821.

(3) 23 F. Supp.2d 1146 (N.D. Calif. 1998).

(4) Tasini, 972 F. Supp. at 820 ("The key limitation imposed upon publishers under Section 201(c) rests in the fact that publishers are permitted only to reproduce a particular plaintiff's article 'as part of' a revised version of 'that collected work' in which the article originally appeared").

(5) Ryan, 23 F. Supp.2d at 1150.

(6) Id.

(7) No. 97-3924-CIV, 1998 U.S. Dist. Lexis 18060 (S.D. Fla. May 14, 1998).

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---------- Headers ----------

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