
No. 11-722

IN THE SUPREME COURT OF THE UNITED STATES

THREE-AND-A-HALF MEN CO.

and

Rose VECINA,

Petitioners,

v.

Charlie SHINE

Respondent.

*On Writ of Certiorari to the
United States Court of Appeals
for the Thirteenth Circuit*

BRIEF FOR THE RESPONDENT

Team Number 124
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October 17, 2011

QUESTIONS PRESENTED

- I. Whether the generally applicable South California Anti-Paparazzi Act violates the First Amendment when it merely incidentally burdens the press, promotes public safety, provides additional avenues for publication, and is tailored narrowly to restrict publication of extremely private information.

- II. Whether the Copyright Act of 1976 requires a written work-for-hire agreement prior to creation of the work or whether a retroactive agreement memorializing a mere verbal conversation meets the requirements of the statute.

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OPINIONS BELOW

The United States District Court for South California issued an unreported opinion and order on March 5, 2011. *Shine v. Three-And-A-Half Men Co.*, 274 F. Supp. 4th 723 (D. So. Cal. 2011). The United States Court of Appeals for the Thirteenth Circuit, dated June 8, 2011, is reported as *Shine v. Three-And-A-Half Men Co.*, 1000 F.3d 789 (13th Cir. 2011) [hereinafter *Shine v. TMC*].

STATUTORY PROVISIONS

The relevant constitutional provision in this case is the First Amendment. U.S. Const. amend. I. The relevant statutory provisions in this case are So. Cal. Civ. Code § 2.5 (2010), 17 U.S.C. §§ 101, 201, 203, 204 and 304.

STATEMENT OF THE CASE

A. Statement of Facts

In July 2010, South California established itself as a new state after California passed the unpopular Ugg-ly Footwear Prevention Act of 2010. *Shine v. Three-And-A-Half Men Co.*, 1000 F.3d 789, 789 (2011). Many celebrities flocked to the new state after it passed favorable laws involving sheep-skin lined footwear. *Id.* at 790. This led to an influx of paparazzi photographers and a number of problems. *Id.* To take photographs they could later sell, the paparazzi stalked celebrities on the streets, created traffic congestion, drove dangerously, and crowded entrances to vital public institutions, like hospitals and firehouses. *Id.* The paparazzi also trespassed on private property, occasionally injuring non-celebrity citizens. *Id.* This irresponsible behavior led to public privacy and safety concerns, and distress over the mental welfare of celebrities' innocent and traumatized children. *Id.*

To protect the public, South California passed Section 2.5 of the South California Civil Code, also known as the Anti-Paparazzi Act ("the Act"). *Id.* To safeguard important areas, like courthouses and *daycare centers*, the statute prohibits anyone from "knowingly enter[ing]" these areas within 30 feet with the "intent to capture any type" of image or sound recording of a public figure "engaging in a personal or familial activity." *Id.*; So. Cal. Civ. Code § 2.5(a)(1) (2010). By fining the first publisher of any image captured in violation of subsection (a) when that publisher has "actual or constructive knowledge" of the violation prior to

purchasing the image, the statute effectively deters this dangerous paparazzi behavior. *Id.*; So. Cal. Civ. Code §§ 2.5(b) & (c) (2010).

Charlie Shine (“Mr. Shine”), a South California resident, is an aspiring comedian and actor who starred in a popular television show produced by BCS studios. *Shine*, 1000 F.3d at 790–91. In early 2010, following an unfortunate and widely publicized sheep-shearing incident, Mr. Shine’s contract for the show was not renewed. *Id.* In August 2010, while Mr. Shine was picking up his final check, he inadvertently crossed paths with Ashton Kitchen (“Mr. Kitchen”), the Director of Commercial Advertisement for Three-and a-Half Men Company (“TMC”). *Id.* at 791. The two began discussing TMC’s latest project, a commercial for sheepskin-lined footwear called Huggz. *Id.* During the impromptu conversation, Mr. Kitchen abruptly exclaimed, “Dude, want to be in my commercial? It can be a work-for-hire kind of thing.” *Id.* Without formal negotiations or an express designation of contract terms, Mr. Shine immediately responded, “I’m in!” to which Mr. Kitchen replied, “Sweet!” and left. *Id.* This was the extent of the parties’ pre-creation verbal agreement. *Id.*

Two days later, upon arriving to film the Huggz commercial at TMC studios, Mr. Shine was told that Mr. Kitchen had not prepared a script. *Id.* Noticeably irate, Mr. Shine exclaimed, “[t]his charlatan chose not to do his job, which is to write!...I will effortlessly and magically convert your tin cans into pure gold!” *Id.* Mr. Shine was then required to adlib the commercial in its entirety. *Id.* After filming, Mr. Kitchen asked Mr. Shine to sign the retroactive work-for-hire (“WFH”)

agreement “in exchange for his paycheck.” *Id.* The agreement stated, “[p]ayee...acknowledges payment in full for services rendered on a work-for-hire basis...” and was signed by both parties. *Id.*

With no employment opportunities on the horizon, Mr. Shine organized a one-man comedy tour to feature his public exploits and to capitalize on the success of his Huggz commercial. *Id.* When Mr. Shine’s pre-planned comedy routine was unsuccessful, he began showing clips from his commercial and poking fun at himself and Huggz. *Id.* After his comedy show became a success, the President and CEO of TMC, Demi Less (“Ms. Less”), was enraged to learn of Mr. Shine’s comments towards Huggz. *Id.* at 791-92. Hoping to damage Mr. Shine’s reputation, TMC offered a \$5000 reward for any image of Mr. Shine “losing his temper with his children.” *Id.* at 792.

Rose Vecina (“Ms. Vecina”), a private individual unaffiliated with the press, contacted Ms. Less about her offer. *Id.* at 792, 795. Specifically Ms. Vecina asked Ms. Less if TMC would purchase an image even if it was taken in violation of the Act. *Id.* at 792. Without saying no, Ms. Less answered, “[w]e really need that video of Charlie. We won’t ask how you got it, and he does *only* see his children when he picks them up from the daycare center.” *Id.* Armed with reassurance from Ms. Less, Ms. Vecina laid in wait near the front door of the daycare center that Mr. Shine’s children attended. *Id.* Standing just ten feet away from the entrance of the center, Ms. Vecina filmed Mr. Shine yelling at his daughter. *Id.* She then sold the video to TMC, which quickly posted it on its website with the caption “Hard to

Process Shine's Ugly Parenting." *Id.* This led to protests of Mr. Shine's show and the cancellation of his tour. *Id.*

B. Procedural History

On November 8, 2010, Mr. Shine timely filed a claim against TMC and Ms. Vecina alleging violations of South California Civil Code section 2.5. *Id.* On November 29, 2010, TMC and Ms. Vecina filed an answer to Mr. Shine's claim and a cross-complaint against Mr. Shine. *Id.* TMC alleged copyright infringement for Mr. Shine's use of the commercial footage featuring the Huggz product. *Id.* The action was then removed to federal court. *Id.*

On March 5, 2011, both TMC and Mr. Shine filed cross-motions for summary judgment. *Id.* TMC and Ms. Vecina contended that section 2.5 of the South California Civil Code was unconstitutional because it infringed upon freedom of the press under the First Amendment. *Id.* at 793. TMC also argued that Mr. Shine had infringed upon its copyright interest because the work-for-hire agreement met the statutory requirements of the Copyright Act of 1976 ("Copyright Act"). *Id.* Conversely, Mr. Shine's motion alleged that the Act was constitutional and that he owned the copyright to the Huggz commercial because the Copyright Act expressly requires a written work-for-hire agreement predate the work's creation. *Id.*

The district court held in favor of TMC and Ms. Vecina, denying Mr. Shine's cross-motion. *Id.* The district court found section 2.5 of the South California Civil Code unconstitutional and that the Copyright Act permitted retroactive work-for-hire agreements if they memorialized a precreation verbal agreement. *Id.*

Mr. Shine appealed the district court order. *Id.* On June 8, 2011, the Thirteenth Circuit reversed the lower court's decision, holding in general that section 2.5 of the South California Civil Code was constitutional. *Id.* at 795. Specifically, the court found that section 2.5(a) is broadly applicable to all citizens and only incidentally affects the media's newsgathering ability. *Id.* Additionally, section 2.5(a) is rationally related to South California's important public policy goals of protecting privacy interests and promoting safety. *Id.*; H.R. 1, 1st Leg., 2d Spec. Sess. (So. Cal. 2010). The court, distinguishing *Bartnicki v. Vopper*, also upheld section 2.5(c) because the statute does not involve a matter of great public concern, requires a publisher act with the requisite scienter, and deters unlawful conduct by the paparazzi. *Id.* at 796. Furthermore, the court held that the Copyright Act requires a written work-for-hire agreement predate creation. The court reasoned that the brightline rule conferred with the legislative intent to restrict the scope of the work-for-hire doctrine and did not render the remaining provisions of the Copyright Act superfluous. *Id.* at 799.

On July 29, 2011 this Court granted TMC and Ms. Vecina's petition for certiorari .

C. Standard of Review

Cases involving the First Amendment are reviewed *de novo*. *Horstkoetter v. Dep't of Pub. Safety*, 159 F.3d 1265, 1270 (10th Cir. 1998). Also, interpretations of the Copyright Act of 1976 by the court are reviewed *de novo*. *Ets-Hokin v. Skyy Spirits, Inc.*, 225 F.3d 1068, 1073 (9th Cir. 2000).

SUMMARY OF THE ARGUMENT

I. First Amendment Issue

The Thirteenth Circuit's ruling should be affirmed because the Anti-Paparazzi Act is a law of general applicability that only incidentally burdens the press. The Act's language unambiguously demonstrates that section 2.5(a) applies equally to all South California citizens and not just members of the press. Also, the Act's prohibitions are rationally related to the State's important public policy goals of promoting safety and privacy. Moreover, section 2.5(a) satisfies a higher level of constitutional scrutiny because it is narrowly tailored. It provides ample alternative channels of communication for the press, like describing the image rather than publishing it, obtaining consent, or publishing photographs taken outside the limited prohibited areas. Finally, section 2.5(a) is a reasonable time, place, and manner restriction because it protects the public from the dangerous actions of the paparazzi and maintains public access to vital institutions.

This Court should also find that section 2.5(c) of the Act constitutes an appropriate and limited exception to the general rule that publication of truthful information is always protected. Here, section 2.5(c) protects an individual's fundamental right to privacy by regulating publication of truly private matters that are not of public concern. Finally, because section 2.5(c) requires wrongdoing on the part of the publisher, it appropriately deters the dangerous and distasteful behavior of the paparazzi by effectively removing the incentive to violate a celebrity's personal life.

Because the Act applies equally to all South California citizens and ensures that their privacy and safety rights are protected, this Court should affirm the decision of the Thirteenth Circuit.

II. Work-for-Hire Agreement Issue

The Thirteenth Circuit's ruling that a work-for-hire agreement must predate a work's creation should be upheld because its interpretation aligns with the plain language and legislative history of the Copyright Act of 1976 and supports Congress' paramount goal of promoting certainty in copyright ownership and predictability within the law.

This Court should adopt the brightline rule followed by the Seventh and Ninth Circuits. Promulgating the plain language and legislative history of the Copyright Act, these courts require that a written work-for-hire agreement precede creation of the work. This interpretation aligns with the other provisions of the Copyright Act because permitting retroactive work-for-hire agreements renders the statute redundant and inconsistent. Furthermore, the brightline rule promotes certainty and predictability in copyright law by ensuring all involved parties are made duly aware of who actually owns the copyright interest.

Conversely, ignoring congressional intent to increase predictability and certainty of copyright ownership, the Second Circuit has advanced an intent-based approach that requires courts to ascertain parties' intentions on the basis of unrecorded, verbal agreements alone. In so holding, these courts have also failed to maintain consistency within the Copyright Act, to honor the legislative intent to

restrict the work-for-hire doctrine, and to promote the rights of the artist over the rights of the employer. Because this subjective approach requires litigation whenever the parties dispute their precreation intent, the Second Circuit's approach should be rejected for the more practical brightline rule.

Given neither Mr. Shine nor TMC completed a written work-for-hire agreement prior to the creation of the Huggz commercial, the ruling of the Thirteenth Circuit should be affirmed. Accordingly, TMC cannot maintain an action for copyright infringement against Mr. Shine and this appeal should be dismissed.

ARGUMENT

I. THIS CASE SHOULD BE AFFIRMED BECAUSE THE ANTI-PAPARAZZI ACT IS A CONSTITUTIONAL LAW OF GENERAL THAT JUSTIFIABLY RESTRAINS PUBLICATION OF PRIVATE INFORMATION TO PROTECT AN INDIVIDUAL'S RIGHT TO PRIVACY AND SAFETY.

The First Amendment declares that "Congress shall make no law...abridging the freedom of speech, or of the press...." U.S. Const. amend. I. However, these constitutional protections have limitations. *Branzburg v. Hayes*, 408 U.S. 665, 683 (1972) (noting that the press cannot publish everything and anything it desires). As such, laws of general applicability that do not single out the press are not barred by the First Amendment. *See Cohen v. Cowles Media Co.*, 501 U.S. 663, 669 (1991).

South California's Anti-Paparazzi Act [the Act] is a law of general applicability because it similarly applies to both public and private citizens. *See So. Cal. Civ. Code* § 2.5(a) (2010). The Act does not violate the First Amendment

simply because its enforcement has incidental effects on the ability of the press to gather and report the news. *See Cohen*, 501 U.S. at 669–70.

Furthermore, the right to privacy is an important interest that must be balanced against First Amendment protections for the publication of truthful information. *See Bartnicki v. Vopper*, 532 U.S. 514, 537 (2001) (O'Connor concurrence). Here, the Anti-Paparazzi Act promotes the important state interests of privacy and safety for South California citizens and does not involve matters of great public concern. *See* H.R. 1, 1st Leg., 2d Spec. Sess. (So. Cal. 2010). Therefore, the Act is constitutional under the First Amendment and Mr. Shine respectfully requests that this Court affirm the lower court's judgment.

A. Section 2.5(a) of the Act is Constitutional under the First Amendment as it is a Law of General Applicability that is Rationally Related to South California's Important Public Policy Goals.

Section 2.5(a) of the Act is a law of general applicability because it applies to both public and private citizens without singling out members of the press. *See* So. Cal. Civ. Code §2.5(a). The First Amendment does not render laws of general applicability unconstitutional simply because they result in incidental burdens on the press. *See Branzburg*, 408 U.S. at 682–83, 690 (1972). The First Amendment also does not grant the press a special privilege to commit crimes or torts during newsgathering. *See Dietemann v. Time, Inc.*, 449 F.2d 245, 249 (9th Cir. 1971). Because section 2.5(a) is generally applicable, its prohibitions must only be rationally related to the State's important interests in protecting public privacy and safety. *See Shine*, 1000 F.3d at 795. Thus, because section 2.5(a) is rationally

related to South California’s interests in protecting the public’s privacy and safety rights, it is constitutional.

1. Section 2.5(a) is a law of general applicability because it does not target or single out the press.

An otherwise valid law of general applicability may be enforced despite a potential burden on the press. *See Cohen*, 501 U.S. at 669–70 (holding that the First Amendment does not prohibit a plaintiff from recovering damages under a state’s promissory estoppel law as the law is generally applicable and does not single out the press).¹ Moreover, a journalist’s professional status does not entitle him to news that is inaccessible to others. *Lewis v. Baxley*, 368 F. Supp. 768, 776 (M.D. Ala. 1973).

The First Amendment does not override South California’s interest in prohibiting private and public citizens from invading the rights of others through reprehensible conduct. *See Branzburg*, 408 U.S. at 691–92. In *Branzburg*, the Court declared that requiring newsmen to appear and testify before grand juries does not violate the First Amendment because the law applied equally to everyone. *Id.* at 667. The Court further reasoned that a state’s interest in ensuring fair jury trials was “compelling” or “paramount” to justify even an indirect burden on First Amendment rights. *Id.* at 700.

Additionally, the press in South California only has a right to *reasonable*

¹ *See also Associated Press v. NLRB*, 301 U.S. 103, 132–33 (1937) (holding that a news-gathering and disseminating organization was not exempt from NLRA requirements; *Associated Press v. United States Tribune Co.*, 326 U.S. 1, 22–23 (1945) (applying the Sherman Anti-Trust Act is not a violation of the First Amendment even though it incidentally places a restraint on trade).

access to *certain* news items. See *Baxley*, 368 F. Supp. at 777. In *Baxley*, a state statute singled out newsmen by requiring them to obtain statements of economic interest before covering any government proceedings. *Id.* at 772–73. The court held the statute was facially unconstitutional as it would exclude newsmen from areas to which the general public had access. *Id.* at 776–77, 780. The court, however, emphasized that the right of access is necessarily a limited one as the press has no constitutional right to “peer into windows of famous or humble people.” *Id.* at 775.

Like the statute in *Branzburg* that applied to everyone and involved a compelling state interest, the Act is generally applicable and rationally related to the paramount interests of privacy and safety for all South California citizens. Because section 2.5(a)(1) applies to *any* “person” who enters the proscribed area with the intent to capture images of the private activities of public figures, the Act applies equally to journalists from the Los Angeles Times and to private citizens like Ms. Vecina. See *Shine*, 1000 F.3d at 795. The Act merely ensures that a person is protected from intrusive behavior by the paparazzi and does not specifically target the press. See H.R. 1, 1st Leg., 2d Spec. Sess. (So. Cal. 2010).

The Act differs from the statute at issue in *Baxley* because the Act’s statutory language does not single out the press. While the statute in *Baxley* only applied to newsmen, the Act in this case applies to “any person” who engages in intrusive news-gathering activities. So. Cal. Civ. Code §2.5(a).² Also, while the statute in

² When interpreting a statute, a court must begin with the plain language itself. *United States v. Ron Pair Enterprises, Inc.*, 489 U.S. 235, 240 (1989). Here, the Act’s unambiguous language demonstrates that it is not singling out the press.

Baxley was problematic because it denied only the press access to the state legislature, here the Act denies everyone access to the fixed buffer zones. *See id.*

Additionally, the First Amendment does not provide the press with a special privilege to violate section 2.5(a). *See Branzburg*, 408 U.S. at 690 (stating that the First Amendment does not create a testimonial privilege for newsmen). While the paparazzi are most likely to have their activities regulated by the Act due to the inherently aggressive nature of their conduct when gathering information, the Act does not single them out just because they are more likely to participate in the prohibited conduct. *See Sharon A. Madere, Paparazzi Legislation: Policy Arguments and Legal Analysis in Support of Their Constitutionality*, 46 UCLA L. Rev. 1633, 1660 (1999).

Moreover, even if this Court determines that section 2.5(a) targets the paparazzi, the paparazzi are not members of the press and are not protected under the First Amendment's Press Clause. *See id.* at 1653 (arguing that the Framers "did not intend the Press Clause to protect the actions of the paparazzi). The paparazzi are associated with the entertainment industry and "are not concerned with the core, high-value political speech that the First Amendment was meant to protect." *See id.* On the other hand, the press as an institution conveniently provides information to the public about government operations and has served as a powerful tool in preventing abuses of government power. *See Cox Broadcasting Corp. v. Cohn*, 420 U.S. 469, 491 (1975); *see also Mills v. Alabama*, 384 U.S. 214, 219 (1966). Many members of the paparazzi are private individuals just seeking to

make a quick profit by documenting every waking moment of a celebrity's personal life. *See Shine*, 1000 F.3d at 790. As such, they are not members of the press simply because they carry a camera.

2. Section 2.5(a) is narrowly tailored because it supports a significant state interest and provides the press with numerous alternative channels of communication.

Assuming *arguendo* that the Act singles out the press for special treatment, it is still constitutional as it satisfies intermediate scrutiny. *See Turner Broad. Sys. v. FCC*, 512 U.S. 622, 640–41 (1987) [hereinafter *Turner*]. The Act survives intermediate scrutiny because it supports a significant state interest, is narrowly tailored to that interest, and provides numerous alternative channels of communication. *See Heffron v. Int'l Soc'y for Krishna Consciousness, Inc.*, 452 U.S. 640, 647–48 (1981). Moreover, if this Court does not apply the rational review standard, then intermediate, and not strict scrutiny, is the appropriate level of review because the Act is content neutral. *See id.* at 642–43. *Compare Shine*, 1000 F.3d at 800 (Lane, J. dissenting) (arguing that the Act is subject to strict scrutiny because it imposes restrictions on the newsgathering abilities of the press).

A law that singles out the press as a whole does not, by itself, raise First Amendment concerns. *Turner*, 512 U.S. at 660. In *Turner*, a federal statute required cable television systems to devote some channels to broadcast television transmissions. *Id.* at 626. The Court held that the statute was only subject to intermediate scrutiny because it was content neutral. *Id.* at 643. The statute imposed burdens on all cable operators regardless of the views, programs, or

stations offered. *Id.* at 644. Strict scrutiny was also inapplicable because the statute did not substantially burden more speech than was necessary to further the government's legitimate interest in promoting fair competition. *Id.* at 661–62.

Like the statute in *Turner* that was content neutral, the Act is also content neutral because it imposes the same restrictions on all members of the press. For example, a CNN journalist and a reporter from the National Inquirer are equally subject to section 2.5(a), regardless of the views or content of their broadcast. Thus even assuming it singles out the press, the Act is still only subject to intermediate scrutiny.

The Act survives immediate scrutiny because it supports South California's interest in protecting individual privacy and safety rights, is narrowly tailored to that interest, and provides alternative channels of communication to the paparazzi. *See Heffron*, 452 U.S. at 647–48 (listing the elements of intermediate scrutiny).

First, the large population of paparazzi in the new state has seriously threatened the privacy and safety rights of South California individuals and their families. *See Shine*, 1000 F.3d at 790. The state has an important interest in protecting these legitimate rights from intrusive photographers, videographers, and audio recorders. *See H.R. 1*, 1st Leg., 2d Spec. Sess. (So. Cal. 2010). The state also has an important interest in preventing innocent children from being stalked and harassed by photographers. *See New York v. Ferber*, 458 U.S. 747, 756–57 (1982) (declaring that a state has a compelling interest in protecting the physical and psychological well-being of children).

Second, section 2.5(a) is narrowly tailored as it only restricts access to *vital* public institutions such as hospitals and fire stations, areas frequented by children, and private residences. *See* So. Cal. Civ. Code § 2.5(a)(i). The Act protects a citizen's safety by curtailing the dangerous behavior of the paparazzi, such as engaging in dangerous driving, causing traffic congestions, and crowding entrances to hospitals. *See Shine*, 1000 F.3d at 790; *see also Risenhoover v. England*, 936 F. Supp. 392, 404 (W.D. Tex. 1996) (holding that the First Amendment does not protect a reporter who negligently runs over a pedestrian while speeding merely because the reporter is on the way to cover a news story). The Act also protects the sanctity of the home by preventing trespassing onto private property, a particular behavior of the paparazzi that has caused injury to non-celebrity citizens. *See Shine*, 1000 F.3d at 790.

Additionally, access is only restricted if a person *intends* to capture a public figure engaging in a personal or familial activity. *Id.* Requiring intent severely narrows the reach of the statute as it does not restrict an individual's access to the prohibited areas if that individual has no plan to photograph a public figure's private life. Also, because the fixed buffer zone only extends 30 feet, a very short distance, the Act does not unreasonably restrict an individual's access. *See* So. Cal. Civ. Code § 2.5(a); *see e.g., Galella v. Onassis*, 487 F.2d 986, 998–99 (2d. Cir. 1973) (upholding an injunction which prevented a paparazzo from approaching a public figure within 25 feet and from entering kids' schools or play areas).

Finally, the Act is not too restrictive because it provides alternative channels

of communication to the paparazzi. For instance, they can describe the conduct in the wrongfully captured image without publishing the image itself, they can obtain consent from the public figures, or they can publish visual images taken outside the small, 30-foot buffer zone. They can also lawfully enter the buffer zones and photograph public figures engaging in any behavior or activity that is not “personal or familial.” *See Shine*, 1000 F.3d at 797. Finally, the Act does not place an absolute ban on gathering images of public figures because images of celebrities engaging in personal or familial activities may be published with the celebrity’s consent. *Id.* at §2.5(a)(4).

3. Section 2.5(a) is a reasonable time, place, and manner restriction because ensuring safe access to important public and private institutions overrides an individual’s interest in celebrity photographs.

In a public forum, the government may impose reasonable restrictions on the time, place, or manner of protected speech as long as the restrictions are content neutral, narrowly tailored to serve a significant government interest, and other channels for communication are available. *Ward v. Rock Against Racism*, 491 U.S. 781, 791(1989). When assessing First Amendment challenges, courts look to governmental interests, which may include an interest in public safety. *Madsen v. Women’s Health Ctr., Inc.*, 512 U.S. 753, 769 (1994).

The government’s interests in ensuring public safety, promoting the free flow of traffic on public streets and sidewalks, and protecting the property rights of all its citizens justify an appropriately tailored injunction when those rights are threatened. *Id.* at 768. In *Madsen*, a state enjoined protestors targeting a women’s

health clinic from entering a 36-foot buffer zone around the clinic's entrances and parking lot. *Id.* at 759. The Court upheld the buffer zone to ensure that protestors did not block traffic and to protect “unfettered ingress to and egress from the clinic.” *Id.* at 769.

The Act is a reasonable time, place, and manner restriction because section 2.5(a) is content neutral, narrowly tailored to serve South California's interest in protecting the privacy and safety of its citizens, and provides the paparazzi with alternative channels of communication (see *supra*). Here, South California is justified in imposing a small, fixed buffer zone around vital public institutions to protect its citizens from the dangerous actions of the paparazzi, which include dangerous driving, blocking entrances to vital public institutions, and traumatizing children. *Shine*, 1000 F.3d at 790.

Like the buffer zone in *Madsen* that ensured people could safely enter or exit a health clinic, the smaller, 30-foot buffer zone in this case also ensures that people can safely enter or exit hospitals, courthouses, police and fire stations, schools, and other vital public institutions to which people generally require immediate access. *See* So. Cal. Civ. Code §2.5(a). Section 2.5(a) also restricts a paparazzo's access to private residences, protecting all South California citizens from the trespassing behavior of the paparazzi and ensuring their safety.

The constitutionality of section 2.5(a) is subject to rational basis review as it is broadly applicable and only incidentally affects the press's ability to gather the news. The Act burdens the minimum amount of speech necessary to further South

California’s legitimate interests in promoting privacy and safety rights. Even if this Court finds that the Act singles out the press, the prohibitions in section 2.5(a) satisfy intermediate scrutiny. Therefore, the Act is constitutional and the decision of the Thirteenth Circuit should be affirmed.

B. Section 2.5(c) of the Act is Constitutional Because it Regulates Only Publication of Private Matters and Requires Wrongdoing by the Publisher.

When faced with restraints on the publication of true information, this Court makes factual, case-by-case determinations and has been unwilling to rule that any publication of true information is *always* protected by the First Amendment. *See e.g., Bartnicki v. Vopper*, 532 U.S. 514, 529 (2001); *Florida Star v. B.J.F.*, 491 U.S. 524, 533 (1989); *Smith v. Daily Mail Publishing Co.*, 443 U.S. 97, 105 (1979) [hereinafter *Daily Mail*]. This Court has also recognized particular circumstances where the First Amendment does not provide protection for publication restraints. *See, e.g., In re Grand Jury*, 111 F.3d 1066, 1077 – 1079 (3rd. Cir. 1997) (upholding a prohibition against the “use” of illegally intercepted contents for socially valuable purposes).

For example, the plaintiff in *Bartnicki*, whose phone conversation about labor negotiations was intercepted and taped by an unknown third party, sued media defendants for airing the tape in violation of a ban against intentional disclosure of illegally intercepted communication. *Id.* at 518–19. This Court held that the law was a content-neutral law of general applicability. *Id.* at 526. However, this Court reasoned that its application against the media violated free speech rights because

the tape concerned a matter of public importance, the media played no part in the illegal interception, and the publication restraint did not deter unlawful third party conduct. *Id.* at 526, 534–35.

Because the Anti-Paparazzi Act greatly differs from the statute at issue in *Bartnicki*, the Act’s restraints on publication do not violate the First Amendment rights of freedom of speech and of the press.

1. Section 2.5(c) protects privacy rights because it does not involve matters of public concern as it only pertains to the personal and familial lives of celebrities.

South California’s interest in ensuring privacy of communication justifies the restrictions imposed on publishers in Section 2.5(c). *See Bartnicki*, 532 U.S. at 529, 533 (acknowledging that some privacy intrusions are more offensive than others and that when a private conversation is publicly disclosed, the privacy intrusion can be greater than the interception). Moreover, the personal lives of celebrities are not matters of great public concern. *See Galella v. Onassis*, 353 F. Supp. 196, 225 (S.D.N.Y. 1972), *aff’d* in part, *rev’d* in part, 487 F.2d 986 (2d Cir. 1973) (noting that information about the public figure’s comings and goings, tastes in ballet, and food choices are not vital public matters).

Fear of public disclosure of private conversations can chill private speech. *Bartnicki*, 532 U.S. at 532. In *Bartnicki*, the Court discussed the importance of an individual’s right to privacy, including privacy of communication. *Id.*; *see also id.* at 536 (Breyer, J., concurring) (stating that the statute helps protect personal privacy and “the right to be let alone.”). But, because the intercepted material about labor

negotiations was of public concern, it was constitutionally protected. *Id.* at 535.

The Court, however, did not answer whether truthful publication of private matters could be lawfully regulated. *Id.* at 534.

Additionally, the daily activities of public figures are of *de minimis* public importance. *Galella*, 487 F.2d at 995. In *Galella*, a public figure and her children were subjected to constant surveillance by a paparazzo. *Id.* Although public figures are often the focus of news coverage, the court stated that the paparazzo's intrusive conduct was not protected by the First Amendment because his actions went beyond the reasonable bounds of newsgathering. *Id.* The court reasoned that any doubt concerning the paparazzo's liability was negated by his "inexcusable conduct" towards the children. *Id.* at 995. The court affirmed that the paparazzo's behavior was unlawful because crimes and torts committed while gathering the news are not protected. *Id.* at 995–96.

Similar to the statute in *Bartnicki* that aimed to protect personal privacy, section 2.5(c) also protects the important privacy rights of individuals in South California. However, unlike the *Bartnicki* statute, section 2.5(c) does not forbid publication of truthful information of public concern because it does not encompass public officials within the term "public figure" and it only applies to the "personal and familial activities" of public figures. *See* So. Cal. Civ. Code §§ 2.5(a)(2) & (a)(3). Moreover, although public figures may have abandoned the right to live their lives shielded from public scrutiny in some areas, they are still entitled to have a private

conversation “without fear of it being intentionally intercepted and knowingly disclosed.” *Bartnicki*, 532 U.S. at 555 (Rehnquist, J., dissenting).

Analogous to the paparazzo’s unreasonable actions in *Galella*, Ms. Vecina’s conduct was also unreasonably intrusive into Mr. Shine’s private life. The depth of intrusion in both cases is great because children’s lives and parental interactions with them are extremely private matters. The video will not only harm to Mr. Shine, it will also cause embarrassment to Mr. Shine’s daughter if it is publicly broadcast. Though interest in the lives of celebrities and their children stems from their positions in the public spotlight, public figures do not lose all their privacy rights simply because they are famous. *Ann-Margret v. High Soc. Magazine, Inc.*, 498 F. Supp. 401, 404 (S.D.N.Y. 1980). As recognized in *Galella* and applicable here, intrusive public curiosity that hides behind so-called public interest deserves no First Amendment protection.

Furthermore, because the paparazzi are not the press, the content they seek to publish are not important public matters. *See Dun & Bradstreet, Inc. v. Greenmoss Builders, Inc.*, 472 U.S. 749, 762 (1985) (stating that whether an individual is a member of the press is relevant to the question of whether the matter reported would be a matter of public concern).³ The video TMC aired had no public or social value because it merely catered to public curiosity of Mr. Shine’s personal and familial activities. *See Shine*, 1000 F.3d at 792.

³ The term “paparazzo” literally means “a kind of annoying insect.” *Galella*, 487 F.2d at 991–92.

Therefore, the important privacy interests at issue here justify prohibiting TMC from disclosing the illegally obtained video of Mr. Shine.

2. Section 2.5(c) appropriately deters unlawful conduct because it requires wrongdoing by the publisher prior to publication.

When information is unlawfully obtained, South California is justified in prohibiting the use of that information. *See Bartnicki*, 532 U.S. at 529. In that case, the publishers engaged in no wrongdoing prior to publishing the tapes. *Id.* at 525. They neither illegally intercepted the conversation nor encouraged the interception. *Id.* at 525, 538 (Breyer, J., concurring). Moreover, the restraint on publication did not deter unlawful third party conduct because there was no evidence to suggest the prohibition reduced the number of illegal interceptions. *Id.* at 530.

Unlike the publishers in *Bartnicki*, TMC engaged in wrongdoing prior to publishing the video by encouraging people to capture Mr. Shine's intimate interactions with his children within the restricted areas. Section 2.5(c) requires "actual or constructive knowledge" *prior to the purchase or acquisition* of the information. *See* So. Cal. Civ. Code § 2.5(c)–(d) (emphasis added). Not only did TMC induce Ms. Vecina to violate section 2.5(a) by offering a \$5,000 reward, but Ms. Less also stated that Mr. Shine "*only* sees his children when he picks them up from the daycare center." *See Shine*, 1000 F.3d at 792. Accordingly, TMC had at

least constructive knowledge⁴ that any footage it received of Mr. Shine losing his temper with his children would have been acquired in violation of section 2.5(a).

Also, contrary to the statute in *Bartnicki*, the Act succeeds in deterring a source's unlawful conduct because it eliminates the market for illegally obtained images and recordings. Section 2.5(c) ensures that publishers cannot offer money to induce people to violate the law. By punishing the publishers, the Act deters illegal behavior by preventing wrongdoers like Ms. Vecina from enjoying "the fruits of the crime." *See Bartnick*, 532 U.S. at 550 (Rehnquist, J., dissenting) (discussing the "dry-up-the-market" theory).⁵

Therefore, the Act does not unreasonably abridge First Amendment rights because the potential burden on publication is justified when balanced against South California's important interests in protecting a person's privacy and safety rights. The Act does involve very private matters, only punishes a party who has published unlawfully obtained information, and provides reasonable alternative means of communication for publishers. Accordingly, the decision of the Thirteenth Circuit should be affirmed.

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⁴ "[C]onstructive knowledge" means that the publisher "should have known" that the published material was taken in violation of section 2.5(a). *See* So. Cal. Civ. Code §2.5(d).

⁵ Also, the penalties will dissuade the paparazzi from risking the physical safety of others in an attempt to obtain a high-priced photograph. *See* Ann Loeb & Jonathan E. Stern, *Paparazzi Exposed to Expanded Liability*, L.A. Law at 12, 15 (May 2006).

II. THIS COURT SHOULD ADOPT THE BRIGHTLINE RULE THAT A WRITTEN-WORK-FOR HIRE AGREEMENT MUST PRECEDE CREATION TO AVOID REDUNDANCY WITH OTHER PROVISIONS OF THE COPYRIGHT ACT OF 1976, PROMOTE CERTAINTY IN OWNERSHIP, AND INCREASE PREDICTABILITY WITHIN THE LAW.

Congress' paramount goal in enacting the Copyright Act of 1976 was to enhance “predictability and certainty of copyright ownership.” *Cnty. for Creative Non-Violence v. Reid*, 490 U.S. 730, 749 (1989). The statutory language states that copyright ownership “vests initially in the author or authors of the work.” 17 U.S.C. § 201(a) (2006). However, if the work is made-for-hire then “the employer or other person for whom the work was prepared is considered the author ... and, unless the parties have expressly agreed otherwise in a written instrument signed by them, owns all of the rights comprised in the copyright.” 17 U.S.C. § 201(b) (2006). Section 101 defines a work-for-hire agreement as “a work specially ordered or commissioned ... if the parties expressly agree in a written instrument...that the work shall be considered a work made for hire....” 17 U.S.C. § 101(a)(2) (2006).

The Copyright Act does not clearly define *when* a written work-for-hire agreement must be signed. The silence has led to a split among circuit courts as to whether retroactive work-for-hire agreements satisfy the statute’s requirements. *Shine*, 1000 F.3d at 798. The Seventh and Ninth Circuits hold that retroactive work-for-hire agreements violate the Copyright Act. *See e.g., Schiller & Schmidt, Inc. v. Nordisco Corp.*, 969 F.2d 410, 413 (7th Cir. 1992); *Gladwell Gov’t Servs., Inc. v. Cnty. Of Marin*, 265 Fed. App’x 624, 626 (9th Cir. 2007). They propound a brightline rule requiring parties to memorialize all work-for-hire arrangements in

writing before creation. *See id.* These courts cite concern with artists' rights, the legislative history to restrict the scope of the work-for-hire doctrine, and congressional intent to make copyright ownership clear and predictable so works are readily marketable. *Id.* In so holding, these Circuits also avoid redundancy and irreconcilable conflict with the Copyright Act's other provisions because they successfully restrict the domain of work-for-hire agreements to pre-creation.

On the other hand, the Second and Fifth Circuits permit retroactive work-for-hire agreements when they memorialize a precreation verbal agreement after the work has been produced. *See e.g., Playboy Enters., Inc. v. Dumas*, 53 F.3d 549, 559 (2nd Cir. 1995) [hereafter *Playboy*]. In so holding, these circuits advocate for an intent-based test that forces the court to determine the parties' intentions on the basis of unrecorded, verbal agreements *alone*. *See id.* Rendering other provisions of the Copyright Act superfluous, this test also ignores congressional intent to encourage certainty in copyright ownership and to protect the rights of artists plagued with unequal bargaining power. *See id.*

Given the divergence in opinion, "the more prudent course is to agree upon and memorialize rights in writing before a work is created." *The Work for Hire Doctrine*, 2 E-Commerce and Internet Law 11.02[2] (2010-2011 update). This is because parties may complete a full transfer of rights at any time after creation. 17 U.S.C. § 204 (2006). Given a written work-for-hire agreement is eventually required under both approaches, this more reasonable interpretation does not "needlessly hobble" the statute. *See Armento v. Laser Image*, 950 F. Supp. 719, 732

(W.D.N.C. 1996). Accordingly, the ruling of the Thirteenth Circuit should be affirmed because the brightline rule confers with the plain meaning of the statute, supports congressional intent to restrict the work-for-hire doctrine, and promotes the right of the true creator.

A. The Plain Language Requires a Written Work-for-Hire Agreement before the Creation of the Work to Avoid Irreconcilable Conflict with and Redundancy within the Copyright Act.

Mr. Shine is the copyright holder and author of the Huggz commercial because a retroactive work-for-hire agreement conflicts with and overrides other provisions of the Copyright Act. Given that section 101(a) is silent on when a written work-for-hire agreement should be signed, this Court should evaluate the Copyright Act *as a whole* to resolve the ambiguity. *See* 17 U.S.C. § 101; *see also United States v. Cruz-Gramajo*, 570 F.3d 1162, 1167 (9th Cir. 2009) (“While the starting point is always the language of the statute itself...[r]ather than focusing just on the word or phrase at issue, [the] court looks to the entire statute to determine...intent”).

A law is repealed when its provisions are in irreconcilable conflict or when portions of the statute overlap. *See Posadas v. Nat’l City Bank of NY*, 296 U.S. 497, 504 (1936); *see also Raven Coal Corp. v. Absher*, 149 S.E. 541, 542 (1929) (stating that “[e]very part of an act is presumed to be of some effect and is not to be treated as meaningless unless absolutely necessary.”). A plain reading of the statute in its entirety reveals how TMC’s subjective approach renders section of the Copyright Act redundant and inconsistent. *See* 17 U.S.C. § 201(b) (requiring a written

instrument to transfer copyright after creation); 17 U.S.C. § 201(a) (establishing that copyright vests immediately in the artist upon creation).⁶ Because the legislature has not expressed a desire to repeal the Copyright Act or any of its provisions, the necessary inference is that retroactive work-for-hire agreements violate the statute because the laws are supplementary and not exclusive. *See Wood v. United States*, 41 U.S. 342, 363 (1842). As such, if this Court stretches section 101 to permit backdated work-for-hire agreements as TMC urges, it will render portions of the Copyright Act redundant and unnecessary.

This Court should adopt the brightline rule because the Second Circuit's approach ultimately renders section 204 superfluous by permitting section 101(a) to cover the entire domain of pre- and post-creation copyright transfers. Section 204 requires that all transfers of copyright ownership be brought through a written instrument of conveyance. 17 U.S.C. § 204. Given copyright vests in the author at the moment of fixation under section 201(a), this section necessarily covers *transfers of copyright that occur after the work is created*. *See* 17 U.S.C. § 201(a). Thus, to prevent redundancy within the Copyright Act, section 204 must be exclusive within this domain. *See Lietz v. Fleming*, 264 F.2d 311, 313 (6th Cir. 1959) (stating that interpretation of the statutes should give effect to both when possible because the law does not favor repeals by implication). Because retroactive work-for-hire agreements under section 101(a) *also* transfer copyright after creation, the Second

⁶ *See Gladwell Gov't Svcs., Inc. v. County of Marin*, 265 Fed. Appx. 624, 626 (9th Cir. 2008) (“The plain language of the statute indicates that a work-for-hire agreement cannot apply to works that are already in existence”).

Circuit's approach facilitates encroachment by permitting section 101(a) to “cover [] the whole ground occupied by” section 204. 17 U.S.C. § 101; *see Conn. Nat. Bank v. Germain*, 503 U.S. 249 (1992). This construction is simply not supported by congressional intent. *See* H.R. Rep. No. 51-374, pt. 5, at 145 (1965) (discussing testimony of a U.S. Copyright official that a work “would not be considered a ‘work made for hire’ if the contract were signed later on—after the work was written, for example.”).

Although agreements under section 201(b) transfer copyright ownership and not authorship, this distinction is only pertinent because an artist retains a right of termination under section 201(b) that is not retained under the work-for-hire doctrine. 17 U.S.C. §§ 101; 201(b). However, because retroactive work-for-hire agreements may double as agreements to the contrary under section 304(c)(5) (*see supra*), artists retain the same termination rights as under section 201(b).⁷ *Marvel Characters Inc. v. Simon*, 310 F.3d 280, 290 (2nd Cir. 2002) [hereafter *Marvel*].

Retroactive work-for-hire agreements are also in irreconcilable conflict with section 201(b) of the Copyright Act. *Shine*, 1000 F.2d at 799. Congress did not intend for a work to have two separate “authors,” one during the first phase of its existence, and another after a work-for-hire agreement has been executed. *Playboy*, 53 F.3d at 559. Nonetheless, the court ultimately determined that a verbal

⁷ Section 304(c)(5) concerns creations made before 1978. However, the court’s broad reasoning in *Marvel* suggests that retroactive work-for-hire agreements entered into after 1978 may also constitute “agreements to the contrary” under section 203(a)(5).

agreement can suffice to fix authorship *ab inhibito* once the written agreement is actually signed. *Id.*

Playboy's interpretation frustrates the plain meaning of the Copyright Act because it permits parties to rewrite the ownership and authorship history of a given work. Section 201(b) provides that copyright fixates in the author *at the moment of creation*. Thus, a plain reading of section 201(b) and section 101(a) together demand that the requirements of section 101(a) be met before creation of the work if the employer does not want copyright to vest *immediately* in the artist upon fixation. By ignoring the plain language of the Copyright Act, TMC's retroactive application of the law is only as successful as its ability to effectively rewrite history. *See Dumas v. Gommerman*, 865 F.2d 1093, 1097-98 (9th Cir. 1989) [hereafter *Dumas*] ("Section 201(b) [establishing the work-made-for-hire writing requirement] is therefore *necessary to establish the employer as initial owner of the copyright* in works made for hire. Without this provision, copyright would vest in employees at the moment of fixation, and a written instrument would be required to transfer copyright to the employer.") (emphasis added). Because a retroactive application of the law is always disfavored by this Court and the general rules of statutory construction, the brightline rule should be adopted so employers are not enticed to rewrite history at their leisure.

B. The Legislative History of the Copyright Act Demonstrates Congressional Intent to Promote the Rights of the True Creator by Narrowing the Scope of the Work-for-Hire Doctrine.

The legislative history of the Copyright Act supports the brightline rule

because Congress intended to protect the rights of artists by restricting the work-for-hire doctrine to only specific situations in which all of the statutory requirements are met. Indeed, “[t]he modern ‘work for hire’ doctrine's importance lies in its break from copyright law's traditional presumption favoring the employer or funding party over the actual creator for the purposes of assigning copyright ownership.” Professor Alan Hyde & Christopher W. Hager, *Promoting the Copyright Act's Creator-Favoring Presumption: “Works Made-for-Hire Under Aymes v. Bonelli & Avtec Systems, Inc. v. Peiffer,”* 71. Denv. U.L. Rev 693, 694 (1994). The definition of a work-for-hire agreement was originally left to the courts. The result was an expansion of the doctrine to include almost any work created under the supervision of an employer.⁸ However, concerned with how existing copyright law was contributing to the exploitation of artists Congress enacted the Copyright Act of 1976. See H.R.Rep. No. 94-1476, at 124, U.S. Code Cong. & Admin. News 1976, p. 5739 (finding that artists are “disadvantaged by the impossibility of determining their work’s full value until it has been exploited.”).

Twenty years of careful negotiation among industries with differing interests in copyright ownership ensued. The result was “a series of interrelated and dependent compromises” restricting the scope of the work-for-hire doctrine. Jessica D. Litman, *Copyright, Compromise, and Legislative History*, 72 Cornell L.Rev. 857,

⁸ The expansion of the work-for-hire doctrine under the common law led to the exploitation of authors. This was a “major motivating force behind the 1976 revision of the work-for-hire doctrine.” Anne Marie Hill, *The “Work for Hire” Definition in the Copyright Act of 1976: Conflict over Specially Ordered or Commissioned Works*, 74 Cornell L. Rev. 559, 566 (March 1989).

862 (1987); *see also Dumas*, 865 F.2d at 1098; H.R. Rep. No. 94-1476, at 124, U.S. Code Cong. & Admin. News 1976 p. 5737 (“The definition now provided by the bill represents a compromise which, in effect, spells out those *specific categories* of commissioned works that can be considered ‘works made for hire’ *under certain circumstances.*”) (emphasis added). Thus, after twenty years of carefully crafted negotiation and compromise the practical brightline rule is the best option. *See Dumas*, 865 F.2d at 1099.

The Second Circuit’s interpretation is also inconsistent with proposed legislation to eliminate commissioned works from the scope of the work-for-hire doctrine completely. Despite congressional attempts to promote the rights of artists by restricting the doctrine, Congress has noted continued “abuses of [the work-for-hire] provision by purchasers and licensees of copyrighted works in stripping impecunious artists of all rights to their works.” *Work-for-Hire Case Law and Proposed Amendments*, 6 Lindey on Entertainment, Publ. & the Arts § 16:101 (3d ed. 2011). Consequently, amendments have been proposed to restrict the work-for-hire doctrine to *only* those works created under a traditional employer-employee relationship. *Id.* Due to the congressional movement to eradicate commissioned works from the Copyright Act completely, TMC’s proposed expansion of the work-for-hire doctrine is imprudent at best and reckless at worst.

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C. A Subjective Approach Frustrates the Statute of Frauds and Creates Unpredictability Within the Law by Forcing Courts to Establish Intent on the Basis of Unrecorded, Verbal Agreements Alone.

The Copyright Act was enacted to enhance certainty in copyright ownership and predictability within the law. *Cnty. for Creative Non-Violence*, 490 U.S. at 749. These objectives are best promoted by advanced planning. *See id.* However, predictability and certainty are thwarted when parties are permitted to enter into work-for-hire agreements days, months, or even *years* after creation. *See Playboy*, 53 F.3d at 559; *see also Schiller*, 969 F.2d at 413 (holding that a contract must precede creation to identify the owner unequivocally and to promote the creation's marketability because retroactive agreements make ownership unclear and indefinite). Furthermore, because a non-recorded verbal agreement may embolden parties to misrepresent their pre-creation intent, the Second Circuit's intent-based approach also frustrates the statute of frauds.

The Seventh Circuit aptly noted that the Second Circuit's interpretation disregards congressional intent to promote predictability and certainty by focusing on how retroactive work-for-hire agreements might undermine the statute of frauds.⁹ However, the Second Circuit's subjective approach actually frustrates the statute of frauds more by requiring courts to ascertain the parties' intentions without any physical record of the verbal agreement. It also promotes uncertainty and unpredictability by threatening judicial intervention whenever parties' disagree

⁹ The Second Circuit relied heavily upon the argument predictability might be undermined if parties were permitted to dissolve genuine work-for-hire agreements because the written requirement was not satisfied until after the work's creation. *Playboy*, 53 F.3d at 559.

about their intent. For example, TMC and Mr. Shine entered into an oral agreement that may appear to express their mutual intent to enter into a work-for-hire arrangement on its face. *Shine*, 1000 F.3d at 791. But, because Mr. Shine was unaware he was solely responsible for the project's creative content until he arrived at the studio, it is unclear whether both parties truly intended to enter into a work-for-hire arrangement. As such, if the Second Circuit's approach is adopted, this Court will be faced with the arduous task of determining whether both TMC and Mr. Shine had the requisite intent to enter into a work-for-hire arrangement. This will undermine the statute of frauds by frustrating at least one of the parties' intentions.

This interpretation also destroys the rights of the artist by encouraging employers to make false claims of oral agreements after creation and then to demand the copyright interest from the artists due to their unequal bargaining power. *Schiller & Schmidt, Inc.*, 969 F.2d at 412. For example, when Mr. Shine created the Huggz commercial he was an out-of-work actor with no job prospects on the horizon. *Shine*, 1000 F.3d at 791. A nationally televised commercial can easily thrust an actor back into the public spotlight and provide future job opportunities. Thus, it can be fairly inferred that Mr. Shine would have been upset if Mr. Kitchen had not aired the commercial. This precarious situation ultimately placed Mr. Kitchen in a superior position of bargaining power. *See id.* This is exactly the type of situation that may motivate an employer to make a false claim of an oral agreement and then coerce an artist into entering a retroactive work-for-hire

arrangement. *See Schiller & Schmidt, Inc.*, 969 F.2d at 412. Indeed, given Mr. Kitchen asked Mr. Shine to sign the agreement “*in exchange for his check*,” arguably Mr. Shine only entered into the agreement to ensure the publication of his work. *See Shine*, 1000 F.3d at 791. Accordingly, the Second Circuit’s subjective approach should be rejected, and the brightline rule applied, because retroactive work-for-hire agreements encourage parties to make false claims of oral agreements and coerce artists into signing away their rights.

This conclusion is also supported by the Second Circuit’s own difficulty in reconciling its interpretation of the work-for-hire doctrine with congressional intent to promote predictability in copyright law. *Marvel*, 310 F.3d at 280. For example, in contravention with its decision in *Playboy* which required the court to establish the existence of a pre-creation oral agreement *only*, the Second Circuit mandated *an additional subjective determination*—to establish the nature of parties’ relationship from the existence of the oral agreement. *Id.* at 290, 292.

In *Marvel*, the question was whether a settlement agreement that designated a work “for-hire” and entered into after the work was created constituted an “agreement to the contrary.” *Id.* at 282. However, after examining the legislative intent of section 304(c), the court expanded its holding to include *any* retroactive work-for-hire agreement that changes the nature of the parties’ relationship. *Id.* at 290. The court reasoned that to rule otherwise would nullify the termination provision because “litigation-savvy-publishers” could use their “superior bargaining position to compel authors to [enter into work-for-hire agreements] to get their

works published.” *Id.* While *Marvel* addressed a work created before 1978, the court’s broad reasoning indicates that a work made after 1978 might also be rendered an “agreement to the contrary” under section 203(a)(5). *Id.*

Like the holding in *Marvel*, if this Court adopts the Second Circuit's approach, Mr. Shine and TMC’s retroactive agreement will constitute an agreement to the contrary because it fundamentally changed the nature of the parties’ relationship. Mr. Shine and Mr. Kitchen’s verbal agreement did not explicitly detail who was responsible for the creative content of the commercial and there is now a disagreement regarding whether both parties intended to enter into a work-for-hire arrangement. *See Shine*, 1000 F.3d at 791. This is evidenced by Mr. Shine angrily stating, “[t]his charlatan chose not to do his job, which is to write,” after he learned that he was solely responsible for the creative content. *See id.* This disagreement could easily persuade this Court to hold that the nature of the parties’ relationship was fundamentally changed when creative responsibility was transferred to Mr. Shine. Confusion will result if a verbal agreement is not memorialized before creation. And, because the Second Circuit approach requires parties to litigate whenever such confusion arises, the more prudent choice is the brightline rule.

Accordingly, this Court should uphold the ruling of the Thirteenth Circuit and eliminate retroactive work-for-hire agreements from the Copyright Act.

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CONCLUSION

For the foregoing reasons, this Court should find in favor of Mr. Shine and affirm the judgment of the Court of Appeals for the Thirteenth Circuit.

Respectfully Submitted,

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Counsel for the Respondent
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