

INTRODUCTION TO INTELLECTUAL PROPERTY
SPRING 2009
PROF. DAVID POST

David.Post@Temple.edu

Office Hours: Wed 12-2 or by appointment

Introduction and Overview

The communications and information technology revolution(s) of the past several decades have transformed intellectual property law, once a rather tranquil and uninteresting legal backwater, into a major international battleground. An ever-increasing fraction of the world's wealth is now embodied in intangible things – things like the sequence of the rice genome, the chemical formulas of Prilosec,[™] Viagra[™] or Prozac,[™] the names “Prilosec,” “Viagra,” and “Prozac,” the Star Wars plot line, the best way to run an online auction, the words “Just do it” – rather than the tangible things (like land, or factories, or paper clips, or airplanes, or automobiles) with which the law has been dealing for a long time.

Intellectual property law consists of the doctrines through which the legal system controls (and/or allows private parties to control) these intangible “non-things”: how they can (or cannot) be “owned,” how they are (or are not) protected against duplication or appropriation by others, what rights owners do (or do not) have with respect to them, how they can (or cannot) be transferred to others, and the like.

This course will survey three of the major bodies of law – copyright, patent, and trademark law – traditionally grouped together under the rubric of “intellectual property.” We will focus on the major doctrinal underpinnings of each of these sub-fields, the similarities and differences among them, and the similarities and differences in the way the law treats “intellectual,” as opposed to tangible, property. Because all three bodies of law are governed by federal statutes (the Copyright Act, the Patent Act, and the Lanham Act, respectively), we will use our exploration of these legal domains as an opportunity to discuss techniques of statutory construction -- the way(s) that courts (and lawyers) extract meaning from complex and often obscure statutory texts.

We will keep technological details to a minimum; although no IP class can *completely* eliminate all technological matters, if only because some of the cases (particularly in the patent area) cannot be completely understood without some understanding of the technology involved, I can assure you that no special technological expertise is required to understand this material.

Housekeeping Details

My office number is 204-4539. I much prefer communicating by email; my address is David.Post@temple.edu. Feel free to email me with any questions or

comments you have concerning the course (or intellectual property generally); when you do so, put the words “IP course” in the subject line of your message; I get several hundred emails a day, and I am much more likely to read and to respond to one expeditiously if I know that it comes from a student in this class.

My office is in room 622 (Klein), and my office hours are Wednesday 12-2 PM (or by appointment). I’m always happy to set up an appointment to meet with you at other times if these are not convenient, and you should feel free to drop in if I’m around my office at other times.

There will be a 3 ½ HOUR OPEN BOOK IN-CLASS EXAMINATION, consisting of around 6 – 12 short essay questions (one or two paragraphs each). I will distribute previously-given exams in this format, and we will have ample opportunity during the semester to look at those exams and to discuss the ways in which the questions should (and should not) be answered.

I expect all students to attend all classes. Our class meeting is a professional obligation of yours (and of mine). I understand that there may be occasions when you can’t make it to class for one reason or another, just as there may be occasions when I can’t make it to class for one reason or another. If I am unable to make it to class, I will do my best to let you know beforehand; if you are unable to make it to class, please do me the reciprocal courtesy and do your best to let me know beforehand.

I also expect all of you, obviously, to do the reading for each class; you will get very little (or, more probably, nothing at all) out of the class discussion if you do not. I will call on people, at random, throughout the semester. Class participation from everyone is encouraged, but is not graded.

BOOKS

We do not use a Casebook in this class. All readings are available on Blackboard. The readings consist of (a) full-text (*i.e.*, unedited) opinions in the cases listed below, (b) some short explanatory memos that I’ve prepared, and (c) portions of the relevant federal statutes. Regarding (a) and (b), most students find it convenient to download and/or print the material as they need it throughout the semester, and they also find it useful to have the material in electronic form on their computers. If, however, you would like to buy a complete printout of the entire semester’s readings, I have posted the entire package of readings on Blackboard, which you can download and print out (or bring to a local copyshop for printing and binding or what-have-you).

You must obtain a copy of the current version of the Copyright Act (17 USC §§ 101 *et seq.*), the Patent Act (35 USC §§1 *et seq.*), and the Lanham Act (15 USC chap. 22, §§1051 – 1127). The statutory material is not optional. Do not come to class without it. You must get in the habit of having the statutory text in front of you at all times when reading and discussing these cases. I have placed copies of these on Blackboard as well. I have found that many students find it convenient to have all of the statutory material

gathered together and bound in one place; if you would like that, any casebook statutory supplement from 2007 or later that contains these two that you can order on your own.

This course, like all courses at the law school, is governed by Temple's policy on Student and Faculty Academic Rights and Responsibilities (Policy # 3.70.02), which can be accessed through the following link:

http://policies.temple.edu/getdoc.asp?policy_no=03.70.02.

The readings for each class are listed below, followed by a set of questions. Spend some time thinking about your answers to each of the questions before class; we will structure at least part of our discussion in each class around them, and I'll expect each of you to be prepared at least to say something about them if called upon to do so.

READINGS – PART ONE

I. INTRODUCTION

Class 1

- A. *Nadel v. Play-by-Play Toys*, 208 F.3d 368 (2d Cir. 2000)
- B. *Lueddecke v. Chevrolet Motors*, 70 F.2d 345 (8th Cir. 1934)

Questions:

1. In *Lueddecke*, what's the plaintiff's claim? What cause of action is he asserting that entitles him, in his view, to money damages from Chevrolet Motors?
2. Why does Lueddecke lose? If you had to explain to him, after the judgment has been handed down, why he lost, what would you say? "Mr. Lueddecke, I'm afraid things didn't go your way, because the court concluded that . . . ?"
3. Does Mr. Nadel "own" the idea of the Tornado Taz?

II. COPYRIGHT LAW

Class 2

- A. Memo: Reading Cases
- B. *Eldred v. Ashcroft*, 537 US 186 (2003)
- C. US Constitution, Art 1 section 8
- D. Copyright Act, §§ 302(a), (b), and (c)

Note: To make sense of §302, you need to refer to the "Definitions" in Sec. 101 for (at a minimum) the following terms:

create
fixed
copy
phonorecord
joint work
works made for hire

Questions

1. What was Eldred's claim?
2. When does copyright protection begin? How long does it last?

NO CLASS MONDAY JAN 19

Class 3

- A. Copyright Act §§ 102(a) & (b), 103(a) & (b) [and relevant definitions in § 101]
- B. *Bell v. Catalda*, 191 F.2d 99 (2d Cir. 1951); [plus excerpt of facts from district court opinion, *Bell v. Catalda*, 74 F. Supp. 973 (SDNY 1947)]
- C. *Feist Publications, Inc. v. Rural Telephone Service Co.*, 499 U.S. 340 (1991)

Questions:

1. What does "fixed in any tangible medium of expression" mean?
2. How could Bell's mezzotints be "original" works when they were "copied" from the Old Master paintings?
3. What if Bell's mezzotints had been made not from Old Master paintings but from modern works (in which copyright subsisted – the paintings of Jackson Pollock, say, or Salvador Dali); would the result have been different in the case?
4. What about Catalda's lithographs – were they original works? What does the court have to say about that question?
5. What would Rural Telephone Co. have had to have done to have made its white pages directory an "original" work? Suppose it had done those things and the directory was an original work – would that mean that Feist would not have been allowed to copy the names and phone numbers listed there?

Class 4

- A. *Burrough-Giles Lithographic Co. v. Sarony*, 111 U.S. 53 (1884)
- B. *Rockford Map Publishers, Inc. v. Directory Service Co.*, 768 F.2d 145 (7th Cir. 1985)
- C. Memo: Homer's Fallacy/The Logic of Facts

Questions

1. *Rockford Map* was decided before *Feist v Rural Telephone* – would it come out the same way post-*Feist*?
2. Abraham Zapruder, on November 22, 1963, made a home movie of President Kennedy's motorcade as it passed through Dallas; as it happened, he captured the only images of the moment when Kennedy was assassinated. Did he have copyright protection in his movie? What does he need to show in order to have the movie protected by copyright?

Class 5

- A. Copyright Act, §§ 102(b) (again)
- B. *Baker v. Selden*, 101 U.S. 99 (1879)
- C. *Morrissey v Proctor and Gamble*, 379 F.2d 675 (1st Cir. 1967)
- D. Memo, The Copyright Regulations

Read the first subsection of the regulations included with that memo (37 CFR §202.1 – “Material not subject to copyright”) carefully; just skim the remainder.

Questions

1. Was Charles Selden's bookkeeping system “novel”? Was it “original”? Was it protected by copyright?
2. What's the holding of *Baker v. Selden*?
3. If *Baker v. Selden* were decided today (*i.e.*, under the current Copyright Act, including §102(b)), what result?

Class 6

- A. Copyright Act, §§ 201, 202, 204
- B. *Andrien v. Southern Ocean County Chamber of Commerce*, 927 F.2d 132 (3d Cir. 1991)
- C. *Community for Creative Non-Violence v. Reid*, 490 U.S. 730 (1989)

Questions

1. Why is the *Andrien* court concerned about Carolyn Haines – is she a party to the lawsuit? Was the map a “work for hire”?
2. Is Temple University be the “author” of my law review articles?
4. Who owns the “Third World America” sculpture itself – the physical, tangible, 3-dimensional thing?
5. Suppose the Third World America sculpture had been commissioned by CCNV as part of a motion picture that CCNV was producing about the plight of

homeless Americans – would that have made it a “work for hire” under the statutory definition?

Class 7

- A. *Childress v. Taylor*, 945 F.2d 500 (2d Cir. 1991)
- B. Memo: Joint Authorship

Questions

1. The *Childress* opinion talks about both an “intention to merge their contributions into inseparable or interdependent parts of a unitary whole,” and the “intent of both participants in the venture to regard themselves as joint authors.” Are these separate requirements for a finding of joint authorship, or is the court just using different language to describe the same thing?

2. Could Carolyn Haines claim joint authorship regarding the map in the *Andrien* case?

Class 8

REVIEW – NO NEW READING

Please prepare an answer (or at the very least the outline of an answer) to Questions 1 and 2 from “Review Questions – Copyright Law (Part One)”

Class 9

- A. Copyright Act, §§106, 109(a) and 109(c)
- B. H.R. Report No 94-1476, 94th Cong. 2d Sess. 61 – 65 (1976)

This Report, prepared by the House Judiciary Committee, accompanied the bill (the “Copyright Act of 1976”) that was signed into law by President Ford in 1976, and has been quite influential in subsequent judicial decisions interpreting the meaning of its various terms. Section 106 is in many ways the heart of the Copyright Act, inasmuch as it sets forth the “bundle of rights” belonging to the owner of the copyright. As you might expect, there has been a great deal of case law dealing with the precise meaning of each of the section 106 rights. We will only have a chance to look at a few of those cases; this excerpt from the House Report, however, provides a good overview of the entire bundle.

- C. *Columbia Pictures v. Redd Horne*, 749 F.2d 154 (3d Cir. 1984)

Note: You may skip the discussion of “defendant’s counterclaims” at the end of this opinion.

D. Memo: Licenses, Exclusive Licenses, and Copyright Ownership

Questions

1. Suppose the Court had found that the sculpture “Third World America” was a work for hire. What would the consequences of such a finding have been for the parties? Would CCNV have been able to make changes to the sculpture? Take it on tour?

2. Who was Redd Horne, Inc.? What role did it play in the infringements of Columbia Pictures’ copyright-protected motion pictures?

3. Suppose the patrons of Maxwell’s Video Showcase were actually given the videocassettes, which they would then take into the viewing rooms, place into a VCR located there, and “play.” Would they be “performing” the copyrighted works? Would they be performing those works “publicly”?

4. Many of you, I’m sure, have been in hotels which allow you to choose movies to watch on the television located in your room. Are you “publicly performing” those copyrighted works when you watch a movie in your room? Is the hotel “publicly performing” those works when you watch a movie in your room?

Class 10

- A. Memo: The Copyright Claim
- B. Copyright Act, §§ 501(a) & 501(b)
- C. *Nichols v. Universal Pictures Corp.*, 45 F. 2d 119 (2d Cir. 1930)
- D. *Arnstein v. Porter*, 154 F.2d 464 (2d Cir. 1946)
- E. *Selle v. Gibb*, 741 F.2d 896 (7th Cir. 1984)

1. In *Nichols*, pay particular attention to what has come to be known as Judge Hand’s “abstractions test” (on page 2 of the opinion, beginning “Upon any work, and especially upon a play, . . .”). How does he apply that “test” to the facts of this case?

2. Is the question of whether “The Cohens and the Kellys” infringes on “Abie’s Irish Rose” a “question of fact” or a “question of law”?

3. How would you characterize the difference in the way the *Arnstein* and *Selle* courts approach the question of proving infringement?

Class 11

- A. Memo: Section 106 Hypotheticals
- B. *Steinberg v. Columbia Pictures*, 663 F.Supp. 706 (SDNY 1987)

- C Copyright Act §§408(a) & 411
 SKIM §§ 409, 410, 412
- D, Memo: Copyright Registration

Class 12

- A. Copyright Defenses: Copyright Act §§107, SKIM §§108 & 110
- B. *Harper & Row v. Nation Enterprises*, 471 U.S. 539 (1985)
- C. *Campbell v. Acuff Rose*, 510 U.S. 569 (1994)

Class 13

- A. *Castle Rock Entertainment v. Carol Publishing*, 150 F.3d 132 (2d Cir. 1998)
- B. Copyright Remedies: SKIM Copyright Act, §§ 502 – 507

Class 14

- A. Memo: Issue-Spotting

COPYRIGHT REVIEW

Please prepare an answer (or outline of an answer) to Questions 2, 4, and 6 from “Review Questions – Copyright Law (Part Two)”

III. PATENT LAW

Class 15

- A. *Metallurgical Industries v. Fourtek*, 790 F.2d 1195 (5th Cir. 1986)
- B. Patent Act §§ 100, 101
- C. SKIM Patent Number 6,328,163 (Morphing Candy Holding Device)

Questions:

1. Who is Smith? What did he do that embroiled him in this lawsuit? What is the court’s disposition of Metallurgical’s claim against Smith?
2. What are the elements of the cause of action for misappropriation of trade secrets?

Class 16

- A. *Diamond v. Chakrabarty*, 447 US 303 (1980)
- B. Patent Act §102 (especially §§102(a) and 102(b))
- C. *Pennock v. Dialogue*, 2 Pet. 1 (1829)

Questions

1. What statutory provision is the Court construing in *Chakrabarty*?
2. Can Congress “overturn” the holding in *Chakrabarty*? If so, how?
3. Why does Pennock lose his right to patent his new hose? Wasn’t it a “novel” invention?

Class 17

- A. *Application of Borst*, 345 F.2d 851 (CCPA, 1965)
- B. *Rosaire v. National Lead Co.* 218 F.2d 72 (5th Cir. 1955)

Questions

1. If the Atomic Energy Act had never been passed, what result in *Borst*?
2. In *Rosaire*, who gets the patent to the new method of prospecting for hydrocarbons?
3. Rosaire admits that Teplitz-Gulf work was done before he (and Horvitz) conceived of the prospecting method. How, then, could he possibly argue that he is entitled to a patent?

Class 18

- A. *In re Hall* 781 F.2d 897 (Fed. Cir. 1986)

IMPORTANT: There is a TYPOGRAPHICAL ERROR on page 898, 2d full paragraph, the court meant "prior to February 27, 1978," not "prior to February 27, 1979" [Can you tell how I know that that’s a typographical error?]

- B. Memo: The Patent Process
- C. *In re Cronyn*, 890 F.2d 1158 (Fed. Cir. 1989)
- D. *Mahurkar v. Bard*, 79 F.3d 1572 (Fed. Cir. 1996)

IMPORTANT: You can omit the section on patent damages beginning on page 5 of the *Mahurkar* opinion and continuing to the end of the opinion.

Questions

1. What accounts for the difference in result between *Hall* and *Cronyn*?
2. Sec. 102(a) (and, as we’ll see in few classes, §103(a) also) requires an analysis of the conditions pertaining before the applicant invented the invention for which he/she

seeks a patent. What rule(s) can you extract from *Mahurkar* regarding the definition of the “date of invention”?

Class 19

- A. Patent Review Problems: Review Problem #1
- B. *In re Paulsen*, 30 F.3d 1475 (Fed. Cir. 1994)
Read only through page 4 (dealing with Claims 1 and 18)
- C. *Egbert v. Lippmann*, 104 US 333 (1881)
- D. *Metallizing Engineering Co v. Kenyon Bearing & Auto Parts*, 153 F.2d 516 (2d Cir. 1946)

Class 20

- A. *Lough v Brunswick*, 86 F.3d 1113 (Fed. Cir. 1996)
- B. *TP Laboratories v. Professional Positioners, Inc.*, 724 F.2d 965 (Fed. Cir. 1984)
- C. *Pfaff v Wells Electronic*, 525 US 55 (1998)

Questions

1. Does the *Pfaff* opinion modify the definition of the “date of invention” set forth in *Mahurkar*?

Class 21

- A. Patent Act §103(a)
- B. *Hazeltine Research v. Brenner*, 382 US 252 (1965)
- C. *In re Paulsen*, *supra*
Read the remaining sections of this opinion, dealing with the obviousness rejection
- D. *KSR v Teleflex*, ___ U.S. ___ (2007)

Questions

1. Read 103(a) carefully. Fill in the blanks below:

IF the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious to a person of ordinary skill at the time the invention was made, THEN _____ even though _____.

2. The KSR case is one where it is especially difficult to see what the legal issues involved are without some level of detail about the relevant technology. To help get us to those legal issues, here’s my understanding of the various automobile pedal innovations the Court is discussing. The Teleflex patent is for an adjustable pedal with a “fixed pivot

point” and an electronic sensor mounted on the pivot point. The prior art already contained adjustable pedals with fixed pivot points (that’s in the Asano patent), AND pedals with electronic sensors located at the fixed pivot points (the ‘936 patent and the Smith patent). The question in the case, therefore, is whether it would have been obvious to a POSITA to combine the two – to make an adjustable pedal with a fixed pivot to which the sensor was attached. See page 13 (“The . . . legal question, then, is whether a pedal designer of ordinary skill starting with Asano would have found it obvious to put the sensor on a fixed pivot point.”). The District Court found that it would have been obvious, the Court of Appeals that it would not have been obvious, and the Supreme Court that it would have been obvious.

3. Why wasn’t the patent at issue in *KSR* invalid under the novelty provisions of sec. 102(a)?

Class 22

- A. Patent Act §§ 154 and 271
- B. *Larami Corp. v. Amron*, 27 USPQ 2d 1280 (ED Pa 1993)

NOTE: Pay particular attention to the discussion of “literal infringement” in the *Larami* case; you may skip the discussion of infringement under the “doctrine of equivalents.”

Class 23

- A. *Graver Tank v. Linde Air Products*, 339 US 605 (1950)
- B. *Warner-Jenkinson v. Hilton Davis*, 520 US 17 (1997)

Questions

1. Assume the following:

A has received a patent for invention X.

Device Y is infringing the patent under the doctrine of equivalents – it has all the elements (or their equivalents) listed in A’s claim.

Information becomes available showing that device Y was in the publicly-accessible “prior art” in this country one month before A invented X.

Is A’s patent invalid? If so, why?

2. The *Warner-Jenkinson* opinion has a particularly helpful summary of its holdings at the end of the opinion. Make sure you read and understand each of the points the Court lists there.

Class 24

Patent Review

Please prepare an Answer/Outline to Questions 2 and 3 of the Patent Review Questions

IV. TRADEMARK LAW

CLASS 25

Qualitex Co. v. Jacobson Products Co., 514 U.S. 159 (1995)
Blue Bell, Inc. v. Farah Manufacturing Co., 508 F.2d. 1260 (5th Cir. 1975)

Class 26

Zatarain's Inc. v. Oak Grove Smokehouse, Inc. 698 F.2d 786 (5th Cir. 1983)

Class 27

McGregor-Doniger, Inc. v. Drizzle, Inc., 599 F.2d 1126 (2d Cir. 1979)
Volkswagenwerk Aktiengesellschaft V Church 411 F.2d 350 (9th Cir. 1969)

Class 28

Review – NO NEW READING

* * * * *

Reading Cases

As noted, this class is unusual inasmuch as we will be reading only primary source material – raw, unedited judicial opinions and statutes. In my opinion (which I’m more than happy to discuss at length with anyone who’s interested) (a) it is critically important for you to develop your ability to read and to make sense of opinions as they appear in the Reporters; (b) it is a difficult skill to master; (c) like most difficult skills, you only get better at it by practice; and (d) the common practice of giving you only edited opinions to read in your “doctrinal” classes (*i.e.*, in all classes other than those focused on “legal research and writing”) does very little to help you develop that skill.

We will, therefore, be talking throughout the semester not only about the substance of IP law – the nature of copyright “ownership,” the elements of the trademark infringement cause of action, the requirements for “novelty” in patent law, etc. – but also about how one uncovers the answers to those questions through close reading of the cases (and the relevant statutory material).

To begin with, you must read each case a minimum of two times; it is simply impossible, unless you are truly a genius, for you to make sense of what the court is doing on a single reading. Your **first reading** should concentrate on the following:

The crucial facts. Who are the parties? Who did what, to whom, to precipitate the lawsuit?

The claim. What is/are plaintiff’s claim/claims for relief? What provision(s) of law does plaintiff point to as establishing his/her/its right to relief, and what kind of relief (damages? an injunction? both? something else?) does he/she/it seek?

The outcome. Who won, and who lost? If it is an appellate decision (as most of the cases we read are), there are two outcomes to consider. First, what happened in the court below? What was the lower court’s judgment from which the appeal was taken – did plaintiff prevail after trial? Did the lower court grant defendant’s motion to dismiss the claim? And second: how does the appellate court dispose of the case? Who wins and who loses on appeal? What happens next?

If you can’t summarize the case under those three headings – facts, claim, outcome – read it over until you can.

At that point, you can undertake the **second reading**, which should focus on the court’s reasoning: How did it reach the outcome that it reached? If the court resolved the claim in plaintiff’s favor, why did it do so? How, in other words, did it get from A (the facts) to B (the conclusion that plaintiff wins)? What rules of law did it apply to the facts to reach that conclusion?

Homer's Fallacy: The Logic of Facts

You are having a conversation with your friend Alice. You ask her if she has any news about your mutual friends John and Mary, and she tells you the following story (which we'll call "Alice's Story"):

"Mary has been away for several years, studying in Italy. She just came back to town about a month ago. She has been spending lots of her time with John. He's working as a bartender. He sent her an email the other day that said 'Mary, I love you, won't you be mine?' The two of them are going on a trip out West this coming summer."

Assume that all of the facts in Alice's Story are true. [Put aside for now any concerns you might have about *exactly* what 'lots of her time,' or 'several years,' might mean] Assume also that you have no other facts about what John and Mary have been up to over the last few years.

The following day, your friend Bob asks you a question: Did John go visit Mary while she was in Italy? What do you tell him?

Your answer – the only "correct" answer, surely – is "I don't know." You really don't know. How could you? The only facts you have are those contained in Alice's Story, and given those facts and only those facts, you can't possibly know whether John went to visit Mary while she was in Italy because both (a) his having done so and (b) his not having done so are both consistent with the facts you have. The factual assertion "John went to visit Mary while she was in Italy" and its contrary assertion (that "John did not go to visit Mary while she was in Italy") are, as far as you can tell given the facts you have, equally likely. There's no way to tell which is true and which is false.

On the basis of the facts that you know to be true (*i.e.*, the facts in Alice's Story), there are some factual assertions that you know are not true. For example, these:

"John has never held down a job"

"Mary has never been abroad"

"John and Mary have had no contact with one another over the past year"

These factual assertions are not true. They contradict facts that you know are true; they are, therefore, false. If Bob were to assert any of them, you would contradict him, because the facts he's asserting are inconsistent with facts that you know to be true.

But "John went to visit Mary while she was in Italy" isn't like that. It's not inconsistent with any known facts. If he had gone to visit Mary, that wouldn't contradict

anything we know to be true – but the same holds if he had not gone to visit Mary. So the right answer is: “I don’t know.”

Your friend Homer, however, answers Bob’s question this way:

“Hmmm, let’s see – did John go to visit Mary while she was in Italy? Alice didn’t say that he did, therefore he must not have. The answer to Bob’s question is ‘No, he did not.’”

Homer’s reasoning, of course, is flawed, and we’ll call this “Homer’s Fallacy.” It would make sense only if Alice’s Story were an exhaustive recitation of the facts – if it contained all of the facts about John and Mary. If Alice’s Story was exhaustive in this sense, then we could say with confidence that John did not go to visit Mary while she was in Italy, because that fact does not appear in our exhaustive list of facts.

In a conversation among friends, it would be most peculiar, surely, to think that one has received an exhaustive account of the relevant facts, and I doubt that any of you would ever make so silly a mistake.

Many law students, however, commit Homer’s Fallacy – over and over and over again – when thinking about legal questions (or answering those questions on an exam). It’s quite strange (given how unlikely it is that they would commit Homer’s Fallacy in a conversation with a friend), and worth some of your attention. First, let me give you an idea of what Homer’s Fallacy looks like in the context of legal questions, and then a few words about why it is that students tend to commit it (and how you can avoid doing so).

* * * * *

Here’s a stripped-down version of a question that might appear on an IP exam:

Facts: Will composes a poem for his aging mother (Pandora). He reads it to her at her 90th birthday party. He hands her his copy of the poem and says “Here, Mom, this is yours forever, lock, stock, and barrel.” Two years later, the poem appears in a book entitled Great Modern American Poetry, published by Random House, Inc. Borders Books sells over 100,000 copies of the book in its stores throughout the U.S.

Question: Pandora comes to you and asks you whether she has a claim for copyright infringement against Borders Books. What do you tell her?

To understand how Homer’s Fallacy manifests itself here, you need to know a few things about copyright law that you may not have learned yet (and which we will cover later in the semester). Here are some relevant copyright rules; for now, take them as given:

1. One of the requirements for a claim for copyright infringement is that you “own” the copyright.

2. A copyright owner may transfer the copyright to another, but the transfer is not valid unless it is in writing and signed by the copyright owner.

3. The author of a work is the initial owner of the copyright in the work.

With those rules in hand, Homer answers the question this way:

“No, Pandora does not have a claim. Only the owner of copyright has a claim for infringement. The author of a work is the initial owner of the copyright. [*So far, so good*] That makes Will the initial owner of the copyright in the poem. [*Right!*] The owner of the copyright may transfer the copyright to another, but the transfer must be in writing. [*Right again!*] Will’s oral statement (“Here, Mom, . . .”) is not sufficient to transfer the copyright to Pandora. [*Terrific!*] Because Will did not transfer the copyright in writing to Pandora, she does not own the copyright and does not have a claim for infringement against Borders Books (or anyone else).”

Huh? Will didn’t transfer the copyright in writing – where did that come from? It’s Homer’s Fallacy; saying that “Will did not transfer the copyright in writing to Pandora” is just like saying “John did not go to visit Mary while she was in Italy.” You don’t know whether Will did, or did not, transfer his copyright in writing to Pandora. Maybe he did, and maybe he didn’t.

Alice’s (better) answer is:

“Only the owner of copyright has a claim for infringement. The author of a work is the initial owner of the copyright. [*So far, so good*] That makes Will the initial owner of the copyright in the poem. [*Right*] The owner of the copyright may transfer the copyright to another, but the transfer must be in writing. [*Right again*] Will’s oral statement (“Here, Mom, . . .”) is not sufficient to transfer the copyright to Pandora. [*Terrific*] If Will’s statement was not accompanied by a signed writing transferring copyright to Pandora, she does not own the copyright, and therefore she does not have a claim for infringement against Borders Books (or anyone else). If there was a signed writing, then . . . [continue with analysis of Pandora’s possible claim against Borders Books]”

It’s a small difference, but it has enormously important consequences for your analysis of this problem (and many other legal problems). Homer gets a C-, while Alice is in the running for an A. Homer’s answer stops after a single paragraph – there’s no point going forward with any additional analysis of Pandora’s possible infringement claim, because she can’t possibly have (in Homer’s view) any infringement claim. That makes perfect sense – if the “Facts” were exhaustive. But why would you think the facts given to you were exhaustive? Unless you have some reason to think that you have an

exhaustive list of facts, a thorough analysis of Pandora's problem has to consider both the possibility that Will did transfer his copyright in writing, and the possibility that he did not, because the two are, as far as we know, equally likely.

Legal analysis is a lot more difficult when you do it Alice's way – sorry about that, but that's just the nature of the beast. It requires keeping track of a lot of statements like “if X happened, then we reach conclusion A; if X did not happen, then we reach conclusion B; if we reach conclusion B, then we have to ask whether Y happened; if Y happened, then we reach conclusion B1; if Y did not happen, . . .” “Forking,” one of my professors called it when I was in law school. Homer's answer is so much easier to put together than Alice's, because he can stop after one paragraph and she can't, and it's tempting to follow Homer's route because of that. Analyzing legal problems would be a lot easier if each one came tucked inside of a nice neat bundle of exhaustive facts – but that's not, generally speaking, how the world works, and without some special reason to believe that you have “all of the relevant facts,” you just have to slog through the forking. [Fortunately, there are many occasions in which you do have special reason to believe that you have all of the relevant facts – see below]

It takes some getting used to, and some practice. For now, to avoid Homer's Fallacy, pay close attention to whether or not you are dealing with an exhaustive set of facts; *do not presume that you have one unless it is clear that you do*. This should be easy – it's what we all do, after all, in the “real world,” when we are presented with collections of facts.

* * * * *

The primary reason that law students make this rather glaring logical error is that they do frequently encounter situations in which it is perfectly reasonable to treat the facts presented as being exhaustive, and they therefore lose sight of how unusual a condition this is. This is, in a sense, the point of most legal proceedings: to put together an exhaustive set of facts for the decision-maker, guided primarily by the rules of evidence, from which a decision is to be rendered. Judges and juries are ordinarily not permitted to go beyond the facts that have been placed into evidence in order to decide who wins and who loses. Most legal opinions, therefore, have this character, too – they present all of the (relevant) facts, and then they proceed to apply the law to those (and only those) facts to reach a conclusion.

So we might encounter these facts in a judicial opinion:

___ F. Supp. ___

PANDORA, plaintiff v. BORDER’S BOOKS, INC., defendant

CIVIL ACTION No. _____

UNITED STATES DISTRICT COURT FOR THE ___ DISTRICT OF ___

June 1, 200X, Decided

Judge _____, presiding

The facts of this case are straightforward. Will composed a poem for his aging mother (Pandora). He read it to her at her 90th birthday party. He handed her his copy of the poem and said “Here, Mom, this is yours forever, lock, stock, and barrel.” Two years later, the identical poem appeared in a book entitled Great Modern American Poetry, published by Random House, Inc. Borders Books sells over 100,000 copies of the book in its stores throughout the U.S. Pandora filed suit for copyright infringement.

...

If those are the only relevant facts before the court, the judge will (and should) do just what Homer did: Will did not give Pandora a signed transfer of copyright, because that fact does not appear as one of the facts before us; therefore, Pandora’s claim must fail. The court should grant Borders’ motion for summary judgment – on these facts, even assuming they’re all true, Pandora must lose. The judge takes these facts – and we, as readers of the opinion, take these facts – as true and exhaustive, and makes a decision on that basis.

Because judges can do that – and are expected to do that – do not assume that lawyers can do that most of the time. When a client comes to talk to you and gives you her story, or when a partner in your firm gives you the facts of a case, it would be very odd, and it will get you into a great deal of trouble, to assume that the facts presented are exhaustive. When it’s appropriate to think that way, we think that way; when it’s not, we don’t.

Joint Authorship

The Copyright Act says that “the authors of a joint work are co-owners of copyright in the work,” §201, and that “a ‘joint work’ is a work prepared by two or more authors with the intention that their contributions be merged into inseparable or interdependent parts of a unitary whole.” §101. The Childress case addresses the question: how does a work become a ‘joint work’ (entitling the authors to co-ownership of the copyright)? Because the court concludes that the work in question is not a joint work, it does not have to go on to consider what happens if the work were a ‘joint work’ and the nature of that co-ownership interest.

The “co-ownership” referred to in §201 has been treated as a kind of “tenancy in common” with respect to the copyright [not, of course, with respect to ownership of any of the tangible embodiments of the work, see §202]. That is, each co-owner is deemed to own the entire indivisible whole of the copyright, subject to the other co-owners’ similar ownership interest.

There’s a great deal of law about the nature of this co-ownership interest, none of which we will be looking at in this course. It can be summarized roughly as follows:

A co-owner of copyright can exercise all of the rights of the copyright owner as set forth in §106 of the Copyright Act; he/she can reproduce the work in copies, create derivative works from the copyrighted work, distribute copies of the work to the public, etc.

A co-owner of copyright may authorize others to exercise those rights. If “John Lennon” and “Paul McCartney” are co-owners of the copyright in the musical work “I Am The Walrus,” either one of them can authorize (via license) a third party to reproduce the work, create derivative works from the work, etc., without the necessity of the third party obtaining permission from the other co-owner.

None of the co-owners, however, can grant an exclusive license to a third party on his/her own (i.e., without the consent of the other co-owner(s)). Thus, Lennon can grant me a license to record “I Am The Walrus” and to publicly perform “I Am The Walrus,” and I will not be infringing the copyright if I do so.

But Lennon can't grant me an exclusive license to do any of those things, because he can't be sure that McCartney, co-owner of the copyright, isn't at this very moment granting a license to someone else.

A co-owner of copyright can sue for infringement of the copyright.

And finally, all co-owners are entitled to a share (usually pro rata, although courts can make exceptions in special cases) of all proceeds generated by any such exploitation of the work. (So if I've paid Lennon \$2000 for the license he granted to me, Lennon will have to share that with McCartney).

Licenses, Exclusive Licenses, and Copyright Ownership

Section 106 of the Copyright Act gives “the owner of copyright under this title . . . the exclusive rights to do and to authorize” a number of things: reproducing the copyrighted work in copies (§106(1)), creating “derivative works based upon the copyrighted work,” (§106(2)), etc.

Note the right “to authorize.” Copyright owners may authorize others to do the things that the statute gives them (the copyright owners) the exclusive right to do – the owner of copyright in a literary work can authorize someone (*e.g.*, a publisher) to distribute copies of the work, the owner of copyright in a musical work can authorize someone (*e.g.*, a record company) to reproduce the work and distribute copies, and can authorize someone else (*e.g.*, a radio station) to “perform the work publicly,” etc.

Conventionally, we call these authorizations “licenses” – permission to do something that would otherwise subject you to liability (because it is within the copyright holder’s exclusive rights).

Licensing is a critical feature of all of the copyright industries. It is sometimes easy to forget, because we focus so much on litigation and the copyright owner’s cause of action, that thousands and hundreds of thousands of licenses are executed every day (while litigation is a relatively infrequent occurrence). In many ways, licensing is the “point” of the whole copyright system – the way that copyright enables authors to receive compensation for their creative efforts.

Two important points to notice. First, it means that defendants in infringement actions will often raise an authorization/license defense: Yes, copyright subsists in the work, and you own the copyright, and I publicly displayed it in apparent violation of your rights under §106(5) -- **but** you (or someone else who was the copyright owner at the time) authorized me to do that.

Second, **authorization (a “license”) from the copyright holder is not the same as ownership of the copyright.** This is a critical distinction that can be quite confusing, though it is also central to copyright (and patent/trademark) law and practice. If I give you a license to distribute copies of my work, you don’t thereby “own” any part of the copyright. You have a right to do something that you wouldn’t have absent the license (to distribute copies of my work), but it is not an **exclusive** right – and “owning” the copyright (or part of the copyright) means possessing the **exclusive** right to do something. [This is precisely equivalent to the situation with regard to the “ownership” of real property; when the movie theater gives you a “license” to enter onto its property (which would, absent the license, constitute a violation of the theater’s rights [“trespass”]), you don’t, obviously, own the movie theater property or any part of it.)

Things get a little more complicated because the copyright owner, sometimes, grants third parties an “exclusive license.” If I grant you an **exclusive** license to distribute copies of my work, you now have what I used to have under §106(3) – the exclusive right to distribute copies of the copyrighted work. You have become, in effect, the owner of copyright – not the entire copyright (I still have the exclusive right to reproduce the work, to create derivative works based upon it, etc.), but one piece of the copyright.

This is reflected in the Copyright Act, and has very important implications for copyright practice. We saw earlier that, under §204(a), a “transfer of copyright ownership not valid unless an instrument of conveyance, or a note or memorandum of the transfer, is in writing and signed by the owner of the rights conveyed or such owner's duly authorized agent.” “Transfer of copyright ownership,” in turn, is defined in §101 to mean

“an assignment, mortgage, **exclusive license**, or any other any conveyance, alienation, or hypothecation of a copyright or of any of the exclusive rights comprised in a copyright, whether or not it is limited in time or place of effect, **but not including a nonexclusive license.**”

Putting these sections together: a grant of an exclusive license is a transfer of ownership, and must be in writing and signed by the grantor; a nonexclusive license is **not** a transfer of ownership, and therefore it need **not** be in a signed writing. Or to put it differently – nonexclusive licenses can be granted orally, or implied from conduct; exclusive licenses cannot.

The Copyright Claim

To prevail on a claim for copyright infringement, a plaintiff must demonstrate:

1. That copyright subsists in the work of authorship that is the subject of the claim;
2. That he/she “owns the copyright” – more precisely, that he/she was the “legal or beneficial owner of an exclusive right under a copyright” and therefore “entitled, subject to the requirements of section 411, to institute an action for any infringement of that particular right committed while he or she is the owner of it” (§501(b)); and
3. That the defendant’s actions, taken “while [Plaintiff] is the owner of [that exclusive right],” *id.*, violated (“infringed”) “that particular right.” *Id.* See also §501(a) (“Anyone who violates any of the exclusive rights of the copyright owner as provided by sections 106 through 122 . . . is an infringer of the copyright”) [Question: What words have I omitted in those ellipses?].

That constitutes the plaintiff’s *prima facie* cause of action, the elements of the copyright claim. [Defendant may be able to raise defenses to such a claim – we will consider some of those shortly].

The inquiry under #3 turns out to be a little more complicated than it appears, and often gives students (or even experienced lawyers) considerable trouble. On the one hand, it is reasonably clear, given the statutory text, that Plaintiff has to point to one or more of the exclusive rights he/she owns and demonstrate that the defendant violated it, *e.g.*, that the defendant “reproduce[d] the copyrighted work in copies,” §106(1), or “distribute[d] . . . phonorecords of the copyrighted work to the public by sale or other transfer of ownership,” §106(3), or “display[ed] the copyrighted work publicly,” §106(5),¹ all without authorization to do so.

¹ Note that under §106(5), the plaintiff must also show that the work in question is within the categories specially enumerated in that section – *i.e.*, that the copyrighted work publicly displayed by the defendant is a “literary, musical, dramatic, [or] choreographic work[], pantomime[], [or a] pictorial, graphic, or sculptural work[], including the individual images of a motion picture or other audiovisual work.”

There is, however, an additional step not expressly set forth in the statutory text: the plaintiff must show that the defendant “copied” from plaintiff’s work. This is a very unfortunate choice of words, but it is deeply ingrained within copyright law and we’re stuck with it. It’s unfortunate because the Copyright Act expressly defines the word “copy” as a noun; a “copy” is a

“. . . material object[], other than [a] phonorecord[], in which a work is fixed by any method now known or later developed, and from which the work can be perceived, reproduced, or otherwise communicated, either directly or with the aid of a machine or device.” §101.

But “copy,” as used within inquiry number 3, is being used as a verb: If the defendant did not “copy” from plaintiff’s work, there is no copyright infringement claim, no matter how similar defendant’s work may be to plaintiff’s. [Question: How could defendant’s work be similar to plaintiff’s – or even identical to plaintiff’s – if the defendant did not “copy” from plaintiff’s work?] As you read the cases in this section, focus on both prongs of the inquiry: how does the court figure out whether or not the defendant “copied” from plaintiff’s work? And which of the exclusive rights did defendant violate?

Section 106 Hypotheticals

Identify which of the copyright-holder's exclusive rights under §106 might have been violated in the following hypotheticals:

1. Charlotte turns on the FM radio in her office; it is playing a recording of Bob Dylan's "Tangled Up in Blue" (which you may assume is protected by copyright).
2. Daniel goes to an exhibition at the Philadelphia Museum of Art, where he sees a sculpture by Klaus Herring entitled "Abstract #33." [Assume Herring's sculpture is protected by copyright]. His sister is getting married this coming weekend, and as a surprise, Daniel carves an ice sculpture closely resembling the shape and proportions of "Abstract #33."
3. Assume that Motion Pictures, Inc. ("MPI") owns the copyright in the recently-released film "There Will Be Blood." Ellen buys a copy of the DVD version at her local video store. Using her computer, she makes a copy of the DVD and sends it to her brother in Canada. She is a high school teacher, and she brings the DVD with her to school one day and shows it to her students.
4. Fergus buys fifty copies of Ian McEwan's award winning novel "Atonement." [Assume it is a copyright protected work] He gives all of the copies (except one) to his friends and relatives at Christmas. As part of his efforts to learn Italian, he translates the fifth and sixth chapters of the book into Italian. He also writes a song – "There will be no Atonement Anymore" – in which he imagines how the lead character from the novel (Briony Tallis) would have reacted had she visited Las Vegas. He performs the song at a local Philadelphia nightclub
5. Georgia owns an art gallery specializing in 20th century paintings and photographs. She obtains two large paintings by Jasper Johns and a series of photographs taken by Diane Arbus, hangs them in her gallery, and offers them for sale. [Assume the Johns paintings and Arbus photos are protected by copyright]. She takes photographs of the Johns painting and puts copies of the photograph (a) in her current catalogue (a listing of all art available for sale at the gallery) and (b) on her website.
6. Herman, CEO of Multiplex, Inc., buys a copy of "The Best American Poetry of 2008." He is so moved by one of the poems in the collection that he reads it out loud at Multiplex, Inc.'s annual shareholder's meeting.

A Note on the Patent Process

There are three critical dates in the life of any patented invention:

- (a) the date of invention;
- (b) the date of application for a patent; and
- (c) the date of issuance of the patent.

The first is important largely because of sec 102(a) and 103(a), both of which direct the PTO examiner to look at whether certain things were true prior to the date of invention (i.e. whether the invention was “known or used by others in this country” prior to date X, and whether the invention would have been obvious to a POSITA on that date).

Date (b) is important largely because of sec. 102(b): Was the invention “patented in a foreign country,” or “in public use” or “on sale” in this country, etc. more than one year prior to date (b)?

Date (c) is important, because no patent rights attach to the invention prior to date (c). Unlike copyright rights (which attach at the moment of “creation”), the exclusive patent rights do not come into being unless and until the duly authorized agency of the US government says they do (i.e., when the patent is issued by the PTO). You can't infringe a patent prior to date (c), because there are no exclusive rights in existence with respect to the invention prior to date (c).

Dates (b) and (c) are usually quite easy to ascertain. Not so with date (a); be on the lookout, as you read the various cases, for the ways in which courts define the date of invention.

During the interval between (b) and (c) – which, as we've mentioned, may be (and often is) several years long – the applicant is permitted to put “patent pending” or similar designations on goods distributed in the marketplace. [But see sec. 292 of the Patent Act: “Whoever marks upon, or affixes to, or uses in advertising in connection with any article the words “patent applied for,” “patent pending,” or any word importing that an application for patent has been made, when no application for patent has been made, or if made, is not pending, for the purpose of deceiving the public, shall be fined not more than \$500 for every such offense.”] The purpose of this designation is to alert members of the public that, while the article is not yet covered by patent rights (and therefore can be made or used by others without liability), it will possibly soon be the subject of such rights (and that there will be possible infringement liability at a later date for any such use of the article).