Distributed by Penny Hill Press
http://pennyhill.com

Order Code RS20964
July 13, 2001

CRS Report for Congress

New York Times Co. v. Tasini: The U.S. Supreme Court Affirms "Authorial" Rights in Copyright

Robin Jeweler
Legislative Attorney
American Law Division

Summary

This report examines the U.S. Supreme Court's opinion in *New York Times Co. v. Tasini*. This case considers whether, under the U.S. Copyright Act, 17 U.S.C. § 201(c), publishers are "privileged" to include the copyrighted articles of freelance authors in an electronic database. The authors contended that the copyright interest they conveyed to the publishers for original publication of their articles did *not* permit their subsequent reproduction and distribution in electronic databases. The Print and Electronic Publishers argued that the databases were a permissible "revision" of the original periodicals. Interpreting the Copyright Act to emphasize the primacy of authorial rights, the Court found for the freelance authors. The Court's analysis is discussed below.

On June 25, 2001, in *New York Times v. Tasini Co.*,[1] the U.S. Supreme Court held that newspapers and magazines that publish articles written by freelance authors do not automatically have the right to include those articles in electronic databases.

Background. Jonathan Tasini and five freelance writers brought suit against the New York Times, Newsday and Time, Inc. (Print Publishers) for copyright infringement as a consequence of the inclusion of their articles in electronic databases. The Print Publishers licensed rights to print and sell articles to LEXIS/NEXIS and University Microfilms International (UMI)(Electronic Publishers), who placed the articles in the electronic databases: LEXIS, the New York Times OnDisc (NYTO), and General Periodicals OnDisc (GPO). UMI issued CD-ROM products. NYTO is a text-only database containing Times articles presented in the same manner as they are displayed in LEXIS/NEXIS; GPO is an image-based system that reproduces the Time's Sunday Book Review and Magazine as they appear in the print editions, complete with photographs, captions, advertisements, and other surrounding material. In both NYTO and GPO, as in LEXIS/NEXIS, the articles retrieved by users appear individually, without links to the original publication.

---

[1] 2001 U.S. LEXIS 4667.

The writers brought suit in a U.S. district court alleging copyright infringement by both the Print Publishers and the Electronic Publishers. Plaintiffs sought declaratory and injunctive relief and damages. As a defense, the publishers asserted the privilege to include a copyrighted work in a revision of a collective work. The privilege is accorded publishers under 17 U.S.C. § 201(c) of the Copyright Act which 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 part of that particular collective work, any revision of that collective work, and any later collective work in the same series.

The district court issued a summary judgment in favor of the publishers, holding that the databases were "part of . . .[a] revision of that collective work." The Second Circuit Court of Appeals reversed, holding that the databases were *not* among the collective works covered by § 201(c), and specifically were not revisions of the periodicals in which the articles were originally published.

The Court's Decision. In a 7-2 decision prepared by Justice Ginsburg, the Court examined the legislative history of the authorial rights of freelance writers and explained why the electronic databases are not, in the Court's view, "revisions" of the original collective works.

Prior to enactment of the current copyright law in 1976, a freelance author's contribution to a collective work was preserved only if the article was published with a copyright notice in the author's name. Since this was rarely done – or because the notice appeared only in the publishers name – a freelance author's contribution to a collective work could easily fall into the public domain. Thus, even though a freelance writer could theoretically retain a copyright interest in a contribution to a collective work, the right was easily relinquished or unenforceable.

In the 1976 Copyright Act, Congress acted to remedy this perceived inequity. The law specifies that a single notice applicable to a collective work as a whole is sufficient to protect the rights of freelance authors.[2] Further, it expressly provides that an exclusive right, including a subdivision of any right, may be transferred and owned separately.[3] And, the provision of § 201(c), quoted above, expressly provides that the copyright in a contribution to a collective work is *distinct* from the rights in the work as a whole. It describes and *limits* the "privilege" a publisher acquires regarding an author's contribution to a collective work. This adjustment in rights between the freelance author and the publisher, the Court explained, is designed to accommodate a freelancer's copyright in her contribution. After authorizing the initial publication, the freelance author may resell the article to others. Because the 1976 Copyright Act clearly demonstrates congressional intent to protect the divisible but retained copyright interest of the freelancer in an article

---

[2] 17 U.S.C. § 404(a).

[3] 17 U.S.C. § 201(d)(2).

that is initially published as part of a collective work, the Court was not willing to interpret § 201(c) in a manner that it believed would diminish the authors' exclusive rights.

The Court acknowledged that there were no factual disputes regarding ownership of the freelancers' copyright interests. The sole question before it was whether the transmission by the Print Publishers to the Electronic Publishers, and their commercial use of the material, was encompassed by the § 201(c) privilege of revision.

To determine whether the articles were reproduced and distributed as part of a revision of the collective works, the Court focused on "the Articles as presented to, and perceptible by, the user of the Databases."[4] It lent great weight to the fact that when the user conducts a search, the electronic databases produce each article as a separate item. Despite the fact that the article notes its placement, page number, etc. in the publication, it is displayed with minimal connection to the original publication.[5] Indeed, the Court refused to view the vast scope of collected articles within each electronic database as in any way constituting a "revision" of the original newspaper or magazine from which the article was extracted:

> One might view the articles as parts of a new compendium – namely, the entirety of works in the Database. In that compendium, each edition of each periodical represents only a minuscule fraction of the ever-expanding Database. The Database no more constitutes a "revision" of each constituent edition than a 400-page novel quoting a sonnet in passing would represent a "revision" of that poem. "Revision" denotes a new "version," and a version is, in this setting, a "distinct form of something regarded by its creators or others as one work."... The massive whole of the Database is not recognizable as a new version of its every small part.[6]

The publishers argued that the databases were comparable to the permitted collections of periodicals maintained on microfiche or microfilm. But the Court rejected the analogy, distinguishing microforms because each article appears in context. Although a user can extract an individual article, she must manipulate the microform much as she may have used the original. That is, if an article appears on page A2 and is continued on page A12, the reader must view reproductions of those pages on the film. The databases, in contrast, offer users *individual* articles, not intact periodicals.

The fact that a user can manipulate the database to generate search results consisting only of articles from a particular periodical edition did not sway the Court. Because a database can be used in a noninfringing manner does not immunize it from other infringing activity.

---

[4] Slip opinion at 14.

[5] The right to "display" a work publicly is one of the author's discrete rights in 17 U.S.C. § 106(5). The Register of Copyright suggested that the authors' display right was implicated in the litigation and therefore, the publishers' privilege of reproduction and distribution under § 201(c) need not be the legal fulcrum for resolving the issue. 147 CONG. REC. E182-3 (daily ed. Feb. 14, 2001). The Court did not reach this contention, which was not argued by the parties to the case.

[6] Slip opinion at 15. (Citation omitted.)

The Dissent. The dissenting opinion, written by Justice Stevens and concurred in by Justice Breyers, expressed a far broader view of a possible "revision" of a collective work – one that would encompass the material on the electronic databases. In their view, the stand-alone aspect of the databases' document retrieval coupled with information identifying its context in the original publication *is* sufficient to support the publishers' revision privilege.

They based their conclusion on several principles. They felt that the argument of the publishers invoking the concept of "media neutrality," the principle that the transfer of a work between media does not alter its character for copyright purposes, was persuasive:

> No one doubts that the New York Times has the right to reprint its issues in Braille, in a foreign language, or in microform, even though such revisions might look and feel quite different from the original. Such differences, however, would largely result from the different medium being employed.[7]

The minority viewed the stand-alone feature of articles in electronic databases as an integral feature of the medium employed, computer generated ASCII text files. They were not satisfied with the majority's distinction between permissible microfilm collections and electronic databases.

Nor do they believe that the majority adequately balances authorial copyright interests against the public's interest in broad availability of literature, music, and other arts. The paramount copyright goal created by the explicit reservation of the freelancer's copyright in a contribution to a collection is to ensure his or her ability to exploit its value in additional media venues: for example, by republication in a new collection such as the author's collected essays or from resale to different publications. They concluded that finding copyright infringement in the case before them is not likely to enhance the copyright value of the freelance author's relationship to the original publisher in a meaningful or permanent way.

First, according to the publishers, since 1995, the New York Times has required freelance authors to grant complete "electronic rights" in addition to print rights. But this has not had a discernible impact on the freelancers' compensation. Second, the dissenters presume that the vast majority of database users seek comprehensive and easily searchable collections of periodicals, not the individual writings of freelance authors. Therefore, they conclude that the Court's holding does not increase the value of the authorial right in a pragmatic way – other than their right to retrospective statutory damages for copyright infringement.

Impact of the Court's Decision. Great concern was expressed in many quarters – including many publishers, historians, and scholars – over the consequences of a holding for the freelance authors. The publishers contend that either a judicial injunctive remedy ordering the excision of the infringing articles from the databases, or their voluntarily removal by the publishers themselves in order to mitigate damages for infringement, would leave a great information void in the historic record encompassed by the databases. The Court, however, viewed excision of the infringing material from electronic databases as

---

[7] Slip opinion at 8.

unnecessary and undesirable. It suggested alternative scenarios such as negotiated agreements between the authors and the publishers to authorize continued electronic reproduction of the infringing articles, or blanket licensing arrangements patterned after those utilized by the music industry. Regardless of the consequences, however, the Court would not subordinate its view of the scope and implementation of authorial rights under the Copyright Act to speculation about future harm. Or, as expressed by the Register of Copyright, the *Tasini* case should be about authorial rights and the compensation of authors, not the preservation of electronic databases.

The dissent expresses greater concern than the majority over the impact on the public, which, it believes, stands to lose many of the principal benefits from access to comprehensive electronic archives, with little, if any, benefit to either authors or readers.