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**THE CLASH BETWEEN CERTAINTY,
PREDICTABILITY AND THE INTENT OF
THE PARTIES: THE NINTH CIRCUIT'S
FIGHT FOR A MIDDLE GROUND**

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THE CLASH BETWEEN CERTAINTY, PREDICTABILITY AND THE INTENT OF THE PARTIES: THE NINTH CIRCUIT’S FIGHT FOR A MIDDLE GROUND

I. INTRODUCTION

A famous Puerto Rican actor Emanuel “Sunshine” Logroño’s counterclaim caused the United States Court of Appeals for the First Circuit to recognize a historical split.¹ The uncertainty as to whether writing must precede the creation of work in the “specifically commissioned works” category of the “work for hire” doctrine under the Copyright Act of 1976 is still alive and breathing.² In TMTV, Corp. v. Mass Productions, Inc., the plaintiff, a producer of a television program, sued a competing production company and its owners, Emanuel “Sunshine” Logroño and his wife, essentially seeking a declaration of copyright ownership of certain television episode scripts and outlines.³ Logroño filed a counterclaim stating that the scripts and outlines were his property.⁴ The scripts and outlines at issue were created by two independent contractors in conjunction with Logroño for the plaintiff’s predecessor-in-interest.⁵ Furthermore, there was no written agreement between the contractors and the producer.⁶

The district court held that the scripts and outlines were authored by the two independent contractors pursuant to “work for hire” agreements with the plaintiff’s predecessor-in-interest.⁷

¹ See TMTV, Corp. v. Mass Prods., Inc., 645 F.3d 464, 468-470 (1st Cir. 2011).

² See TMTV, Corp. v. Mass Prods., Inc., 645 F.3d 464, 468-470 (1st Cir. 2011) (recognizing a circuit split as to whether the language of the Statute and policy behind it required the writing to precede the creation or the completion of the work).

³ 645 F.3d 464, 468 (1st Cir. 2011).

⁴ TMTV, Corp. v. Mass Prods., Inc., 645 F.3d 464, 468 (1st Cir. 2011).

⁵ TMTV, Corp. v. Mass Prods., Inc., 645 F.3d 464, 467 (1st Cir. 2011).

⁶ See TMTV, Corp. v. Mass Prods., Inc., 645 F.3d 464, 470 (1st Cir. 2011).

⁷ TMTV, Corp. v. Mass Prods., Inc., 645 F.3d 464, 468 (1st Cir. 2011).

On appeal, the defendant argued that the “work for hire” agreements were invalid.⁸ Because there was a subsequent conveyance by the independent contractors to the plaintiff, the United States Court of Appeals for the First Circuit did not have to decide whether the “work for hire” agreements were valid.⁹ Nevertheless, the court recognized that “work for hire” agreements must be written and signed.¹⁰ Moreover, the court recognized that there was a disagreement among circuits as to whether the written agreement must precede the creation of work or may succeed the creation of the work.¹¹

Who would expect that Sunshine Logroño would be the person to revive a long-standing split between the circuits?¹² Indeed, not many.

However, the crucial point behind the question is not that a few people would expect that Sunshine Logroño would revive the circuit split, but that Sunshine Logroño and the two independent contractors are but one example of many independent contractors, who may face and raise the same issues regarding copyright ownership in light of the circuit split.¹³ Since this note is limited to the Ninth Circuit, the following cases concentrate on recent developments of the different decisions by the Ninth Circuit or districts courts under it.

The Ninth Circuit implicitly addressed the issue in Gladwell Government Services, Inc.

⁸ See TMTV, Corp. v. Mass Prods., Inc., 645 F.3d 464, 468 (1st Cir. 2011).

⁹ See TMTV, Corp. v. Mass Prods., Inc., 645 F.3d 464, 468 (1st Cir. 2011).

¹⁰ See TMTV, Corp. v. Mass Prods., Inc., 645 F.3d 464, 468 (1st Cir. 2011).

¹¹ See TMTV, Corp. v. Mass Prods., Inc., 645 F.3d 464, 470 (1st Cir. 2011).

¹² Compare Schiller & Schmidt, Inc. v. Nordisco Corp., 969 F.2d 410, 413 (7th Cir. 1992) (holding that written work-for-hire agreement must precede creation of work), with Playboy Enters., Inc. v. Dumas, 53 F.3d 549, 559 (2d Cir. 1995) (holding that written agreement might postdate creation).

¹³ “The practice of the major U.S. motion picture studios varies as to requiring signed agreements” See F. Jay Dougherty, Not A Spike Lee Joint? Issues in the Authorship of Motion Pictures Under U.S. Copyright Law, 49 UCLA L. Rev. 225 n.235 (2001).

v. County of Marin, in which the court agreed that the written agreement must precede the creation of a work.¹⁴ The Plaintiff, an independent contractor, sued a county alleging copyright infringement.¹⁵ The United States District Court for the Northern District of California dismissed the claim for failure to state a cause of action under Rule 12(b)(6).¹⁶

The Ninth Circuit reversed the decision of the district court.¹⁷ The central question on appeal concerning “work for hire” agreements was whether pre-existing materials that preceded the Marin contract were also works made for hire.¹⁸ The Ninth Circuit reasoned that the plain language of the “work for hire” provision did not apply to works that were in existence prior to “work for hire” agreement.¹⁹ Moreover, the court held that because specially commissioned works could be made only after the execution of a written agreement,²⁰ Marin could not acquire copyright ownership in the independent contractors’ pre-existing materials through a subsequent “work for hire” agreement.²¹ Hence, the court concluded that the independent contractor had standing to sue.²²

¹⁴ 265 F. App’x 624, 626 (9th Cir. 2007) (agreeing that written work-for-hire agreement must precede creation of work).

¹⁵ Gladwell Gov’t Servs., Inc. v. Cnty. of Marin, 265 F. App’x 624, 625 (9th Cir. 2007).

¹⁶ Gladwell Gov’t Servs., Inc. v. Cnty. of Marin, 265 F. App’x 624, 625 (9th Cir. 2007).

¹⁷ Gladwell Gov’t Servs., Inc. v. Cnty. of Marin, 265 F. App’x 624, 625 (9th Cir. 2007).

¹⁸ Gladwell Gov’t Servs., Inc. v. Cnty. of Marin, 265 F. App’x 624, 625 (9th Cir. 2007).

¹⁹ Gladwell Gov’t Servs., Inc. v. Cnty. of Marin, 265 F. App’x 624, 626 (9th Cir. 2007).

²⁰ Gladwell Gov’t Servs., Inc. v. Cnty. of Marin, 265 F. App’x 624, 626 (9th Cir. 2007).

²¹ Gladwell Gov’t Servs., Inc. v. Cnty. of Marin, 265 F. App’x 624, 626 (9th Cir. 2007).

²² Gladwell Gov’t Servs., Inc. v. Cnty. of Marin, 265 F. App’x 624, 627 (9th Cir. 2007).

Conversely, the United States District Court for the District of Alaska held in Campinha–Bacote v. Rearden that the written agreement may postdate the creation of works.²³ In that case, the plaintiff, a business owner, sued a student who had allegedly used the plaintiff’s logo without the plaintiff’s authorization.²⁴ The logo, five hands holding a globe, was created by one Cynthia Thomas, an independent contractor, for the plaintiff.²⁵ However, there was no express written agreement at the time of the creation of the work between them.²⁶ Accordingly, the defendant moved for a summary judgment arguing that the plaintiff did not own the copyright to the logo.²⁷ In fact, the only writing that the plaintiff was able to produce was an affidavit and release executed by the independent contractor for purposes of litigation, where the independent contractor acknowledged that the work had been made for hire.²⁸ Additionally, the plaintiff had also provided her own affidavit.²⁹

The district court denied the defendant’s motion for a summary judgment.³⁰ It reasoned that the affidavits were sufficient “to rebut [the] [d]efendant’s argument that the [p]laintiff [could] establish an exclusive right to the globe logo.”³¹ Evidently, the court’s reasoning was based on the reasoning of the Second Circuit because the district court expressly cited the

²³ No. 3:10–cv–00139–JDR, 2011 WL 1343343, at *3 (D. Alaska 2011) (citing *Playboy Enters., Inc. v. Dumas*, 53 F.3d 549 (2d Cir. 1995)).

²⁴ Campinha–Bacote v. Rearden, No. 3:10–cv–00139–JDR, 2011 WL 1343343, at *1 (D. Alaska 2011).

²⁵ Campinha–Bacote v. Rearden, No. 3:10–cv–00139–JDR, 2011 WL 1343343, at *1 (D. Alaska 2011).

²⁶ Campinha–Bacote v. Rearden, No. 3:10–cv–00139–JDR, 2011 WL 1343343, at *3 (D. Alaska 2011).

²⁷ Campinha–Bacote v. Rearden, No. 3:10–cv–00139–JDR, 2011 WL 1343343, at *2 (D. Alaska 2011).

²⁸ Campinha–Bacote v. Rearden, No. 3:10–cv–00139–JDR, 2011 WL 1343343, at *3 (D. Alaska 2011).

²⁹ Campinha–Bacote v. Rearden, No. 3:10–cv–00139–JDR, 2011 WL 1343343, at *3 (D. Alaska 2011).

³⁰ Campinha–Bacote v. Rearden, No. 3:10–cv–00139–JDR, 2011 WL 1343343, at *4 (D. Alaska 2011).

³¹ Campinha–Bacote v. Rearden, No. 3:10–cv–00139–JDR, 2011 WL 1343343, at *3 (D. Alaska 2011).

Second Circuit's decision and held that the writing requirement could be met by a writing that was executed after the work was created.³²

As it is apparent, the two abovementioned cases applied two drastically different rules. Additionally, since they were never published, they are not binding authority.³³ Therefore, the issue still remains open in the Ninth Circuit.

The Ninth Circuit is one of the few circuit courts in the United States with the highest number of copyright cases annually filed.³⁴ Accordingly, the Ninth Circuit's definite stand as to whether the writing must precede the creation of work in the specifically commissioned works category of the "work for hire" doctrine under the Copyright Act of 1976 is needed because a large amount of creative work is done by independent contractors in the Ninth Circuit.³⁵ Hence, this note discusses the need for a definite decision by the United States Court of Appeals for the Ninth Circuit as to whether the language of the Statute and policy behind it require the writing to precede the creation or the completion of the work in light of the current split between the circuits.³⁶

Although all of this may appear as a dissertation on a small aspect of copyright law, it is very challenging to find a field of entertainment work where "work for hire" agreements are not

³² Campinha-Bacote v. Rearden, No. 3:10-cv-00139-JDR, 2011 WL 1343343, at *3 (D. Alaska 2011).

³³ Hart v. Massanari, 266 F.3d 1155, 1180 (9th Cir. 2011) (confirming that unpublished opinions do not have a precedential effect).

³⁴ See Statistical Tables For The Federal Judiciary, U.S. Cts., 36 (Dec. 31, 2010), <http://www.uscourts.gov/uscourts/Statistics/StatisticalTablesForTheFederalJudiciary/2010/dec10/C03Dec10.pdf> (showing the highest number of intellectual property cases commenced in the United States Court of Appeals for the Ninth Circuit in 2010).

³⁵ See Jack Kyser et al., L.A. Cnty. Econ. Dev. Corp., **Entertainment and the Media in Los Angeles**, 5 (2010), <http://laedc.org/reports/Entertainment-2010.pdf> (showing that independent contractors comprise a large portion of individuals who work in the entertainment industry).

³⁶ Compare Schiller & Schmidt, Inc. v. Nordisco Corp., 969 F.2d 410, 413 (7th Cir. 1992) (holding that written work-for-hire agreement must precede creation of work), with Playboy Enters., Inc. v. Dumas, 53 F.3d 549, 559 (2d Cir. 1995) (holding that written agreement might postdate creation).

involved.³⁷ For instance, the Ninth Circuit encompasses California, a state, where the entertainment industry is a major cornerstone of the economy.³⁸ Certainty in the law governing “work for hire” agreements is critical because determining whether a work is a “work for hire” determines the first owner of the copyright,³⁹ which in turn, determines the entity entitled to register the copyright,⁴⁰ and which determines who is entitled to all the protections under the Copyright Act and who may sue for infringement.⁴¹ All of this together is essential for not only recognizing the author of a work, but in turn, rewarding an author of a work, which in turn, is essential to the motivation of creative work.⁴² It accomplishes the principle policy behind the copyright law, the stimulation of the creative work “for the general public good.”⁴³ Therefore, certainty in the law governing “work for hire” agreements for independent contractors is crucial for the industry’s further development because independent contractors comprise a large portion of individuals who work in the entertainment industry, and the law must be certain to encourage parties to contract with each other free of any doubt as to who is entitled to the copyright of the works.⁴⁴

³⁷ See *Cnty. for Creative Non Violence v. Reid*, 490 U.S. 730, 750 (1989) (“The contours of the “work for hire” doctrine . . . carry *profound* significance for freelance creators-including artists, writers, photographers, designers, composers, and . . . for the publishing, advertising, music . . . industries, which commission their works.”) (emphasis added).

³⁸ See Jack Kyser et al., L.A. Cnty. Econ. Dev. Corp., **Entertainment and the Media in Los Angeles**, 1 (2010), <http://laedc.org/reports/Entertainment-2010.pdf>.

³⁹ See 1 Melville B. Nimmer & David Nimmer, Nimmer on Copyright § 1.06[A] (2011).

⁴⁰ 17 U.S.C. § 408(a) (2006).

⁴¹ See 17 U.S.C. § 201(b) (2006).

⁴² See *Sony Corp. v. Universal City Studios, Inc.*, 464 U.S. 417, 429 (1984).

⁴³ See *Twentieth Century Music Corp. v. Aiken*, 422 U.S. 151, 156 (1975).

⁴⁴ See Jack Kyser et al., L.A. Cnty. Econ. Dev. Corp., **Entertainment and the Media in Los Angeles**, 5 (2010), <http://laedc.org/reports/Entertainment-2010.pdf>.

This paper first provides a brief synopsis of the relevant copyright history followed by background information about the Copyright Act of 1976 and “work for hire” agreements. Next, the current state of law and the circuit split as to when “work for hire” agreements must be put in writing are discussed. Then, the advantages and disadvantages of each of the decision that created the current circuit split are analyzed. Finally, this note ends with a solution for the Ninth Circuit to adopt, that is, the written agreement may postdate the creation of the work but the writing must be sufficiently contemporaneous with an express or implied prior agreement that the works are to be made for hire. Hence, the exception to the rule is that succeeding written agreement may not be executed in anticipation of an imminent litigation or where litigation has already ensued. Such a middle ground serves the Congressional intent of certainty and predictability in intellectual property ownership⁴⁵ while avoiding any categorical rule which might frustrate the intent of the parties.⁴⁶

II. A BRIEF BACKGROUND ON COPYRIGHT HISTORY

The United States Constitution provides that “Congress shall have power to promote the progress of science and useful arts by securing . . . to authors and inventors the exclusive right to their writings and discoveries.”⁴⁷ It is from this clause that American copyright law has derived⁴⁸ and evolved dramatically ever since.⁴⁹ Although rewarding an author of a work by affording him the initial ownership of a copyright is essential to the motivation of creative

⁴⁵ See I Paul Goldstein, Goldstein on Copyright § 4.3.2 (3d ed. 2005); *Schiller & Schmidt, Inc. v. Nordisco Corp.*, 969 F.2d 410, 413 (7th Cir. 1992).

⁴⁶ See I Melville B. Nimmer & David Nimmer, Nimmer on Copyright § 5.03[B][2][b] (2011); *Playboy Enters., Inc. v. Dumas*, 53 F.3d 549, 559 (2d Cir. 1995).

⁴⁷ U.S. Const. art. I, § 8, cl. 8.

⁴⁸ See I Melville B. Nimmer & David Nimmer, Nimmer on Copyright § 1.02 (2011).

⁴⁹ See I Paul Goldstein, Goldstein on Copyright § 1.13 (3d ed. 2005).

work,⁵⁰ the Supreme Court of the United States has consistently held that the principal policy behind the Copyright Clause is to stimulate that creative work for “the general public good.”⁵¹ In fact, this reasoning fully coincides with James Madison’s view, who was one of the prominent proponents of the Copyright Clause.⁵²

Moreover, Congress exercised its power under the Copyright Clause for the first time ever in 1790.⁵³ Since the initial 1790 Act, Congress has gradually expanded the subject matter of the Statute by enacting many amendments.⁵⁴

At present, the rights of authors are governed by the Copyright Act of 1976 in addition to several other acts and regulations.⁵⁵ However, because the Copyright Act of 1976 is the most recent act governing “work for hire” agreements, and since this note is confined to “work for hire” agreements under the 1976 Act, the following section provides background information on the relevant provisions of the 1976 Act. The relevant background information is essential to understand the objectives behind the revised provisions of the 1976 Act, specifically, the “work for hire” provision.⁵⁶

⁵⁰ See *Sony Corp. v. Universal City Studios, Inc.*, 464 U.S. 417, 429 (1984).

⁵¹ See *Twentieth Century Music Corp. v. Aiken*, 422 U.S. 151, 156 (1975).

⁵² James Madison stated that “the public good” was completely incongruous with the claims of inventors. See *The Federalist: No. 43* (James Madison).

⁵³ See *Wheaton v. Peters*, 33 U.S. (8 Pet.) 590, 691 (1834).

⁵⁴ See I Paul Goldstein, *Goldstein on Copyright* § 1.13.2.3 (3d ed. 2005).

⁵⁵ See generally David Nimmer, *Codifying Copyright Comprehensibly*, 51 *UCLA L. Rev.* 1233 (2004).

⁵⁶ See generally Jessica D. Litman, *Copyright, Compromise, and Legislative History*, 72 *Cornell L. Rev.* 857 (1987).

III. RELEVANT BACKGROUND INFORMATION ON THE 1976 ACT

The Copyright Act of 1976 was enacted as a thorough revision to the 1909 Act.⁵⁷ By enacting the Copyright Act of 1976, Congress replaced an act that had been outmoded for a very long period of time.⁵⁸ Because the 1909 Act was ambiguous, judicial interpretations were inevitable to supplement it; which, in turn, resulted in an uncertain and contradictory body of law.⁵⁹ Certainly, that state of law and practice was not fruitful either for accomplishing a uniform nationwide application of the act,⁶⁰ or accomplishing predictability and certainty of copyright ownership.⁶¹ In fact, the period during which the Act of 1976 was enacted has been described as “an uneasy transitional period in the history of American copyright law.”⁶²

Accordingly, Congress replaced the antiquated act with a new statute.⁶³ One of the main objectives of the new act was to cure the uncertainty and unpredictability of copyright ownership that had prevailed for over sixty years under the 1909 Act.⁶⁴ The Act of 1976 also “[ended] a

⁵⁷ See, e.g., Jessica D. Litman, Copyright, Compromise, and Legislative History, 72 **Cornell L. Rev.** 857 (1987); David Nimmer, Codifying Copyright Comprehensibly, 51 **UCLA L. Rev.** 1233 (2004).

⁵⁸ See Jessica D. Litman, Copyright, Compromise, and Legislative History, 72 **Cornell L. Rev.** 857, 857 (1987).

⁵⁹ Judges had to stretch the limits of the act’s language to make the archaic act operative in light of technological developments. See Jessica D. Litman, Copyright, Compromise, and Legislative History, 72 **Cornell L. Rev.** 857, 857-58 (1987).

⁶⁰ *Cnty. for Creative Non Violence v. Reid*, 490 U.S. 730, 737 (1989) (“[F]ederal statutes are generally intended to have uniform nationwide application.” (quoting *Mississippi Band of Choctaw Indians v. Holyfield*, 490 U.S. 30, 43 (1989))).

⁶¹ See *Cnty. for Creative Non Violence v. Reid*, 490 U.S. 730, 749 (1989).

⁶² See Barbara Ringer, First Thoughts on the Copyright Act of 1976, 22 N.Y.L. **Sch. L. Rev.** 477, 477 (1976-1977) (“The efforts to achieve copyright reform have been so protracted, the struggle so intense, and the outcome so precarious . . .”).

⁶³ The act was intended to meet the modern problems raised by technological advancements which were unimaginable to the drafters of the 1909 Act. See Ringer, First Thoughts on the Copyright Act of 1976, 22 N.Y.L. **Sch. L. Rev.** 477, 477 (1976-1977).

⁶⁴ *Cnty. for Creative Non Violence v. Reid*, 490 U.S. 730, 749 (1989).

dichotomy in United States copyright that had received judicial approval for a century and a half.”⁶⁵

However, certain courts became reluctant to apply the new act.⁶⁶ For instance, although the new act contains provisions that modify the inquiry of subject matter jurisdiction, the Ninth Circuit refused to apply it for determining the types of copyright claims that fell within its subject matter jurisdiction in Topolos v. Caldewey.⁶⁷

Moreover, unlike its progeny, the Act of 1976 is a detailed code, filled with compromises negotiated by special interest groups.⁶⁸ Special interest groups included authors, publishers, and other parties who shared economic interests in the property rights described by the new act.⁶⁹ Indeed, because most of the statutory language was not written by members of Congress,⁷⁰ it is not unreasonable for the courts to find the legislative history very confusing.⁷¹ Even the supporters of the new act showed little knowledge about the essence of the introduced

⁶⁵ Dichotomy refers to the fact that prior to the enactment of the 1976 Act, there was a dual system of laws governing the copyright law, state and federal. However, the Act of 1976 substituted that dual system with a single federal system. See 1 Melville B. Nimmer & David Nimmer, Nimmer on Copyright OV-3 (2011); Ringer, First Thoughts on the Copyright Act of 1976, 22 N.Y.L. **Sch. L. Rev.** 477, 483 (1976-1977).

⁶⁶ See, e.g., Rockford Map Publishers, Inc. v. Directory Serv. Co., 768 F.2d 145 (7th Cir. 1985); Nat’l Bus. Lists, Inc. v. Dun & Bradstreet, Inc., 552 F. Supp. 89 (N.D. Ill. 1982).

⁶⁷ See Jessica D. Litman, Copyright, Compromise, and Legislative History, 72 **Cornell L. Rev.** 857, 860 (1987).

⁶⁸ The substance of the provisions is more attributable to the interested parties than to Congress. In fact, by the time Congress decided to hold hearings regarding copyright law revisions, the interested parties had already jointly created the bill’s structure and approach. See Jessica D. Litman, Copyright, Compromise, and Legislative History, 72 **Cornell L. Rev.** 857, 858-63 (1987).

⁶⁹ See Barbara Ringer, First Thoughts on the Copyright Act of 1976, 22 N.Y.L. **Sch. L. Rev.** 477, 481-82 (1976-1977).

⁷⁰ See Jessica D. Litman, Copyright, Compromise, and Legislative History, 72 **Cornell L. Rev.** 857, 860-61 (1987).

⁷¹ See Jessica D. Litman, Copyright, Compromise, and Legislative History, 72 **Cornell L. Rev.** 857, 860 (1987).

provisions.⁷² Therefore, the legislative history of the 1976 Act is not open to the standard methods of interpretation.⁷³

Nevertheless, the Act of 1976 finally became effective on January 1, 1978.⁷⁴ It is now safe to state that the modern American copyright law is governed by the 1976 Act with few exceptions.⁷⁵ It protects “forms of literary, musical and artistic works fixed in a medium of expression.”⁷⁶ Specifically, section 102(a) lists eight categories of works that are entitled to copyright protection: (1) dramatic works;⁷⁷ (2) literary works;⁷⁸ (3) musical works;⁷⁹ (4) pantomimes and choreographic works;⁸⁰ (5) pictorial, graphic, and sculptural works;⁸¹ (6) motion pictures and other audiovisual works;⁸² (7) sound recordings;⁸³ and (8) architectural works.⁸⁴

Moreover, the 1976 Act continues the long-standing historical presumption that the

⁷² “[S]ponsors of amendments displayed remarkable inexpertise regarding the subject matter of their amendments; that inexpertise plagued even the members of the subcommittees responsible for copyright revision.” Jessica D. Litman, *Copyright, Compromise, and Legislative History*, 72 *Cornell L. Rev.* 857 n.52 (1987).

⁷³ See Jessica D. Litman, *Copyright, Compromise, and Legislative History*, 72 *Cornell L. Rev.* 857, 862 (1987).

⁷⁴ See Jon M. Garon & Elaine D. Ziff, *The Work Made For Hire Doctrine Revisited: Startup and Technology Employees and the Use of Contracts in a Hiring Relationship*, 12 *Minn. J. Sci. & Tech.* 489, 491 (2011).

⁷⁵ Emily Burrows, Note, *Termination of Sound Recording Copyrights & the Potential Unconscionability of “work for hire” Clauses*, 30 *Rev. Litig.* 101, 105 (2010).

⁷⁶ I Paul Goldstein, *Goldstein on Copyright* § 1.1 (3d ed. 2005).

⁷⁷ 17 U.S.C. § 102(a)(3) (2006).

⁷⁸ 17 U.S.C. § 102(a)(1) (2006).

⁷⁹ 17 U.S.C. § 102(a)(2) (2006).

⁸⁰ 17 U.S.C. § 102(a)(4) (2006).

⁸¹ 17 U.S.C. § 102(a)(5) (2006).

⁸² 17 U.S.C. § 102(a)(6) (2006).

⁸³ 17 U.S.C. § 102(a)(7) (2006).

⁸⁴ 17 U.S.C. § 102 (a)(8) (2006).

copyright vests initially in the author of the work with few exceptions.⁸⁵ The author is the entity that created the work,⁸⁶ that is, the person who contributed by his intellectual labor to the creation of a new work.⁸⁷ Correctly identifying an author is important for various reasons.⁸⁸ For example, all the authors of joint work must be identified to enjoy the protection of copyright.⁸⁹ Another reason is that section 104(a) of the 1976 Act conditions protection of copyright to author's nationality or domicile.⁹⁰ Identifying an author is also important in making sure that subsequent transfers, assignments, and licenses are binding because the very first grant must stem from the work's author.⁹¹ In addition to identifying the author correctly, it is critical to identify the effective date of the 1976 Act as well.⁹²

Identifying the effective date is crucial for several reasons.⁹³ An author will enjoy copyright protection for his/her lifespan plus seventy years for work created on or after the

⁸⁵ See I Paul Goldstein, Goldstein on Copyright § 1.3 (3d ed. 2005). Catherine L. Fisk, Authors at Work: The Origins of the Work-for-Hire Doctrine, 15 **Yale J.L. & Human.** 1, 25 (2003) (“only intellectual labor could make one an author”).

⁸⁶ See generally 17 U.S.C. § 201(a) (2006); Cmty. for Creative Non Violence v. Reid, 490 U.S. 730, 737 (1989).

⁸⁷ See Atwill v. Ferrett, 2 F. Cas. 195, 197 (1846).

⁸⁸ See I Paul Goldstein, Goldstein on Copyright § 1.3 (3d ed. 2005).

⁸⁹ See 17 U.S.C. § 302(b) (2006).

⁹⁰ See 17 U.S.C. § 104(b)(1)-(2) (2006).

⁹¹ See I Paul Goldstein, Goldstein on Copyright § 1.3 (3d ed. 2005).

⁹² See 17 U.S.C. § 302(a) (2006) (applying to works created on or after January 1, 1978). On the other hand, for works made for hire, protection lasts hundred twenty years from creation or ninety five years from publication, whichever expires first. See 17 U.S.C. § 302(c) (2006); Twentieth Fox Film Corp. v. Entm't Distrib., 429 F.3d 869, 876 (9th Cir. 2005); 1 Melville B. Nimmer & David Nimmer, Nimmer on Copyright § 1.01, n.703 (2011).

⁹³ See 17 U.S.C. § 302(a) (2006) (applying to works created on or after January 1, 1978). On the other hand, for works made for hire, protection lasts hundred twenty years from creation or ninety five years from publication, whichever expires first. See 17 U.S.C. § 302(c) (2006); Twentieth Fox Film Corp. v. Entm't Distrib., 429 F.3d 869, 876 (9th Cir. 2005); 1 Melville B. Nimmer & David Nimmer, Nimmer on Copyright § 1.01, n.703 (2011).

effective date, January 1, 1978.⁹⁴ Additionally, all the rights and remedies under the Copyright Act of 1976 apply when the cause of action arises on or after the effective date despite the fact that the works become subject to the protections of copyright before the effective date.⁹⁵ Accordingly, causes of actions arising before the effective date of the 1976 Act are governed by the 1909 Act.⁹⁶

Since this comment is limited to the scope of “work for hire” doctrine under the Copyright Act of 1976, it is no longer necessary to provide more information about the other aspects of the 1976 Act. The other provisions that are relevant to the analysis of “work for hire” doctrine are incorporated in the following section that discusses the “work for hire” doctrine.

A. Relevant Information on “Work for Hire” Doctrine under the 1976 Act

The “work for hire” doctrine is a part of the 1976 Act’s ownership provision,⁹⁷ which is an important exception to the general rule that ownership of a copyright vests initially in the author, that is, the person who converts an idea into a tangible expression.⁹⁸ The ownership provision is one of the many compromises enacted in the statute along with reversion and duration issues.⁹⁹ The new ownership provisions significantly differed from the law when the

⁹⁴ See 17 U.S.C. § 302(a) (2006) (applying to works created on or after January 1, 1978). On the other hand, for works made for hire, protection lasts hundred twenty years from creation or ninety five years from publication, whichever expires first. See 17 U.S.C. § 302(c) (2006).

⁹⁵ See 1 Melville B. Nimmer & David Nimmer, *Nimmer on Copyright* § 1.01 (2011).

⁹⁶ See, e.g., *Twentieth Fox Film Corp. v. Entm’t Distrib.*, 429 F.3d 869, 876 (9th Cir. 2005); 1 Melville B. Nimmer & David Nimmer, *Nimmer on Copyright* § 1.01, n.703 (2011).

⁹⁷ See 17 U.S.C § 201 (2006).

⁹⁸ Compare 17 U.S.C. § 201(a) (2006) (stating that copyright initially vests in the author), with 17 U.S.C § 201(b) (2006) (stating that the person for whom works are created is the author In the case of a work made for hire).

⁹⁹ See Jessica D. Litman, *Copyright, Compromise, and Legislative History*, 72 *Cornell L. Rev.* 857, 883 (1987).

Act of 1909 was in effect.¹⁰⁰

Moreover, the section that governs “work for hire” agreements under the new Act began its refinement by negotiations between representatives of special interest groups.¹⁰¹ The 1909 Act had turned the provision governing “works for hire” into a test based on many factors to determine when a party, an employer, for whom the work was created would be entitled to the copyright.¹⁰² Such a test certainly did not achieve predictability and certainty in the ownership of copyrights.¹⁰³ Additionally, in the case of commissioned works, the common law assumed that the commissioned party had impliedly consented to transfer ownership of the copyright accompanied by the work.¹⁰⁴

Conversely, the 1976 Act distinguishes between two mutually exclusive provisions, works created by employees and independent contractors.¹⁰⁵ It is extremely important to determine whether a work is for hire because such determination not only decides who the initial owner of the copyright is,¹⁰⁶ but also the duration of the copyright,¹⁰⁷ the renewal,¹⁰⁸ and

¹⁰⁰ The new provisions enhanced the prospect for certainties regarding ownership. See Jessica D. Litman, Copyright, Compromise, and Legislative History, 72 **Cornell L. Rev.** 857, 888 (1987).

¹⁰¹ The special interest groups included but were not limited to authors, composers, book and music publishers, and motion picture studios. See Jessica D. Litman, Copyright, Compromise, and Legislative History, 72 **Cornell L. Rev.** 857, 890 (1987).

¹⁰² See Jessica D. Litman, Copyright, Compromise, and Legislative History, 72 **Cornell L. Rev.** 857, 889 (1987).

¹⁰³ See Jessica D. Litman, Copyright, Compromise, and Legislative History, 72 **Cornell L. Rev.** 857, 889 (1987).

¹⁰⁴ See *Comty. for Creative Non Violence v. Reid*, 490 U.S. 730, 744 (1989).

¹⁰⁵ The new act defines “work made for hire” consisting of “a work prepared by an employee [in the course of] and within the scope of his or her employment,” or of specific works “specially ordered or commissioned.” 17 U.S.C. § 101 (2006).

¹⁰⁶ See *Comty. for Creative Non Violence v. Reid*, 490 U.S. 730, 737 (1989).

¹⁰⁷ Works made for hire enjoy copyright protection for 120 years from the creation or ninety-five years from publication. See 17 U.S.C. § 302(c) (2006).

¹⁰⁸ See 17 U.S.C. § 304(a) (2006).

termination¹⁰⁹ rights of owners. Hence, “the contours of the work for hire doctrine . . . carry profound significance for freelance creators-including artists, writers, photographers, designers, composers, and computer programmers-and for the publishing, advertising, music, and other industries which commission their works.”¹¹⁰

Additionally, one of the most significant consequences of “work for hire” is the absence of termination rights.¹¹¹ Section 203 of the United States Code is the section governing termination rights after copyrights have been transferred.¹¹² This section allows authors to recapture their rights to the copyright after thirty-five years from the date of transfer.¹¹³ However, as an exception, works made for hire are not subject to the termination rights.¹¹⁴

1. Works Prepared by Employees and Inevitable Unpredictability¹¹⁵

Although this note is limited to independent contractors, the second part of the “work for hire” provision,¹¹⁶ certain aspects of the works prepared by employees¹¹⁷ that are highly relevant to my discussion of independent contractors are worth mentioning here.

In the landmark case Community for Creative Non Violence v. Reid, the Supreme Court

¹⁰⁹ See 17 U.S.C. § 203(a) (2006).

¹¹⁰ Cnty. for Creative Non Violence v. Reid, 490 U.S. 730, 737 (1989).

¹¹¹ Mary LaFrance, Authorship and Termination Rights in Sound Recordings, 75 S. Cal. L. Rev. 375, 378 (2002).

¹¹² See 17 U.S.C § 203 (2006).

¹¹³ The design of this provision was a result of compromise between representatives of special interest groups. The representatives were concerned with the difference in bargaining power of the potential parties. See Jessica D. Litman, Copyright, Compromise, and Legislative History, 72 **Cornell L. Rev.** 857, 889 (1987).

¹¹⁴ Emily Burrows, Note, Termination of Sound Recording Copyrights & the Potential Unconscionability of “work for hire” Clauses, 30 **Rev. Litig.** 101, 108 (2010).

¹¹⁵ See 17 U.S.C. § 201(b) (2006).

¹¹⁶ See 17 U.S.C. § 201(b) (2006).

¹¹⁷ See 17 U.S.C. § 201(b) (2006).

held that in using the terms “employee” and “employer” Congress meant a conventional employment relationship.¹¹⁸ Accordingly, once a party is found to be an employee, the analysis will end; the employer will own the copyright if the work is created within the scope of employment.¹¹⁹ Such a straightforward analysis would unquestionably accomplish the main objective of Congress in enacting the new Act with which the Supreme Court seemed to be concerned to a great extent.¹²⁰ However, the Supreme Court did not stop there.¹²¹ Indeed, the Court, acknowledging Congress’ main objective in enacting the new Act, went on to list thirteen non-exclusive factors for courts to apply in determining whether a party is an employee.¹²² These factors stemmed from the common law of agency.¹²³ Additionally, the Supreme Court held that no factor alone is conclusive.¹²⁴

However, in light of subsequent court decisions,¹²⁵ it is reasonable to question whether the factors provided by the Supreme Court further promote Congress’ goal of certainty and

¹¹⁸ See 490 U.S. 730, 739-41(1989).

¹¹⁹ See 17 U.S.C § 101 (2006).

¹²⁰ See Cmty. for Creative Non Violence v. Reid, 490 U.S. 730, 749 (1989).

¹²¹ See Cmty. for Creative Non Violence v. Reid, 490 U.S. 730, 751 (1989).

¹²² See Cmty. for Creative Non Violence v. Reid, 490 U.S. 730, 751 (1989).

¹²³ The court reasoned that since Congress also incorporated the phrase "scope of employment" into the “work for hire” provisions, which is a term of art in agency law, agency law definitions applied. See Cmty. for Creative Non Violence v. Reid, 490 U.S. 730, 751 (1989).

¹²⁴ See Cmty. for Creative Non Violence v. Reid, 490 U.S. 730, 751 (1989).

¹²⁵ One of the illustrative cases that tried to apply those factors was *Aimes v. Bonelli*. In this case, the plaintiff brought suit against his former employer arguing that the copyright ownership of the works that he had created while employed were his. What is significant in this case is the fact that the Second Circuit reversed the district court’s holding based on the fact that the Second Circuit, in interpreting the factors, assigned more weight to certain factors than the district court. See 980 F.2d 857 (2d Cir. 1992).

predictability.¹²⁶ Indeed, it is reasonable to state that the Supreme Court’s decision injected further unpredictability and uncertainty in an already complex field of law.¹²⁷ After providing relevant information on works prepared by employees, the next section provides in depth information on the second part of the “work for hire” provision, which is the focus of this comment.

2. Specially Commissioned Works¹²⁸ and Independent Contractors

To be characterized as a “work for hire” under the second category, one of the requirements of the statute is that a work must be specially ordered or commissioned.¹²⁹ Another requirement is that the work must fall into one of the enumerated categories.¹³⁰ Finally, there must be an express written agreement signed by the parties indicating that the work is to be “work for hire.”¹³¹

a. Works Must be Specially Ordered or Commissioned¹³²

Typically, a work may be commissioned when a person is asked to create a work.¹³³ However, unlike under the Act of 1909, the commissioning party need not exercise “artistic

¹²⁶ See Alexandra Duran, Comment, Community for Creative Non-Violence v. Reid: The Supreme Court Reduces Predictability by Attributing an Agency Standard to the Work For Hire Doctrine of the 1976 Copyright Act, 56 **Brook. L. Rev.** 1081 (1990).

¹²⁷ Carolyn M. Salzman, You Commissioned It, You Bought It, But Do You Own It? The Work for Hire: Why is Something so Simple, so Complicated?, 31 **U. Tol. L. Rev.** 497, 508 (2000).

¹²⁸ See 17 U.S.C. § 201(b) (2006).

¹²⁹ See 17 U.S.C. § 101 (2006); *Playboy Enters., Inc. v. Dumas*, 53 F.3d 549, 561 (2d Cir. 1995).

¹³⁰ See 17 U.S.C. § 101 (2006).

¹³¹ See 17 U.S.C. § 101 (2006).

¹³² See 17 U.S.C. § 101 (2006); *Playboy Enters., Inc. v. Dumas*, 53 F.3d 549, 561 (2d Cir. 1995).

¹³³ See 1 Melville B. Nimmer & David Nimmer, Nimmer on Copyright § 5.03[B][2][d] (2011). The phrase “specially ordered or commissioned” indicates a commercial relationship in which a commissioning party pays an independent contractor for the work. *Comty. for Creative Non Violence v. Reid*, 490 U.S. 730, 742 (1989).

control over the product for it to be ‘specially ordered or commissioned’” under the Act of 1976.¹³⁴ Hence, the crucial factor is that the commissioning party must be the “motivating factor” behind the inducement of the creation of a work.¹³⁵

b. Works Must Fall within One of the Enumerated Categories¹³⁶

The second requirement is that works must fall within at least one of the nine enumerated categories under the 1976 Act.¹³⁷ For these types of works, the status of the worker as an employee is not relevant.¹³⁸ The enumerated categories are as follows: (1) a contribution to a collective work; (2) a part of a motion picture or other audiovisual work; (3) a translation; (4) a supplementary work; (5) a compilation; (6) an instructional text; (7) a test; (8) an answer material for a test, or (9) an atlas.¹³⁹ The statute then provides definitions for each of these categories.¹⁴⁰ Each of these categories were carefully chosen and separately debated.¹⁴¹

¹³⁴ See *Playboy Enters., Inc. v. Dumas*, 53 F.3d 549, 562 (2d Cir. 1995).

¹³⁵ See 1 Melville B. Nimmer & David Nimmer, *Nimmer on Copyright* § 5.03[B][2][d] (2011). In *Playboy Enterprises, Inc. v. Dumas*, the Second Circuit held that the fact that the hiring party made specific requests for works to be created satisfied the requirement of “specially ordered.” 53 F.3d 549, 563 (2d Cir. 1995).

¹³⁶ See 17 U.S.C. § 101 (2006).

¹³⁷ See 17 U.S.C. § 101 (2006).

¹³⁸ See 17 U.S.C. § 101 (2006).

¹³⁹ See 17 U.S.C. § 101 (2006).

¹⁴⁰ “A ‘collective work’ is 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.” See 17 U.S.C. § 101 (2006).

“‘Motion pictures’ are audiovisual works consisting of a series of related images which, when shown in succession, impart an impression of motion, together with accompanying sounds, if any.” See 17 U.S.C. § 101 (2006).

“‘Audiovisual works’ are works that consist of a series of related images which are intrinsically intended to be shown by the use of machines or devices such as projectors, viewers, or electronic equipment, together with accompanying sounds, if any, regardless of the nature of the material objects, such as films or tapes, in which the works are embodied.” See 17 U.S.C. § 101 (2006).

“A ‘supplementary work’ is a work prepared for publication as a secondary adjunct to a work by another author for the purpose of introducing, concluding, illustrating, explaining, revising, commenting upon, or assisting in the use of the other work” See 17 U.S.C. § 101 (2006).

Specifically, there were two competing concerns.¹⁴²

On the one hand, the representatives of independent contractors were concerned that the superior bargaining power of commissioning parties would undermine the independent contractors' bargaining power to reject contractual clauses with "work for hire" provisions.¹⁴³ On the other hand, the commissioning parties were worried about the possible barriers that they would face in trying to exploit the works created by independent contractors because independent contractors would be able to use the reversion provisions.¹⁴⁴ Accordingly, the special interest groups met one another halfway; they restricted commissioned works for hire to explicit enumerated categories.¹⁴⁵

c. There Must be a Written Agreement, Signed by Both Parties¹⁴⁶

Moreover, although a work is "specially ordered or commissioned" and falls into one of the enumerated categories, it will only be considered a "work for hire" if "the parties *expressly* agree in a written instrument signed by *them* that the work shall be considered a 'work made for hire.'"¹⁴⁷ Because the statute does not provide whether the agreement must include the

"A 'compilation' is a work formed by the collection and assembling of preexisting materials or of data that are selected, coordinated, or arranged in such a way that the resulting work as a whole constitutes an original work of authorship." See 17 U.S.C. § 101 (2006).

"'Instructional text' is a literary, pictorial, or graphic work prepared for publication and with the purpose of use in systematic instructional activities." See 17 U.S.C. § 101 (2006).

¹⁴¹ See William Henslee & Elizabeth Henslee, You Don't Owe Me: Why Work for Hire Should Not Be Applied to Sound Recordings, 10 *J. Marshall Rev. Intell. Prop. L.* 695, 700 (2011).

¹⁴² See William Henslee & Elizabeth Henslee, You Don't Owe Me: Why Work for Hire Should Not Be Applied to Sound Recordings, 10 *J. Marshall Rev. Intell. Prop. L.* 695, 700 (2011).

¹⁴³ See Jessica D. Litman, Copyright, Compromise, and Legislative History, 72 *Cornell L. Rev.* 857, 890 (1987).

¹⁴⁴ See Jessica D. Litman, Copyright, Compromise, and Legislative History, 72 *Cornell L. Rev.* 857, 890 (1987).

¹⁴⁵ See Jessica D. Litman, Copyright, Compromise, and Legislative History, 72 *Cornell L. Rev.* 857, 890-91 (1987).

¹⁴⁶ 17 U.S.C. § 101 (2006).

¹⁴⁷ 17 U.S.C. § 101 (2006) (emphasis added).

formulaic phrase, “work for hire,”¹⁴⁸ there is much disagreement between courts on what language the agreement must include to satisfy the writing requirement.¹⁴⁹

In Playboy Enterprises, Inc. v. Dumas, the only writings that were signed by both parties were the checks issued by Playboy.¹⁵⁰ The checks were stamped by different legends during different periods.¹⁵¹ The checks stamped by legend “A” did not satisfy the writing requirement because the legend only mentioned the word “assignment.”¹⁵² In contrast, the legends “B” and “C” satisfied the writing requirement because they expressly acknowledged that the services being paid for were “on work for hire” basis.¹⁵³

Another case that addressed the question of what language satisfies the writing requirement was Armento v. Laser Image, Inc.¹⁵⁴ In that case, the court held that as long as the parties expressed an intention to enter into a “work for hire” agreement, the phrase “work for hire” was not fatal.¹⁵⁵ Professor Goldstein has criticized this approach by reasoning that

¹⁴⁸ See 17 U.S.C. § 101 (2006); I Paul Goldstein, Goldstein on Copyright § 4.3.2 (3d ed. 2005); 1 Melville B. Nimmer & David Nimmer, Nimmer on Copyright § 5.03[B][2][b] (2011).

¹⁴⁹ See, e.g., Warren v. Fox Family Worldwide, Inc., 328 F.3d 1136, 1141 (9th Cir. 2003); Playboy Enters., Inc. v. Dumas, 53 F.3d 549, 560 (2d Cir. 1995); Numbers Licensing, LLC v. bVisual USA, Inc., 643 F. Supp. 2d 1245, 1252-53 (E.D. Wash. 2009); Armento v. Laser Image, Inc., 950 F. Supp. 719, 731 (W.D.N.C. 1996).

¹⁵⁰ Playboy Enters., Inc. v. Dumas, 53 F.3d 549, 558 (2d Cir. 1995).

¹⁵¹ Playboy Enters., Inc. v. Dumas, 53 F.3d 549, 559-61 (2d Cir. 1995).

¹⁵² Playboy Enters., Inc. v. Dumas, 53 F.3d 549, 560 (2d Cir. 1995).

¹⁵³ Playboy Enters., Inc. v. Dumas, 53 F.3d 549, 560 (2d Cir. 1995).

¹⁵⁴ See 950 F. Supp. 719 (W.D.N.C. 1996).

¹⁵⁵ See Armento v. Laser Image, Inc., 950 F. Supp. 719, 731 (1996) (“[R]otely invalidating the ownership effect of work for hire contract because it fails to include the words “for hire” leads to unjust results and undermines the purpose of the Copyright Act.”).

allowing parol evidence will “defeat the parties’ expectations respecting their arrangement, particularly when the litigation arises long after the relationship was formed.”¹⁵⁶

The United States Court of Appeals for the Ninth Circuit has also addressed the issue in Warren v. Fox Family Worldwide, Inc.¹⁵⁷ There, the court held that the fact that the agreements used no “talismanic words” was not dispositive because there was no requirement in the Act that “work for hire agreements” include any particular words.¹⁵⁸ Moreover, the fact that the contract’s title was not “Work for Hire Agreement” was not conclusive either.¹⁵⁹ Based on subsequent interpretations by courts, it is reasonable to conclude that modern courts are likely to follow the Ninth Circuit’s interpretation, thus, affording a generous reading in favor of employers.¹⁶⁰

Although the statute is clear regarding the writing requirement, it is completely silent on whether the writing must precede or may succeed the creation of the work.¹⁶¹ The determination of this issue has created a historical split.¹⁶² The split is between the United States Court of Appeals for the Seventh Circuit and the United States Court of Appeals for the Second Circuit.¹⁶³

¹⁵⁶ I Paul Goldstein, Goldstein on Copyright § 4.3.2 (3d ed. 2005).

¹⁵⁷ See 328 F.3d 1136, 1141 (9th Cir. 2003).

¹⁵⁸ See Warren v. Fox Family Worldwide, Inc., 328 F.3d 1136, 1141 (9th Cir. 2003).

¹⁵⁹ See Warren v. Fox Family Worldwide, Inc., 328 F.3d 1136, 1142 (9th Cir. 2003) (“[N]othing in the [Copyright] [A]ct or our caselaw [sic] indicates that an agreement’s title is a dispositive factor in determining whether a work-for-hire relationship exists.”).

¹⁶⁰ See Jon M. Garon & Elaine D. Ziff, The Work Made For Hire Doctrine Revisited: Startup and Technology Employees and the Use of Contracts in a Hiring Relationship, 12 **Minn. J. Sci. & Tech.** 489, 515 (2011).

¹⁶¹ See 17 U.S.C 201(b) (2006).

¹⁶² See TMTV, Corp. v. Mass Productions, Inc., 645 F.3d 464, 470 (1st Cir. 2011) (recognizing the split).

¹⁶³ Compare Schiller & Schmidt, Inc. v. Nordisco Corp., 969 F.2d 410, 413 (7th Cir. 1992) (holding that written work for hire agreement must precede the creation of works), with Playboy Enters., Inc. v. Dumas, 53 F.3d 549, 559 (2d Cir. 1995) (holding that written agreement might postdate the creation of works).

Accordingly, before beginning the exploration of the stand the Ninth Circuit should take, it is proper to pause to provide a short summary of the two cases that created the split, followed by a short discussion of the pros and cons of each decision.

IV. SYNTHESIS OF THE SCHILLER & SCHMIDT CASE¹⁶⁴ ALONG WITH THE PROS AND CONS OF THE DECISION

In Schiller & Schmidt v. Nordisco Corp., Schiller & Schmidt, a seller of office supplies, brought suit against its competitor, Nordisco, for copyright infringement in the United States District Court for the Northern District of Illinois, Eastern Division.¹⁶⁵ The district judge did not find any copyright infringement.¹⁶⁶ The plaintiff appealed to the United States Court of Appeal for the Seventh Circuit, raising issues regarding “work for hire” agreements.¹⁶⁷

The defendant company, which was also engaged in the sale of office supplies, was founded by the plaintiff company’s president’s nephew, who was a former employee of the plaintiff company.¹⁶⁸ The plaintiff’s case on the issue of the photographs’ copyright was predicated on the allegations that the defendant had copied certain photographs that were created by one photographer for Schiller’s office supply catalog.¹⁶⁹ However, at the time the works, photographs, were created the plaintiff and the photographer had not signed a written agreement designating the works as “works for hire.”¹⁷⁰ Consequently, the photographer was vested with

¹⁶⁴ 969 F.2d 410 (7th Cir. 1992).

¹⁶⁵ See 969 F.2d 410, 411 (7th Cir. 1992).

¹⁶⁶ See Schiller & Schmidt, Inc. v. Nordisco Corp., 969 F.2d 410, 411 (7th Cir. 1992).

¹⁶⁷ See Schiller & Schmidt, Inc. v. Nordisco Corp., 969 F.2d 410 (7th Cir. 1992).

¹⁶⁸ See Schiller & Schmidt, Inc. v. Nordisco Corp., 969 F.2d 410, 411 (7th Cir. 1992).

¹⁶⁹ See Schiller & Schmidt, Inc. v. Nordisco Corp., 969 F.2d 410, 412 (7th Cir. 1992).

¹⁷⁰ See Schiller & Schmidt, Inc. v. Nordisco Corp., 969 F.2d 410, 412 (7th Cir. 1992).

the authorship of the copyright interest in the photographs.¹⁷¹

Subsequently, after the lawsuit was filed, the photographer, by signing a statement, agreed that the plaintiff had owned the copyright in the photographs.¹⁷² However, this statement was not signed by both parties¹⁷³ as the statute explicitly required.¹⁷⁴ Initially, the Seventh Circuit reasoned that there was no dispute that the photographer was not the plaintiff's employee at the time he created the photographs.¹⁷⁵ Hence, the only way that the works could have been made for hire was if the plaintiff could satisfy the second provision of the "work for hire" statute.

The Seventh Circuit held that "the statement came too late."¹⁷⁶ In fact, the court reasoned that the requirement of the writing in the context of specially commissioned works "[was] not merely a statute of frauds" while recognizing that many cases had concentrated on that purpose solely.¹⁷⁷ The court further reasoned that if the sole purpose of the writing was to protect individuals from false claims, then it would not matter when the statement must be made.¹⁷⁸ Moreover, the writing requirement had a second purpose; "to make the ownership of property rights in intellectual property clear and definite, so that such property will be readily marketable."¹⁷⁹ Hence, the court concluded that to serve both purposes, the writing "must

¹⁷¹ See Schiller & Schmidt, Inc. v. Nordisco Corp., 969 F.2d 410, 412 (7th Cir. 1992).

¹⁷² See Schiller & Schmidt, Inc. v. Nordisco Corp., 969 F.2d 410, 412 (7th Cir. 1992).

¹⁷³ See Schiller & Schmidt, Inc. v. Nordisco Corp., 969 F.2d 410, 412 (7th Cir. 1992).

¹⁷⁴ See 17 U.S.C. § 101 (2006).

¹⁷⁵ See Schiller & Schmidt, Inc. v. Nordisco Corp., 969 F.2d 410, 412 (7th Cir. 1992).

¹⁷⁶ Schiller & Schmidt, Inc. v. Nordisco Corp., 969 F.2d 410, 412 (7th Cir. 1992).

¹⁷⁷ Schiller & Schmidt, Inc. v. Nordisco Corp., 969 F.2d 410, 412 (7th Cir. 1992).

¹⁷⁸ See Schiller & Schmidt, Inc. v. Nordisco Corp., 969 F.2d 410, 412 (7th Cir. 1992).

¹⁷⁹ Schiller & Schmidt, Inc. v. Nordisco Corp., 969 F.2d 410, 412 (7th Cir. 1992).

precede the creation of the property in order to . . . [identify] the . . . owner unequivocally.”¹⁸⁰ In this case because the writing did not precede the creation of the photographs, a “work for hire” agreement did not arise between the plaintiff and the photographer.¹⁸¹ After providing a synthesis of the Schiller & Schmidt¹⁸² case, it is now essential to provide an analysis of the advantages and disadvantages of the decision.

*A. The Pros and Cons of the View that the Writing Must Precede the Creation of the Property*¹⁸³

On the one hand, this view is “the better view as a matter of practice and principle.”¹⁸⁴ It creates a bright line rule.¹⁸⁵ Although this view may defeat the intentions of the contracting parties, the purpose behind the second clause of the “work for hire” provision is not to effectuate the intent of the parties.¹⁸⁶ Instead, professor Goldstein reasons that the purpose is to fix the status of a work in advance.¹⁸⁷ The thrust of the reasoning is that the preceding written agreement creates a clear record of ownership, on which other parties may subsequently rely with confidence.¹⁸⁸ It is conceded that such a requirement not only will protect against “false claims of oral agreements,” but also will make such property readily marketable.¹⁸⁹ The

¹⁸⁰ Schiller & Schmidt, Inc. v. Nordisco Corp., 969 F.2d 410, 413 (7th Cir. 1992).

¹⁸¹ Schiller & Schmidt, Inc. v. Nordisco Corp., 969 F.2d 410, 413 (7th Cir. 1992).

¹⁸² 969 F.2d 410 (7th Cir. 1992).

¹⁸³ See Schiller & Schmidt, Inc. v. Nordisco Corp., 969 F.2d 410, 412 (7th Cir. 1992).

¹⁸⁴ I Paul Goldstein, Goldstein on Copyright § 4.3.2 (3d ed. 2005).

¹⁸⁵ Carolyn M. Salzmann, You Commissioned It, You Bought It, But Do You Own It? The Work for Hire: Why is Something so Simple, so Complicated?, 31 **U. Tol. L. Rev.** 497, 515 (2000).

¹⁸⁶ See I Paul Goldstein, Goldstein on Copyright § 4.3.2 (3d ed. 2005).

¹⁸⁷ See I Paul Goldstein, Goldstein on Copyright § 4.3.2 (3d ed. 2005).

¹⁸⁸ See I Paul Goldstein, Goldstein on Copyright § 4.3.2 (3d ed. 2005).

¹⁸⁹ See I Paul Goldstein, Goldstein on Copyright § 4.3.2 (3d ed. 2005).

requirement that the writing be executed prior to the creation of work will preclude a measure of expense and uncertainty from being introduced into copyright ownership.¹⁹⁰

On the other hand, as with any bright line rule, there can and will be negative consequences.¹⁹¹ For instance, if contracting parties agree in advance that a work is to be made for hire, but for practical reasons fail to reduce it to writing before the work is created, the bright line rule articulated in Schiller & Schmidt¹⁹² will frustrate the intent of the parties.¹⁹³ Indeed, the second circuit agreed with the latter reasoning when it decided Playboy Enterprises, Inc v. Dumas.¹⁹⁴ Accordingly, it is essential to provide a synthesis of that case.

V. SYNTHESIS OF THE PLAYBOY ENTERPRISES, INC V. DUMAS CASE¹⁹⁵ ALONG WITH THE PROS AND CONS OF THE DECISION

A magazine publisher brought an action against an artist's widow and her corporation, seeking declaration that the magazine was the owner of copyrights in the works created by the artist.¹⁹⁶ The defendants filed a counterclaim for copyright infringement.¹⁹⁷ The United States District Court for the Southern District of New York dismissed the magazine's claim for a

¹⁹⁰ “To allow work for hire status to be controlled by writings that come into being at *any time* after the work in issue is created would introduce a measure of expense and uncertainty into copyright title examination and a degree of indeterminacy. . . .” I Paul Goldstein, Goldstein on Copyright § 4.3.2 (3d ed. 2005) (emphasis added).

¹⁹¹ See 1 Melville B. Nimmer & David Nimmer, Nimmer on Copyright § 5.03[B][2][b] (2011).

¹⁹² See 969 F.2d 410, 413 (7th Cir. 1992) (holding that written work-for-hire agreement must precede creation of work).

¹⁹³ See 1 Melville B. Nimmer & David Nimmer, Nimmer on Copyright § 5.03[B][2][b] (2011).

¹⁹⁴ See 53 F.3d 549, 559 (2d Cir. 1995) (holding that written agreement might postdate creation).

¹⁹⁵ 53 F.3d 549 (2d Cir. 1995).

¹⁹⁶ See Playboy Enters., Inc. v. Dumas, 53 F.3d 549, 553 (2d Cir. 1995).

¹⁹⁷ See Playboy Enters., Inc. v. Dumas, 53 F.3d 549, 552 (2d Cir. 1995).

declaratory judgment¹⁹⁸ and granted the defendant's counterclaim.¹⁹⁹ Accordingly, the magazine appealed.²⁰⁰

The artist, who was a freelancer, prepared approximately 285 paintings for Playboy magazine on monthly basis between 1974 and 1984.²⁰¹ In the beginning, the magazine provided instructions regarding the paintings, however, the magazine ceased to give instructions after several years.²⁰² The magazine paid a flat fee for each work²⁰³ and marked each returned artwork as "PLAYBOY ARTWORK."²⁰⁴ Moreover, instead of having an express agreement indicating that the artist's works were to be designated as "works made for hire,"²⁰⁵ the magazine printed a legend on the back of the checks it sent to the artist.²⁰⁶ Upon the artist's death, the artist's wife, who obtained the copyrights to the artwork, entered into agreements granting reproduction rights to third parties, which gave rise to the lawsuit.²⁰⁷ Essentially, the outcome depended on whether, even assuming the checks were sufficient for the writing requirement, the fact that they were signed after the creation of work was determinative.²⁰⁸ The district court

¹⁹⁸ See Playboy Enters., Inc. v. Dumas, 53 F.3d 549, 551 (2d Cir. 1995).

¹⁹⁹ See Playboy Enters., Inc. v. Dumas, 53 F.3d 549, 551-52 (2d Cir. 1995).

²⁰⁰ See Playboy Enters., Inc. v. Dumas, 53 F.3d 549, 551 (2d Cir. 1995).

²⁰¹ See Playboy Enters., Inc. v. Dumas, 53 F.3d 549, 552 (2d Cir. 1995).

²⁰² See Playboy Enters., Inc. v. Dumas, 53 F.3d 549, 552 (2d Cir. 1995).

²⁰³ See Playboy Enters., Inc. v. Dumas, 53 F.3d 549, 555 (2d Cir. 1995).

²⁰⁴ See Playboy Enters., Inc. v. Dumas, 53 F.3d 549, 552 (2d Cir. 1995).

²⁰⁵ See Playboy Enters., Inc. v. Dumas, 53 F.3d 549, 549 (2d Cir. 1995).

²⁰⁶ See Playboy Enters., Inc. v. Dumas, 53 F.3d 549, 552 (2d Cir. 1995).

²⁰⁷ See Playboy Enters., Inc. v. Dumas, 53 F.3d 549, 553 (2d Cir. 1995).

²⁰⁸ See Playboy Enters., Inc. v. Dumas, 53 F.3d 549, 558 (2d Cir. 1995).

followed the Schiller & Schmidt case,²⁰⁹ and reasoned that the intent of the parties may not supersede the requirements of the statute.²¹⁰

The United States Court of Appeals for the Second Circuit initially discussed the ownership question under the 1909 Act since some of the works were created before the effective date of the 1976 Act, 1978.²¹¹ The court found that because the magazine had requested some of the works created before 1978, the magazine was the author.²¹² The pay stubs were not considered writing to the contrary to overcome the presumption that the magazine was the author.²¹³

Then, the court began its discussion under the 1976 Act.²¹⁴ The court recognized that the statute was silent as to when the parties must sign the agreement.²¹⁵ Furthermore, the court agreed that one of the purposes of the writing requirement was to make the ownership rights in works crystal-clear.²¹⁶ Hence, it reasoned that allowing parties to enter into an agreement after the creation of work would undermine the Congressional intent, and might give rise to an unintended situation by Congress.²¹⁷ Accordingly, the court held that the 1976 Act required an

²⁰⁹ 969 F.2d 410 (7th Cir. 1992).

²¹⁰ See Playboy Enters., Inc. v. Dumas, 831 F. Supp. 295, 315 n.23 (S.D.N.Y. 1993).

²¹¹ See Playboy Enters., Inc. v. Dumas, 53 F.3d 549, 553 (2d Cir. 1995).

²¹² See Playboy Enters., Inc. v. Dumas, 53 F.3d 549, 556-57 (2d Cir. 1995).

²¹³ See Playboy Enters., Inc. v. Dumas, 53 F.3d 549, 560 (2d Cir. 1995).

²¹⁴ See Playboy Enters., Inc. v. Dumas, 53 F.3d 549, 557 (2d Cir. 1995).

²¹⁵ See Playboy Enters., Inc. v. Dumas, 53 F.3d 549, 558 (2d Cir. 1995).

²¹⁶ See Playboy Enters., Inc. v. Dumas, 53 F.3d 549, 559 (2d Cir. 1995).

²¹⁷ The court questioned whether Congress had intended that there be two separate authors of work-one during the period before the parties entered into an agreement and another after a work-for-hire agreement. See Playboy Enters., Inc. v. Dumas, 53 F.3d 549, 559 (2d Cir. 1995).

agreement prior to the creation of works that the works would be made for hire.²¹⁸

However, the court reasoned that the requirement that the agreement be memorialized prior to the creation of the work “would itself create unpredictability.”²¹⁹ Consequently, the court held that the writing requirement 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 work.”²²⁰ Therefore, the court held the works, which were paid for by checks, as works made for hire.²²¹

*A. The Pros and Cons of the View that the Writing Must Precede the Creation of the Property*²²²

Certainly, allowing the writing to succeed the creation of work when there is an express or implied agreement between the parties will not frustrate the intent of the parties to the agreement.²²³ Professor Nimmer reasons that this flexible view, unlike the bright line rule, takes into account the situations “when parties each of whom knew of the unanimous intent among all . . . that the work for hire doctrine would apply, notwithstanding that some of the paperwork remained not fully executed until after creation of the subject work.”²²⁴ Whereas, the bright line

²¹⁸ See Playboy Enters., Inc. v. Dumas, 53 F.3d 549, 559 (2d Cir. 1995).

²¹⁹ See Playboy Enters., Inc. v. Dumas, 53 F.3d 549, 559 (2d Cir. 1995).

²²⁰ See Playboy Enters., Inc. v. Dumas, 53 F.3d 549, 559 (2d Cir. 1995).

²²¹ See Playboy Enters., Inc. v. Dumas, 53 F.3d 549, 565 (2d Cir. 1995).

²²² See Playboy Enters., Inc. v. Dumas, 53 F.3d 549, 559 (2d Cir. 1995) (holding that written agreement might postdate creation).

²²³ See 1 Melville B. Nimmer & David Nimmer, Nimmer on Copyright § 5.03[B][2][b] (2011).

²²⁴ 1 Melville B. Nimmer & David Nimmer, Nimmer on Copyright § 5.03[B][2][b] (2011).

rule articulated in Schiller & Schmidt²²⁵ would cloud rather than serve the goal of certainty in such situations.²²⁶

On the other hand, allowing the written agreement to be executed after the creation of work may create other problems.²²⁷ For instance, in Playboy Enterprises, Inc. v. Dumas, it was almost impossible to ascertain the intent of the independent contractor since the independent contractor had passed away.²²⁸ Accordingly, the disadvantage of the view that the written agreement can be executed after the creation of work is that it does not provide a time limitation within which the written agreement must be executed although this approach effectuates the intent of the parties.²²⁹

VI. ANALYSIS: THE NINTH CIRCUIT'S FIGHT FOR A MIDDLE GROUND

It is evident that both circuit court views represent legitimate, but different, concerns.²³⁰ However, at the same time, both approaches have good reasons as to why they should not be followed.²³¹ Accordingly, to avoid the difficulty of choosing one over the other, the United States Court of Appeals should take the best of both approaches while eliminating the disadvantages of each approach. The Ninth Circuit should take a middle ground: the written agreement may postdate the creation of the work but the writing must be sufficiently contemporaneous with an express or implied prior agreement that the works are to be made for hire. Hence, the exception to the rule is that succeeding written agreement may not be executed

²²⁵ 969 F.2d 410, 413 (7th Cir. 1992) (holding that written work-for-hire agreement must precede creation of work).

²²⁶ See 1 Melville B. Nimmer & David Nimmer, Nimmer on Copyright § 5.03[B][2][b] (2011).

²²⁷ See Playboy Enters., Inc. v. Dumas, 53 F.3d 549, 564 (2d Cir. 1995).

²²⁸ See 53 F.3d 549, 564 (2d Cir. 1995).

²²⁹ See 53 F.3d 549, 564 (2d Cir. 1995).

²³⁰ See 1 Melville B. Nimmer & David Nimmer, Nimmer on Copyright § 5.03[B][2][b] (2011).

²³¹ See 1 Melville B. Nimmer & David Nimmer, Nimmer on Copyright § 5.03[B][2][b] (2011).

in anticipation of an imminent litigation or where litigation has already ensued. Such a middle ground serves the Congressional intent of certainty and predictability in intellectual property ownership²³² while avoiding any harsh rule which might frustrate the intent of the parties.²³³ The Ninth Circuit's definite stand is necessary, particularly, in light of the fact that the other provision of the "work for hire" doctrine pertaining to employees depends on countless factors²³⁴ and is far removed from promoting certainty, predictability or the intent of the parties.²³⁵

*A. Silence is Just Silence*²³⁶

Courts have consistently held that the starting point for every statute's interpretation is always the statute's language.²³⁷ Unfortunately, the language of the statute is silent here on the question whether a writing agreement must precede the creation of works.²³⁸ However, the United States Supreme Court has consistently held that Congress' silence is not conclusive.²³⁹ As a result, most of the courts, in addressing the issues as to when the writing agreement may be

²³² See I Paul Goldstein, Goldstein on Copyright § 4.3.2 (3d ed. 2005); Schiller & Schmidt, Inc. v. Nordisco Corp., 969 F.2d 410, 413 (7th Cir. 1992).

²³³ See 1 Melville B. Nimmer & David Nimmer, Nimmer on Copyright § 5.03[B][2][b] (2011); Playboy Enters., Inc. v. Dumas, 53 F.3d 549, 559 (2d Cir. 1995).

²³⁴ See Cnty. for Creative Non Violence v. Reid, 490 U.S. 730, 751 (1989).

²³⁵ One of the illustrative cases that tried to apply those factors was Aimes v. Bonelli. In this case, the plaintiff brought suit against his former employer arguing that the copyright ownership of the works that he had created while employed were his. What is significant in this case is the fact that the Second Circuit reversed the district court's holding based on the fact that the Second Circuit, in interpreting the factors, assigned more weight to certain factors than the district court. See 980 F.2d 857 (2d Cir. 1992); Alexandra Duran, Comment, Community for Creative Non-Violence v. Reid: The Supreme Court Reduces Predictability by Attributing an Agency Standard to the Work For Hire Doctrine of the 1976 Copyright Act, 56 **Brook. L. Rev.** 1081 (1990).

²³⁶ "Congress' silence is just that-silence." Cnty. for Creative Non Violence v. Reid, 490 U.S. 730, 749 (1989) (quoting Alaska Airline, Inc. v. Brock, 480 U.S. 678, 686 (1987)).

²³⁷ See Ordlock v. C.I.R., 533 F.3d 1136, 1140 (9th Cir. 2008).

²³⁸ See 17 U.S.C § 201 (2006).

²³⁹ See Cnty. for Creative Non Violence v. Reid, 490 U.S. 730, 749 (1989).

executed, have tried to determine Congress' specific intent with respect to the "work for hire" provisions by analyzing the legislative history of the 1976 Act.²⁴⁰ In analyzing the legislative history of the 1976 Act, it is reasonable to state that all of the courts have agreed that Congress' overarching objective in enacting the new Act was to promote predictability and certainty in copyright ownership.²⁴¹

However, the legislative history of the new Act is also not a very helpful aid in ascertaining the meaning of a specific provision²⁴² because credit for the Act's substance "belongs more to the representatives of interested parties."²⁴³ Specifically, Congress took a road seeking consensus among the participants of the entertainment industry.²⁴⁴

Those interested parties intentionally drafted the copyright ownership provision in a flexible way to balance the realities of various industries.²⁴⁵ Accordingly, rigid bright line rules and presumptions are impracticable.²⁴⁶ Indeed, a copyright scheme needs flexibility.²⁴⁷ Accordingly, it is reasonable to conclude that courts should not worry about frustrating the intent of Congress' members with respect to a particular provision.²⁴⁸ Thus, the solution that this paper recommends adopts an approach based on the industry practices while accomplishing the

²⁴⁰ See Jessica D. Litman, Copyright, Compromise, and Legislative History, 72 **Cornell L. Rev.** 857, 863 (1987).

²⁴¹ See Cnty. for Creative Non Violence v. Reid, 490 U.S. 730, 749 (1989).

²⁴² See Jessica D. Litman, Copyright, Compromise, and Legislative History, 72 **Cornell L. Rev.** 857, 870 (1987).

²⁴³ See Jessica D. Litman, Copyright, Compromise, and Legislative History, 72 **Cornell L. Rev.** 857, 870 (1987).

²⁴⁴ See Jessica D. Litman, Copyright, Compromise, and Legislative History, 72 **Cornell L. Rev.** 857, 879 (1987).

²⁴⁵ See Jessica D. Litman, Copyright, Compromise, and Legislative History, 72 **Cornell L. Rev.** 857, 895 (1987).

²⁴⁶ See Jessica D. Litman, Copyright, Compromise, and Legislative History, 72 **Cornell L. Rev.** 857, 899 (1987).

²⁴⁷ See Jessica D. Litman, Copyright, Compromise, and Legislative History, 72 **Cornell L. Rev.** 857, 899 (1987).

²⁴⁸ "The Congressional sponsors may have given almost no thought to the meaning of the provision." See Jessica D. Litman, Copyright, Compromise, and Legislative History, 72 **Cornell L. Rev.** 857, 870 (1987).

paramount goal of the 1976 Act. Seeking such a consensus would be fair for both the entertainment industry and Congress and is a plausible road to arrive at a middle ground.²⁴⁹ In fact, it is the road that Congress itself took.²⁵⁰

B. Practical Considerations Outweigh Broad Theoretical Concerns

Prominent scholars are in agreement that the practical realities of the entertainment industry do not conform to the requirement of a prior writing.²⁵¹ Indeed, the practice of requiring signed agreements varies by major commissioning entities.²⁵² These industry practices are precisely the situations about which professor Nimmer was concerned:

[O]ne can imagine claims involving parties each of whom knew of the unanimous intent among all concerned that the work for hire doctrine would apply, notwithstanding that some of the paperwork remained not fully executed until after the creation of the subject work. In that latter circumstances, the bright line rule could frustrate the intent of the parties, and could cloud rather than serve the goal of certainty.²⁵³

The solution that this paper recommends is further supported by the fact that many attempts to amend the provision as to require that the writing precede the creation of work have failed.²⁵⁴ Congress' repeated failure to enact proposed amendments is

²⁴⁹ See Jessica D. Litman, Copyright, Compromise, and Legislative History, 72 *Cornell L. Rev.* 857, 879 (1987).

²⁵⁰ See Jessica D. Litman, Copyright, Compromise, and Legislative History, 72 *Cornell L. Rev.* 857, 879 (1987).

²⁵¹ In the real world, commissioning parties regularly deal with independent contractors informally. The work is performed by reason of a telephone and not a written agreement. "Under these circumstances, . . . a court should be willing to accept a retroactive recitation that the work was intended to be a work made for hire where such a . . . relationship was tacitly contemplated." 2 E. Gabriel Perle & John Taylor Williams, The Publishing Law Handbook, § 15.03(g), at 15-23 (2d ed. 1992).

²⁵² "As to producers, directors, and actors, while they desire to have signed documentation, they are not always successful in obtaining it." F. Jay Dougherty, Not A Spike Lee Joint? Issues in the Authorship of Motion Pictures Under U.S. Copyright Law, 49 *UCLA L. Rev.* 225 n.235 (2001).

²⁵³ 1 Melville B. Nimmer & David Nimmer, Nimmer on Copyright § 5.03[B][2][b] (2011).

²⁵⁴ Senator Cochran failed to succeed in presenting such amendments. See S. 2044, 97th Cong., 2d Sess. (1982); S. 2138, 98th Cong., 1st Sess. (1983); S. 2330, 99th Cong., 2d Sess. (1986); S. 1253, 101st Cong., 1st Sess. (1989).

strong evidence that Congress did not intend to require that writing precede the creation of works in the “work for hire” provision of the 1976 Act.²⁵⁵

VII. CONCLUSION

The Ninth Circuit is one of the few circuit courts in the United States with the highest number of copyright cases annually filed.²⁵⁶ Moreover, under the Ninth Circuit, the most amount of copyright cases derive from the state of California,²⁵⁷ which is one of the major (if not the major) entertainment centers in the country.²⁵⁸ Hence, it is evident that any law adopted by the United States Court of Appeals for the Ninth Circuit affecting the ownership rights of intellectual property will have broad ramifications throughout the entertainment industry.²⁵⁹

The Ninth Circuit should take a middle ground; that is, the written agreement may postdate the creation of the work but the writing must be sufficiently contemporaneous with an express or implied prior agreement that the works are to be made for hire. Such a middle ground satisfies Congress’ overarching objective of predictability and certainty²⁶⁰ because it requires

²⁵⁵ See Blue Chip Stamps v. Manor Drug Stores, 421 U.S. 723, 732 (1975).

²⁵⁶ See Statistical Tables For The Federal Judiciary, U.S. Cts., 36 (Dec. 31, 2010), <http://www.uscourts.gov/uscourts/Statistics/StatisticalTablesForTheFederalJudiciary/2010/dec10/C03Dec10.pdf> (showing the highest number of intellectual property cases commenced in the United States Court of Appeals for the Ninth Circuit in 2010).

²⁵⁷ See Statistical Tables For The Federal Judiciary, U.S. Cts., 36 (Dec. 31, 2010), <http://www.uscourts.gov/uscourts/Statistics/StatisticalTablesForTheFederalJudiciary/2010/dec10/C03Dec10.pdf> (showing the highest number of intellectual property cases commenced in the California District Courts under the United States Court of Appeals for the Ninth Circuit in 2010).

²⁵⁸ Joseph B. Anderson, The Work Made for Hire Doctrine and California Recording Contracts: A Recipe for Disaster, 17 **Hastings Comm. & Ent. L.J.** 587, 588 (1995).

²⁵⁹ Joseph B. Anderson, The Work Made for Hire Doctrine and California Recording Contracts: A Recipe for Disaster, 17 **Hastings Comm. & Ent. L.J.** 587, 588 (1995).

²⁶⁰ See Schiller & Schmidt, Inc. v. Nordisco Corp., 969 F.2d 410, 412 (7th Cir. 1992) (holding that Congress’ goal would be frustrated if parties could enter into a work-for-hire agreement after a work is created).

that there be an agreement prior to the creation of works.²⁶¹ However, the solution avoids a categorical rule with respect to the writing requirement by ensuring that the intent of contracting parties is not thwarted; thus, satisfying the concern of the Second Circuit.²⁶² Moreover, the “sufficiently contemporaneous” requirement of the solution prevents possible difficulties that may arise with the passage of time in ascertaining the intent of the parties.²⁶³ Accordingly, the exception to the rule is that succeeding written agreement may not be executed in anticipation of an imminent litigation or where litigation has already ensued; thus, preventing situations like in Schiller & Schmidt, where the independent contractor executed the written “work for hire” agreement long time after a lawsuit had commenced.²⁶⁴

Ideally, the provision should be amended or the Supreme Court should provide a uniform approach. However, until this can be accomplished, the Ninth Circuit should take a middle ground by incorporating the concerns and objectives of the competing views, while creating an exception.

²⁶¹ See Playboy Enters., Inc. v. Dumas, 53 F.3d 549, 559 (2d Cir. 1995) (holding that the 1976 Act requires that the parties either expressly or impliedly agree prior to the creation of works that the works will be made for hire).

²⁶² “We are not convinced, however, that the actual writing memorializing the agreement must be executed before the creation of the work.” Playboy Enters., Inc. v. Dumas, 53 F.3d 549, 559 (2d Cir. 1995).

²⁶³ Without the independent contractor, it was moot to ascertain the intent of the contracting parties. See Playboy Enters., Inc. v. Dumas, 53 F.3d 549, 564 (2d Cir. 1995).

²⁶⁴ After the lawsuit was filed, the photographer, by signing a statement, agreed that the plaintiff had owned the copyright in the photographs. See Schiller & Schmidt, Inc. v. Nordisco Corp., 969 F.2d 410, 412 (7th Cir. 1992).