***Jules Jordan Video* and Works for Hire**

Thomas G. Field, Jr.

Aside from a convoluted history with one judge dying, a second retiring and the third being reversed in all respects, Jules Jordan Video, Inc. v. 144942 Canada Inc., 2010 WL 3211818 (9th Cir. 2010), is a relatively straight-forward case involving claims based on rights of publicity and copyright. The issues centering on copyright's work-for-hire doctrine, however, merit close attention.

After defendants were found by a jury to have infringed copyright in several videos, the district court granted their motion for judgment as a matter of law because, in its view, neither of two plaintiffs had standing to bring the action. As seen by that court, the copyrights were indisputably owned by Jules Jordan Video (JJV) as works for hire under § 204(b). Registration, necessary for standing under § 411(a), however, was in the name of JJV's employee, Ashley Gasper. Thus, despite the § 410(c) presumption with regard to validity and the truth of facts recited in the application, the court found JJV not to be the owner and the registration to be invalid.

As seen by the 9th Circuit, however, "The problem with the district court's analysis is that JJV was a one-man shop." *Id.* at *7. Because a work is "made for hire" under § 101 only if it is produced within the scope of an employee's duties, the court first noted, "It was all Gasper all the time. JJV as employer and Gasper as employee could certainly agree as to the scope of the employee's employment, and could agree that Gasper should retain all copyrights. Since JJV was Gasper, JJV intended whatever Gasper intended, and if Gasper intended that his creative work be outside the scope of his employment with JJV, there was no one to disagree." *Id.*

Not content to stop there, the court offered a second approach to resolving the

problem. Under that view, JJV could be regarded as the owner and Gasper could be seen as having made an inadvertent mistake on the application. From that perspective, such a "mistake (if there was one)" could benefit a defendant only if it relied on it. Nothing was found to support that proposition. Moreover, the court said, "Indeed, there was no need to defraud anyone with respect to ownership. If Gasper had really believed that JJV owned the copyright[s], as defendants argue on appeal, he had no need to lie…. If he knew that JJV was the owner and wanted to own them himself, he needed only to transfer them to himself…. A simple written note or memorandum of transfer signed by himself on behalf of JJV would have been sufficient, 17 U.S.C. § 204(a)." *Id.* at *8.

Unwilling to stop even there, the court found Billy-Bob Teeth, Inc. v. Novelty, Inc., 329 F.3d 586 (7th Cir. 2003), to offer yet a third basis for reversal. Billy-Bob Teeth held that an oral assignment can be confirmed later in a writing; 329 F.3d at 591. "Thus, had Gasper's testimony been sufficient to support an oral agreement between JJV and himself that any copyright technically owned by JJV was to be conveyed to him, defendants would have had no standing to complain that the agreement was never put in writing." *Id.* at *8. In that vein, the court echoed *Billy Bob Teeth* by quoting Imperial Residential Design, Inc. v. Palms Dev. Group, Inc., 70 F.3d 96, 99 (11th Cir. 1995), "When there is no dispute between the copyright owner and transferee, it would be unusual and unwarranted to permit a third-party infringer to invoke § 204(a) to avoid suit for copyright infringement." *Id.*

Not that it seems to make much difference, conditions in § 204(b), not those in § 204(a), apply to work-for-hire transfers between employees and employers. Section 204(b) provides that the employer, "unless the parties have expressly agreed otherwise in a written instrument signed by [both of] them owns all of the rights comprised in the

copyright." Thus, to comply with that provision, Gasper would have had to sign *twice,* once as JJV and again as himself, highly exalting form over substance.

The 11th, and now the 9th, Circuit's approach to transfer challenges lodged by parties interested only in escaping infringement liability has much to commend it — particularly when defendants need not fear that, having answered to one owner, they might have to pony up for still another.

I, however, favor yet still another approach, one advanced in *From Custom to Law in Copyright,* 49 Idea 125, 143 n.140 (2008), http://ssrn.com/abstract=1150303 (dealing with academic works for hire). As I urge there, § 507(b) answers better because that section bars all claims filed after three years. Most often applied to infringement claims, it is not so limited.

That § 507(b) is not limited to monetary relief is clear from Merchant v. Levy, 92 F.3d 51, 56 (2d Cir. 1996), where the court said, "A cause of action accrues when a plaintiff knows or has reason to know of the injury upon which the claim is premised." Finding that condition met and applying § 507(b), *Merchant* says, "plaintiffs claiming to be co-authors are time-barred three years after accrual of their claim from seeking a declaration of copyright co-ownership rights and any remedies that would flow from such a declaration." *Id. See also,* Davis v. Meridian Films, Inc., 14 Fed.Appx. 178, 181 (4th Cir. 2001) ("A coauthorship claim accrues only once, and, if an action is not brought within three years of accrual, it is forever barred.") Neither *Merchant* not *Davis* offers any basis for distinguishing owners from co-owners.

Although the *JJV* court lacked reason to discuss registration dates for the videos in question, it's doubtful that registration predated suit by fewer than three years. Thus, whoever claimed more than three years earlier was the owner. Should, despite 507(b), that issue ever be open to dispute, non-competing owners would have an opportunity to

satisfy § 204's conditions when the issue is raised.