Abstract

Steven Mitchell Schiffman, *Movies in the Public Domain: A Threatened Species*, 20 COLUM.-VLA J.L. & ARTS 663 (1996).

Steven Mitchell Schiffman's[1] article examines the current status of United States copyright law which, he says, robs the public domain of some of its fortune by allowing authors who have haplessly lost copyrights in their works to recover them and reassert their rights. What is not addressed however, is whether or not it matters *how* the public domain acquired this portion of its wealth, or if such close guarding of the wealth might be counterproductive.

From the beginning, copyright law has been fraught with formalities (e.g., renewal and notice requirements), bedeviling those who wished to secure and maintain copyrights in their work. Under the Copyright Act of 1909,[2] the general policy was that once a work entered the public domain, it stayed there. Accordingly, many authors lost their works, having failed to comply with one or more of these formalities. In 1979 though, the courts ameliorated the harshness of copyright law by allowing a derivative work to rely on its underlying work's copyright protection.[3] For example, if a movie's copyright failed to meet the proper formalities, the underlying novel, play or screenplay was used as a proxy, essentially reviving copyright protection in the movie, i.e., the derivative work. Thus, Schiffman asserts, the judicial system began its incursion into the public domain.

Congress moved to eliminate legal formalities by adopting the 1976 Copyright Act,[4] and by later entering into international treaties such as the Berne Convention, in 1989.[5] Both of these moves generally prohibited formalities, facilitating the securing and retention

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[2] Act of March 4, 1909, §24, 35 Stat. 1075 [hereinafter 1909 Act].

[3] Russell v. Price, 612 F.2d 1123 (9th Cir. 1979), *cert. denied*, 446 U.S. 952 (1980)

[4] 17 U.S.C. §304(a) (1994)

[5] Berne Convention for the Protection of Literary and Artistic Works, S. TREATY DOC. NO. 27, 100th Cong., 1st Sess. (1989) (Paris Text, 1971).

of copyright protection. Under the Berne Convention, renewal and notice requirements were virtually eliminated as to works created after February 1, 1989. Some copyright holders who had previously lost their ownership interests due to formalities have since been able to revive at least some of those interests. Schiffman's complaint focuses primarily on this restoration of interests.

Schiffman asserts that analyzing both copyright and patent cases is important, because Congress' powers with respect to copyright and patent law are based on the same Constitutional provision, namely that "[t]he Congress shall have Power . . . to Promote Science and useful Arts, by securing for limited Times to Authors . . . the exclusive Right to their . . . Writings."[6] However, this premise is faulty. Regardless of the origin of Congress' powers, the courts do not analyze patent and copyright law cases in the same way because the respective dynamics and motivating factors are different. Schiffman's faulty premise calls into question his next assertion that "[s]ince the monopoly created by copyright serves as an incentive to authors to disclose their works for the benefit of the public, the recapturing by authors of copyrights for works already in the public domain fails the stated goal of the Constitution because it does not encourage the creation of new works . . . ."[7] Schiffman's reliance on patent law rationales is misplaced in this copyright law context.

Inventors of a patentable device or process do need encouragement to disclose their work to the public domain; currently inventors can exploit their work without disclosing it, unless it is self-disclosing through the end product. Further, inventors may be able to maintain a patent monopoly for over 20 years for utility patents, or 14 years for designs. By comparison, a copyrightable work (e.g., literature, art, movie) usually has little value to its creator until and unless it is disclosed to the public. Thus, a patent law analysis is immaterial in the copyright framework. There, the elimination of copyright formalities and the "recapturing by authors" of their copyright interest in their works actually *should* encourage the creation of new works,

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[6] U.S. CONST. art. I, §8, cl. 8.

[7] *See supra* note 2, at 667.

by increasing authors' confidence that the legal system will help them receive their expected returns.

Schiffman cites studies showing a renewal rate of less than 9% for movie copyrights. While acknowledging that this low renewal rate may be due to the fact that technology has advanced quickly enough to "prematurely" antiquate the movies, he maintains that this rate shows the "importance of the public domain." This low rate may raise questions about the length of the copyright protection period chosen by Congress, but it does not necessarily imply that this period should be truncated because a copyright holder has failed to comply with due formalities. This is especially so when a copytight holder has not abandoned the copyright with the belief that it is worthless. Schiffman himself concedes that Congress has the responsibility and has taken the time to balance the relevant factors (e.g., just reward to copyright holders, free flow of information in the public domain, etc.) for determining how long a copyright should issue. Again, it seems senseless to set Congress' judgment aside simply because someone has failed to comply with a legal formality.

Schiffman next addresses "judicial recapture," wherein a court allows a derivative work, whose copyright protection has been lost due to legal formalities, to rely on the underlying work's copyright. Of course, this *de facto* protection is limited. To the extent that the derivative work differs from the underlying work, there can be no protection. The rationale is straightforward: the copyright holder in the derivative work had no proprietary rights in the underlying work, and therefore could not have released those rights into the public domain. Schiffman sees this as a situation where "the rights-owner of an underlying work was able to prevent the free distribution of a film created by others and which would otherwise have been in the public domain." On the other hand, perhaps this is actually an effort by the copyright holder (in the underlying work) to prevent the dilution of his or her *own* rights.

Schiffman cites *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*[8] to support his contention that once something is in the public domain, it should remain there. Again though, he has pulled his reasoning

[8] 489 U.S. 141 (1989)

from a patent case. In *Bonito*, the Supreme Court said that Thomas Jefferson "viewed a grant of patent rights in an idea already disclosed to the public as akin to an ex post facto law, 'obstruct[ing] others in the use of what they possessed before.'"[9] The different dynamics of patent and copyright law are key here. With patents, the public often seizes *and substantially relies on* patented information that has fallen into the public domain, in order to use it in similar and competing businesses, or to build upon the information freely.

With copyrights, there is certainly a seizing of material prematurely in the public domain; but the element of reliance, if it even exists, is of an entirely different nature. A broadcast company that has televised "It's a Wonderful Life" annually ad nauseam cannot be said to have relied on public domain material in quite the same way as Jane Doe-Widget, who leased a plant for 20 years and purchased manufacturing equipment, relying on the fact that the previously patented widget had already entered the public domain. It should also be noted that patent holders are not required to conform to the same types of legal formalities once their patent has been issued. When a patent enters the public domain, it is probably because its state-granted monopoly has ended. Moreover, the regined copyright law specifically allows breathing room for those who have truly relied on the previous public domain status of recaptured materials.[10]

To the extent that Schiffman's assertions rely on patent law rationales then, they seem necessarily flawed. To the extent that they are based on the fact that people often rely on public domain material, they are weakened by the fact that the Berne Convention allows relying parties to continue exploiting a work that was in the public domain, or any derivative works based on it, for a limited period of time. This is where courts have been headed for some time, and it seems to be a fair balancing of all interests. Note another issue concerning the disparate treatment of American and foreign authors. Foreign authors may recapture their lost works from the public domain (subject to compulsory licensing), while Americans may

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[9] *Id.* at 147.

[10] 17 U.S.C. §104A(d)(1) (1994).

not.[11] This disparity is partly due to drafting errors, and corrections are currently pending before Congress.[12] However, to the extent that copyright laws enacted after the Berne Convention otherwise distinguish between foreign and American authors, Schiffman's complaint about the disparities is compelling.

Schiffman states that judicial and congressional encroachments on the public domain are "at odds with the traditional policy of allowing American copyright holders only one bite of the copyright apple."[13] However, to the extent that the courts have gradually allowed copyrights in underlying works to act as a proxy for those copyright protections lost to legal formalities, the "encroachment[s]" are *entirely* in line with tradition. In the landmark *copyright* case of Harper & Row Publishers, Inc. v. Nation Enterprises,[14] the Supreme Court reminded us that "[t]he rights conferred by copyright are designed to assure contributors to the store of knowledge a fair return for their labors."[15] Further, "it should not be forgotten that the Framers [of the Constitution] intended copyright itself to be the engine of free expression. By establishing a marketable right to the use of one's expression, copyright supplies the economic incentive to create and disseminate ideas."[16] Schiffman approaches copyright law not as an "engine of free expression" guaranteeing fair returns, but as a nuisance that must be endured until protected works rightfully fall into the public domain.

In conclusion, if Schiffman's views are accurate, it is hard to see why copyrights exist at all. If favorable treatment of the public domain is the goal, it could be achieved by simply doing away with copyrights. As the Supreme Court warns though, there would be a corresponding decrease in the number of people willing to contribute to the public's wealth of literary knowledge. In the end, the public

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[11] 17 U.S.C. §104A(d)(3) (1994).

[12] *See* H.R. 1861, 104th Cong., 2d Sess. §3 (1996) (Copyright Clarifications Act of 1996) (bill would amend §104A(d)(3) to provide that United States made derivative works qualify for the exemption).

[13] *See supra* note 2, at 678.

[14] Harper & Row Publishers, Inc. v. Nation Enters., 471 U.S. 539 (1985).

[15] *Id.* at 546.

[16] *Id.* at 548.

domain would probably end up worse off. Moreover, the Constitution affirmatively and specifically vested Congress with the power, and by implication the responsibility, to promote the useful sciences and arts, not to develop an extensive public domain.

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