

# HOLY SMOKES!

COPYRIGHT CLAWBACKS CAUSE CONCERN  
AND CONSTERNATION!

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# LET'S MAKE A DEAL

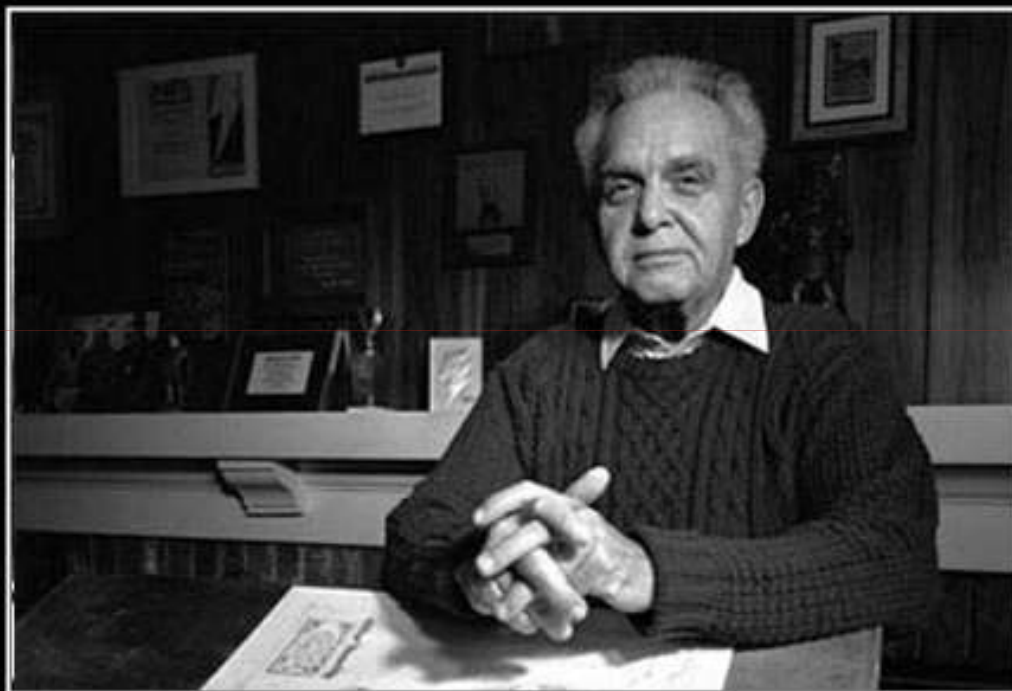


A Deal is a Deal



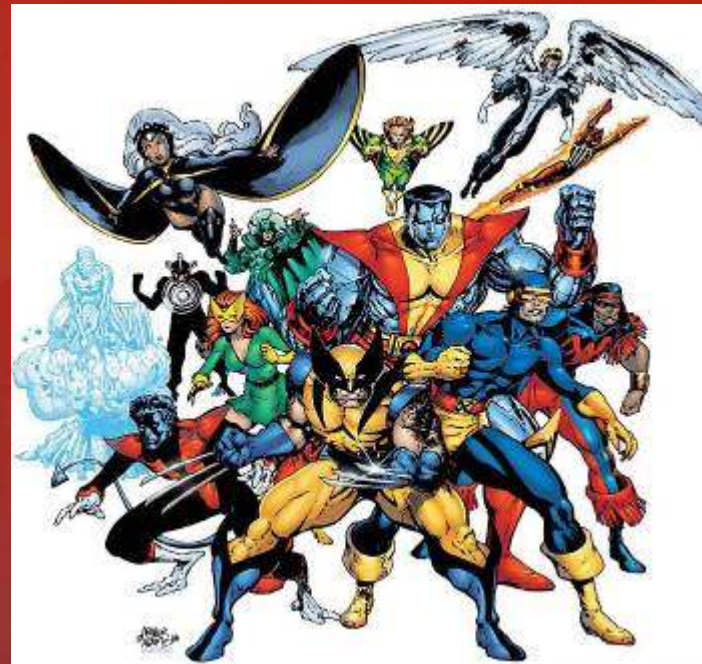
... or not

# Today's Tale of Intrigue and Deals Unwound



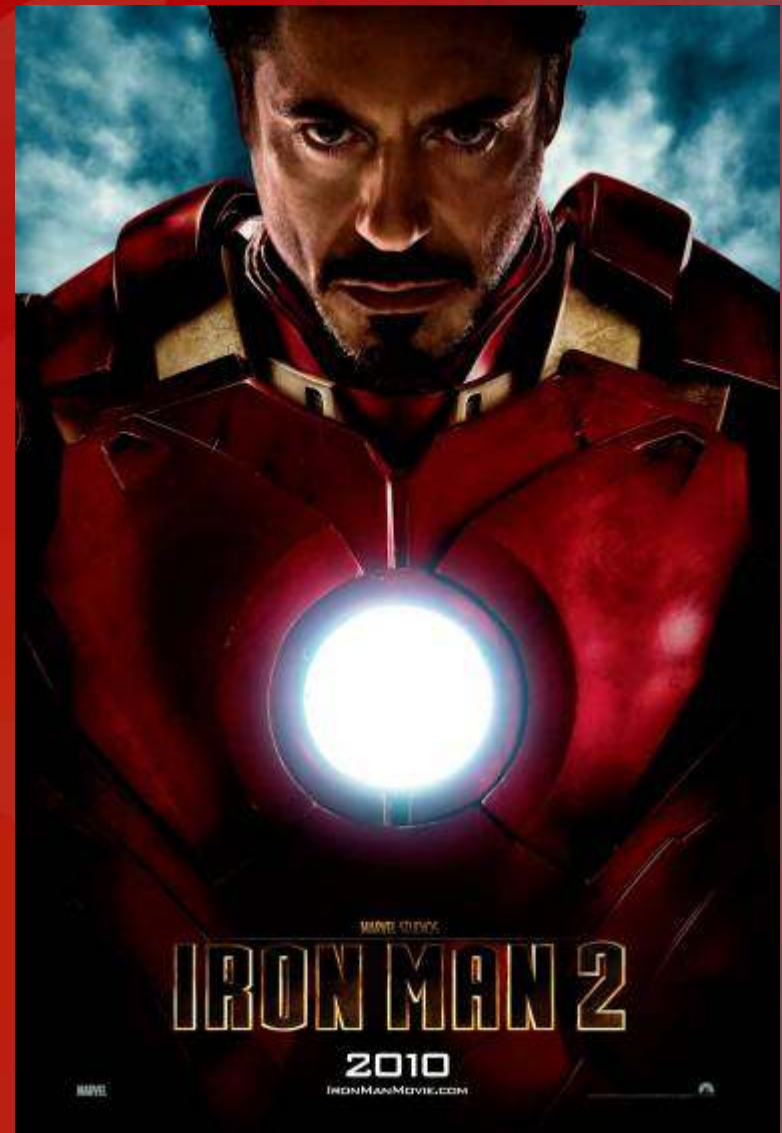
## **THE KING**

I CREATED THE MARVEL UNIVERSE - MAYBE YOU'VE HEARD OF IT?



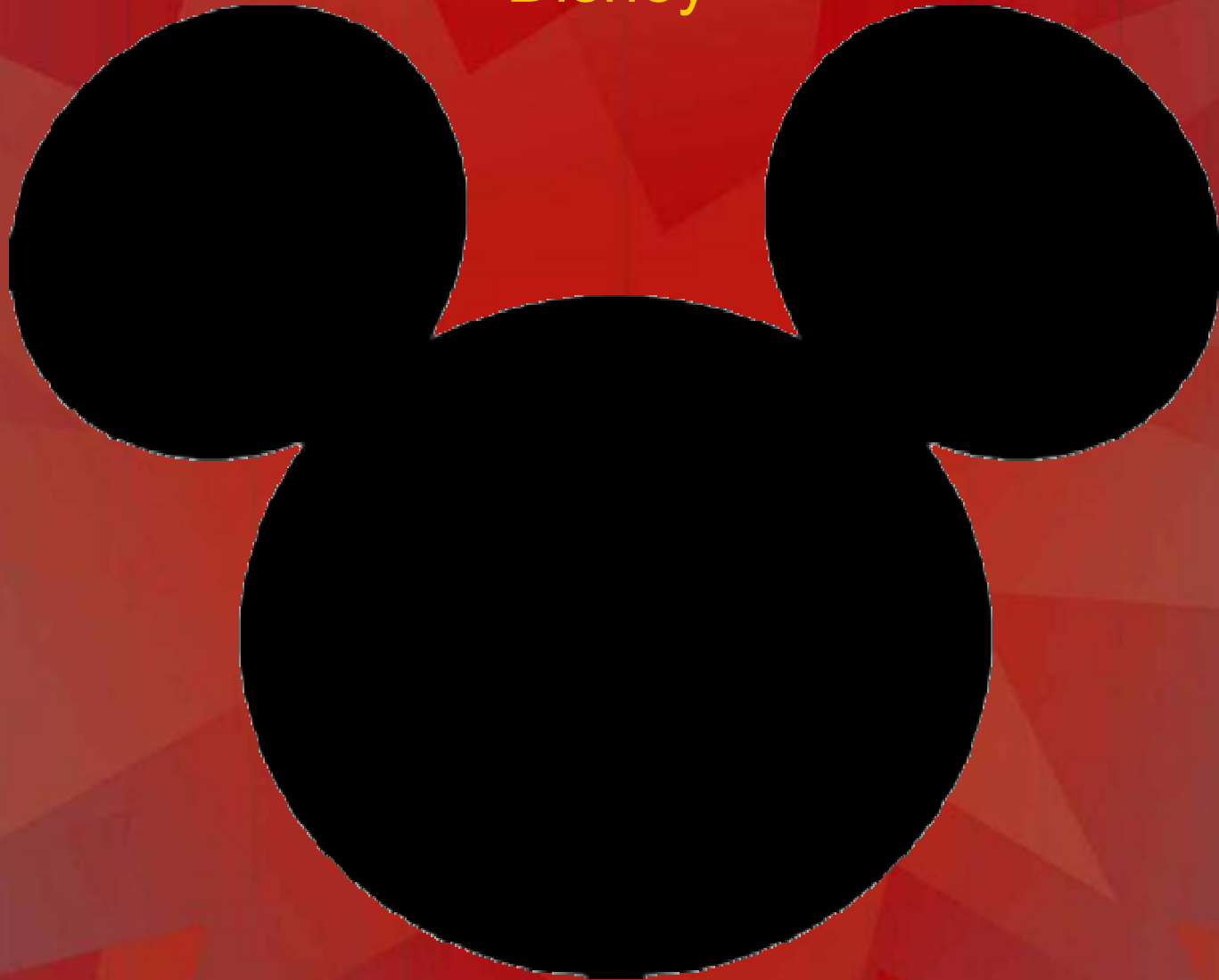
# "IRON MAN!"

HE LIVES!  
HE WALKS!  
HE  
CONQUERS!





Disney



R.I.P. Jack Kirby



You've Been Served



Can You do a Do Over?



## Copyright Transfer can be Terminated

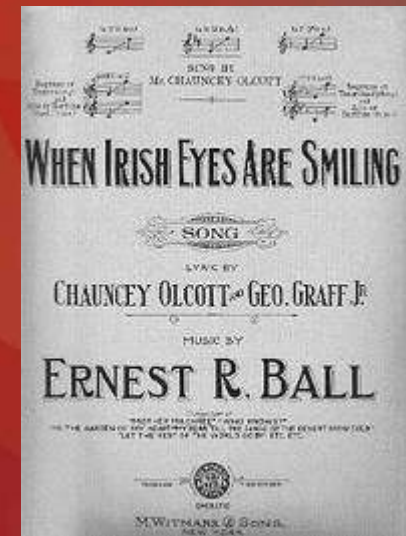
- Authors have termination right
- Termination of ownership and license transfer
- Under 1909 Copyright Act and 1976 Copyright Act



# 1909 Copyright Act

## One Driver for Termination Rights

- 1909 Act provided for two 28 terms of protection. The original term and the renewal term.
- *Fred Fisher Music Co. v. M. Witmark & Sons* : The Supreme Court held that renewal rights could be assigned prior to their vesting.
- Result?



# The Termination Provisions

17 U.S.C. §§ 203, 304



17 U.S.C. § 304 (c)(d)

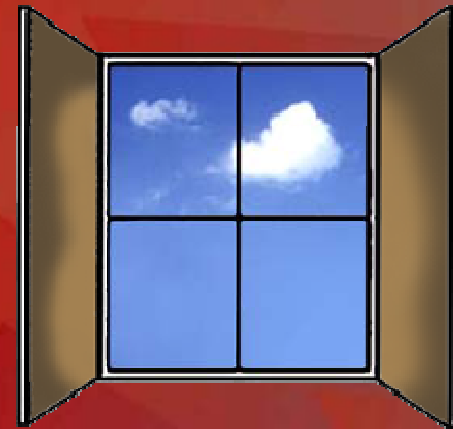
January 1,  
1978

17 U.S.C. § 203

## Before January 1, 1978: The First Window

17 U.S.C. §304(c)(3)

“Termination of the grant may be effected at any time during a period of five years beginning at the end of fifty-six years from the date copyright was originally secured, or beginning on January 1, 1978, whichever is later.”



## Before January 1, 1978: The Second Window

17 U.S.C. §304(d)(2)

“Termination of the grant may be effected at any time during a period of 5 years beginning at the end of 75 years from the date copyright was originally secured.”

NOTE: Only available if the rights granted by 17 U.S.C. §304(c) expired before the Sonny Bono Copyright Term Extension Act took effect in 1998, and if 17 U.S.C. §304(c) rights were not exercised.



## But I had a Contract...

17 U.S.C. §304(c)(6)(A)

"A derivative work prepared under authority of the grant before its termination may continue to be utilized under the terms of the grant after its termination, but this privilege does not extend to the preparation after the termination of other derivative works based upon the copyrighted work covered by the terminated grant."



## Transfers Made On or After January 1, 1978

17 U.S.C. §203(a)(3)

“Termination of the grant may be effected at any time during a period of five years beginning at the end of thirty-five years from the date of execution of the grant; or, if the grant covers the right of publication of the work, the period begins at the end of thirty-five years from the date of publication of the work under the grant or at the end of forty years from the date of execution of the grant, whichever term ends earlier.”

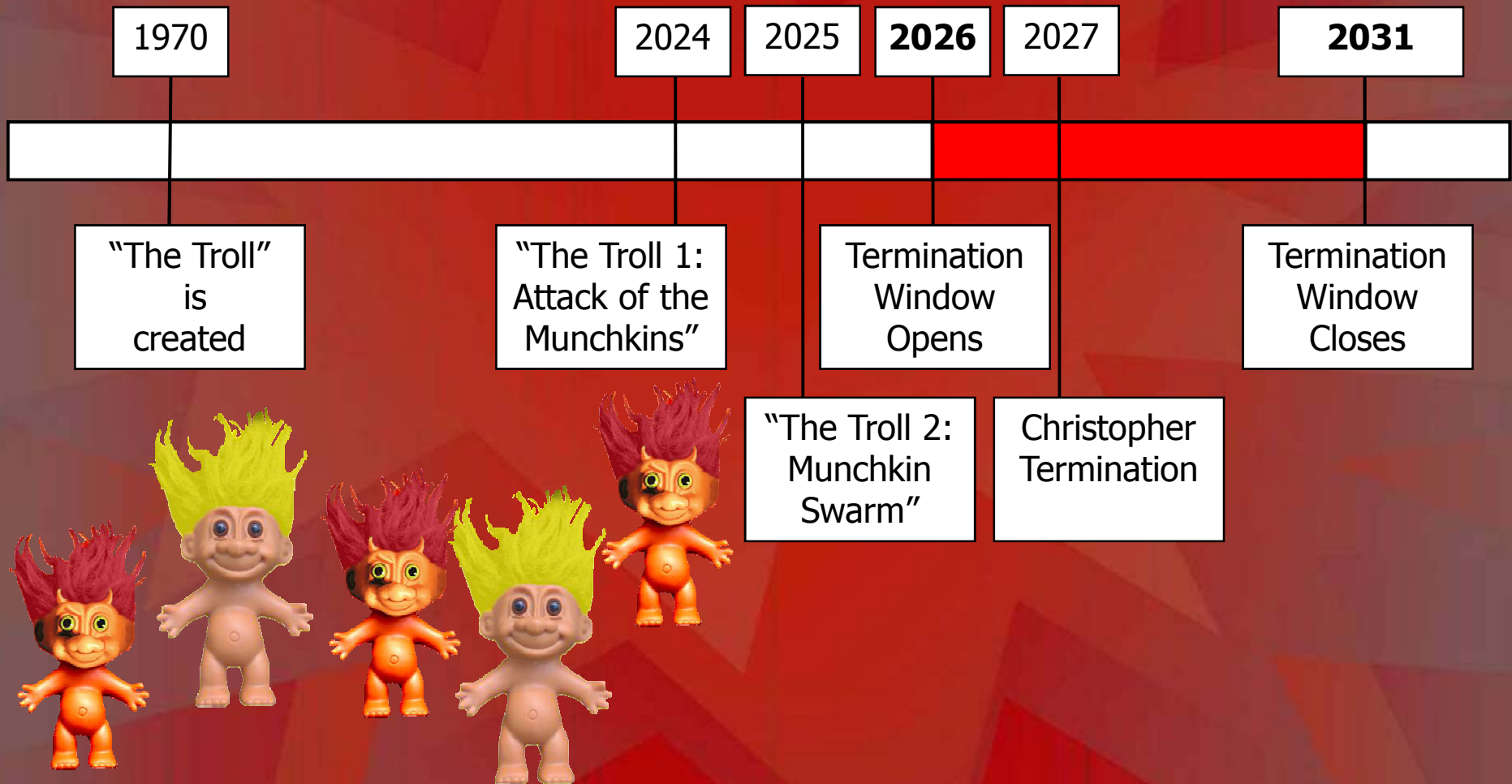
## Ditto for Derivative works

17 U.S.C. §203(b)(1)

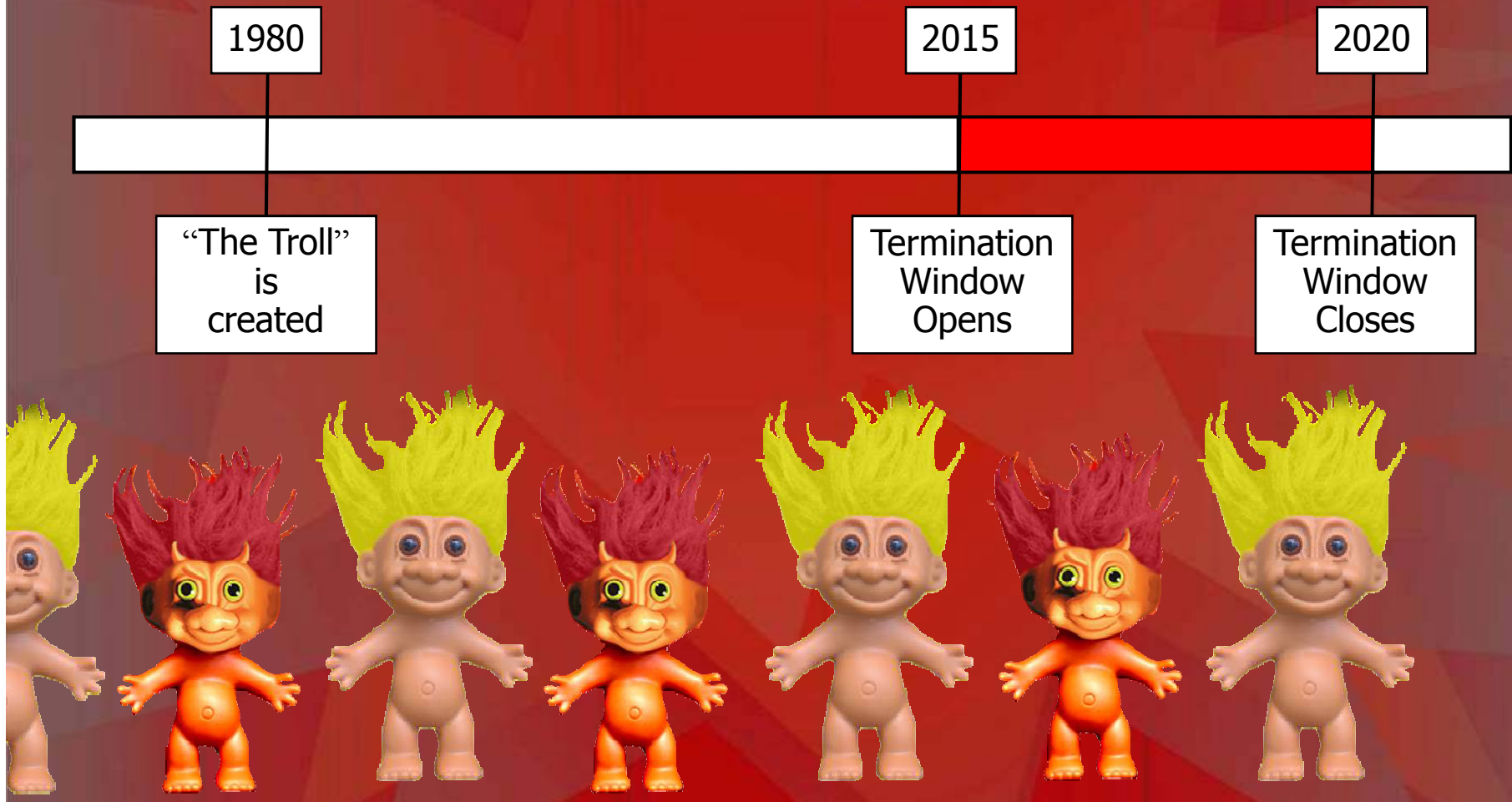
“A derivative work prepared under authority of the grant before its termination may continue to be utilized under the terms of the grant after its termination, but this privilege does not extend to the preparation after the termination of other derivative works based upon the copyrighted work covered by the terminated grant.”



# Example 1: Copyright Prior to January 1, 1978



# Example 2: Copyright On or After January 1, 1978



## The Pivotal Question: Author?

- Authors own Copyrights and can terminate
- “Independent Contractors” and Employees do not own Copyrights
  - No Termination Rights



## Third World America: A Contemporary Nativity



# The Employee Checklist

- The hiring party's right to control the manner and means by which the product was accomplished,
- The skill required,
- The source of the instrumentalities and tools,
- The location of the work,
- The duration of the relationship between the parties,
- Whether the hiring party has the right to assign additional projects to the hired party,
- The extent of the hired party's discretion over when and how long to work,
- The method of payment,
- The hired party's role in hiring and paying assistants,
- Whether the work is part of the regular business of the hiring party,
- Whether the hiring party is in business,
- The provision of employee benefits,
- And the tax treatment of the hired party.

Employee Status  $\neq$  Slam Dunk

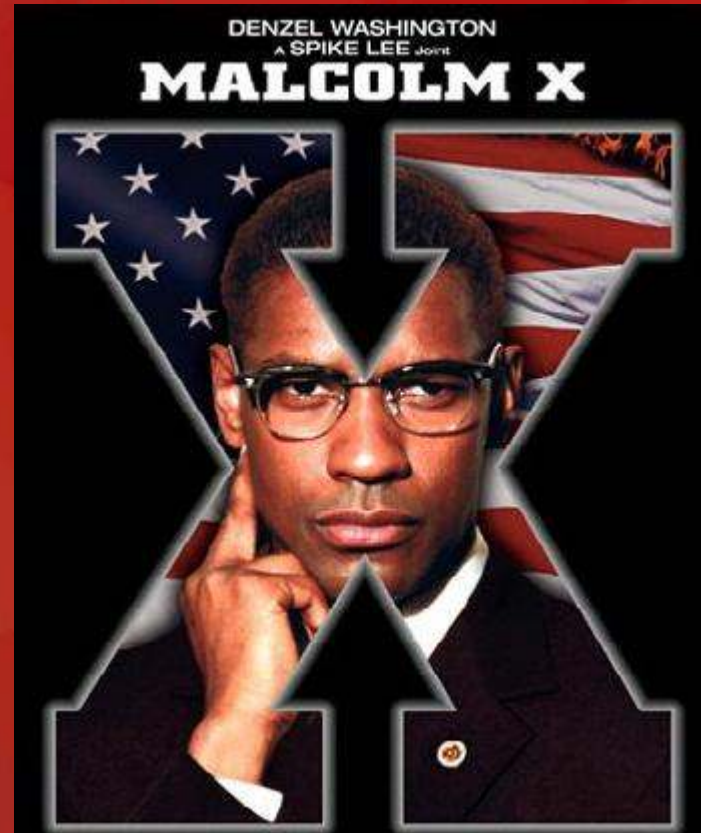


## Work Must be Within “Scope” of Employment

- Employment parameters
- Time
- Space
- Motivation



## Joint Works



# Captain America in Court

Marvel Characters, Inc. v. Simon

- No cleaning up the record after the fact
- “Agreements to the Contrary” are void



# The Tale of Pooh

Milne v. Slesinger

## The Players:

- SSI
- Disney
- Milne
- Milne's Widow
- Pooh Properties Trust
- Christopher Robin Milne
- Claire Milne

## The Disney Objective:

- Beat SSI in a License Dispute via Creative Use of Termination Rights

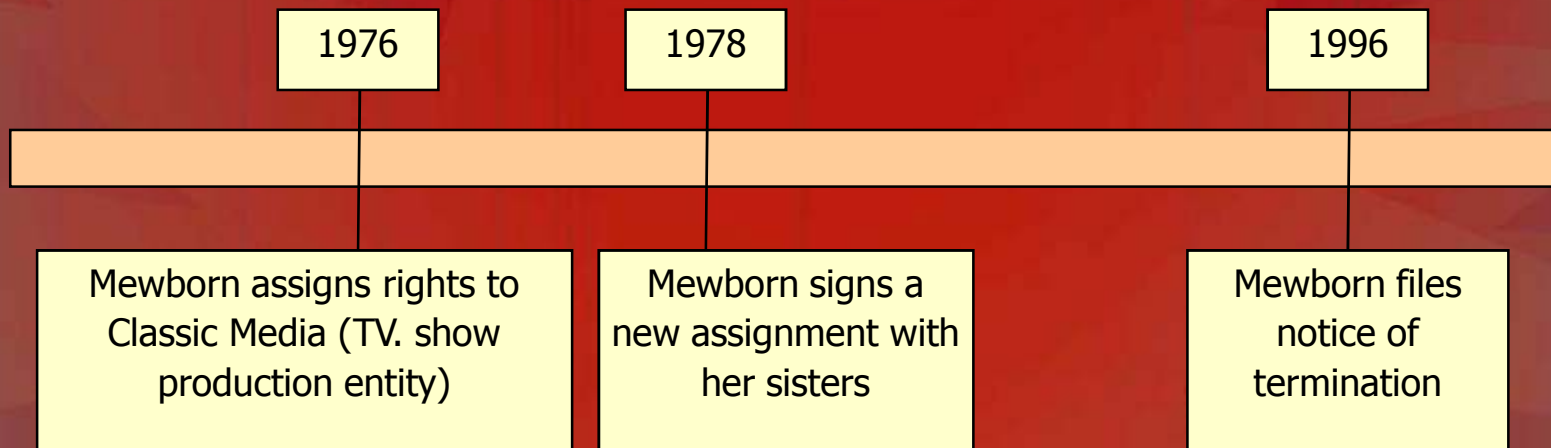


The Result: Didn't Work. Disney had to deal with SSI on merits of dispute.

# Ninth Circuit Orders Lassie Home

Classic Media v. Mewborn

- Eric Knight creates Lassie and inconveniently dies with renewal rights passing to heirs, including Winfred Knight Mewborn.



- Pissing match ensues

Ninth Circuit:

- No "Agreements to the Contrary."
- Termination Rights Inalienable.



# Superman: To Have and To Hold Forever

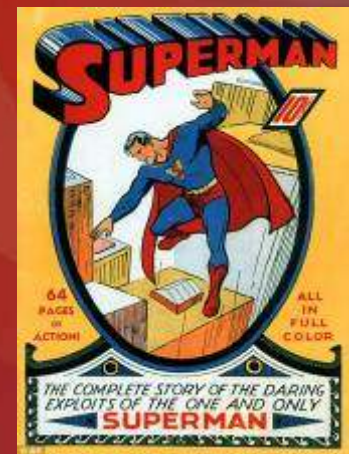
Siegel v. Warner Bros. Entertainment Inc.

- Exclusive rights sold March 1, 1938
- Battle ensues from 1947-1975 with court confirming transfer valid and DC Comics owner of renewal term in Superman.
- Pity pension established
- 1997: Heirs filed termination notices
- 2004: Heirs commence litigation against DC Comics, Warner Bros. and Time Warner

INQUIRY: Work made for Hire?

ANSWER: No.

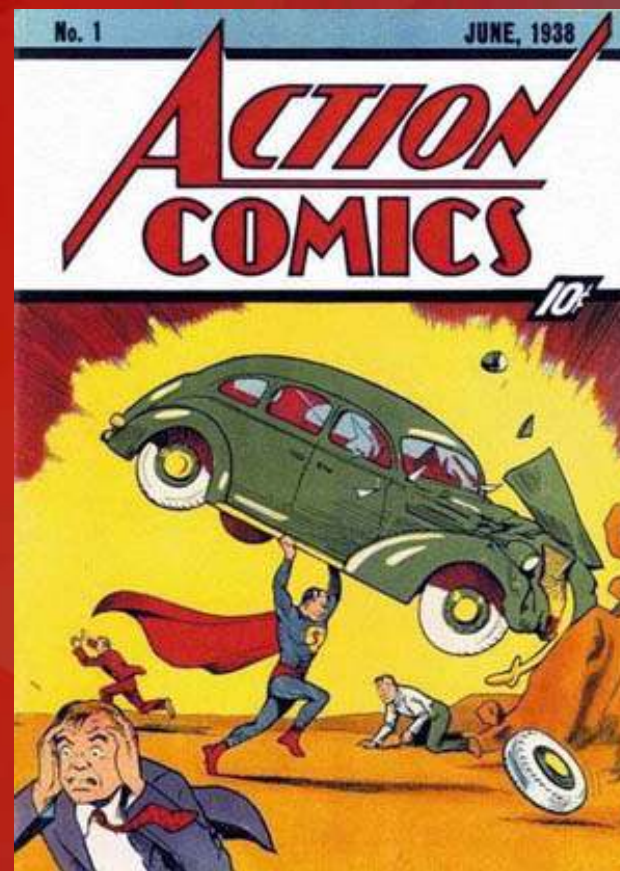
SO?



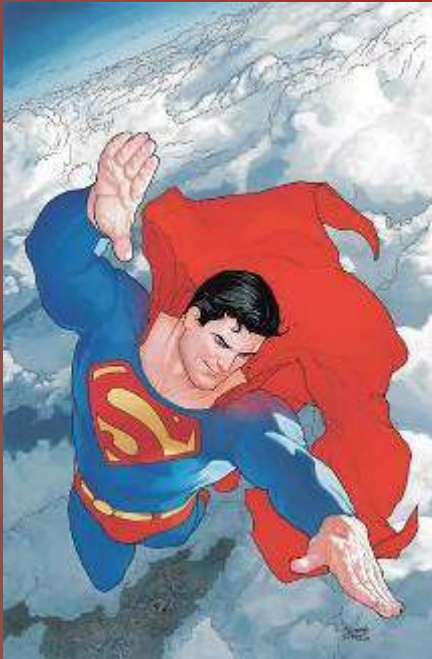
## Who owns what?

The original copyrighted work belongs to Siegel heirs

"Superman's name, his alter ego, his compatriots, his origins, his mission to serve as a champion of the oppressed [and] his heroic abilities in general. ... and the entire storyline from *Action Comics Vol. 1*, Superman's distinctive blue leotard (complete with its inverted triangular crest across the chest with a red 'S' on a yellow background), a red cape and boots, and his superhuman ability to leap tall buildings, repel bullets and run faster than a locomotive."



# Who Owns What Redux



But ... Siegel heirs do not get:

- profits attributable purely to Superman trademark
- profits from unaltered pre-termination derivative works (i.e. before April 13, 1997)
- derivative works through April 13, 1997 can still be used
- Lex Luthor, Kryptonite and Superman's ability to fly owned by D.C. Comics

AMALGAM



# DARK CLAW

#1

A D V E N T U R E S

\$1.95 US  
\$2.75 CAN  
JUN '97



TEMPLETON  
BIRCHETT

<< Scanned by Spathawk >>