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16 Casa Duse, LLC v. Merkin

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16 Casa Duse, LLC v. Merkin

61 N.Y.L. SCH. L. REV. 269 (2016–2017)

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*The creation of art is not a democratic process and in the very tyranny of its defined vision lies its value to the nation.*¹

The film industry is one of the most lucrative divisions of the media and entertainment industry.² Its popularity invites competition, and studios only move forward with projects that have a high likelihood of being “bankable.”³ How can studios predict the success of a film? One method is “high concept,” a formulaic approach to creating a widely profitable film.⁴ This formula consists of any or all of the following: a well-known director; a clear and easy to recite plot; connected commercial products, such as existing theatre, books, or music; a single-image, which captures the heart of the film; and ancillary merchandise.⁵ An acclaimed director can significantly tip the scales in favor of a film’s success. When the name attached to a project is Steven Spielberg, for example—known for his creative directorial contributions to iconic films like *Jaws*, *E.T.*, and *Saving Private Ryan*, which transcend nominal achievement—studios are inclined to move forward with the project.⁶

The Copyright Act of 1976 (the “Act”) provides copyright protection to original works of authorship, such as motion pictures.⁷ The purpose of the Act is to incentivize the creation and dissemination of original works; it therefore awards protection to authors of original expressions.⁸ This case comment contends that the Second Circuit erred in utilizing the dominant author test, thus awarding exclusive copyright protection to the party who executed the majority of the billing and contractual

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1. *The Berne Convention: Hearings on S. 1301 and S. 1971 Before the Subcomm. on Patents, Copyrights & Trademarks of the Comm. on the Judiciary*, 100th Cong. 503 (1988) (testimony of Steven Spielberg on behalf of the Directors Guild of America). In 1988, acclaimed director Steven Spielberg left his project, *Indiana Jones and the Last Crusade*, to testify in favor of legislation granting moral rights to artists. PETER DECHERNEY, *HOLLYWOOD’S COPYRIGHT WARS* 146–47 (2012). Spielberg’s testimony supported the auteur movement within the entertainment industry to solidify directors’ rights and protections as the authors of their films. *Id.*
 2. ANDREA DASILVA ET AL., U.S. DEP’T OF COMMERCE, 2016 TOP MARKETS REPORT MEDIA AND ENTERTAINMENT: A MARKET ASSESSMENT TOOL FOR U.S. EXPORTERS 71–72 (2016).
 3. See AL LIEBERMAN WITH PATRICIA ESGATE, *THE ENTERTAINMENT MARKETING REVOLUTION* 45–46 (2002).
 4. *Id.* at 46. *But see* WILLIAM GOLDMAN, *ADVENTURES IN THE SCREEN TRADE* 39 (1983) (“Nobody knows anything. . . . Not one person in the entire motion picture field *knows* for a certainty what’s going to work. Every time out it’s a guess—and, if you’re lucky, an educated one.”).
 5. LIEBERMAN WITH ESGATE, *supra* note 3, at 46–47.
 6. *See id.*
 7. 17 U.S.C. § 102(a)(6) (2012). “Motion pictures” are defined as “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.” *Id.* § 101.
 8. The Act seeks to create an economic incentive to create and disseminate original works of authorship by providing protection and maintaining a market for those works in order to fulfill the larger, constitutional goal of “promot[ing] the Progress of Science and useful Arts.” *Feist Publ’ns, Inc. v. Rural Tel. Serv. Co.*, 499 U.S. 340, 349 (1991) (quoting U.S. CONST. art. I, § 8, cl. 8). “To this end, copyright assures authors the right to their original expression” *Id.* at 349–50.

agreements, which circumvents the purpose of the Act.⁹ Had the court emphasized the filmmaking process and the parties' degree of creative input, the Second Circuit would have awarded the director a copyright in his work. The court's decision effectively devalued the director's contributions and disregarded the purpose of the Act, leaving the creative party empty-handed.

The plaintiff, 16 Casa Duse, a film production company, solicited the services of the defendant, Alex Merkin, to direct Casa Duse's new screenplay, *Heads Up*.¹⁰ Before production began, Robert Krakovski, owner and operator of Casa Duse, sent Merkin a "Director Employment Agreement" to sign.¹¹ The agreement provided that Casa Duse would retain all rights in the film.¹² Despite several reminders from Krakovski, Merkin never signed the agreement.¹³

Merkin completed his directorial duties during production—"advising and instructing the film's cast and crew on matters ranging from camera angles and lighting to wardrobe and makeup to the actors' dialogue and movement."¹⁴ After filming concluded, Krakovski delivered a hard drive containing the raw film footage to Merkin for editing.¹⁵ The parties entered into a "Media Agreement," which memorialized that Merkin "would edit but not license, sell, or copy the footage" without Casa Duse's permission during editing.¹⁶ Afterward, Krakovski proposed changes to the agreement, stipulating that Casa Duse owned the hard drive and footage therein, and that final directorial and editorial rights would be determined in a final work-for-hire agreement.¹⁷ Merkin agreed to some of the changes, but clarified that he would "not giv[e] up any creative or artistic rights" to the work.¹⁸ Krakovski informed Merkin that Casa Duse had always intended to retain Merkin's services on a work-for-hire basis.¹⁹

After failed negotiations, Casa Duse demanded that Merkin return the raw footage of the film, but Merkin refused.²⁰ Merkin claimed copyright ownership of the raw footage and forbade Casa Duse from using the footage without Merkin's consent.²¹

9. See 16 Casa Duse, LLC v. Merkin, 791 F.3d 247 (2d Cir. 2015).

10. *Id.* at 251.

11. *Id.*

12. *Id.*

13. *Id.*

14. *Id.*

15. *Id.* at 251–52.

16. *Id.* at 252.

17. *Id.*

18. *Id.* (citation omitted).

19. *Id.* A work made for hire does not vest ownership in the party who created the work, but rather considers "the employer or other person for whom the work was prepared . . . the author [and thus the owner] . . . unless the parties have expressly agreed otherwise in a [signed writing] . . ." 17 U.S.C. § 201(b) (2012).

20. 16 Casa Duse, 791 F.3d at 252.

21. *Id.* Merkin registered a copyright in the raw footage with the U.S. Copyright Office. *Id.*

Casa Duse sued for an injunction to prohibit Merkin from interfering with Casa Duse's use of the film, which the U.S. District Court for the Southern District of New York granted.²² Shortly thereafter, Casa Duse filed an amended complaint, seeking a judgment to declare Merkin's copyright registration invalid.²³ Merkin filed an amended answer, seeking a judgment to declare a director an "author," thereby recognizing Merkin's copyright interest.²⁴ Both parties then moved for summary judgment.²⁵ The district court ruled in favor of Casa Duse on all claims; Merkin appealed.²⁶

On this issue of first impression, the Second Circuit held that a contributor to a creative work, who is not a joint author, co-author, or party to a work-for-hire agreement, may not retain a copyright interest in non-*de minimis*²⁷ contributions alone when those contributions are inseparable from and integrated into a work.²⁸ The court concluded that Merkin was not a joint author or co-author under the Act, since neither party "fully intended to be [a] co-author[]." ²⁹ Additionally, the court concluded that Merkin's contributions were not a work made for hire because Merkin was not Casa Duse's employee and the parties "failed to execute a written agreement."³⁰ Therefore, the court was presented with two issues: (1) whether non-*de minimis* contributions that are inseparable from and integrated into the work in question are copyrightable; and (2) which party owned the copyright in the raw footage.³¹

22. *Id.* at 253.

23. *Id.* Casa Duse's amended complaint also asserted claims for breach of contract, tortious interference with business relations, and conversion. *Id.* Upon review, the court determined that the district court improperly concluded that Merkin's conduct constituted tortious interference under New York law because Casa Duse failed to establish the element that Merkin acted dishonestly or used wrongful means. *Id.* at 261–62. This case comment does not discuss the accuracy or merits of this portion of the decision.

24. *Id.* at 253.

25. *Id.*

26. *Id.* at 254.

27. It was undisputed by both parties that Merkin's contributions were non-*de minimis*. See *id.* *De minimis* is short for *de minimis non curat lex*, which means "[t]he law does not concern itself with trifles." *De minimis non curat lex*, BLACK'S LAW DICTIONARY (10th ed. 2014). The *de minimis* inquiry in copyright is commonly seen in joint work analyses because an author's contribution must be more than *de minimis* in order for her to be a co-author of a joint work. See Michael Landau, *Joint Works Under United States Copyright Law: Judicial Legislation Through Statutory Misinterpretation*, 54 IDEA 157, 167–68 (2014). The question whether a contribution is *de minimis* is a fact-specific inquiry. *Id.* at 168–72, 182–83. Compare *Boggs v. Jaap*, No. 87-829-N, 1988 WL 166535, at *5 (E.D. Va. July 20, 1988) (holding that the illustrator's sketches and plot suggestions were *de minimis* contributions to a book), with *Strauss v. Hearst Corp.*, No. 85 Civ. 10017 (CSH), 1988 WL 18932, at *1, *5–6 (S.D.N.Y. Feb. 19, 1988) (determining that sketching the layout of a photograph and providing the physical content of the photograph were non-*de minimis* contributions to the photograph itself).

28. *16 Casa Duse*, 791 F.3d at 256.

29. *Id.* at 255–56 (quoting *Thomson v. Larson*, 147 F.3d 195, 200 (2d Cir. 1998)).

30. *Id.* at 256.

31. See *id.* at 255–56.

To determine the issue of copyrightability for non-*de minimis* contributions, the court first turned to the Act.³² The court looked to the enumerated examples of copyrightable materials and concluded that the Act did not intend to protect individual contributions integrated into works—such as film direction or acting—because all enumerated examples are complete works.³³ The court noted that individual contributions do not fall within the definition of “joint work” or “collective work.”³⁴ Joint works require interdependent parts to be merged into a unitary whole, and collective works require “separate and independent” contributions assembled into a whole.³⁵ Therefore, the court inferred that non-*de minimis*, inseparable contributions are not themselves works of authorship.³⁶

The court also relied on a House of Representatives report for the Act, which states, “a motion picture would normally be a joint rather than a collective work with respect to those authors who actually work on the film, although their usual status as employees for hire would keep the question of coownership from coming up.”³⁷ The court inferred from this statement that individual, inseparable contributions to a film would not typically be copyrightable.³⁸

The Second Circuit was guided in part by policy concerns expressed in the Ninth Circuit decision *Garcia v. Google, Inc.*³⁹ about potential ramifications of allowing any member of a collaborative process to carve out a copyright interest for her individual, inseparable contributions to a work.⁴⁰ These concerns and the statutory interpretations discussed above led the Second Circuit to hold that Merkin could not own a copyright interest in his directorial contributions to the film.⁴¹

32. *Id.* at 256.

33. *Id.* at 256–57. The enumerated examples include motion pictures, literary works, and musical works, to which there are typically multiple contributors. 17 U.S.C. § 102(a) (2012).

34. *See 16 Casa Duse*, 791 F.3d at 257.

35. *Id.* The Act identifies three distinct ways in which multiple authors may create a work of authorship: joint works, works made for hire, and collective works. *See* 17 U.S.C. § 101. Joint works are works prepared by multiple authors “with the intention that their contributions be merged into inseparable or interdependent parts of a unitary whole.” *Id.* Collective works require that contributions be “separate and independent” to acquire copyright protection. *Id.* *See supra* note 19, for the definition of a “work-for-hire.”

36. *16 Casa Duse*, 791 F.3d at 257. A finding that a piece is not a work of authorship automatically excludes the piece from copyright protection. *See* 17 U.S.C. § 102 (requiring fixation and an original work of authorship for qualification as copyrightable subject matter).

37. H.R. REP. NO. 94-1476, at 120 (1976), *as reprinted in* 1976 U.S.C.C.A.N. 5659, 5736; *see 16 Casa Duse*, 791 F.3d at 257.

38. *16 Casa Duse*, 791 F.3d at 257.

39. 786 F.3d 733, 742–43 (9th Cir. 2015). In this Ninth Circuit case, an actress sought a copyright interest in her individual contributions to a film as a performer. *Id.* at 737–39. The Ninth Circuit denied the actress a copyright interest and explained that this decision was necessary to avoid “mak[ing] Swiss cheese of copyrights.” *Id.* at 742.

40. *See 16 Casa Duse*, 791 F.3d at 258–63.

41. *Id.* at 259.

To determine copyright ownership in the raw footage, the Second Circuit again began with the Act, which lays out ownership frameworks for joint works, works made for hire, and collective works.⁴² Because *16 Casa Duse* fell outside the scope of these scenarios, the court declared that full copyright ownership belonged to the “dominant author” of the work.⁴³ Without a “proffered rule” for determining which author is dominant, the court relied on “factual indicia of ownership and authorship,”⁴⁴ which included decisionmaking authority, the way in which parties bill and credit themselves, and the number of written agreements with third parties.⁴⁵ The court extracted these factors from two Second Circuit cases⁴⁶: *Childress v. Taylor*⁴⁷ and *Thomson v. Larson*.⁴⁸ Applying these factors, the court found that Casa Duse retained greater decisionmaking power and entered into more third-party agreements than Merkin did.⁴⁹ Therefore, the court held that Casa Duse was the dominant author and the owner of the copyright interest in the raw footage.⁵⁰

This case comment contends that the Second Circuit erred in holding that Merkin’s non-*de minimis* directorial contributions were not copyrightable because it: (1) conflated the analysis for “copyrightability” with the analysis for joint works; (2) incorrectly applied a rigid, limitative interpretation of the Act; and (3) relied on distinguishable case law to support an illusory policy concern. The court failed to acknowledge case law and legislative materials asserting that non-*de minimis* contributions that are integrated into and inseparable from a work are copyrightable, and failed to consider another manner by which Merkin could obtain a copyright interest in the film. Furthermore, the court erred in denying Merkin copyright ownership in the raw footage because it: (1) improperly relied on the “dominant author” test, and (2) failed to consider the established definitions of “author.” The court’s conclusions undermine the purpose and necessity of work-for-hire agreements, and run contrary to the Act’s intent.⁵¹

42. *Id.* at 259–60.

43. *Id.* at 260.

44. *Id.* (quoting *Thomson v. Larson*, 147 F.3d 195, 202 (2d Cir. 1998)).

45. *Id.*

46. *Id.*

47. 945 F.2d 500, 508–09 (2d Cir. 1991) (assessing how the parties planned to bill and credit themselves to determine whether the parties intended to be co-authors).

48. 147 F.3d at 202–04 (assessing decisionmaking authority, how the parties planned to bill and credit themselves, and written agreements with third parties to determine whether the parties intended to be co-authors).

49. *16 Casa Duse*, 791 F.3d at 260–61.

50. *Id.* at 261.

51. This case comment does not contest the conclusion that the parties were not joint authors or that Merkin’s contributions were not a work made for hire. The court correctly concluded that the parties were not joint authors, because neither party “fully intended to be co-authors.” *Id.* at 255. The court also correctly concluded that Merkin’s contributions were not a work made for hire because the parties failed to enter into a written agreement. *Id.* at 256.

First, the Second Circuit erred by conflating the question of copyrightability with the question whether a work constitutes a joint or collective work.⁵² Copyrightable material is simply an “original work[] of authorship fixed in any tangible medium.”⁵³ An analysis of copyrightability should follow strictly from this definition.⁵⁴ The Act also identifies multiple ways two or more authors can create a work, which include joint works and collective works.⁵⁵ The creation of a joint work depends on intent, and the creation of a collective work depends on the assembly of independent works.⁵⁶ Therefore, the presence of a joint or collective work depends on the manner by which multiple authors create the work, which is a separate and distinct analysis from whether the work in question is copyrightable.⁵⁷ A finding of a joint or collective work does not presuppose that the work is copyrightable, and a copyrightable work is not necessarily a joint or collective work.⁵⁸

However, the Second Circuit relied on the definitions of “joint work” and “collective work” to conclude that non-*de minimis* contributions are not works of authorship when they are integrated into and inseparable from the whole.⁵⁹ The Act defines “joint work” and “collective work” to instruct how copyright ownership should be divided in each scenario.⁶⁰ It does not follow that multiple authors, who create a work together but whose contributions are distinct, are excluded or prevented from owning copyright interests in their individual contributions. Therefore, a finding that Merkin’s contribution did not constitute a joint work does not resolve whether Merkin was entitled to a copyright interest in the film. This issue can only be resolved with a copyrightability analysis.

The court also erred by supporting its copyrightability conclusion with an over-rigid, limitative interpretation of the Act. Copyright ownership vests in “original

52. *See id.* at 256–58.

53. 17 U.S.C. § 102(a) (2012).

54. *See* Feist Publ’ns, Inc. v. Rural Tel. Serv. Co., 499 U.S. 340 (1991); *Aalmuhammed v. Lee*, 202 F.3d 1227 (9th Cir. 2000).

55. 17 U.S.C. § 101.

56. When multiple authors create a work, intending for each contribution to be merged into a “unitary whole,” H.R. REP. NO. 94-1476, at 120 (1976), *as reprinted in* 1976 U.S.C.C.A.N. 5659, 5736, the Act memorializes that “[t]he authors of a joint work are coowners,” 17 U.S.C. § 201(a). When multiple authors create and sequence separate and independent works, the author retains copyright ownership for her individual contribution, because “[c]opyright in each separate contribution . . . is distinct from copyright in the collective work.” *Id.* § 201(c).

57. *Aalmuhammed*, 202 F.3d at 1232.

58. *Compare* 17 U.S.C. § 101 (defining “joint work” and “collective work”), *with id.* § 102(a) (memorializing the requirements for copyrightability independently of the definitions and requirements of “joint work” and “collective work”).

59. *16 Casa Duse, LLC v. Merkin*, 791 F.3d 247, 257 (2d Cir. 2015).

60. *See supra* note 56. Joint authors are awarded an undivided interest in the whole of the work, while authors of a collective work retain an individual copyright interest in their respective works. *See* 17 U.S.C. § 201.

works of authorship fixed in any tangible medium of expression.”⁶¹ The Act does not define “works of authorship,” but provides that works of authorship *include* enumerated categories.⁶² The Act specifies that the term “include” is “illustrative and not limitative.”⁶³ Furthermore, Congress purposefully provided examples of works of authorship as categories of works—or “class[es] or divisions[s] of . . . things regarded as having particular shared characteristics”⁶⁴—rather than as one class of works with the same characteristic. Congress understood that providing an exhaustive list of every potential work of authorship would be time consuming, redundant, and arguably impossible; it therefore sought to draft an illustrative statute that would use categories to broaden the scope of works of authorship to provide “sufficient flexibility to free the courts from rigid or outmoded concepts of” limitative groupings.⁶⁵

Motion pictures are enumerated in the Act as a category of works of authorship.⁶⁶ It is well understood that motion pictures are “work[s] to which many contribute; however, those contributions ultimately merge to create a unitary whole.”⁶⁷ The court’s conclusion that Merkin’s non-*de minimis* directorial contributions that are integrated into and inseparable from the motion picture are incapable of being works of authorship because they themselves do not constitute the entire motion picture, improperly limits works of authorship to the specific categories enumerated in the Act. This rigid reading of the Act is not only impractical, but also unintended by Congress and contrary to settled case law.

Two Ninth Circuit decisions demonstrate when non-*de minimis* contributions that are integrated into and inseparable from a work can be copyrightable, and thus must constitute works of authorship.⁶⁸ The Ninth Circuit took great care to distinguish between the analyses for joint works and copyrightable works while addressing this issue.⁶⁹ In *Aalmuhammed v. Lee*, the court explained that joint works require that two or more *authors* contribute to a work, with the intent to be joint authors.⁷⁰ However, there are some situations when an individual may contribute

61. 17 U.S.C. § 102(a).

62. *Id.*

63. *Id.* § 101.

64. *Category*, OXFORD DICTIONARIES, <https://en.oxforddictionaries.com/definition/us/category> (last visited Feb. 7, 2017).

65. H.R. REP. NO. 94-1476, at 53 (1976), *as reprinted in* 1976 U.S.C.C.A.N. 5659, 5666.

66. 17 U.S.C. § 102(a)(6).

67. *Richlin v. MGM Pictures, Inc.*, 531 F.3d 962, 975 (9th Cir. 2008).

68. A finding of copyrightability requires that the protected work is a work of authorship. *See* 17 U.S.C. § 102(a).

69. The Ninth Circuit explicitly stated that “authorship is required under the statutory definition of a joint work, and that authorship is not the same thing as making a valuable and copyrightable contribution.” *Aalmuhammed v. Lee*, 202 F.3d 1227, 1232 (9th Cir. 2000).

70. *Id.* at 1231–32.

copyrightable material to a work without being an author of that work.⁷¹ Therefore, the individual may be entitled to a copyright interest in the contribution without being an author of a joint work.⁷² For example, hairstylists, lighting designers, or casting directors may contribute copyrightable material to a film.⁷³ But because they are not the “mastermind” behind the film, they are not, themselves, authors of the film.⁷⁴ However, hairstylists, lighting designers, or casting directors still “may be deemed to be the ‘author’ of [their] expression for purposes of determining whether [their expression] is independently copyrightable.”⁷⁵ Therefore, *Almuhammed* stands for the proposition that individual contributions that are integrated into a work may be independently copyrightable.

In *Effects Associates v. Cohen*, the Ninth Circuit addressed a similar issue when it held that a special effects designer granted an implied license to a film producer to use the designer’s special effects in a film.⁷⁶ This holding emanated from a discussion of implied licenses, but demonstrated the Ninth Circuit’s adherence to the view that individual, integrated contributions to a film, such as special effects, are subject to their own copyright protection.⁷⁷ The court could not have reached the implied license conclusion without determining that the designer owned copyright in his special effects.⁷⁸

The Ninth Circuit has settled on the position that non-*de minimis* contributions that are inseparable from a film are subject to independent copyright protection and that works of authorship are not confined to entire motion pictures. The Second Circuit should have adopted the Ninth Circuit’s position and held that Merkin’s directorial contributions could be copyrightable.

Congress and the Copyright Office also have recognized the copyrightability of individual contributions to works of authorship. For example, “musical works” is listed in the Act as a work of authorship category.⁷⁹ The Act does not define musical

71. *Id.*

72. *Id.* at 1232.

73. *Id.* at 1233.

74. *Id.*

75. *Id.* at 1232.

76. 908 F.2d 555, 559 (9th Cir. 1990). After the plaintiff created and delivered special effects footage for the defendant’s film, *The Stuff*, the defendant expressed dissatisfaction with the work product and proceeded to pay the plaintiff only half of the promised amount. *Id.* at 556. The plaintiff made several demands for the outstanding balance, and eventually brought a copyright infringement action, claiming the defendant had no right to use the footage until the balance was paid. *Id.* The defendant argued that the plaintiff granted the defendant an implied license to use the footage, and thus eliminated the cause of action for copyright infringement. *Id.* at 558.

77. *See id.* at 556.

78. *See id.* at 558. An implied license may only be granted by the owner of the copyrighted work. *Id.* at 556. In *Effects Associates*, “no one dispute[d] that Effects [was] the copyright owner of the special effects footage used.” *Id.* This finding set the foundation for the court’s analysis to determine if *Effects Associates* granted the defendant an implied license in the footage. *See id.* at 558.

79. 17 U.S.C. § 102(a)(2) (2012).

works, but the *Compendium III*⁸⁰ recognizes elements of musical works, including “melody, rhythm, harmony, and lyrics.”⁸¹ If separate applications are received for ownership of these elements, the Copyright Office will usually look to whether the applicants are co-authors.⁸² The *Compendium III* provides the following example to illustrate this scenario:

An applicant names Bill Bland as the author of lyrics and Terry Taylor as the author of music, and states, “Bill owns the lyrics and Terry owns the music.” The specialist will provide information about joint works, and if the lyrics and music are separately owned, will ask that they be registered on separate applications with separate deposits.⁸³

Inclusion of this scenario illustrates the *Compendium III*'s recognition that copyright protection is not limited to the categories provided in the Act and that protection may extend to individual contributions to a work, such as lyrics or music to a musical work. Under this methodology, individual contributions to all works of authorship, such as direction in a motion picture, are eligible for copyright protection as well.

The closest question to whether a non-*de minimis* contribution that is integrated into and inseparable from a creative work is entitled to copyright protection arose in the Ninth Circuit decision *Garcia v. Google, Inc.*, where an actress sought copyright protection for her individual contributions to a film as a performer.⁸⁴ The Ninth Circuit rejected the actress's particular claim and refused to grant her a copyright interest in her performance, expressing deep concern for the “legal morass” that would follow a decision in her favor.⁸⁵ The Second Circuit allowed a similar concern to guide its analysis, but failed to acknowledge two crucial distinctions between the two cases.

First, the actress “never fixed her acting performance in a tangible medium”—a critical element of copyrightable subject matter.⁸⁶ Merkin, however, did fix his contribution in a tangible medium by recording the film.⁸⁷ Second, the *Garcia* decision did not create a de facto rule against copyrighting individual contributions,

80. The *Compendium of U.S. Copyright Office Practices* is a publication issued by the U.S. Copyright Office that draws on the expertise of attorneys, registration specialists, and design experts to craft an explanatory guide for the intricacies of the Act. See U.S. COPYRIGHT OFFICE, COMPENDIUM OF U.S. COPYRIGHT OFFICE PRACTICES (3d ed. 2014). The Second Circuit has relied on this publication to discern the meaning of works of authorship under the Act. See *Horgan v. Macmillan, Inc.*, 789 F.2d 157, 161 (2d Cir. 1986) (using the *Compendium* as persuasive authority to determine the meaning of choreographic works).

81. U.S. COPYRIGHT OFFICE, *supra* note 80, § 802.3.

82. *Id.* § 802.8(C).

83. *Id.*

84. 786 F.3d 733 (9th Cir. 2015).

85. *Id.* at 742.

86. *Id.* at 743.

87. See *KNB Enters. v. Matthews*, 92 Cal. Rptr. 2d 713, 719 (Ct. App. 2000) (stating that the fixation requirement is satisfied by any product of the photographic process, including film).

it only declined to award copyright protection to one actress's contributions. Third, a "legal morass" would not arise from allowing a director to copyright her individual contributions to a film, as it might from allowing an actress to copyright hers, because of the considerable disparity between a director's role and that of an actress.

A director's creative contributions to a film are widely regarded as more significant than those of an actor or actress. The directorial role is respected as the "main role" in film production⁸⁸ because directors exert creative control over the project from the time they come on board until the project is complete.⁸⁹ Part of the director's creative control involves sculpting the performance of actors, which plainly demonstrates the superiority of the directorial role.⁹⁰ Furthermore, a single person fulfills the role of a director, whereas the cast comprises multiple actors and actresses.⁹¹ Because of the significant difference between these roles, the Second Circuit's analogy between Merkin's contributions and those of the actress in *Google v. Garcia* was inappropriate, and concern for the "legal morass" that would result from granting a copyright interest in the directorial contributions to a film is unfounded.

The Second Circuit's analysis of whether non-*de minimis* contributions that are integrated into a work are subject to copyright protection was misguided because it relied on an analysis for joint works, an unduly limitative interpretation of the Act, and an illusory policy concern.⁹² These errors caused the Second Circuit to incorrectly

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88. Actors and actresses are omitted from the roles generally regarded as the "helmsmen" of the filmmaking process; these roles consist of the director, the producer, the head of production, and the screenwriter—they are the ones who "cause a film to happen." 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, 282 (2001) (quoting ALEXANDRA BROUWER & THOMAS LEE WRIGHT, *WORKING IN HOLLYWOOD* 1 (1990)).
89. *Direction*, FILM REFERENCE, <http://www.filmreference.com/encyclopedia/Criticism-Ideology/Direction-RESPONSIBILITIES.html> (last visited Feb. 7, 2017).
90. The director has creative control over "creative aspects of a film, including coordinating the content and flow of the film's plot; directing the performance of actresses and actors; organising and selecting the locations in which the film will be shot; [and] managing technical details." STEVE ESOBMA, *MOVING CAMERAS AND LIVING MOVIES* 40 (2013).
91. *See id.*
92. The Second Circuit also attempted to utilize the House of Representatives report on the Act to support the conclusion that individual, inseparable contributions to a work are not copyrightable. 16 Casa Duse, LLC v. Merkin, 791 F.3d 247, 257 (2d Cir. 2015). The report acknowledges that a motion picture would generally be deemed a "joint rather than a collective work" on the basis of the authors' roles in the filmmaking process. H.R. REP. NO. 94-1476, at 120 (1976), as reprinted in 1976 U.S.C.C.A.N. 5659, 5736. Regardless, the authors' "usual status as employees for hire would keep the question of coownership from coming up." *Id.* This statement only highlights Congress's intent for work-for-hire agreements to remedy ownership disputes. It does not, however, stand for the Second Circuit's proposition that authors lose a copyright interest in their work in the absence of a work-for-hire agreement. *See Cmty. for Creative Non-Violence v. Reid*, 490 U.S. 730 (1989) (case remanded to determine alternative grounds for copyright protection after the defendant's work was determined not to be a work made for hire). The report explicitly rejects this interpretation by acknowledging the possibility of an ownership dispute, which would only be possible if a copyright interest could exist without a work-for-hire agreement. *See* H.R. REP. NO. 94-1476, at 120. The Second Circuit's misuse of this report demonstrates the gravity of its divergence from relevant authority when addressing the issue of non-*de minimis* contributions' copyrightability.

hold that Merkin’s contributions were not eligible for copyright protection.⁹³ The court should have recognized that directorial contributions to a film *can* be copyrightable, and should have used the plain language of the Act to determine whether Merkin’s contributions were in fact copyrightable.

The Supreme Court declared that subject matter requires two elements to be eligible for copyright protection: originality and fixation.⁹⁴ Originality requires that the work “possess[] at least some minimal degree of creativity.”⁹⁵ An original work immediately acquires copyright protection when it is “fixed in any tangible medium of expression.”⁹⁶ A work is “fixed” when its “embodiment in a copy . . . is sufficiently permanent or stable to permit it to be perceived, reproduced, or otherwise communicated.”⁹⁷ It cannot be disputed that Merkin possessed a minimal degree of creativity while fulfilling the directorial duties for the film.⁹⁸ Furthermore, it cannot be disputed that a motion picture is fixed when it is recorded on a camera, especially when that footage is transferred to a hard drive.⁹⁹

In addition to the Second Circuit failing to recognize that Merkin’s individual contributions were copyrightable, the court also failed to consider another way that Merkin could have received a copyright interest in the film. The Act provides protection to derivative works. It defines “derivative work” as:

[A] work based upon one or more preexisting works, such as a . . . motion picture version, . . . or any other form in which a work may be recast, transformed, or adapted. A work consisting of editorial revisions, annotations, elaborations, or other modifications which, as a whole, represent an original work of authorship¹⁰⁰

Protection for a derivative work “extends only to the material contributed by the author of such work, as distinguished from the preexisting material employed in the work.”¹⁰¹ The definition of derivative works recognizes a “motion picture version,”¹⁰²

93. *16 Casa Duse*, 791 F.3d at 259.

94. *Feist Publ’ns, Inc. v. Rural Tel. Serv. Co.*, 499 U.S. 340, 355 (1991).

95. *Id.* at 345. The Supreme Court acknowledges that “[t]he vast majority of works make the grade quite easily, as they possess some creative spark.” *Id.*

96. 17 U.S.C. § 102(a) (2012).

97. *Id.* § 101.

98. The threshold for originality is a low standard and only “mandates some minimal degree of creativity.” *Feist Publ’ns*, 499 U.S. at 362. Some elements of originality involved in capturing film, or a photograph, include “posing the subjects, lighting, angle, selection of film and camera, evoking the desired expression, and almost any other variant involved.” *Rogers v. Koons*, 960 F.2d 301, 307 (2d Cir. 1992). Merkin advised on and created some, if not all, of these elements. *16 Casa Duse*, 791 F.3d at 251, 260.

99. *See* *KNB Enters. v. Matthews*, 92 Cal. Rptr. 2d 713, 719 (Ct. App. 2000) (stating that the fixation requirement is satisfied by any product of the photographic process, including film).

100. 17 U.S.C. § 101.

101. *Id.* § 103(b).

102. *Id.* § 101.

which can include motion pictures based on a screenplay.¹⁰³ This is the kind of work Merkin created in his role as director of the film. Merkin was presented with a screenplay and asked to direct a film.¹⁰⁴ Within this role, Merkin “identified specific camera angles, lighting schemes, and focal points; directed the actors’ blocking, gestures, and delivery; and made concrete contributions to the set design and other visual elements of the Film.”¹⁰⁵ Neither party contested that Merkin made copyrightable contributions through his role as a director.¹⁰⁶ Therefore, even if the Second Circuit found that individual contributions that are integrated into and inseparable from the work are not subject to copyright protection, the court should have granted Merkin a copyright interest in the film as a derivative work.

When addressing the issue of copyright ownership in the raw footage, the court improperly adopted and relied on the “dominant author” test, which looks to “factual indicia of ownership and authorship,” such as decisionmaking authority, written agreements with third parties, and how the parties plan to bill and credit themselves.¹⁰⁷ The court extracted these factors from *Childress*¹⁰⁸ and *Thomson*,¹⁰⁹ both of these cases, however, applied the dominant author test to determine the parties’ intent—the “touchstone” element of joint works.¹¹⁰ Neither case utilized these factors to address the question of copyright ownership.¹¹¹

By relying on the dominant author test, the Second Circuit again confused the “joint work” inquiry with the “copyrightable work” inquiry that the *Aalmuhammed* court warned against.¹¹² This resulted in confusion; the Second Circuit contradicted

103. See, e.g., *Shoptalk, Ltd. v. Concorde-New Horizons Corp.*, 168 F.3d 586 (2d Cir. 1999).

104. *16 Casa Duse, LLC v. Merkin*, No. 12 Civ. 3492(RJS), 2013 WL 5510770, at *2 (S.D.N.Y. Sept. 27, 2013), *aff’d in part, rev’d in part*, 791 F.3d 247 (2d Cir. 2015).

105. *Id.* at *8.

106. *Id.*

107. *16 Casa Duse*, 791 F.3d at 260 (quoting *Thomson v. Larson*, 147 F.3d 195, 202 (2d Cir. 1998)).

108. *Childress v. Taylor*, 945 F.2d 500 (2d Cir. 1991). The Second Circuit’s sole issue in this case was whether Childress was the sole author or whether she and Taylor were joint authors. *Id.* at 508. The Act requires that both parties “inten[d] that their contributions be merged” to create a joint work. 17 U.S.C. § 101 (2012). Because the intent of the parties was unclear, the Second Circuit assessed how the parties planned to bill and credit themselves to determine if they intended to be joint authors. *Childress*, 945 F.2d at 508.

109. *Thomson*, 147 F.3d 195. When the requisite intent for joint works was unclear, the Second Circuit looked to the decisionmaking authority, how the parties planned to bill and credit themselves, and contractual agreements with third parties to determine intent. *Id.* at 202–04.

110. H.R. REP. NO. 94-1476, at 120 (1976), as reprinted in 1976 U.S.C.C.A.N. 5659, 5736.

111. See *Thomson*, 147 F.3d 195; *Childress*, 945 F.2d 500. In *Thomson*, the Second Circuit even acknowledged that the question whether non-*de minimis* contributions that are integrated into and inseparable from the whole are subject to copyright protection has never been answered. See *Thomson*, 147 F.3d at 196. However, the court declined to pursue the issue, since the parties only contested a claim of joint authorship. *Id.*

112. *Aalmuhammed v. Lee*, 202 F.3d 1227, 1232 (9th Cir. 2000). When the plaintiff claimed to be a joint author of the film *Malcolm X*, the Ninth Circuit emphasized the importance of differentiating between determining joint authorship and determining what constitutes a joint work under the Act. *Id.*

itself by relying on a test that determines whether the requisite intent for joint works is present *after* concluding that Merkin’s directorial contributions did not make him a joint author of the film.¹¹³ Misplaced reliance on this test led the court to ignore the plain text of the Act, where the answer to ownership lies.

The Act vests ownership “in the author or authors of [a] work” of copyrightable subject matter.¹¹⁴ In other provisions, the Act provides guidelines for how ownership should be divided for joint works, collective works, and works made for hire. However, by vesting ownership “in [an] author or authors,” the Act indicates that Congress anticipated situations, like the one at hand, when more than one author created a work in a manner distinct from joint, collective, or work-made-for-hire scenarios. Otherwise, a general provision would be unnecessary and redundant.¹¹⁵ Because the Second Circuit should have concluded that Merkin’s contributions constituted copyrightable subject matter, the sole issue in determining copyright ownership should have been whether or not Merkin was an author.

Fortunately, the solution is simple, as the Second Circuit conceded that Merkin was an author.¹¹⁶ In *Community for Creative Non-Violence v. Reid*, the Supreme Court issued what is now the accepted definition of authorship, stating, “[a]s a general rule, the author is the party who actually creates the work, that is, the person who translates an idea into a fixed, tangible expression”¹¹⁷ Merkin’s job description as a director was exactly that: “advising and instructing the film’s cast and crew on matters ranging from camera angles and lighting to wardrobe and makeup to the actors’ dialogue and movement.”¹¹⁸ This description is consistent with the roles generally assigned to a director in the film industry,¹¹⁹ and upholds the well-accepted practice of treating the director of a film as the author.¹²⁰ Merkin acted as an author

113. 16 Casa Duse, LLC v. Merkin, 791 F.3d 247, 259–60 (2d Cir. 2015).

114. 17 U.S.C. § 201(a) (2012).

115. The canon against surplusage disfavors the reading of a statute that would give two or more clauses the same meaning because it is presumed that Congress did not intend an “enactment which renders superfluous another portion of that same law.” *United States v. Jicarilla Apache Nation*, 564 U.S. 162, 185 (2011) (quoting *Mackey v. Lanier Collection Agency & Serv., Inc.*, 486 U.S. 825, 837 (1988)).

116. 16 Casa Duse, 791 F.3d at 259–60.

117. 490 U.S. 730, 737 (1989).

118. 16 Casa Duse, 791 F.3d at 251.

119. *See supra* note 90.

120. Auteur theory places the “ultimate responsibility for a film’s artistic impact on the director. It is the director who combines the elements of the picture . . . to create a cohesive and unified whole.” Craig A. Wagner, Note, *Motion Picture Colorization, Authenticity, and the Elusive Moral Right*, 64 N.Y.U. L. REV. 628, 636 (1989) (footnote omitted). The theory is based “on the notion that a director impresses his own influence and style on each of his films, and that this style is evident throughout the entire body of his work.” *Id.* (footnote omitted). This notion has been applied in copyright law, and courts have even awarded authorship to a director who did not physically capture the footage because the director’s impression and control over the artistic vision were so significant. *See Lindsay v. Wrecked & Abandoned Vessel R.M.S. Titanic*, No. 92 Civ. 9248(HB), 1999 WL 816163, at *5–6 (S.D.N.Y. Oct. 13, 1999) (holding that a director was the author of a film, even though he did not physically capture the imagery). In *Lindsay*, the director left detailed instructions to the crew, reviewed the footage at the conclusion of

when he translated the idea of the film into a motion picture and fixed it in a tangible medium. Therefore, Merkin should have been awarded copyright ownership in the raw footage.

The resounding impact of the Second Circuit's decision is twofold: it undermines the purpose of the Act and removes the need for work-for-hire agreements. The purpose of the Act is "[t]o promote the Progress of Science and useful Arts."¹²¹ The Act accomplishes this by awarding protections to an author's original expressions, and by allowing and encouraging others to further develop ideas and information expressed in existing works.¹²² Without these protections, many artists would not be able to invest significant time, labor, and resources into artistic endeavors because there would be a small likelihood of a financial return.¹²³ Additionally, artists may not want to share or disseminate their personal work for fear of others appropriating and using it without limitation.¹²⁴

Merkin will certainly feel the impact of the Second Circuit's decision, which leaves him empty-handed. Because the court failed to recognize Merkin's contributions as copyrightable and failed to grant him ownership in the raw footage, Merkin received no protection or recognition for his work, and Casa Duse was permitted to use the film without limitation.¹²⁵ This decision will not incentivize Merkin, as a director, to continue to create or share his films. Furthermore, Merkin—and others in his position—will be skeptical of the benefits that come from creating a work of authorship if copyright protections continue to be determined by factors entirely distinct from the creative process, such as contracts with third parties.¹²⁶

One of the primary purposes of work-for-hire agreements is to provide certainty in copyright law by eliminating ownership disputes and questions of coownership.¹²⁷ Because the creator is presumed to be the owner,¹²⁸ projects with multiple creators and contributors can cause confusion, which can result in conflict regarding ownership. Work-for-hire agreements avoid this conflict by transferring all copyright ownership to the employer, or to the party who commissioned the creation.¹²⁹

each day to ensure it was consistent with his vision, and supervised the filming from another location. *Id.* at *5. The court found "he exercised such a high degree of control over [the] film operation . . . [that he] may be said to be an 'author' within the meaning of the Copyright Act." *Id.*

121. U.S. CONST. art. I, § 8, cl. 8.

122. *Feist Publ'ns, Inc. v. Rural Tel. Serv. Co.*, 499 U.S. 340, 349–50 (1991).

123. LYDIA PALLAS LOREN & JOSEPH SCOTT MILLER, *INTELLECTUAL PROPERTY LAW*: 343–45 (Version 3.1 2013) (ebook).

124. *Id.*

125. *16 Casa Duse, LLC v. Merkin*, 791 F.3d 247, 259, 261 (2d Cir. 2015).

126. *See id.* at 261.

127. *See* H.R. REP. NO. 94-1476, at 120 (1976), *as reprinted in* 1976 U.S.C.C.A.N. 5659, 5736.

128. When a person "contributes to a book or movie, . . . the exclusive rights of copyright ownership vest in the creator of the contribution, unless there is a written agreement to the contrary." *Effects Assocs., Inc. v. Cohen*, 908 F.2d 555, 557 (9th Cir. 1990).

129. 17 U.S.C. § 201(b) (2012).

However, if other courts follow the Second Circuit’s methodology, work-for-hire agreements will cease to be necessary. Ownership disputes will be resolved by assessing indicia of ownership, and will vest copyright ownership in the dominant author.¹³⁰ In the context of motion pictures, this would almost always result in the producer being the dominant author, as the person responsible for handling the film’s production decisions and third-party contracts.

The Second Circuit’s decision contradicts both the Act’s plain language and its purpose by depriving the creative mastermind of copyright protection. Without a remedy for this error, the character of copyright ownership litigation will significantly change, and artists will not have incentives or rewards for creating new works. The Second Circuit’s decision sets forth a new “high concept” that will incentivize producers to make bankable films but will not incentivize artists to participate—which is a surefire way to damage the integrity of the filmmaking industry.

130. See *16 Casa Duse*, 791 F.3d at 260–61.

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