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Rod Dixon Esq.
*United States Department of Education*

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PROFITS IN CYBERSPACE: SHOULD NEWSPAPER AND MAGAZINE PUBLISHERS PAY FREELANCE WRITERS FOR DIGITAL CONTENT?

Rod Dixon, Esq.*


SUMMARY

The country has gone digital. In fact, the wide-spread adoption of digital technology has actually promoted the convergence of

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* Rod Dixon (B.A. 1984, University of Pittsburgh; M.A. 1986, University of Pittsburgh; J.D. 1992 George Washington University Law School) is an attorney at the U.S. Department of Education. He is currently pursuing an LL.M. degree in Labor Law at Georgetown University Law School. The author wishes to thank Richard Alan Gordon, Alumni Professor of Entertainment and New Media Law, Georgetown University Law Center, for his thoughtful words of encouragement and support.

1. With the Federal government’s adoption of digital television in 1998, all media in American homes will behave essentially like computers controlled by digital signals which process bits and bytes in television sets, personal computers, video game machines, and audio recording devices. See Brett Anderson, Television and Your PC: A Winning Combination, Digital Home Entertainment, Nov.–Dec. 1997 at 8. Indeed, digital technology can be used to efficiently express vastly different forms of information—such as factual databases, audio recordings, video entertainment, or electronic newspapers—on a desktop computer or across the Internet using bits of data in the form of computer 0s and 1s. Bits (or Binary digits) are essentially the smallest and most fundamental units of digital technology data; each bit has a value of 0 or 1. The bits 0 and 1 represent off and on switches which measure the presence or absence of electrical voltage in any given memory register of the computer. Since binary bits enable fairly easy digital expression and digital technology significantly expands the amount of data that can be processed on a silicon chip, digital format has become the format of choice in electronics. See, e.g., Peter Norton, Inside the P.C. at 319–320 (6th ed. 1995); Sony Media and Energy—Digital Future, (visited April 11, 1998) <http://www.sel.sony.com/SEL/med/digitalfuture/>.

2. "Convergence refers to the interoperation and blending of different electronic media." See Brett Anderson, Television and Your PC: A Winning Combination, Digital Home Entertainment, Nov.–Dec. 1997 at 8, 10. One example in consumer devices is the digital wireless telephone. Genuine digital wireless telephones are not just for sender and receiving calls. These phones are actually computers that can access the Internet, send and receive electronic mail, download sports scores in real time, and transmit faxes. See Techno Life, U.S. News & World Report, Dec. 1, 1997, at 68.
information technology and interactive entertainment media.\(^3\) Internet web sites, online services, audio music recordings, digital television, digital motion movie pictures, and electronic mail are all results of the convergence of digital technology.\(^4\) High quality, low cost, and efficient digital format have given internet users, content providers, and even the typical electronics product consumer the ability to create, edit, view, and communicate information unlike ever before.\(^5\)

It is remarkable how fast recent trends have driven an increasing number of publishers of magazines, newspapers, and other similar works to port the print version of their works to digital and electronic format in the form of online computer databases and multimedia CD-ROM technologies.\(^6\) Online computer databases and CD-ROM media can be exceptionally profitable ventures for publishers who convert a preexisting print work into a digital product.\(^7\) However, publishers’

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4. In its advertising, Sony Corp. coined the phrase "Digital Dream Kids" to describe its own corporate culture which is taking advantage of the company’s entertainment (CBS Records is now called Sony Music and Columbia Pictures is now called Sony Pictures) and consumer electronics businesses (Sony’s television, stereo, computers, digital camera equipment, CDs, and many other consumer electronic products) to market its products in the 21st century. See Sony Says It’s Weighing Digital Moves, WALL STREET JOURNAL, Nov. 21, 1997, at B9. Similarly, Microsoft Corporation has positioned its software business to take advantage of digital convergence through its recent $1 billion investment in Comcast Cable Television and its $425 million purchase of WebTV, an Internet-based television technology. See Randall E. Stross, Mr. Gates Builds His Brain Trust, FORTUNE, Dec. 8, 1997, at 84.


6. The Internet is a global network that may be comprised of as many as 4 million host computers linking approximately 35 million people in over 140 countries. Not only is the number of computer users accessing the Internet large and growing larger, but the Internet itself is becoming larger. Almost anyone with the proper software and computer can connect their hardware to the Internet and become a part of the Infrastructure of Cyberspace. See generally ACLU v. Reno, 929 F.Supp. 824, 833–38 (E.D. Pa. 1996). Currently, only about 19 percent of American households are connected to Cyberspace, but just as radio, television, and cable each became a mass medium over time, so too will the Internet. Yet unlike radio of the 1920s, television of the 1950s, or cable of the 1970s, the Internet’s growth is expected to penetrate so deeply into the personal lives of most Americans that the very existence of the technology will alter how people conduct common everyday tasks.

7. See Making The Web Pay, U.S. NEWS & WORLD REPORT, Dec. 1, 1997, at 75. According to at least one report, nearly a third of commercial web sites today are profitable. See id. at 86. Some of these ventures also have been unmistakably unprofitable. Time Warner
profits from digital media may be impaired if there is a question as to whether the publisher has satisfactorily secured the copyright to the material making up the digital media. Often, copyright issues in the context of new technologies present parties with novel questions that have uncertain answers. This is due to the development of new technologies outpacing the ability of copyright law to formulate coherent doctrines on important issues such as what is copyrightable, what constitutes copyright infringement, and who owns the copyright in what has been developed. This is particularly troublesome in Cyberspace, where digital transmission of media content has the potential to both evade enforcement efforts relating to copyright interests and undermine the very principles upon which copyright laws are based.

Copyright law affects relations between producers of content and the writers, artists, computer programmers, and others who actually create the content or works upon which entertainment products, computer databases and web sites are based. This has been made evident by a recent Federal district court decision in New York: *Tasini v. New York Times.* The *Tasini* decision is actually limited to a narrow range of facts, but the issues that arise from *Tasini* are as broad as Cyberspace. *Tasini,* if upheld, would have the detrimental effect of curtailing development of content on web sites, which rely upon articles, graphic images, photos, and other creative works developed by freelancers offline who would have no incentive to cooperatively permit the publication of their works online or in Cyberspace; in fact, *Tasini* has already...
caused significant opposition to such. More important, print publications such as traditional newspapers and magazines who unwittingly rely upon *Tasini* to force freelance writers into unfavorable contracts risk pushing an increasing number of valuable talent into the computer—distributed news business—a business which not only exalts utilitarian journalism over traditional news stories, but which also is predicted to take advantage of the cultural shift being created by digital media by amassing complete control over news delivery and dislocating most revenue streams for print newspapers and news weeklies.

*Tasini* was wrongly decided. *Tasini* made implicit assumptions about the nature of Lexis-Nexis computer databases and CD-ROM products that were not warranted or supported by the court’s findings. The contents of a CD-ROM product or an online database must be accessed by use of program code. Yet, the court never addressed why the fact that these works contained presumably hundreds, if not thousands, of lines of code which do not appear in the printed version of the collective work is insignificant to the determination that the digital products are only revisions of their printed precursors. This fundamental flaw in the court’s analysis should render the decision of little application to similar questions in Cyberspace.

In addition, the court’s reliance on selection and arrangement factors, commonly used to analyze the copyright status of factual compilations, was ill-chosen for a case where, as in *Tasini*, the compilation is claimed to be a revised collective work and the compilation exists in a format that renders its selection or arrangement insignificant to the user of the work. More important, the principles supported by the decision are wrong-headed and, if adopted by other courts, could have a devastating impact upon the future development of digital content.

12. As a result of the growing demand for digital content, copyright owners are in a race to try and get Congress to pass laws that benefit one group over another. See, e.g., David Landis, *Catching Some Entertainment, in Bits and Pieces*, USA TODAY, Aug. 25, 1994, at 8D (quoting Jay Berman, President of the Recording Industry Association of America).

13. Utilitarian journalism is aimed at helping people make life-style decisions about goods and services through the use of interactive media. This type of new media equates news and information and will deliver it on demand to any wired community. In this paradigm, shopping tips, stock advice, movie reviews and travel ideas are just as important to the consumer as updates on political stories, crime reports and investigative journalism. See *Will Gates Crush Newspapers*, COLUMBIA JOURNALISM REVIEW, Nov.–Dec. 1997, at 28.

14. See id. This is more than a prediction about digital convergence; some commentators believe that software companies and online publications are already hiring writers away from newspapers and magazine publications in an attempt to marginalize print media.
INTRODUCTION

On August 13, 1997, the United States District Court for the Southern District of New York issued its decision in *Tasini v. New York Times Co.* The court granted summary judgment in favor of the defendant-publishers, resulting in the dismissal of the plaintiff-freelance writers' case. The court concluded that publishers are entitled to place the contents of their periodicals into electronic databases and CD-ROMs without first securing the permission of the freelance writers whose contributions are included in those periodicals. The court rejected the freelance writers' argument that this practice infringes the copyright each writer holds in his or her individual articles. Instead, the court found the copying of the freelance writers' works by the publishers protected under the "revision" privilege of the "collective works" provision of the Copyright Act of 1976. Thus, the court held that the publishers had not improperly exploited the writers' individual contributions but had permissibly reproduced the articles as part of electronic or digital revisions of the print versions of newspapers and magazines in which those articles first appeared.

The plaintiffs in *Tasini* were six freelance writers who had sold articles for publication in *The New York Times, Newsday,* and *Sports Illustrated* from 1991 to 1993. *The New York Times* and *Newsday* are daily newspapers widely circulated to subscribers and newsstands. *Sports Illustrated,* published by Time, Inc. (Time), is a weekly magazine featuring articles and commentary of particular interest to sports enthusiasts. In addition to circulating hard copy or print versions of their periodicals, the defendant-publishers sell the contents of their publications to University Microfilms Inc. (now called UMI Company (UMI))

16. *See id.* In October 1997, the plaintiffs filed an appeal of the district court's decision with the Court of Appeals for the Second Circuit.
17. *See id.* at 804.
18. *See id.* at 806.
20. *See Tasini, 972 F. Supp.* at 816. *The New York Times* has recently adopted a policy pursuant to which the paper accepts articles by freelance writers only on the express written condition that the author surrender all rights in his or her creation. *See id.* at 807, n. 2.
and The MEAD Corporation (now called Lexis-Nexis (MEAD))\textsuperscript{21} for inclusion in assorted electronic data bases.\textsuperscript{22}

UMI produced and distributed two CD-ROM products that were pertinent to the \textit{Tasini} case. One of these products, identified as "The New York Times OnDisc," was made up of the articles appearing in each issue of \textit{The New York Times}. The other CD-ROM product, identified as "General Periodicals OnDisc," provided image-based reproductions of \textit{The New York Times Book Review} and \textit{Sunday Magazine}.\textsuperscript{23}

The publishers provide Lexis-Nexis with a complete copy of computer files which the publishers use during the process of producing the hard copy versions of their periodicals. Coded instructions as to page layout added to these files permit typesetters working for the publishers to produce an electronic copy of the print articles which resembles the print publication. Lexis-Nexis does not copy things such as photographs or advertisements, and the column format of the newspapers is also disregarded. Lexis-Nexis instead uses the electronic files to input the contents of each article on-line along with such information as the author's name and the publication and page in which each article appeared. The articles appearing in \textit{The New York Times} and \textit{Newsday} are available soon after they first appear in print, and the articles from an issue of \textit{Sports Illustrated} appear on-line within a short time of the initial hard copy publication.

Computer users access Lexis-Nexis by using a software package, a network adapter or a modem, and a computer that enables them to access Lexis-Nexis' mainframe computers via a dial-up telephone connection or directly over a private network or the Internet. Once connected, a computer user can enter categories or topics called "libraries." These libraries consist of the articles from either particular publications on different general topics or groups of publications. Computer users can then conduct Boolean searches or other kinds of queries by typing the desired search terms from which the system generates a number of

\textsuperscript{21} UMI, a division of Bell & Howell and MEAD, which in December 1994 sold LEXIS-NEXIS to the Dutch-British conglomerate Reed Elsevier P.L.C., were also named as defendants.

\textsuperscript{22} MEAD owns and operates Lexis-Nexis, an on-line database retrieval system which contains articles and other material from newspapers, newsletters, magazines, journals, court opinions, legal directories, wire services, and other media sources (including \textit{The New York Times}, \textit{Newsday}, and \textit{Sports Illustrated}). Articles are displayed or printed in response to users' search requests.

\textsuperscript{23} The publishers deliver or electronically transmit to Nexis the full text of all of the articles appearing in each daily or weekly edition of their periodicals.
results or hits. These results, consisting of the articles in the database corresponding to the selected search terms, can be viewed either individually or within a citation list. A citation list identifies each article by the publication in which it appeared, by number of words, and by author. When a particular article is selected for full-text view, the entire content of the article appears on screen with a heading providing the same basic information reported within a citation list. Although articles are viewed individually, it is possible, albeit unlikely, for a user to find it useful to enter a search that could generate all of the articles, and only those articles, appearing in a particular periodical on a particular day.

The plaintiffs contended that these electronic reproductions of their articles were improper under the Copyright Act and filed a suit for copyright infringement against the publishers in December 1993. Two of the defendants, Time and Newsday, argued that the plaintiffs had entered into contracts authorizing them to sell the electronic version of the writers' articles. The fulcrum of the publishers' positions, however,

24. The six plaintiffs, Jonathan Tasini, Barbara Garson, David Whitford, Sonia Jaffe Robbins, Margot Mifflin, and Mary Kay Blakely claim that Defendants infringed their copyrights in a total of 21 articles sold for publication between 1990 and 1993. All of the plaintiffs wrote their articles on a freelance basis and not as employees of the defendant publishers. See Tasini, 972 F. Supp. at 806.

25. As of the time the plaintiffs filed their lawsuit, freelance assignments for The New York Times were typically undertaken pursuant to verbal agreements reached between the newspaper and the contributing journalists. These discussions seldom extended into negotiations over rights in the commissioned articles. Indeed, there were no such negotiations between The New York Times and any of the plaintiffs, all of whom submitted their articles for publication by The New York Times without any written agreements. Newsday solicited its freelance contributions in much the same manner as did The New York Times and without any written agreements. However, the checks with which Newsday paid freelance writers for their contributions, including those checks sent to plaintiffs following the publication of their articles, included an endorsement which read: "Signature required. Check void if this endorsement altered. This check accepted as full payment for first-time publication rights (or all rights, if agreement is for all rights) to material described on face of check in all editions published by Newsday and for the right to include such material in electronic library archives."

Tasini crossed out this notation prior to cashing those checks paying him for his two disputed submissions to Newsday. Those plaintiffs who wrote the remaining six Newsday articles cashed their checks with the notation intact.

Whitford submitted an article for publication in Sports Illustrated. Whitford and Sports Illustrated entered into a written contract specifying the content and length of the purchased article, the date due, and the fee to be paid by the magazine. The contract also gave Sports Illustrated the following rights:

(a) the exclusive right first to publish the Story in the Magazine:
(b) the non-exclusive right to license the republication of the Story whether in translation, digest, or abridgment form or otherwise in other publications, provided that the Magazine shall pay to you fifty percent (50%) of all net proceeds it receives for such republication: and
rested on the argument that, even in the absence of such agreements, the publishers properly exercised their right under the Copyright Act to produce revised versions of their collective works.\textsuperscript{26} The plaintiffs argued that the selection was not preserved by the publishers in developing the electronic products because the databases allow access to individual articles, regardless of whether the whole work is contained in the database. Furthermore, the plaintiffs argued that the articles are stored in the database without relation to any other articles that the initial compilation may have contained, and the database is combined with thousands of other articles from other printed publications.\textsuperscript{27} In other words, the publishers did not revise the collective work, but instead created another original work and hence copied the freelance writers' works without authorization.

Copyright in each separate contribution to a collective work is distinct from copyright in the collective work as a whole, and vests initially in the author of the contribution.\textsuperscript{28} In \textit{Tasini}, there was no dispute as to whether the freelance writers had retained this copyright; they had. Accordingly, the publishers, as owners of copyright in the collective work only, had acquired the privilege of reproducing and distributing the contribution as part of that particular collective work, any revision of that collective work, and any later collective work in the same series. The court had no difficulty in making these determinations since the publishers never contended that they had permissibly created an original collective work.\textsuperscript{29} What is not clear, at least as the parties viewed the facts in \textit{Tasini}, is whether an author's works may be copied, after initial publication as a printed collective work, onto a web page on the internet, into a computer database, or onto a CD-ROM product, as a revised collective work, for retrieval by the general public without prior permission and without infringing the author's copyright.

\textsuperscript{26} See \textit{Tasini}, 972 F. Supp. at 807.
\textsuperscript{27} See id. at 806.
\textsuperscript{28} See id. at 821.
\textsuperscript{29} See 17. U.S.C. § 201(c) (1994).

Neither the court nor the parties found it particularly relevant that the magazine and newspaper publishers had not revised the collective works on Lexis-Nexis themselves. The relevant revision rights had been assigned to the corporate owner of Lexis-Nexis and, therefore, that company was named as a defendant in the case.
The freelance writers, however, took the argument further and maintained that the publishers had actually exceeded their narrow privileges of copyright by producing the freelance writers' works as part of a new collective work in the form of a computer database on Lexis-Nexis and as part of various CD-ROM products. In other words, the freelance writers argued that the digital formats of these "new" collective works do not revise the publishers' printed version collective works, but instead exploit the freelance writers' works without permission and without compensation.30

The court took a different view. In refuting the plaintiffs' arguments, the court noted that, but for the editors' selection of the articles for the initial print compilations, they would not have been included in the databases at all; thus, the selection is in fact preserved.31 Furthermore, the selection is preserved because an article pulled from the database still retains a reference to the initial periodical the article appeared in and the article's location in that periodical. The court also thought it particularly relevant that the databases also allow users to retain the ability to search for articles that appeared in only one publication, thus removing the issue of the intermingling of articles from different publications.32

The court's analysis implicitly favors the protection of substantially revised collective works over the need to carefully assess whether impermissible copying of an original work results from the creation of a new work. Once the court cloaks the digital works within the protective safe-harbor of a "revised collective work," it undertakes little further assessment of the proper scope of a revised work. Its work is done; the defendants' copying of the plaintiffs' works is protected. This lack of assessment by the court is detrimental in its unfair balancing of the publishers' interests against those of the authors. Taken in the worst light, the court's opinion could grant publishers a free pass to create an entirely new collective work out of the works of others for whom the publishers need not pay.33 Had the court determined that the electronic

30. See Tasini, 972 F. Supp. at 809.
31. See id. at 823.
32. See id. at 823–25.
33. Although it can be argued that publishers, without the armor provided by Tasini, could force freelance writers to negotiate away their electronic rights at the same time an agreement is signed concerning the initial grant of copyrights, that argument misses the point of Tasini. Tasini essentially takes away the bargaining rights of freelance writers by finding that publishers are free to substantially revise their collective works without fear of copyright infringement. In other words, Tasini leaves the freelance author with essentially nothing left to bargain over concerning electronic rights in a collective work.
versions of the collective works amounted to original works, or undertaken cautious analysis of what the proper scope of revision rights in a collective work should be under the facts of *Tasini*, the underlying principle that copyright law is first and foremost meant to protect original works could have been sustained.

After *Tasini*, freelance authors may be lawfully uncompensated by the publishers of digital content who revise the collective work containing the freelance author's original creation. The result of the district court's decision is to extend revision rights far beyond its permissible bounds. Properly viewed, *Tasini* does not involve the revision right of a publisher of a printed collective work who revises that work and thereby produces a copyright-protected computer database. Rather, it involves the application of an author's copyright in the electronic version of a work that was clearly protectable when it was in non-digital form. In this respect, *Tasini*’s failure to find copyright infringement in the publishers' production of an online database using an author's original works constitutes a misapplication of the law of copyright.

Under the law of copyright, copyright ownership of a work is presumed to vest in its author, who is the person who translates an idea into a fixed and tangible expression. This rule is axiomatic unless one can establish by a clear writing, signed by the parties, that the actual author intended to transfer her authorship rights. Another elementary principle of copyright law provides that one has only the rights to use a work that he or she acquires from the copyright holder or that are otherwise provided by the provisions of the Copyright Act. In this respect, generally, if an author permits her publisher to publish her work and grants the publisher a license for the print rights to that work, the publisher, on the basis of this limited license, would not be able to lawfully copy the same work as part of an on-line database, a web site in Cyberspace, or some other electronic media such as a CD-ROM; that part of the law is clear.

I. CONVEYANCES OF NEW TECHNOLOGY RIGHTS

Before examining what rights have been granted, it is necessary to look at the types of conveyances granting rights. If there is an assignment of all rights, there often is no issue. The owner of the copyright has conveyed everything he had and retains nothing; the right to use the work existing in digital format belongs to the grantee. The significant problem arises when the grantor conveys less than the whole, or at least contends that he did so, and it becomes necessary to determine what was granted and what was actually retained.

When dealing with less than the whole bundle of rights in copyright, the copyright holder often relies on some type of instrument of conveyance. The conveyance centers upon exactly what rights have been granted and specifically enumerated in the license or instrument of conveyance. The grant is limited to precisely those rights. What is not enumerated is not granted. In one common form of conveyance, the copyright is assigned with a reservation of rights to the author or grantor. What has not been explicitly reserved is deemed granted. A single instrument or contract could make use of both types of conveyances

35. The law of contracts often is the backdrop for resolving disputes over new uses of copyrighted material. This is due to the fact that copyright owners, such as freelance writers, often grant publishers or other third parties use of their work by means of a license or contract which governs the use of the work and the scope of the rights being granted. However, as was true in *Tasini*, courts rely on copyright law and principles when contracts or licenses fail to elucidate the parties intent. See Bert J. Miano, *Intellectual Property—Copyright Licensing Agreements: In Contemplation of Future Technology*, 19 AM. J. TRIAL ADVOC. 485 (1995).

36. This statement is a slight oversimplification of the issue, particularly when the parties dispute whether the grant, regardless of its form, duly contemplated the use of the work in a particular new technology. In cases involving new technologies like the Internet or certain forms of digital media like CD-ROMs or DVDs (digital video/versatile discs), a central issue often concerns whether the parties could have mutually contemplated the future development of the new technology, despite the grantor’s grant of all rights to the grantee.

37. Prior to the Copyright Act of 1976, a distinction was made between a partial and total assignment of copyright. The Copyright Act of 1909 viewed copyright as indivisible and did not recognize partial assignments. A partial assignment was considered a license which did not carry the same legal rights as an assignment of copyright. For all practical purposes, the 1976 Act officially terminated this distinction. See 1 PAUL GOLDSTEIN, COPYRIGHT § 4.4.1.2 (1989); 3 MELVILLE B. Nimmer & DAVID Nimmer, Nimmer on Copyright 10.02, at 10–22 to 10–35 (1997).


spelling out what has been granted and what has been reserved. Consequently, when a new technology is developed and that technology creates a new medium for copying a pre-existing work, the issue in *Tasini* arises; namely, when a right has been granted to exploit a copyrighted work, and a new use is then discovered for the work, who has the right to exploit the new use—the grantor or the grantee? Does the new use fall within the reserved rights or the granted rights?

The issue can be further complicated or, in some cases, simplified by the existence of a “future technology clause.” This is a clause in the contract granting the licensee the right to exploit the work in “all media now known or hereafter conceived or created.” The complication arises when the judge or lawyer seeks to interpret the very language of the grant and determine to what the future technology clause extends. An all-encompassing grant in one provision might be limited either by the context in which it appears, by other provisions in the same contracts, or by other subsequent related contracts. The outcome will depend on how narrow or broad a reading is given to the actual words of the grant.

Although the *Tasini* court had little trouble finding that the publishers had only limited rights in the articles they had published, the court was, nonetheless, convinced that those limited rights were extensive enough so that the publishers had not improperly exploited the works of the authors by publishing the electronic versions of the printed works. The court held that the legislative history of the Copyright Act of 1976 supports its finding that the allowance of “revisions” to a collective work should be read broadly, only limited by a simple inquiry into whether the collective work is still a recognizable version of the initial collective work so as to still be considered only a revision. This limited inquiry by the court in *Tasini* resulted in the publishers prevailing over the authors.

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40. See *Krasilovsky and Shemel*, supra note 38, at 145.
41. The publishers had only the initial rights and any subsequent rights that applied to the publishers’ collective work or compilation. A collective work is one composed of a number of elements, often separate works unto themselves, that are collected and arranged into a compilation. *See* 17 U.S.C. § 101 (1994). Thus, an anthology of stories or a magazine consisting of articles and pictures is a collective work.

Under the Copyright Act, the selection and arrangement of the elements that form the collective work or compilation constitute the compiler’s protectable collective work. The author of the compilation does not generally have any rights in the individual elements beyond the right to use them in the collective work. The author of the collective work can use the component works as part of the collective work or as part of subsequent revisions of the collective work. *See* 17 U.S.C. § 201(c) (1994).

42. To evaluate this, the court found that it is necessary to determine what aspects of a collective work constitute the defining elements that need to be preserved and held that the defining element of a collective work is the selection of elements that constitute the compi-
Although *Tasini*'s holding is ostensibly limited to non-fiction essays published as part of a collective work, its application, if upheld, will be far beyond its facts. The court's departure from the basic principles of copyright law is not significant merely because it may have cut a new swath of law from precedents that were poorly stitched together to begin with, but *Tasini* is also significant because, if allowed to stand as the law of copyright, it will have an extraordinary effect on Cyberspace and multimedia entertainment. On-line databases, multimedia technologies and online entertainment-based interactive software applications are proliferating. Often, these new digital products contain works that were formerly part of another collective work in print form or some form other than electronic.

In Cyberspace, the works of many authors can be found on websites owned or operated by publishers of print media who neither obtained permission nor compensated the authors for use of the works. More interesting, vast databases exist in Cyberspace in the form of so-called indexes and "search-engines," which catalog and record the location of the contents of almost every web page. One novel question with regard to these types of databases concerns whether these large databases improperly exploit the works of others through the manner in which the search-engine copies or reproduces the contents of other web pages without explicit permission from the web page author.

Notably, the *Tasini* court recognized that the effect of its holding essentially divested valuable copyright ownership from the creator of the work and posited that value fully with the electronic publisher. This ruling, consequently, could affect the intellectual property rights of a large number of other creators of original works whose works, after initial publication, subsequently appear on the Internet as part of an E-zine, an online searchable index, a web site-computer database, a virtual gallery or museum in Cyberspace, or some other form of multimedia-entertainment or CD-ROM product.

What follows is an examination of whether, when analyzed against the complex backdrop of the dual purposes of granting an author exclusive and beneficial copyright protection, the *Tasini* decision is a

\footnote{It is clear that these search engines are copying at least some of the contents of each web page the search engine visits. What is not clear, as a factual matter, is how much of the web page is copied. Nor is the legal question well settled concerning whether the hypertext link produced by the database results in an unlawful copy. See, e.g., HotBot (visited April 11, 1998) <http://www.hotbot.com> and AltaVista Technology, Inc. (visited April 11, 1998) <http://www.altavista.com>.}
satisfying one; this paper will show that it is not. Often, when copyright infringement is alleged, courts must balance the constitutionally competing aims of promoting human creativity and original expression through strict enforcement of the copyright law with ensuring that broad copyright protections do not unfairly or unnecessarily prevent the development of our knowledge base—particularly, the nation’s development of practical uses of technology and information. This kind of balancing, however, does not seem evident in the court’s analysis in *Tasini*. The court, ostensibly, balanced the interests of parties each asserting copyright interests, none of whom explicitly favored relaxed copyright enforcement for the sake of the development of knowledge. Nonetheless, this tension still existed in *Tasini*. It is usually assumed that by failing to protect the copyright interests of authors, courts may almost implacably erode the interests of authors in creating original works. In this respect, the *Tasini* court may have balanced the rights of publishers so favorably as to have unwittingly subverted the constitutional aim of copyright law—to promote human creativity and original expression.

II. THE SCOPE OF A REVISED COLLECTIVE WORK

The *Tasini* court had to address the difficult issue of determining the upper limits for revising a preexisting collective work. The Copyright Act contained no answer and no case law had ever addressed this narrow question. The court needed to assess whether the principles underlying the Copyright Act supported the view that a digital collective work (in the form of an online database or CD-ROM) was so substantially different from a printed collective work (in the form of a newspaper or magazine) that the digital work could not be deemed a mere revision, but instead constituted an original work that infringed the rights of individual authors. With this task in sight, the court erred by borrowing the “selection and arrangement” doctrine, developed to set the limits of permissible revising and assess whether a factual compilation had the requisite originality to warrant copyright protection.

The *Tasini* court had to grapple with the question of whether the publishers, themselves, had created an original work. 44 But, under the

44 Under Section 201(c) of the Copyright Act, the authors of collective works may permissibly revise those works without infringing the copyright held by authors of the individual works that make up the collective work. To create an infringing copy, the author of the collective work would have to alter the collective work so substantially as to make it plain that a new collective work had been created (instead of a preexisting one being re-
pertinent copyright analysis, the court had to find that the collective work was *not* original in order to conclude that the electronic versions of the initial collective works were *revisions* for which copyright protection could be provided to the publishers. In other words, the court's analysis ultimately promotes the production of substantially revised collective works to the detriment of the author's works on which the so-called revised collective works are based.

The initial inquiry before the court was whether the application of revision rights to a pre-existing compilation altered by the combination of statements or instructions of a computer program is proper under copyright doctrine. Two erroneous assumptions underlie the argument that the publisher-defendants in *Tasini* had the right to use or create an independently-written computer program that produced, in electronic form, the same compilation that appeared in their print publications. First, the court implicitly drew an artificial and improper distinction between the computer program that runs the database and what the program, along with the data, produces when actually used by a database user. In addition, the court failed to recognize that an on-line computer database that is continuously updated, such as the Lexis-Nexis database, should not be analyzed in accordance with its selection and arrangement of data elements when much of the selection and arrangement of data elements is subject to change as the database expands or contracts. The district court erred in its analysis of the online computer database in *Tasini* because it failed to consider the database in its entirety. This failure caused the court to draw conclusions that were both technologically incorrect and logically unfounded.

The court's opinion extended revision rights to the CD-ROM products and the online computer database as compilations or collective works. The court, without explanation, also drew an improper distinction between the apparent structure of the elements or data in the database and the computer program used to run the database. The court's analysis demonstrates that it evaluated whether the CD-ROM

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45. Computer programs, at least in object-code form, are technological in nature. Database software, which is usually intended to serve utilitarian purposes, defies easy categorization under copyright doctrine that was initially intended to apply other forms of intellectual property. See, e.g., Arthur R. Miller, *Copyright Protection for Computer Programs, Databases, and Computer-Generated Works: Is Anything New Since CONTU?*, 106 HARV. L. REV. 977 (1993).
products and the online database were revisions of printed works by focusing solely on the content or elements of the collective works. While such surgical precision may be justified in instances where the court must determine who had which copyright, the issue before the court in *Tasini* neither required nor warranted the court’s unusual approach. Indeed, after recognizing that the issue before it, in part, was to determine whether the new technological format of the products (i.e. the printed collective works or newspapers and magazines now in digital format) constituted a revised product or an original product, the court never reached this issue in its analysis.

Instead, the court started its analysis with the faulty assumption that the digital product included little more than digitized text that could be viewed on a computer screen. The court did not consider what weight should be given to the fact that the so-called revised products contain thousands of lines of computer code that must be executed on the machine that contains the online database or CD-ROM product. Nor did the court evaluate the contents of the Nexis database other than to find the selection and arrangement of the print articles still intact. The court also never explicitly acknowledged the fact that the online database on Nexis contains thousands of articles never selected by the publishers of *The New York Times* or *Newsday*, nor how this fact alone could render the selection and arrangement criteria inapposite to a database case of the sort before the court. In these respects, the *Tasini* court failed to adhere to the doctrines reflected in the Copyright Act and case law interpreting it.

Under the United States Copyright Act, a computer program is a set of statements or instructions used directly or indirectly in a computer in order to bring about a certain result. Unless the certain result effected by a program is independently protected under copyright law, anyone

46. It goes without saying that the CD-ROM products contain less program code than the Lexis-Nexis database. Nonetheless, the contents of a CD-ROM product must be accessed by use of program code. The court never decided why this is insignificant in its determination that the digital products are only revisions of their printed precursors.

47. This finding is of no obvious import in regard to the Lexis-Nexis database since that database contains thousands of articles neither selected nor arranged in any manner relating to the print versions of the publications at issue. The CD-ROM products more closely resemble their printed precursors, but the question remains why selection and arrangement is relevant to the determination before the court regarding a revised compilation that exists in digital format. Why should the court care about this in its analysis? It is not readily apparent other than to say it is easy to borrow doctrine that was formulated for another context.

has the right to produce independent code bringing about an identical result. In fact, to the extent that a specific piece of code is the only way to bring about some aspect of this certain result, one of only a few practical ways of doing so, or an obvious or standard way of doing so from the point of view of an experienced programmer, that specific piece of code is not protected.\footnote{See id.} A court would therefore be mistaken to simply assume that the database code in \textit{Tasini} was protectable code owned by someone other than the publishers, and to ignore, for the purpose of analysis, the computer code that existed as part of the computer database.\footnote{Lexis-Nexis may have owned any existing copyright interest in the online computer database. The court may have found this relevant to its analysis, but it did not explicitly say so.} The copyrightability of aspects of the computer database code should have no place in deciding whether the computer database is a revised version of a printed collective work.\footnote{The scene a faire doctrine denies protection to program elements that are dictated by external factors such as “the mechanical specifications of the computer on which a particular program is intended to run” or “widely accepted programming practices within the computer industry.” \textit{Computer Assocs. Int’l, Inc. v. Altai, Inc.}, 982 F.2d 693, 709–710 (2d Cir. 1992).}

It is widely recognized, and not questioned in the \textit{Tasini} case, that different computer programs can generate identical outputs. Therefore, even the identity of unprotected output does not establish infringement of the underlying program. As for computer databases, a database is created as a result of the use of [1] computer hardware, [2] software, [3] compilation code, and [4] data or content.\footnote{The output is then displayed as content on a computer screen. Every time an “image” or “copy” of a work is shown on a computer screen, the work is displayed. “[D]isplay’ would include the . . . showing of an image on a cathode ray tube, or similar viewing apparatus connected with any sort of information storage and retrieval system.” H.R. REP. NO. 94-1476, at 64 (1976). In the narrow context of a digital version of a collective work, it may be a trivial matter whether copyright infringement is based on impermissible display or reproduction since ultimately electronic copies cannot be perceived without the aid of a machine.} The interaction of these four elements ostensibly constitutes a useable computer database.\footnote{The database can be “captured” on a CD-ROM or other similar media, or the database can exit “live” in an online format that can be updated continuously with the addition of new data or the deletion of old data.}
airline reservations or social security numbers, or the data could be a great deal more elaborate and contain tables of records of text files that essentially serve as digital copies of articles that initially appeared in a newspaper, book, or magazine.

The conclusion that what a program does, and therefore its appearance to the outside world when viewed solely through input and output devices, is not protected by the copyright in the program comports with well over 100 years of copyright case law. The scope of such protection is circumscribed by all of copyright's traditional limiting doctrines and is not affected by the 1980 amendments to the Copyright Act which recognize the protectability of computer programs. Despite the similar approaches of patent and copyright law, both of which strike a balance between providing an incentive for the creation of works and ensuring that the public and later creators can enjoy and build upon an expanding public domain, they are distinct components of a coherent scheme of intellectual property protection.54

Even if a court were to approach the issue of copyright protection for a computer database by viewing the screen or print output of a query to a computer database as distinct from the underlying program running the database—as the Tasini court presumably did—the fundamental nature of this technology should caution against reliance upon such an approach. It is clear that what a computer database does when it causes a computer screen to display an article or some other search result is inextricably tied to the computer database software program's structure, database elements, and machine code for purposes of database copyright analysis. Indeed, the court conceded that the analysis it had adopted would almost inevitably lead to the same result; namely concluding that an online database is just a revised copy of a print newspaper or magazine. Unfortunately, the Tasini court overlooked the fact that the basic technology of a computer database cuts against its finding that the production of a computer database is merely a revision of a printed collective work under copyright law. Perhaps the court made this error because it mistakenly relied upon an analysis of collective works drawn from case law regarding factual compilations instead of applying copyright doctrine more appropriately drawn from cases involving software

54. Patent law seeks to promote the advancement of technology while copyright law seeks to encourage culture and the arts. Given their different foci, it is not surprising that Congress has crafted very different balances in these two areas. In view of the very different thresholds for as well as the scope and terms of protection, to extend copyright by protecting the Tasini databases without due protection of the author's electronic works and without explicit Congressional authorization presents grave challenges to the integrity of the entire intellectual property law system.
applications or multimedia video games. Whatever the reason for the
court's unusual detour, the application of case law from factual compi-
lations is a wrong turn for the information superhighway.

Although basic copyright law requires that outputs of computer
programs be evaluated on the basis of their own merits as expressive
works of authorship and not any copyright in the program that produces
them, *Tasini* provides no basis for determining how such a distinction
should be drawn in the case of revisions to collective works. Does it
matter that a computer database involves the manipulation of data by an
external software program when a court is reviewing whether the col-
lective work so substantially departs from the print version that the
digital format should be considered an original work? This question is
left unanswered by *Tasini*, yet the answer is pivotal in assessing whether
the revision rights granted by the court are excessive. An inequity seems
to lurk in the idea that a collective work can be altered so dramatically
as to make a product with uses far exceeding its printed counterpart, yet
the alteration is so slight that the elements of the revised collective work
may be used without compensation. This, however, is the proposition
that *Tasini* stands for.

The court repeatedly referred to the selection and arrangement in
elements it found to be protected:

The General Periodicals On Disc product does maintain the
character of the original work. The disk contains exact images
of the magazine pages. You can see a publication in whole, as
the editors originally envisioned the work. You can see the ad-
vertisements, the pictures, and you can see which articles came
before and after a particular article.\(^5\)

A Nexis database, however, does not so readily and apparently preserve
the character of the original work, nor is the database used as the origi-
nal publication is used. If a reader views an article located by searching
a Nexis database, the reader is not able to view the article in context as
it originally appeared in print; page numbers become mere citations.
Although the *Tasini* court held that the selection was maintained based
on how the database was actually used,\(^6\) this is often not the case. Most
people do not access Nexis to read the morning paper.

Frequently, multi-periodical databases such as Nexis are searched
for specific topics within a large collection of works and are not used
because of a desire to take advantage of an editor's particular selection

\(^6\) *Id.*
of articles. The removal of context, coupled with the frequent compilation of multiple periodicals into one database for search purposes and the different audience for the original and the electronic products, makes it disingenuous to say that a Nexis database is merely a revision of *The New York Times*.

In general, the question of whether and how databases should be protected by law has never been easy, as it necessarily involves finding a balance between two potentially conflicting societal goals: the goal of providing adequate incentives for their continued production and the goal of ensuring public access to the information they contain. At different points in time, in different societies, that balance has been struck in different ways. The major landmark among these changes was the U.S. Supreme Court’s 1991 decision in *Feist Publications v. Rural Telephone Service Co.* As a result of the explosive growth of the Internet and the rapid developments in the technologies for collecting, organizing, reproducing, and disseminating information, copyright law is being viewed more as a tool for the benefit of the public. Since information wants to be free, as many in Cyberspace believe, copyright law should strive to make the information contained in protected works of authorship freely available on the Internet. Of course, this outcome would not directly serve any of the interests in *Tasini*. However, if all computer databases were subject to exceptionally narrow copyright protection, could this be a way out of *Tasini*?

In the terminology of copyright law, a database is a “compilation”: “a work formed by the collection and assembling of preexisting materials or of data.” Compilations constitute one of the oldest forms of authorship protected under U.S. law, dating back to the eighteenth century. Compilations were protected as “books” under the first federal copyright statute.

The earliest compilation cases that discussed the basis for copyright protection identified the compiler’s effort—“his own expense, or skill, or labor, or money”—as the critical contribution justifying protection. These cases, involving works ranging from law reports and legal

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60. See Copyright Act of May 31, 1790, ch. 15, 1 Stat. 124 (protecting books, maps, and charts).
62. See, e.g., Dun v. Lumbermen’s Credit Assoc., 144 F. 83 (7th Cir. 1906), aff’d, 209 U.S. 20 (1908); West Publ’g Co. v. Lawyers’ Co-operative Publ’g Co., 79 F. 756 (2d Cir.
encyclogenias to compilations of war records, emphasized both the compilers' effort and the copiers' "unfair use of the copyrighted work, in order to save themselves the time and labor of original investigation." Contemprary treatises echoed this approach. The evolving doctrine of originality was applied by some courts in compilation cases, particularly cases involving compilations of textual materials such as law books. These cases identified the author's judgment in selecting and arranging materials as the critical contribution which justified protection. This approach coexisted with, rather than supplanted, sweat of the brow cases. Sweat of the brow was applied to cases involving purely factual compilations, such as catalogs and directories. Sometimes the two approaches appeared to be melded together in a single case, with the court focusing on the "labor" and "skill" contributed by the author. With very few exceptions, courts drew on these approaches to support the conclusion that a particular compilation was protectable, rather than to deny protection.

The Supreme Court struck down the "sweat of the brow" doctrine in *Feist Publications v. Rural Telephone Service Co.* In finding that a white pages telephone directory lacked copyright-protection, the Court held that the sole basis for protection under U.S. copyright law is creative originality.

Rural Telephone Service Co. (Rural), was a local telephone company that produced a white-pages telephone directory covering its
service area. Feist Publications (Feist), the defendant, published a directory covering multiple service areas. After Feist sought, and was refused, a license to the listings in Rural's directory, it copied the listings without authorization. The district court found Feist liable for infringement.

In *Feist*, the Supreme Court held that “[o]riginality is a constitutional requirement.” Citing nineteenth-century case law, the Court derived this requirement from the Constitutional terms “Writings” and “Authors” in the grant of authority to Congress to enact copyright laws. Subsequent cases have followed the Supreme Court’s reasoning in *Feist*. In *Key Publications, Inc. v. Chinatown Today Publ’g Enter. Inc.*, the Second Circuit sustained the copyrightability of the yellow pages of a telephone directory for New York’s Chinese-American community. The court found that the selection of entries in Key’s directory was original. In addition, the arrangement of the directory into categories (e.g., Accountants, Bridal Shops, Shoe Stores, Bean Curd & Bean Sprout Shops) was, when “viewed in the aggregate,” original, because it “entailed the de minimis thought needed to withstand the originality requirement.”

In two post-*Feist* cases, the Eleventh Circuit found that the copying of significant portions of copyrightable compilations was not infringement because the material copied did not rise to the level of creative authorship. In *Bellsouth Adver. & Publ’g Corp. v. Donnelley Information Publ’g, Inc.* (“BAPCO”), the Eleventh Circuit held that the defendant’s entry into a computer of all of the names, addresses and telephone numbers of advertisers in the plaintiff’s yellow pages telephone directory, together with business type and type of advertisement, did not infringe. The court focused on the elements of selection, coordination and arrangement that the plaintiff claimed were

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69. See id. at 342.
70. See id. at 343.
71. The Tenth Circuit affirmed in an unpublished memorandum decision.
72. Id. at 346.
73. Id. (quoting U.S. Const. art. I, § 8, cl. 8). The Court hinted, however, that other forms of protection may not be subject to the same constitutional restriction. See id. at 354 (“Protection for the fruits of such research... may in certain circumstances be available under a theory of unfair competition”) (quoting Nimmer § 3.04, p. 3–23).
74. 945 F.2d 509 (2d Cir. 1991).
75. Id. at 513.
76. Id. at 514.
77. 999 F.2d 1436 (11th Cir. 1993).
78. Id. at 1446.
infringed and found each to be either unprotectable or not copied.\textsuperscript{79} For example, the plaintiff claimed (and the district court held) that it selected the listings by determining the geographic scope of the directory, establishing a closing date for changes, and limiting listings to subscribers to its business telephone service, as well as through a variety of marketing techniques. The court found that these elements did not meet the level of creativity required by \textit{Feist}.\textsuperscript{80}

\textit{Tasini} borrowed the \textit{Feist} analysis on originality and applied it to the Nexis online database and CD-ROM products to determine whether the databases at issue were revisions of the print version newspaper and magazine publications. However, \textit{Tasini} relied upon the \textit{Feist} criteria without first determining whether \textit{Feist} was really applicable to the computer databases. In fact, \textit{Feist} differs from \textit{Tasini} in many relevant respects. \textit{Feist} did not involve a computer database; it involved a printed version of a telephone directory listing. Nor did \textit{Feist} involve a collective work made up of components which, themselves, were copyrightable. \textit{Feist} involved a factual compilation wherein the facts, as its components, were not subject to copyright protection. This is a critical distinction. The freelance writers' complaint against the publishers rests on the fact that the elements of the publishers' computer database were protected by copyright. More importantly, since \textit{Feist} did not involve a collective work that was a computer database, \textit{Tasini}'s reliance on \textit{Feist}'s selection and arrangement factors was ill-chosen. These factors seem to be particularly irrelevant in instances where the compilation is claimed to be a revised collective work and the compilation exists in a format that renders the selection or arrangement of its elements insignificant to the user of the work.

\section*{III. Freelance Writing Contract Practices in the Publishing Industry}

Historically, freelance writers and publishers have been lax in creating written, let alone unambiguous, contracts.\textsuperscript{81} Until recently,
magazines and newspapers bought articles simply on the basis of oral agreements, and the freelance contracts that did exist did not expressly address the parties' rights in electronic media. Courts must thus decide whether these agreements convey more than the right for the newspaper to print the work once.

The interpretation of copyright assignments for content published as part of a collective work differs somewhat from that of other types of assignments. Section 201c of the 1976 Act provides:

In the absence of an express transfer of the copyright or of any rights under it, the owner of copyright in the collective work is presumed to have acquired only the privilege of reproducing and distributing the contribution as part of that particular collective work, any revision of that collective work, and any later collective work in the same series.

On its face, the statute suggests that freelance writers and photographers for magazines and newspapers who did not sign contracts are presumed to have granted only first North American serial rights, rendering the discussion moot as to journalists and photographers but not book authors.


83. Freelance contracts for journalists generally gave publishers first North American serial rights, which granted the publication the exclusive right to publish the piece first. See Hanna Liebman, National Writers Union Suit Seeks Clarification on Freelancers' Rights, MEDIAWEEK, Jan. 3, 1994, at 4 ("At issue are the rights to stories when such are not spelled out in written contracts.").

84. 17 U.S.C. § 201(c) (1984); see also Melville B. Nimmer & David Nimmer, Nimmer on Copyright § 10.10[B], at 10-85 to 10-94 (1997) (discussing § 201(c) in the context of licenses).

85. See, e.g., L. Batlin & Son, Inc. v. Snyder, 536 F.2d 486, 491 (2d Cir. 1976) (holding that changing the medium of a work is in itself insufficient to warrant recognition of a new copyright); Alfred Bell & Co. v. Catalda Fine Arts, Inc., 191 F.2d 99, 102-03 (2d Cir. 1951) ("All that is needed to satisfy both the Constitution and the statute is that the 'author' contributed something more than a 'merely trivial' variation, something recognizably 'his own.'" If the later, or electronic, collective work is not separately copyrightable from the earlier, or printed, compilation, then the electronic compilation should be considered "a revision" of the printed compilation). Cf. L. Batlin & Son, 536 F.2d at 491; Secure Servs. Technology v. Time & Space Processing, Inc., 722 F. Supp. 1354, 1363 (E.D. Va. 1989) (finding that the rearranging of binary digits in a computer protocol is too minimal a change to recognize as a derivative or collective work deserving copyright protection).
The first significant series of cases examining the scope of a grant of rights after the advent of a new technology questioned whether a grant of dramatic rights included motion picture rights. The court decisions were far from uniform and no clear pattern emerged. While some courts held that a grant of dramatic rights (i.e., a right to what are commonly thought of as live plays on stage) included motion picture rights, others held that those rights were excluded.

Rooney v. Columbia Pictures, the first major case in recent times, concerned the use of a new technology to record films or motion moving pictures on a videocassette recorder. This case involved the actor Mickey Rooney. Rooney claimed that a group of film companies did not have the right to use his pre-1960 movies in "alternative markets"—"commercial television, pay television and audiovisual device markets." The court quoted extensively from a lengthy series of contracts and found that "it is difficult to conceive of contracts which more explicitly and certainly provide the answer to the major issue before this Court .... These agreements make clear that the rights to exhibit Rooney's pre-1960 films in the alternative markets are held by defendants and not by Rooney." The Rooney court found that "where ... a party has acquired a contractual right which may fairly be read as extending to media developed thereafter, the other party can hardly avoid the contract's application to such media by establishing that the precise nature of the advance was not anticipated."

The Ninth Circuit, in Cohen v. Paramount Pictures Corp., announced that, "[t]his case involves a novel issue of copyright law: whether a license conferring the right to exhibit a film 'by means of television' includes the right to distribute videocassettes of the film. We hold it does not." The central controversy was a right granted by Cohen in 1969 to use a musical composition in the movie Medium Cool. The 1969 contract granted the licensee the "authority ... to record, in

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86. See, e.g., Hart v. Fox, 166 N.Y.S. 793 (Sup. Ct. 1917); Lipzin v. Gordin, 166 N.Y.S. 792 (Sup. Ct. 1915); Frohman v. Fitch, 149 N.Y.S. 633 (Sup. Ct. 1914).
89. See id.
90. Id. at 213.
91. Id. at 223.
92. Id. at 229.
93. 845 F.2d 851 (9th Cir. 1988).
94. Id. at 852.
any manner, medium, form or language, the words and music of the musical composition . . . with ['Medium Cool'].”

Not only did the court find videocassette viewing of a markedly different nature not to be equated with exhibition by means of television, but it also looked to the state of knowledge of the parties: “Perhaps the primary reason why . . . the license cannot be construed as including the distribution of videocassettes for home viewing is that VCRs for home use were not invented or known in 1969, when the license was executed.” In dictum, the court added that “the holder of the license should not now ‘reap the entire windfall’ associated with the new medium.”

In sum, courts have consistently acknowledged that the purpose of U.S. copyright law is to stimulate the production of creative works in order to get them before the public. The monopoly privileges that Congress may authorize are neither unlimited nor primarily designed to provide a special private benefit. Rather, the limited grant is a means by which an important public purpose may be achieved. It is intended to motivate the creative activity of authors and inventors by the provision of a special reward, and to allow the public access to the products of their genius after the limited period of exclusive control has expired.

Frequently, the actual analysis appears to be based upon the judge’s own view of technology, whether or not he is aware of its influence. A judge’s own view of the new technology will often influence the determination of whether he finds the new use included in the description of the original grant of rights. In Rooney, the court found no significant difference between television and videocassette and found the new use included. Similarly, in Platinum Record Co., Inc. v. Lucasfilm, Ltd., the court equated home video and television and likewise found the new use included in the original grant.

On the other hand, other courts have had a radically different view of the same technology and have reached totally different results. The court in Cohen v. Paramount Pictures Corp. found that “exhibition of a film on television differs fundamentally from exhibition by means of a

95. Id. at 853.
96. Id. at 854.
97. Id. at 854.
98. See Fox Film Corp. v. Doyal, 286 U.S. 123, 127 (1932). “Monopoly” as used here and elsewhere in copyright discussion refers to the temporary exclusive right granted to possessors of a copyright.
101. 845 F.2d 851 (9th Cir. 1988).
videocassette recorder"\textsuperscript{102} and that "television and videocassette display \ldots have very little in common."\textsuperscript{103} Consequently, the court found the new use not included in the grant. In these cases, what courts are really being called upon to decide is whether the grantor or grantee should be allowed to claim the benefits of the unanticipated windfall made possible by the invention of the new technology.

**CONCLUSION**

The development of case law in this area has been so scattered in its formation that almost every time a new technology is invented, the question arises whether that new use is included in a preexisting copyright license or contract. Historically, courts began struggling with this problem when motion pictures were invented and licenses had been issued for dramatic rights. Yet, despite revisions to the Copyright Act since that time, courts are apparently continuing to face difficult choices when resolving copyright license disputes involving the use of newly developed technology.

As technological developments like the Internet continue to rapidly expand the potential scope of intellectual property, courts will need to be more vigilant in understanding technology and how technological advances may dramatically affect the manner in which people receive compensation for services they perform or products they produce.\textsuperscript{104} In addition, the law will need a more consistent framework to take on the challenges that the rapid proliferation of new technology is guaranteed to impose. More immediately, courts will need to make greater efforts to ensure that state contract law does not have the unintended effect of dislodging the important and fundamental principles supported by Federal copyright law.\textsuperscript{105}

More important, rather than leave all of these important issues for courts to resolve, Congress must revise the Copyright Act to properly guarantee that both fairness and predictability remain the basis for ensuring that the basic purposes of American copyright law are furthered.

\textsuperscript{102} Id. at 853.  
\textsuperscript{103} Id. at 854.  
\textsuperscript{105} In this respect, courts applying state contract law principles to disputes concerning copyright conveyances involving new or future technologies should assure themselves that their construction of ambiguous contract language does not have the unintended effect of implicitly disfavoring creators of original expression.
One possible solution is a statutory provision setting forth the conditions which warrant providing for royalties to the grantor. This could satisfy the need for a framework that applies to developments of technologies heretofore unknown or unforeseeable by parties involved in copyright transactions.

Given that one purpose of copyright is to make creative works available to the public, it is imperative that it be economically worthwhile to all parties. As the Supreme Court reiterated in *Sony Corp. v. Universal City Studios, Inc.*, the copyright law is intended to motivate creativity and to allow public access to the products of that creativity. Any viable solution must satisfy these twin objectives. Any threat of closing down a potential future revenue stream can only be a disincentive to all parties, grantors and grantees alike, in an already risky and costly business, and it is the public which will ultimately be deprived of new works. In this respect, *Tasini* does not serve the practical realities of copyright.

Electronic media has profoundly and perhaps permanently changed the conventional means by which information is distributed. These changes have created a new bundle of rights whose ownership is uncertain. Even in contracts drafted with great care, it is difficult to determine whether new-use rights are meant to have been transferred or retained, unless all rights are granted. New-use rights cannot be defined with precision at the time of contract, because, by definition, they do not exist until some point after the agreement has been consummated. This problem is only exacerbated in the publishing industry where crude agreements, which until recently had been sufficient, are prevalent. New-use rights are unlike other types of contractual rights because they do not form any part of the mutual intent between contracting parties. As a result, they represent a windfall in that neither party, without more than the agreement, has a greater claim to those rights under current law. Consequently, contract law is inadequate as a predictable framework for resolution of *Tasini* disputes. Indeed, after *Tasini*, freelance writers have little or no bargaining power over electronic rights when faced with similar factual circumstances. Essentially, in a *Tasini* dis-

107. *Id.*
108. A grant of all rights would be unusual in a collective work.
109. This is clearly inconsistent with the copyright law's purpose of providing incentives to authors of original works. *See, e.g.*, Apple Computer, Inc. v. Microsoft Corp., 779 F. Supp. 133, 136 (N.D. Cal. 1991), *aff'd in relevant part and rev'd and remanded in part*, 35 F.3d 1435, 1444 (9th Cir. 1994). Whatever interest is sustained by protecting the collective
Profits in Cyberspace

pute, electronic rights are not even on the negotiating table for the typical freelance writer. While this result is clearly helpful for publishers, it is not useful as a general framework that all parties can rely upon with some degree of certainty. In negotiating various forms of digital rights, reliance upon \textit{Tasini} may prove unwarranted since, instead of relying upon an analytical framework or broad principles of copyright law, the \textit{Tasini} opinion ultimately rests on its peculiar facts. It is unclear whether a \textit{Tasini} dispute should rightfully be resolved under \textit{Tasini} if the dispute involves publishing freelance articles on an Internet web site instead of Lexis-Nexis or making the freelance articles available for downloading (but not viewing) from an online service or the Internet.\textsuperscript{110}

With regard to computer databases, the existing law should have aided the \textit{Tasini} court, yet it did not.\textsuperscript{111} When analyzed against the complex backdrop of copyright law, the \textit{Tasini} decision is not a satisfying one. Often, when copyright infringement is alleged, courts must balance the competing aims of promoting human creativity and original expression through strict enforcement of the copyright law and ensuring that broad copyright protections do not unfairly or unnecessarily prevent the development of our knowledge-base (including the development of practical uses of technology and information). This kind of balancing, however, does not seem evident in the analysis in \textit{Tasini}. By favoring the rights of publishers, the \textit{Tasini} court subverted the constitutional aim of promoting human creativity and original expression.\textsuperscript{112} The decision essentially exalted revision over original expression.

\textit{Tasini} is significant because, if allowed to stand as the law of copyright, it could have an extraordinary effect on Cyberspace and multimedia entertainment. By any measure, the impact of the explosive growth of Cyberspace is difficult to exaggerate.\textsuperscript{113} Online databases,
multimedia technologies, and online entertainment-based interactive software applications are proliferating. Often, these new digital products contain works that were formerly part of another collective work in print or some other non-electronic form. After *Tasini*, freelance authors may be lawfully uncompensated by the publishers of digital content who revise the collective work containing the freelance author’s original creation. This result could inevitably frustrate future convergence of pre-existing print content with a digital counterpart. Copyright should not affect relations between producers of content and the writers, artists, computer programmers, and others who actually create the content or elements of collective works by stripping away any copyright interest held by a freelancer in a digital product produced by revising the pre-existing version of the collective work. Will producers and publishers of content take advantage of the black hole provided by *Tasini* and freely port the print works of others to digital format in Cyberspace? If so, what repercussions may follow, and is this the direction or trend we want to support? The potential answers to these questions demonstrate why the *Tasini* court should have found that a publisher’s production of an online or CD-ROM-based computer database using an author’s original works constitutes copyright infringement by the publisher under the law of copyright.

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114. *See generally* Intellectual Property and the National Information Infrastructure, Executive Summary of Preliminary Draft of Report By Working Group On Intellectual Property Rights, Daily Rep. For Executives (BNA) Section M, at 69 (July 8, 1994) (“What will drive the success of the NII is the content moving through it. Therefore, the potential of the NII will not be realized if the content is not protected effectively. Owners of intellectual property rights will not be willing to put their interests at risk.”).

115. *See American Geophysical Union, 802 F. Supp. at 17* (noting that the Supreme Court acknowledged that reproduction of entire work ordinarily “militat[es] against a finding of fair use”) (quoting Sony Corp. v. Universal City Studios, 464 U.S. 417, 450 (1984)).