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Who's the Author? A Bright-Line Rule for Specially Commissioned Works Made for Hire

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WHO'S THE AUTHOR? A BRIGHT-LINE RULE FOR SPECIALLY COMMISSIONED WORKS MADE FOR HIRE

> *Only one thing is impossible for God: to find any sense in any copyright law on the planet. Whenever a copyright law is to be made or altered, then the idiots assemble.*[1]
>
> —*Mark Twain*

> *When I was recently asked to write a television script, the studio insisted that I sign four copies of an affidavit giving it all rights to my writing "throughout the Universe in perpetuity." I telephoned a studio lawyer to see if I could keep a few moons of Jupiter. The lawyer became angry and pointed to the section of the affidavit in which I recognized that the studio "becomes the Author of the Writer's Work." "We mean it," the lawyer said.*[2]
>
> —*Charles Mann, Contributing Editor, The Atlantic Monthly*

"Who's the author" of this comment? Because my name appears at the top of this page and because I actually put fingers to keyboard to type out these words, most people would probably respond, "You are," and wonder why I asked them who authored my own paper. If I asked a copyright practitioner the same question, however, she may have a very different response. Instead of assuming I am the author, she would recognize that, as a single piece written for inclusion in a periodical, this comment is part of a "collective work," statutorily defined as "a work . . . in which a number of contributions, constituting separate and independent works in themselves, are assembled into a collective whole."[3] Because of this, the copyright practitioner would know my work may qualify as a "work made for hire" if certain other conditions are met. If they are, she would tell me that I am not the "author"

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1. MARK TWAIN, MARK TWAIN'S NOTEBOOK 381–82 (Cooper Square Publishers 1972).

2. Charles C. Mann, *Who Will Own Your Next Good Idea?*, ATLANTIC MONTHLY (Sept. 1998), http://www.theatlantic.com/past/docs/issues/98sep/copy3.htm.

3. 17 U.S.C. § 101 (2006 & Supp. IV 2010).

(statutorily, anyway) despite the fact that I am the individual who "created" the work.[4] Instead, "the employer or other person for whom the work was prepared is considered the author,"[5] which, in this case, would most likely be the *University of Richmond Law Review* (*"Law Review"*).[6]

The concept of authorship has major implications in U.S. copyright law. First and foremost, the copyright in a work "vests initially in the author . . . of the work."[7] Accordingly, if my comment is considered a work made for hire, the copyright in it would vest initially in *Law Review* instead of in me. But even if my comment is not a work made for hire, this is not the end of the story. While it is true that the copyright would vest initially in me, copyrights are freely transferrable;[8] I could easily sign an agreement with *Law Review* transferring all of my copyright rights to it. I would still be the author of the work, but *Law Review* would be the owner of the associated copyright. While both paths seemingly lead to the same result—that is, with *Law Review* owning the copyright in my comment—one other right authors have under U.S. copyright law makes the fact that I remain the author of the work significant.

U.S. copyright law grants to an author of a work other than a work made for hire a right to terminate any transfers (except testamentary transfers) she has made of her copyright, with the result being that ownership of the copyright reverts to the author of the work.[9] This termination right is a powerful one; it is inalienable and the author retains the right to terminate transfers "notwithstanding any agreement to the contrary."[10] If, therefore, my comment is not a work made for hire, and if I choose to transfer the copyright in my comment to *Law Review*, I will eventually have the right to terminate that transfer and regain ownership of the copyright. If, however, my comment is a work made for hire, no termination right will exist; the only way I could gain owner-

4. The term "creator" will be used to indicate the individual who authors a work in the colloquial sense, and the term "author" will be used to indicate the statutory author.

5. 17 U.S.C. § 201(b) (2006).

6. The term "commissioner" will be used to indicate the "employer or other person for whom the work was prepared." *Id.*

7. § 201(a).

8. *See* § 201(d).

9. *See* 17 U.S.C. § 203 (2006).

10. § 203(a)(5).

ship of any copyright rights in my comment would be to negotiate with *Law Review*.

Admittedly, the essentially non-existent financial stakes in my situation make the determination of who is the author of this comment mostly irrelevant. It is not difficult, however, to imagine situations where the financial stakes for both the commissioner and the creator of the work are substantially higher. For example, if you replace "me" with the screenplay writer for the next great Hollywood blockbuster and replace "*Law Review*" with a major movie studio, the possible financial stakes at issue become clear.[11] With the financial stakes as high as they could be, it is important that a commissioner and a creator know at the time they enter their agreement whether the agreement is a work made for hire agreement or simply a transfer agreement.

In determining whether a work is a work made for hire, one of the questions that must be asked is whether the creator and the commissioner agreed "in a written instrument signed by them" that the work would be a work made for hire.[12] The existence of a written agreement is a statutory requirement; if one does not exist, the work cannot be a work made for hire.[13] While this question seems like a simple one to answer, that seeming simplicity is deceiving. The statute makes no mention of *when* the required written instrument must be executed, and a split has developed between the circuit courts concerning this very matter. While all courts that have considered the matter have held that the parties must *agree* that the work is a work made for hire prior to the work's creation, some courts have held that the written instrument must also be executed prior to the work's creation, while others have held that the written agreement can be executed after the work's creation, so long as it memorializes some pre-creation agreement.[14]

This comment argues that the best way to clarify the answer to the question "Who's the author?" (and thus to clarify whether the creator has a termination right) is to resolve the circuit split in favor of a bright-line rule requiring execution of the written

11. Works created for use "as part of a motion picture" may also qualify as works made for hire. 17 U.S.C. § 101 (2006 & Supp. IV 2010) (definition of "work made for hire").

12. *Id.* (definition of "work made for hire").

13. *See id.*

14. *See infra* Part II.

agreement prior to the creation of the work. Part I introduces the legal framework under which the issue must be analyzed. Part II reviews the holdings on each side of the circuit split. Part III presents the arguments that both proper statutory construction of U.S. copyright law and the legislative history of the termination right, which is closely related to the work made for hire provision, support the contention that the statute should be read to impose the bright-line rule. Part IV concludes.

I. BACKGROUND

Article 1, Section 8 of the Constitution gives Congress the power "[t]o promote the Progress of . . . useful Arts, by securing for limited Times to Authors . . . the exclusive Right to their respective Writings."[15] Under this constitutional authority, Congress enacted the Copyright Act of 1976 (the "1976 Act"),[16] a comprehensive statutory scheme providing federal copyright protection to authors for their copyrightable works. Prior to the passage of the 1976 Act, the last major U.S. copyright legislation was passed in 1909 (the "1909 Act").[17] By the time the 1976 Act was passed, the need for a revision of the nation's copyright laws was long overdue. In describing the need for a revision of the copyright law back in 1961, then–Register of Copyrights Abraham L. Kaminstein described the 1909 Act as "uncertain, inconsistent, or inadequate in its application to present-day conditions."[18]

The 1976 Act, while described within the bill as a "general revision" of copyright law, in fact completely replaced the nation's previous copyright laws with an entirely new copyright paradigm.[19] While current copyright practitioners might scoff at the proposition,[20] one of the primary purposes of passing the 1976 Act

15. U.S. CONST. art. I, § 8, cl. 8.

16. Copyright Act of 1976, Pub. L. No. 94-553, 90 Stat. 2541 (codified as amended at 17 U.S.C. §§ 101–810 (2006 & Supp. IV 2010)).

17. Act of Mar. 4, 1909, Pub. L. No. 60-349, 35 Stat. 1075, *repealed by* Copyright Act of 1976.

18. STAFF OF H. COMM. ON THE JUDICIARY, 87TH CONG., REPORT OF THE REGISTER OF COPYRIGHTS ON THE GENERAL REVISION OF THE U.S. COPYRIGHT LAW ix–x (Comm. Print 1961) [hereinafter REGISTER'S REPORT 1961].

19. *See* Copyright Act of 1976 (amending title 17 of the U.S. Code "in its entirety").

20. *See, e.g.*, Jessica D. Litman, *Copyright, Compromise, and Legislative History*, 72 CORNELL L. REV. 857, 860 & n.32 (1987) (describing the 1976 Act as "complicated" and "unclear," and citing, as an example, the "reams" of material written on just the federal preemption provision of the 1976 Act, 17 U.S.C. § 301 (2006)).

was to clarify U.S. copyright law.[21] Prior to the passage of the 1976 Act, the United States had a dual system of copyright protections: unpublished works were protected by state common law, while published works were protected by federal law.[22] In eradicating this "anachronistic, uncertain, impractical, and highly complicated dual system" of protections and creating one federal system, Congress sought to "improve the operation of the copyright law and . . . carry[] out the basic constitutional aims of uniformity and the promotion of writing and scholarship."[23] As the Supreme Court interpreted this history, Congress's "paramount goal" in seeking to clarify copyright law was to "enhanc[e] predictability and certainty of copyright ownership."[24]

Under the 1976 Act, copyright vests initially in the author of a work[25] at the moment of the work's creation.[26] The 1976 Act does not define the term "author," but, according to the Supreme Court, the author is usually the person who "actually creates the work."[27] The work made for hire provision, however, serves as the exception to this general rule; if a work is a work made for hire, "the employer or other person for whom the work was prepared is considered the author."[28]

There are two different ways that a work can be considered a work made for hire: If it is either (1) "prepared by an employee within the scope of his or her employment,"[29] or (2) a specially commissioned work, so long as the work fits into one of nine enumerated categories and "the parties expressly agree in a written instrument signed by them that the work shall be considered a work made for hire."[30] If the work is a work made for hire, the commissioner is the author of the work, and copyright ownership

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21. *See* H.R. REP. NO. 94-1476, at 129 (1976), *reprinted in* 1976 U.S.C.C.A.N. 5659, 5745.

22. *Id.*

23. *Id.*

24. Cmty. for Creative Non-Violence v. Reid, 490 U.S. 730, 749 (1989) (citing H.R. REP. NO. 94-1476, at 129).

25. *See* 17 U.S.C. § 201(a) (2006).

26. *See* 17 U.S.C. § 101 (2006 & Supp. IV 2010) (definition of "created"); 17 U.S.C. § 102(a) (2006).

27. *Cmty. for Creative Non-Violence*, 490 U.S. at 737.

28. § 201(b).

29. § 101 (definition of "work made for hire"). Subsection (1) of the "work made for hire" definition is not discussed further in this comment.

30. *Id.*

vests in the commissioner.[31] Otherwise, the creator is the author, and the commissioner and the author are free to contract for transfer of copyright ownership to the commissioner,[32] subject to the author's future termination rights.[33]

Subsection (2) of § 101 ("Subsection (2)") lists three separate requirements for a work made for hire. First, the work must be "specially ordered or commissioned."[34] Second, the work must fit within one of a list of nine enumerated types of works.[35] Finally, the parties must "expressly agree in a written instrument signed by them that the work shall be considered a work made for hire."[36] The requirement of an express, written agreement, while seemingly clear, does not expressly indicate whether the written agreement needs to be executed by the parties before the work is created, and disagreement has arisen between the circuit courts concerning this requirement.[37] Some courts have held that execution of the written agreement must occur prior to the creation of the work,[38] while at least one other has held that the agreement may be executed after the work is created, but only if the written agreement reflects some pre-creation agreement that the work be considered a work made for hire.[39]

II. THE CIRCUIT SPLIT: WHEN MUST THE WRITING BE EXECUTED?

In recent years, the courts of appeals have split on whether the express written agreement required under Subsection (2) must be executed prior to the creation of the putative work made for hire. The Seventh and Ninth Circuits have held that express written agreements must be executed by both parties prior to creation of

31. *See* § 201(b).

32. *See* § 201(d).

33. *See* 17 U.S.C. § 203(c) (2006).

34. § 101 (definition of "work made for hire").

35. *Id.* ("[F]or use as a contribution to a collective work, as a part of a motion picture or other audiovisual work, as a translation, as a supplementary work, as a compilation, as an instructional text, as a test, as answer material for a test, or as an atlas.").

36. *Id.*

37. *Compare* Gladwell Gov't Servs., Inc. v. Cnty. of Marin, 265 F. App'x 624, 626 (9th Cir. 2008) (unpublished op.) (writing must precede creation of work), *and* Schiller & Schmidt, Inc. v. Nordisco Corp., 969 F.2d 410, 413 (7th Cir. 1992) (same), *with* Playboy Enters., Inc. v. Dumas, 53 F.3d 549, 559 (2d Cir. 1995) (writing may postdate creation if "memorializing" earlier explicit or implicit agreement).

38. *E.g.*, *Gladwell Gov't Servs., Inc.*, 265 F. App'x at 626; *Schiller*, 969 F.2d at 413.

39. *Dumas*, 53 F.3d at 559.

the work in order to satisfy Subsection (2)'s writing requirement,[40] while the Second Circuit has held that the required writing may be executed post-creation, as long as there was some pre-creation agreement that the work would be considered a work made for hire.[41] This part reviews the primary decisions on each side of the split.

A. *The Written Agreement Must Precede Creation of the Work*

1. *Schiller & Schmidt, Inc. v. Nordisco Corp.*

In *Schiller & Schmidt, Inc. v. Nordisco Corp.*, the Seventh Circuit had to determine, among other things, who owned the copyrights in eighteen photographs that appeared in both Schiller & Schmidt's ("Schiller") and Nordisco's mail-order catalogues.[42] Schiller brought suit against Nordisco for copyright infringement for using the eighteen photographs in its catalogue after they had first appeared in Schiller's catalogue.[43] The photographs were taken by an independent contractor hired by Schiller and at Schiller's direction.[44] Schiller had to prove that it owned copyrights in the eighteen photographs in order to have standing to bring suit for infringement.[45] One of the arguments Schiller advanced in claiming it owned the copyrights was that the photographs were works made for hire under Subsection (2).[46] According to the court, there was no question that the works were specially commissioned by Schiller and fit within one of the nine enumerated categories of works.[47] The determinative factor on this issue, therefore, was whether there was a writing sufficient to satisfy Subsection (2)'s requirements.[48] A writing existed, signed by the independent contractor (but not by Schiller), that "agree[d] that [Schiller] *has* owned the copyright [in the photos]," but the writing was executed by the independent contractor well after the photographs were taken and the mail-order catalogues

40. *See Gladwell Gov't Servs., Inc.*, 265 F. App'x at 626 ; *Schiller*, 969 F.2d at 413.
41. *Dumas*, 53 F.3d at 559.
42. *Schiller*, 969 F.2d at 412.
43. *Id.* at 411–12.
44. *Id.* at 411.
45. *See id.* at 412.
46. *See id.*
47. *Id.*
48. *See id.*

were created.[49] After analyzing the statutory language of Subsection (2), the court held that the writing "came too late," and that the work therefore did not qualify as a work made for hire.[50]

In coming to its decision, the court noted that the writing requirement of Subsection (2) did not serve "merely [as] a statute of frauds, although that is the purpose emphasized by the cases."[51] Citing the Supreme Court's interpretation of the legislative history of the work made for hire doctrine, the court held the writing requirement "has a second purpose—to make the ownership of property rights in intellectual property clear and definite, so that such property will be readily marketable."[52] Accordingly, the court held that "[t]he writing must precede the creation of the [work] in order to . . . identify[] the (noncreator) owner unequivocally."[53] Because the writing was not executed until after the photographs were taken, the work could not be considered a work made for hire despite the writing's attempt to retroactively declare the photos as such.[54]

2. *Gladwell Government Services, Inc. v. County of Marin*

In *Gladwell Government Services, Inc. v. County of Marin*, the Ninth Circuit had to determine whether Diane Gladwell's declaratory action claiming copyright ownership in works she created was sufficient to survive a motion to dismiss filed by Marin County claiming that a work made for hire agreement gave the county ownership (and authorship) in Gladwell's works.[55] Gladwell claimed some of her works had been created prior to her signing any agreement with Marin County.[56] The parties agreed that

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49. *Id.* (first and third alterations in original) (emphasis added) (internal quotation marks omitted).

50. *Id.* at 412–13. While it may be argued that the language used in the alleged work made for hire agreement might not have been sufficient to create such an arrangement even if it had been signed prior to creation of the photographs, the court ruled explicitly on the issue of the timing of the agreement. *Id.*

51. *Id.* at 412 (citing Dumas v. Gommerman, 865 F.2d 1093, 1101 (9th Cir. 1989); Easter Seal Soc'y for Crippled Children & Adults of La., Inc. v. Playboy Enters., 815 F.2d 323, 328 n.8 (5th Cir. 1987)).

52. *Id.* (citing Cmty. for Creative Non-Violence v. Reid, 490 U.S. 730, 750 (1989)).

53. *Id.* at 413.

54. *See id.* at 412–13.

55. Gladwell Gov't Servs., Inc. v. Cnty. of Marin, 265 F. App'x 624, 625 (9th Cir. 2008) (unpublished op.).

56. *Id.*

Subsection (2) was the governing provision on the matter and that the work was both specially ordered or commissioned and that the work was a compilation and therefore one of the nine categories of works listed in Subsection (2).[57] Accordingly, the determinative issue was whether the work made for hire agreement could retroactively make those previously created materials works made for hire.[58]

In finding that Gladwell's claim was sufficient to defeat a motion to dismiss, the court held "[t]he plain language of [Subsection (2)] indicates that a work-for-hire agreement cannot apply to works that are already in existence. Works 'specially ordered or commissioned' can only be made *after* the execution of an express agreement between the parties."[59] The court cited both *Schiller* and *Playboy Enterprises, Inc. v. Dumas* for this proposition, despite the fact that *Dumas* held that post-creation writings can effectively memorialize pre-creation non-written work made for hire agreements.[60] Nevertheless, the court quoted the *Schiller* court, stating "'[t]he writing must precede the creation of the property' to qualify as a work-for-hire agreement."[61] Despite the ambiguity, it appears that the Ninth Circuit, on balance, supports the view that the bright-line construction of Subsection (2) is the correct one.

B. The Writing May Memorialize a Pre-Creation Oral Agreement: Playboy Enterprises, Inc. v. Dumas

In *Playboy Enterprises, Inc. v. Dumas*, the Second Circuit had to determine whether each of a series of approximately 285 pieces of artwork, painted by an independent contractor for publication in *Playboy* magazine, should be considered works made for hire.[62]

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57. *See* Appellees' Brief at 11–12, *Gladwell*, 265 F. App'x 624 (No. 05-17327), 2006 WL 2427076; *see also* Appellants' Reply Brief at 12–15, *Gladwell*, 265 F. App'x 624 (No. 05-17327), 2006 WL 3032621 (arguing a work-for-hire agreement must precede creation of copyright-protected works like factual compilations).

58. *See Gladwell*, 265 F. App'x at 625–26.

59. *Id.* at 626 (citing Playboy Enters., Inc. v. Dumas, 53 F.3d 549, 558–59 (2d Cir. 1995); *Schiller*, 969 F.2d at 412–13).

60. *Id.*; *Dumas*, 53 F.3d at 559.

61. *Gladwell*, 265 F. App'x at 625–26 (quoting *Schiller*, 969 F.2d at 413).

62. *See Dumas*, 53 F.3d at 551–52. Although a number of these paintings were created prior to January 1, 1978, the effective date of the 1976 Act, this comment focuses only on those works created after the effective date of the 1976 Act. *See* 17 U.S.C. § 302(a) (2006).

Playboy paid the independent contractor by check individually for each work after he delivered the work to Playboy.[63] There was no underlying written agreement that the independent contractor would provide artwork to Playboy; instead, each check contained a legend agreement, the purpose of which was to create a written agreement indicating the paintings were created on a work made for hire basis.[64] The court had to determine whether these post-creation writings were sufficient to satisfy Subsection (2)'s written agreement requirement.[65] The court declined to follow the Seventh Circuit's lead in *Schiller*, holding instead that "the writing requirement of [Subsection (2)] can be met by a writing executed after the work is created, if the writing confirms a prior agreement, either explicit or implicit, made before the creation of the work."[66]

In declining to follow the Seventh Circuit, the court noted with approval much of the *Schiller* court's reasoning.[67] The court agreed that one of the purposes of Subsection (2)'s writing requirement was "to make the ownership of intellectual property

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63. *Dumas*, 53 F.3d at 552.

64. *See id.* Between 1974 and July 1979, the checks contained the following legend: "Any alteration of this legend agreement voids this check. By endorsement of this check, payee acknowledges payment in full for the assignment to Playboy Enterprises, Inc. of all right, title, and interest in and to the following items: [a description of a painting followed]." *Id.* (alteration in original). Between September 1979 and March 1981, a different legend appeared:

> Any alteration of this legend agreement voids this check. BY ENDORSEMENT, PAYEE: acknowledges payment in full for services rendered on a work-made-for-hire basis in connection with the Work named on the face of this check, and confirms ownership by Playboy Enterprises, Inc. of all right, title and interest (except physical possession), including all rights of copyright, in and to the Work.

Id. Finally, between March 1981 and May 1984, the following legend appeared:

> Any alteration of this legend agreement voids this check. IT CONTAINS THE ENTIRE UNDERSTANDING OF THE PARTIES AND MAY NOT BE CHANGED EXCEPT BY A WRITING SIGNED BY BOTH PARTIES. BY ENDORSEMENT, PAYEE: acknowledges payment in full for the services rendered on a work-made-for-hire basis in connection with the Work named on the face of the this check and confirms ownership by Playboy Enterprises, Inc. of all right, title, and interest (except physical possession), including all right of copyright, in and to the Work.

Id.

65. *Id.* at 558. The court also had to determine whether the specific language in each of the legend agreements was sufficient to create a work made for hire agreement but first addressed the issue of timing. *Id.*

66. *See id.* at 559.

67. *See id.* at 558–59.

rights clear and definite."[68] The court also agreed that this "'predictability' would be thwarted if a hiring party and an independent contractor could enter into a work-for-hire agreement years after a work was created."[69] It was here, however, the court departed with the Seventh Circuit. Holding that the parties must *agree* that the work will be a work made for hire prior to creation, it expressed concern that a bright-line rule requiring the *writing* to be executed prior to creation might itself create uncertainty.[70] To mitigate this uncertainty, the court held that a post-creation writing memorializing a pre-creation agreement would be sufficient to satisfy Subsection (2)'s writing requirement.[71]

III. COURTS SHOULD REQUIRE PRE-CREATION EXECUTION OF THE WRITTEN AGREEMENT

A. *Surrounding Statutory Scheme Requires Pre-Creation Execution of the Written Agreement*

1. Authorship Is Defined at the Moment a Work Is Created

Subsection (2) is clear that, in the context of independent contractors, the parties must "expressly agree in a written instrument signed by them that the work shall be considered a work made for hire,"[72] but Subsection (2) does not expressly indicate when that writing must be executed. Application of two common canons of statutory interpretation, however, resolves the apparent ambiguity created by this omission in favor of a bright-line rule that the written agreement must be executed prior to the work's creation in order for the work to be considered a work made for hire. The first of these canons is that "[i]n ascertaining the plain meaning of [a] statute, the court must look to the particular statutory language at issue, as well as the language and design of the statute as a whole."[73] The second canon is that "indi-

68. *Id.* at 559.

69. *Id.*

70. *Id.* (citing 1 MELVILLE B. NIMMER & DAVID NIMMER, NIMMER ON COPYRIGHT § 5.03[B][2][b] (1994)).

71. *Id.*

72. 17 U.S.C. § 101 (2006 & Supp. IV 2010) (definition of "work made for hire").

73. K Mart Corp. v. Cartier, Inc., 486 U.S. 281, 291 (1988) (citing Bethesda Hosp. Ass'n v. Bowen, 485 U.S. 399, 403–05 (1988); Offshore Logistics, Inc. v. Tallentive, 477 U.S. 207, 220–21 (1986)).

vidual sections of a single statute should be construed together."[74] Review of Subsection (2) in the context of the entire 1976 Act, therefore, is critical to its proper interpretation.

Several statutory provisions of the 1976 Act are relevant to this analysis. First, under the 1976 Act, copyright protection exists in "*original* works of authorship *fixed* in any tangible medium of expression."[75] The 1976 Act further defines that a work is "fixed" when it is "embodi[ed] in a copy . . . sufficiently permanent or stable to permit it to be perceived, reproduced, or otherwise communicated for a period of more than transitory duration."[76] To be "original" a work must be independently created (as opposed to copied) and possess "at least some minimal degree of creativity."[77] The threshold for "creativity" is "extremely low[,] even a slight amount will suffice."[78] The 1976 Act also defines when a work is "created": "A work is 'created' when it is fixed in a copy . . . for the first time; where a work is prepared over a period of time, the portion of it that has been fixed at any particular time constitutes the work as of that time."[79] Finally, although undefined in the statute, the Supreme Court has noted that "[a]s a general rule, the author is the party who actually creates the work."[80]

Under the 1976 Act, then, once a work is "created," it receives copyright protection.[81] Because the 1976 Act protects "original works of authorship," at the moment a work is created, it has a statutory author in whom copyright protections initially vest.[82] Authorship, of course, is a permanent concept; the creator of a work cannot change once a work receives copyright protection.[83] Even courts holding that there need not be a pre-creation execution of Subsection (2)'s required writing agree with this funda-

74. Erlenbaugh v. United States, 409 U.S. 239, 244 (1972).

75. 17 U.S.C. § 102(a) (2006) (emphasis added).

76. § 101 (definition of "fixed").

77. *See* Feist Publ'ns, Inc. v. Rural Tel. Serv. Co., 499 U.S. 340, 345 (1991) (citing 1 MELVILLE B. NIMMER & DAVID NIMMER, NIMMER ON COPYRIGHT § 2.01 [A], [B] (1990)).

78. *Id.*

79. § 101 (definition of "created").

80. Cmty. for Creative Non-Violence v. Reid, 490 U.S. 730, 737 (1989).

81. *See* § 101 (definition of "created"); § 102(a).

82. *See* § 102(a).

83. *Cf.* Playboy Enters., Inc. v. Dumas, 53 F.3d 549, 559 (2d Cir. 1995) (noting "[w]e . . . question whether Congress intended that a work could have two separate 'authors'—one during the first phase of its existence, and another after a work-for-hire agreement were [sic] executed" in determining that parties must agree that a work is to be considered a work made for hire prior to the work's creation).

mental concept by requiring that the post-creation writing memorialize some pre-creation agreement that the work is a work made for hire;[84] however, this concept—that authorship of a work cannot change—is exactly what calls into question holdings allowing post-creation execution of the required written agreement.

For a work to be considered a work made for hire under Subsection (2), three conditions must be satisfied: (1) the work must be "specially ordered or commissioned," (2) the work must fit into one of the nine enumerated categories listed in the statute, and (3) the parties must "expressly agree in a written instrument signed by them that the work shall be considered a work made for hire."[85] If all of these criteria are not satisfied, the work is not a work made for hire.[86] The moment the work is created, however, it is still a fixed work which qualifies for copyright protection, meaning that authorship is established.[87] This is where arguments for allowing post-creation execution of Subsection (2)'s written agreement requirement fail; by allowing post-creation executions, even those that memorialize some pre-creation agreement between the parties, courts effectively allow the parties to change who the author is *after* authorship has already been statutorily determined through the provision of copyright protection. "Authorship," however, is not transferable; authorship is determined at the moment of a work's creation (i.e., the moment at which copyright protection attaches), and cannot change.[88] Allowing post-creation written agreements to satisfy the Subsection (2) requirement runs directly contrary to this concept of authorship. Courts, therefore, should hold that Subsection (2) requires pre-creation execution of a written work made for hire agreement.

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84. *See, e.g.*, *Dumas*, 53 F.3d at 559.

85. § 101 (definition of "work made for hire").

86. *See id.*

87. *See* § 102(a).

88. *Cf.* 17 U.S.C. § 201(d) (2006) (allowing transfer of copyright ownership, but not mentioning the transferability of authorship); STAFF OF H. COMM. ON THE JUDICIARY, 89TH CONG., SUPPLEMENTARY REPORT OF THE REGISTER OF COPYRIGHTS ON THE GENERAL REVISION OF THE U.S. COPYRIGHT LAW 68 (Comm. Print 1965) [hereinafter REGISTER'S REPORT 1965] ("Section 201(b) also provides that . . . the employer and employee could agree to any disposition between them of the exclusive rights under the copyright, but it would not allow them to change the status of a 'work made for hire' under the statute.").

2. Comparison with Statutory Provisions for Copyright Transfers

Subsection (2) is not the only provision of the 1976 Act that requires the execution of some form of written instrument. The 1976 Act also requires that simple transfers of copyright ownership be made in writing.[89] A line of cases exists, however, holding that *oral* transfers of copyright ownership can be validated ab initio by a post-transfer writing.[90] The differences in the statutory provisions at issue in the oral transfer line of cases and the Subsection (2) cases, however, support a reading of the statute requiring pre-creation execution of the written work made for hire agreement.

The statutory provision in the oral transfer line of cases, 17 U.S.C. § 204(a), differs substantially from Subsection (2). Specifically, the types of writing required by the two provisions differ: Subsection (2) requires "the parties expressly agree in a written instrument signed by them that the work shall be considered a work made for hire,"[91] while § 204(a) requires only "an instrument of conveyance, *or a note or memorandum of the transfer*, is in writing and signed by the owner of the rights conveyed."[92] This distinction is an important one. By including the language "note or memorandum of the transfer," Congress explicitly contemplated that later writings could validate oral assignments of copyright ab initio.[93] This "note or memorandum of the transfer" language does not appear in Subsection (2).

The Supreme Court has noted that "when the legislature uses certain language in one part of the statute and different language in another, the court assumes different meanings were intended."[94] Section 204(a) is a statute of frauds for copyright transfers, the purpose of which is to protect copyright owners from false

89. *See* 17 U.S.C. § 204(a) (2006).

90. *E.g.*, Arthur Rutenberg Homes, Inc. v. Drew Homes, Inc., 29 F.3d 1529, 1533 (11th Cir. 1994) (quoting Great S. Homes, Inc. v. Johnson & Thompson Realtors, 797 F. Supp. 609, 612 (M.D. Tenn. 1992)); *see* NIMMER & NIMMER, *supra* note 70, § 5.03[B][2][b] n.127.7 (2011).

91. 17 U.S.C. § 101 (2006 & Supp. IV 2010) (definition of "work made for hire").

92. § 204(a) (emphasis added).

93. *See* Barefoot Architect, Inc. v. Bunge, 632 F.3d 822, 827 (3d Cir. 2011) (internal quotation marks omitted).

94. Sosa v. Alvarez-Machain, 542 U.S. 692, 711 n.9 (2004) (quoting 2A NORMAN J. SINGER, STATUTES AND STATUTORY CONSTRUCTION § 46:06 (6th rev. ed. 2000)) (internal quotation marks omitted).

claims of oral transfers of copyright ownership.[95] If Congress had intended Subsection (2)'s writing requirement to serve only as a statute of frauds against false oral claims of work made for hire agreements and had contemplated that later writings could give legal effect to earlier oral agreements that a work was to be considered a work made for hire, it stands to reason that Congress would have used the same language.[96] Congress, however, chose not to. Instead, the language of Subsection (2) imposes a more exacting writing requirement than does § 204(a). Construing the two statutes in the same way would ignore this intentional difference in wording.[97] Because it is the "note or memorandum of the transfer" language of § 204(a)[98] missing from Subsection (2), which authorizes the use of later writings to memorialize prior oral agreements, Subsection (2) should not be interpreted to allow such post-oral-agreement memorializations.

B. *Legislative History of the 1976 Act's Termination Right Reflects Congressional Intent to Protect Authors*

The legislative history of the 1976 Act provides further support for a bright-line rule requiring pre-creation execution of Subsection (2)'s written agreement requirement. While the legislative history surrounding the development of the definition of "works made for hire" is silent on the issue of timing, the history of the closely related termination right sheds some light on the congressional intent behind the work made for hire provision.[99]

The drafters of the 1976 Act did not start with a blank slate when it came to termination rights, though the right under the

95. *See* Eden Toys, Inc. v. Florelee Undergarment Co., 697 F.2d 27, 36 (2d Cir. 1982).

96. *Cf. Sosa*, 542 U.S. at 711 n.9 (quoting 2A SINGER, *supra* note 94) ("[W]hen the legislature uses certain language in one part of the statute and different language in another, the court assumes different meanings were intended."); Russello v. United States, 464 U.S. 16, 23 (1983) ("[W]here Congress includes particular language in one section of a statute but omits it in another section of the same Act, it is generally presumed that Congress acts intentionally and purposely in the disparate inclusion or exclusion." (alteration in original) (quoting United States v. Wong Kim Bo, 427 F.2d 720, 722 (5th Cir. 1972)) (internal quotation marks omitted)).

97. *Cf. Russello*, 464 U.S. at 23 ("We refrain from concluding here that the differing language in the two subsections has the same meaning in each. We would not presume to ascribe this difference to a simple mistake in draftsmanship.").

98. 17 U.S.C. § 204(a) (2006).

99. *See* REGISTER'S REPORT 1965, *supra* note 88, at 66 ("Whether or not a work is considered 'made for hire' has a number of important consequences, particularly in relation to . . . the right to terminate transfers under section 203.").

1909 Act was not exactly a termination right. Unlike the 1976 Act, which provides for a single, unitary term of copyright duration for works created after its effective date,[100] the 1909 Act provided that a copyright's duration was twenty-eight years, with the possibility that the author could renew the copyright for an additional twenty-eight years.[101] The right of renewal belonged to the *author* of the copyrighted work, not to the party then owning the copyright.[102] If an author chose to exercise her renewal right, the second twenty-eight year copyright term would belong to her. One of the primary purposes in allowing authors to exercise the renewal right was to protect authors against unremunerative transfers due to an author's "relatively poor bargaining position" as compared to that of publishers.[103]

This renewal right, however, was not as robust as the termination right in the 1976 Act. Most importantly, there were few restrictions on the transferability of the author's renewal rights. The Supreme Court once noted that "[a]n assignment by an author of his renewal rights made before the original copyright expires is valid against the world, if the author is alive at the commencement of the renewal period."[104] The Court slightly whittled down this assignability by holding that an author could only assign an "expectancy" in the renewal right, meaning that, if the author passed away prior to the final year of the copyright,[105] the renewal right would pass to the author's statutory heirs despite the assignment.[106] Despite this gesture, the renewal right under the 1909 Act served as weak protection for authors.

This was the state of the law when Congress placed the Copyright Office in charge of leading negotiations between parties with varying interests in copyright laws to reach a compromise.[107]

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100. 17 U.S.C. § 302 (2006).

101. 17 U.S.C. § 24 (1976) (repealed 1978).

102. *Id.*

103. *See* REGISTER'S REPORT 1961, *supra* note 18, at 92.

104. Miller Music Corp. v. Charles N. Daniels, Inc., 362 U.S. 373, 375 (1960) (citing Fred Fisher Music Co. v. M. Witmark & Sons, 318 U.S. 634, 657–58 (1943)).

105. The author could only renew the copyright during the last year of the initial term's duration. *See* § 24.

106. *Miller Music Corp.*, 362 U.S. at 377–78.

107. At the outset of the process leading to the passage of the 1976 Act, the Copyright Office formed an advisory panel made up of leaders from various industries with often opposite stakes in the nation's copyright laws. *See* REGISTER'S REPORT 1965, *supra* note 88, at xii–xiii. The advisory panel eventually included "more than a hundred persons, representing almost everyone who had any real interest in the subject." Litman, *supra* note 20,

When the Register of Copyrights released his first report recommending changes to the nation's copyright laws, he noted that "[the renewal right] has largely failed to accomplish the purpose of protecting authors and their heirs against improvident transfers, and has been the source of much confusion and litigation," and recommended that the renewal right be eliminated from the next copyright statute.[108] Still, the Register believed that authors needed protection, stating "[the Copyright Office] believe[s] that some other provision should be made to permit [authors] to renegotiate their transfers that do not give them a reasonable share of the economic returns from their works."[109]

Throughout the negotiations led by the Copyright Office, the matter of termination rights was "the most explosive and difficult issue" encountered.[110] Publishers and other commissioners vehemently resisted the inclusion of any sort of termination right, denying the Copyright Office's assertion that authors needed protection due to any poor bargaining position and arguing that commissioners and creators should be free to enter contracts as they wished.[111] Despite this pushback, however, the Copyright Office held fast to the belief that the existence of termination rights was "one of the most important elements of the copyright law revision program."[112] In the end, the Register recommended termination provisions that were very similar to those finally enacted by Congress in the 1976 Act.[113]

Congress, by enacting the Register's recommend transfer provisions, sided with the Register on the matter of the need for protection of authors. In its report on the 1976 Act, the House Committee on the Judiciary noted that a termination provision "[was] needed because of the unequal bargaining position of authors, re-

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at 827 & n.90 (citation omitted). The Copyright Office created an initial set of recommendations for consideration by the advisory panel and then, with input from the advisory panel, created a series of revised drafts, until all parties involved agreed to accept the language. *Cf.* REGISTER'S REPORT 1965, *supra* note 88, at xiii ("We have decided not to burden this supplement by attempting to trace in detail how the language and content of the [1965 draft] bill evolved through the intermediate stages of the preliminary draft of 1963 and the bill of 1964.").

108. *See* REGISTER'S REPORT 1961, *supra* note 18, at 92.

109. *Id.*

110. REGISTER'S REPORT 1965, *supra* note 88, at 71.

111. *Id.* at 72.

112. *Id.*

113. *Compare id.* at 71–76 (describing the Registers recommended termination provisions), *with* 17 U.S.C. § 203 (2006).

sulting in part from the impossibility of determining a work's value until it has been exploited."[114] Congress, it appears, trusted the Register's judgment that authors needed protection in the form of an inalienable right to terminate their copyright transfers.

How does the fact that Congress sought to protect authors in the form of inalienable termination rights support the proposition that courts should read Subsection (2)'s writing requirement as a bright-line rule? In many ways the declaration of a work as one made for hire is similar to a transfer of the author's termination right. Because the work is a work made for hire, the creator has no termination right, and the commissioner/author has the right to own the copyright for the duration of its existence.[115] While Congress created a path for this result by enacting Subsection (2), it seems a reasonable proposition that any ambiguities in that path should be resolved by courts in favor of the congressional intent to protect the interest of authors.

A bright-line rule best suits this purpose because it ensures that the creator recognizes the gravity of the agreement she is entering. Allowing post-creation memorializations of pre-creation agreements, on the other hand, adds an air of uncertainty to the calculus. The most obvious of these uncertainties will be the question of whether the commissioner truly conveyed that the work was to be a work made for hire or merely that the creator would be transferring her rights in the work to the commissioner. The requirement of a pre-creation writing ensures that, should a dispute later arise between the parties, a court will easily be able to review the language used by the parties in order to make a determination on the issue. Given the two options presented by the courts to date, it is clear that a bright-line rule requiring pre-creation execution of work made for hire agreements protects authors more than allowing post-creation execution of some oral agreement.

IV. CONCLUSION

The concept of authorship is an important one in copyright law; the Constitution gives Congress the authority to protect the

114. H.R. REP. NO. 94-1476, at 124 (1976), *reprinted in* 1976 U.S.C.C.A.N. 5659, 5740.
115. *See* 17 U.S.C. § 201(a)–(b) (2006).

works of "Authors" through the limited grant of a monopoly on their works through copyright law.[116] In most cases, the answer to the question, "Who's the author?" is so obvious that no statutory definition is necessary. In the context of commissioned works, however, the question becomes more complicated: Should the commissioner or the creator be considered the author? In passing the 1976 Act, Congress chose to answer this question through the works made for hire doctrine. If a work is a work made for hire, the commissioning party is the author and copyright ownership initially vests in that commissioning party; otherwise, the person who actually created the work is treated as the legal author.[117]

Unless the creator is an employee of the commissioner, Subsection (2) governs the determination of whether a work is one made for hire. Subsection (2) requires, among other things, that the commissioner and the creator agree in a written, signed agreement that the work will be considered a work made for hire, but Subsection (2) does not explicitly indicate when that agreement must be executed. A circuit split has arisen between a bright-line rule requiring pre-creation execution of the written agreement, and allowing for post-creation execution of some unwritten pre-creation agreement. While there are compelling reasons for allowing post-creation memorialization of pre-creation agreements,[118] the statutory language of the 1976 Act generally, and subsection (2) specifically, supports the conclusion that Congress intended a bright-line rule. In addition to being a proper construction of the statute, this conclusion best gives effect to the congressional desire to protect authors from unremunerative transfers by allowing them to terminate those transfers.

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116. U.S. CONST. art. I, § 8, cl. 8.

117. *See* § 201(a)–(b).

118. *See, e.g.*, 1 MELVILLE B. NIMMER & DAVID NIMMER, NIMMER ON COPYRIGHT § 5.03[B][2][b] (2011).

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