Title
It's A Wonderful Life - Motion Picture Studios Can Regain Control of Their Wayward Classics

Permalink
https://escholarship.org/uc/item/1156053p

Journal
UCLA Entertainment Law Review, 1(1)

ISSN
1939-5523

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Publication Date
1994

Peer reviewed
It's A Wonderful Life - Motion Picture Studios Can Regain Control of Their Wayward Classics

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I. INTRODUCTION

Film commentators generally consider the years 1930 to 1945 to be Hollywood's golden age. However, many of the motion pictures produced during that period have lapsed into the public domain, and as a result, such films as It's A Wonderful Life, The Bells of St. Mary's, Meet John Doe, and A Farewell to Arms are broadcast, cablecast, and sold in video stores repeatedly without any payment going to the motion picture studios that financed the projects. As a result, American television viewers are inundated with repeated free showings of the wayward classics, a positive occurrence for many. Copyrights in

2. A work enters the public domain when the copyright expires and is not renewed or if the copyright fails for technical reasons. Once in the public domain a work is free to be used by the public without fear of copyright infringement. See 1 MELVILLE NIMMER & DAVID NIMMER, NIMMER ON COPYRIGHT §§ 2.03[G], 4.01[B] (1993) [hereinafter NIMMER].
3. At a time when cable television, satellite transmission, the home video revolution, and vast international markets were hardly foreseeable, it is arguable that many motion pictures were intentionally allowed to fall into the public domain. The rights of reversion in section 24 of the Copyright Act of 1909 put many authors and their heirs in the enviable bargaining position of naming their renewal prices for underlying works of popular films. As explained by the Supreme Court in Stewart v. Abend,

When an author produces a work which later commands a higher price in the market than the original bargain provided, the copyright statute is designed to provide the author the power to negotiate for the realized value of the work. That is how the separate renewal term was intended to operate.

495 U.S. 207, 229 (1990) (citation omitted). Money, however, was spent carefully by the Zukors, Mayers, Goldwyns, and Selznicks. They were not a breed to be bullied. Possibly lacking in foresight, those media titans may simply have refused to enter negotiations with artists possessing the leverage provided them by the copyright law.

The failure to renew may also have been the product of oversight. A simple study of videotape copyrights in the local video store reveals that some studios have been particularly diligent in securing timely renewals (MGM, Universal and United Artists), while others have not (Goldwyn and Republic Pictures). With the price of renewal paltry (the price of renewing a copyright is currently $12, 37 C.F.R. § 202.18 (1993)), it is not difficult to imagine that these studios missed renewal dates simply because no one was minding the store.

Additionally, motion picture studios in need of revenue often transfer their motion-picture copyrights to banks as security for large monetary loans. It is quite possible that many bankers, unfamiliar with the copyright laws and without the staff to police the films' numerous renewal dates, allowed copyrights to lapse.

4. For purposes of this paper, "wayward classics" denote motion pictures that have allegedly fallen into the public domain.
the underlying elements of many of these films, however, may still be viable and are owned by the studios and artists that created them. These entities and individuals not only deserve remuneration and control over their work, but the policy behind copyright protection supports their claims.\(^5\)

Arguably the studios can still assert control over the use of their wayward classics through the doctrine of derivative-work subordination. The doctrine stands for the notion that the copyright owner of an underlying work (such as a short story upon which a movie is based) has lawful control over the use of that work even after a derivative work (such as the movie based on the short story) has been published.\(^6\) It places the derivative owner's rights subordinate to those of the underlying copyright owner, and it lies at the heart of the argument that motion pictures in the public domain are beholden to other works which have not yet lapsed into the public domain.

In addition, there is a second way that studios may exert control over their wayward classics. They may argue that they still own the copyright to the works themselves. If the studios are able to show, first, that the distribution and exhibition of movies prior to 1978\(^7\) did not constitute "general publication"\(^8\) under the Copyright Act of 1909,\(^9\) and second, that the movies were never registered with the

5. "This limited monopoly granted to the artist is intended to provide the necessary bargaining capital to garner a fair price for the value of the works passing into public use." Abend, 495 U.S. at 229 (citations omitted). For example, the creator of a short story can, by the analysis espoused by this Comment, curtail use of a multi-million dollar film based upon the short story's copyright. As such, the constitutional balance is preserved, and those vying to use the derivative motion picture must bargain with the original creator of the work in a manner intentionally designed by the copyright laws.

6. The derivative work is subordinate to the copyright in the underlying work. 1 NIMMER, supra note 2, §§ 3.04-3.07.

7. In 1948, the United States Supreme Court, in United States v. Paramount Pictures, 334 U.S. 131 (1948), handed down its landmark ruling that forced the major film studios to divest themselves of their theater chains.

8. "Courts sometimes call acts of dissemination that divest common law copyright 'general publication' and acts of dissemination that do not divest common law copyright 'limited publication.'" 1 PAUL GOLDSTEIN, COPYRIGHT: PRINCIPLES, LAW AND PRACTICE § 3.2 (1989).

9. The 1909 Copyright Act nowhere directly defined investitive publication. Section 26 of the Act indirectly defined investitive publication by providing that "the date of publication" shall in the case of copies of a work of which copies
Copyright Office, then the works did not enjoy statutory copyright protection until January 1, 1978, when the Copyright Act of 1976 took effect.\textsuperscript{10} After January 1, 1978, works that were previously unprotected by statutory copyright became statutorily protected until at least December 31, 2002.\textsuperscript{11} Under this analysis, the studios' statutory copyright to their wayward classics may be effective until at least December 31, 2002.

This Comment suggests that both the doctrine of derivative-work subordination and the concept that pre-1949 movie distribution did not constitute "general publication" are solid theories for the studios to assert in their quest to "recapture" their wayward classics. Section II of this Comment examines the copyright laws and discusses the doctrine of derivative-work subordination, analyzing how the doctrine should be utilized by the studios to exert control over their wayward classics. Section III focuses on whether the distribution and exhibition of films prior to 1949 constituted "publication" under the Copyright Act of 1909, and hence invested them with statutory protection. A split of authority on what constitutes general publication under the 1909 Act leaves the issue open for debate. If such works were not considered generally published, and were never registered with the Copyright Office, they were not invested with statutory protection.

\textit{Id.} § 3.2.1 (citation omitted).

10. Copyright Act of 1976, § 102, Pub. L. No. 94-553, § 102, 90 Stat. 2541, 2598 (1976). The new act altered the requirements for statutory protection. Instead of publication with notice or registration, a work need only be original and fixed in a tangible medium of expression to be statutorily protected. 17 U.S.C. § 102 (1988 & Supp. IV 1992). It should be noted that works that were neither generally published nor registered were protected from misappropriation by the common law, a creature of state law. See 2 NIMMER, supra note 2, § 9.01[B].

11. The "statutory minimums" were a component of the Copyright Act of 1976 and guaranteed that any previously uncopyrighted work created before January 1, 1978 would be statutorily protected until at least December 31, 2002. 17 U.S.C. § 303 (1988) states:

Copyright in a work created before January 1, 1978, but not theretofore in the public domain or copyrighted, subsists from January 1, 1978, and endures for the term provided by in section 302. In no case, however, shall the term of copyright in such a work expire before December 31, 2002 . . . .
Consequently, the films remained protected by the common law until the Copyright Act of 1976 took effect, and then became statutorily protected under the 1976 Act until at least December 31, 2002.

II. THE DOCTRINE OF DERIVATIVE-WORK SUBORDINATION

A. Overview of the Relevant Copyright Law

The terms "derivative work" and "underlying work" are commonly used terms in copyright law.\textsuperscript{12} The term "derivative work" refers to a work that is based upon, or otherwise incorporates, another work.\textsuperscript{13} Examples of derivative works are motion pictures and television programs. Conversely, the term "underlying work" refers to the preexisting work that was incorporated into the derivative work.\textsuperscript{14} Examples of common underlying works include novels, short stories, and even musical scores.

A screenplay that contains the text of a story, including its component parts of plot, theme, and character, constitutes a validly protectable underlying work.\textsuperscript{15} Therefore, a motion picture based upon a screenplay with the authorization of its copyright owner is a protectable derivative work.\textsuperscript{16} However, the elements of a derivative work

\begin{itemize}
  \item \textsuperscript{12} Lionel S. Sobel, \textit{View from the "Rear Window"; A Practical Look at the Consequences of the Supreme Court's Decision in Stewart v. Abend}, ENT. LAW REP., June 1990, at 3, 4.
  \item \textsuperscript{13} A "derivative work" is statutorily defined as "a work based upon one or more preexisting works, such as a translation, musical arrangement, dramatization, fictionalization, motion picture version, sound recording, art reproduction, abridgment, condensation, or any other form in which a work may be recast, transformed, or adapted." 17 U.S.C. § 101 (1988 & Supp. IV 1992).
  \item \textsuperscript{14} An "underlying work" provides the inspiration or basis for the derivative work. 1 NIMMER, \textit{supra} note 2, § 3.01.
  \item \textsuperscript{15} Id. §2.03[A].
  \item \textsuperscript{16} A particular motion picture may be classified as a derivative work for one or more reasons. Preparation of a motion picture will ordinarily require a detailed written plan, such as a "shooting script," which breaks down a motion picture project camera-shot by camera-shot. The shooting script in turn is based upon a less detailed script, often called a "screenplay." In addition, the production process often will have begun with the preparation of a so-called "treatment," which describes the action of the projected motion picture in outline form.
\end{itemize}
work that are protectable are only those elements that are original and different from the underlying work.\textsuperscript{17} If the motion picture becomes statutorily protected, its owner only receives copyright protection for any new material in the derivative work.\textsuperscript{18} Hence, the dialogue in the derivative work is not protectable if it is copied from the underlying work.\textsuperscript{19} What does become protectable are the film's look, lighting, and the picture itself—the amalgam of creativity, visualization, sound, and drama not found on the printed page.\textsuperscript{20}

Under the Copyright Act of 1909 ("the 1909 Act"),\textsuperscript{21} a motion picture was invested with federal statutory copyright protection in

Finally, the treatment itself may well be a derivative work which is based on a literary classic, a contemporary novel or play, a work of history or biography, or even a popular song. Moreover, most motion pictures produced in the United States since 1919 have had musical soundtracks which may consist of music written specifically for the film, music originally composed without reference to possible soundtrack use, or both. In this sense also, motion pictures are derivative of other preexisting works.


17. 1 NIMMER, supra note 2, § 3.04[A].

18. Russell v. Price, 612 F.2d 1123, 1128 (9th Cir. 1979), cert. denied, 446 U.S. 952 (1980); Grove Press v. Greenleaf Publishing, 247 F. Supp. 518, 526 (E.D.N.Y. 1965). See also 17 U.S.C. § 103(b) (1988) ("The copyright in a compilation or derivative work extends only to the material contributed by the author of such work, as distinguished from the preexisting material employed in the work . . . .").

19. On the other hand, the character names and many of their traits are not protectable at all. This is because mere ideas are not protected by copyright. 17 U.S.C. § 102(b) (1988) ("In no case does copyright protection for an original work of authorship extend to any idea, procedure, process, system, method of operation, concept, principle, or discovery, regardless of the form in which it is described, explained, illustrated, or embodied in such work.").

20. For example, the elements of a photograph found to be copyrightable include such features as the photographer's selection of lighting, shading, positioning, timing, camera angles, poses, type of camera, lens, and film. 1 NIMMER, supra note 2, § 2.08[E][1]; Kisch v. Ammirati & Puris, Inc., 657 F. Supp. 380, 382 (S.D.N.Y. 1987); Pagano v. Charles Beseler Co., 234 F. 963, 964 (S.D.N.Y. 1916); see also Time, Inc. v. Bernard Geis Assocs., 293 F. Supp. 130, 141 (S.D.N.Y. 1968) (holding that individual frames of the Abraham Zapruder film of the assassination of President John F. Kennedy are copyrightable photographs notwithstanding that they depict a news event).

either one of two ways: (1) publication with proper copyright notice,\textsuperscript{22} or (2) registration and deposit of the completed film with the U.S. Copyright Office.\textsuperscript{23} The statutory protection lasted for twenty-eight years and could be renewed for another twenty-eight-year period. A lack of publication or registration left the work with common-law protection,\textsuperscript{24} which, under the 1909 Act, was perpetual.\textsuperscript{25}

Beginning with the enactment of the Copyright Act of 1976 ("the 1976 Act"),\textsuperscript{26} statutory protection was invested in any original creation "fixed in any tangible medium of expression."\textsuperscript{27} Consequently, all works that were previously protected by common-law copyright were invested with statutory protection under the 1976 Act regardless of whether they were ever published or registered. The 1976 Act effectively did away with the constitutionally suspect notion of perpetual copyright protection.\textsuperscript{28}

B. Use of the Doctrine to Control Works in the Public Domain

The doctrine of derivative-work subordination ("the doctrine") stands for the notion that the copyright owner of an underlying work has lawful control over the use of that work even after a derivative work has been based upon it. The doctrine places the derivative owner's rights subordinate to those of the underlying copyright owner, and it lies at the heart of the argument that motion pictures in the public domain are beholden to other works that have not yet lapsed into the public domain. The doctrine was first applied by Judge

\begin{enumerate}
\item[24.] Common law copyright was a creature of state law and protected unpublished works from misappropriation. 2 NIMMER, supra note 2, § 9.01[B].
\item[28.] The United States Constitution states that copyright protection shall last for a limited time. U.S. CONST. art. I, § 8, cl. 8 ("To promote the Progress of Science and useful Arts, by securing for limited times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries.").
\end{enumerate}
Learned Hand and was supported by Professor Melville Nimmer and other commentators.

The United States Supreme Court has firmly placed its support behind the doctrine with its holding in *Stewart v. Abend,* which settled a conflict existing between the Second and Ninth Circuits. *Abend* upheld the doctrine of derivative-work subordination and made derivative works, such as motion pictures, clearly subordinate to their underlying works.

In *Abend,* Mr. Abend purchased the copyright in the short story *It Had to be Murder* from author Cornell Woolrich's estate for $650 plus a small percentage of proceeds from the story’s exploitation. The short story was the underlying work upon which Alfred Hitchcock’s film *Rear Window* was based when it was produced some fifteen years earlier. The film’s producers were unable to obtain a renewal of the story’s copyright prior to Woolrich’s death and were thus beholden to Mr. Abend and his $650 property.

The Supreme Court essentially allowed Abend to control the use of the motion picture based upon the strength accorded the underlying copyright. The Court applied the conventional approach that copyrights in derivative works are subservient to copyrights in underlying works. It held that public performance of a motion picture

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30. 1 NIMMER, supra note 2, §§ 3.04-3.07.


33. *Id.*

34. The notion that works in the public domain might still be controlled by their underlying works has caused more than one copyright authority much consternation. Continued control of films which have lapsed into the public domain has been characterized as "copyright ambush" by Professor Francis Nevins. Francis M. Nevins, Jr., *The Doctrine of Copyright Ambush: Limitations on the Free Use of Public Domain Derivative Works,* 25 ST. LOUIS
unauthorized by the owner of the copyright in the underlying work constituted infringement of that copyright.\textsuperscript{35} 

\textit{Abend} all but vanquished the Second Circuit's ruling in \textit{Rohauer v. Killiam Shows}.\textsuperscript{36} \textit{Rohauer} held that the derivative-work owner could continue to use the derivative work without the permission of the owner of the underlying work. Thus, the \textit{Rohauer} court had effectively "shifted the focus from the right to use the preexisting work in a derivative work to a right inhering in the created derivative work itself,"\textsuperscript{37} adopting the theory of "new property rights."\textsuperscript{38} This theory asserts that when a derivative work is copyrighted, it creates new property rights in the derivative work which are independent and separate from any copyright limitations imposed by the underlying work.

Judge Friendly relied on "new property rights" along with a balancing of equities in forming his decision in \textit{Rohauer}. Observing that the intent of the original assignment was that the purchaser's rights would extend through the renewal period and that the purchaser relied upon this intent, Judge Friendly held that a performance of the derivative work did not infringe the rights of the owner of the renewal copyright in the underlying work.\textsuperscript{39} This approach, while essentially siding with the owner of the derivative motion picture based on the alleged hardships the owner would face in comparison to those of the

\begin{footnotesize}
\begin{itemize}
\item 37. \textit{Abend}, 495 U.S. at 222.
\item 38. The theory has been traced to Edmonds v. Stern, 248 F. 897 (2d Cir. 1918), and later Sunset Sec. v. Coward McCann, Inc., 297 P.2d 137 (Cal. Ct. App. 1956), \textit{rev'd}, 47 Cal. 2d 907, 306 P.2d 777 (1957). The \textit{Edmonds} court held that the entire derivative work constitutes "new property" even though much of that "new property" resulted from a direct "lift" from a copyrighted underlying work.

The two things were legally separate, and independent of each other; it makes no difference that such separate and independent existence might to a certain extent have grown out of plaintiff's consent to the incorporation of his melody in the orchestration. When that consent was given, a right of property sprang into existence, not at all affected by the conveyance of any other right.

\item 39. 551 F.2d at 492-94.
\end{itemize}
\end{footnotesize}
underlying story writer, is contrary to existing copyright law. If copyright law takes any equities into account, it favors protecting original creators of underlying works.40

Critics of Rohauer, led by Professor Nimmer, disagreed that the theory of new property rights had a legitimate basis in traditional copyright law.41 The theory completely ignored the careful balance created by the section 24 rights of reversion contained in the 1909 Act.42 Under the theory of new property rights, creators who assigned away the initial twenty-eight-year term of their works were permanently barred from renegotiating a purchase of the second term, thereby stymieing one of the carefully drafted incentives of creation accorded to artists by the copyright law.43

Professor Peter Jaszi, however, in his limited support of the theory, would separate motion pictures from the category of derivative works which should be subordinate to underlying works.44 He argues that motion pictures are almost completely independent of, and thoroughly transform, the underlying works, thereby creating an entirely new, non-subordinate property.45

Jaszi's support of new property rights is unsatisfactory for two reasons. First, when a studio makes a movie based on a best-selling novel, the novel's reputation gives the studio an incentive to invest more money in the project. With a larger budget, the studio can hire bigger stars and spend more money on production and special effects. For example, the motion picture The Firm might never have attracted stars the caliber of Tom Cruise and Gene Hackman without the success

40. Abend, 495 U.S. at 218 (“The renewal term of copyright is the law’s second chance to the author and his family to profit from his mental labors.”) (quoting Seymour M. Bricker, Renewal and Extension of Copyright, 29 S. CAL. L. Rev. 23, 27 (1955)).
41. 1 Nimmer, supra note 2, § 3.07[A]. But see Jaszi, supra note 16, at 780-803 (defending the theory of “new property rights”).
42. 1 Nimmer, supra note 2, § 3.07[A].
43. Id.
44. See Jaszi, supra note 16, at 733-38. It is interesting to note that Professor Jaszi was the successful co-counsel who represented the defendants in Rohauer.
45. Id.
of the underlying novel.\textsuperscript{46}

Second, when a screenplay constitutes the underlying work, Jaszi's position is further weakened. Screenplays are the blueprints of motion pictures, and in many instances mirror the final product. The complete independence asserted by Jaszi is virtually non-existent.\textsuperscript{47} In the words of Mr. Justice Holmes, "The essence of the matter supposed is . . . that we see the event or story lived."\textsuperscript{48} As a result, Jaszi's limited support of the theory of new property rights is not sound, especially when applied to derivative works such as motion pictures. Therefore, the doctrine of derivative-work subordination is the only logical choice in accord with existing copyright law.

C. Examining the Potential Copyrights in Underlying Works

Though the wayward classics (the derivative works) may have seen their copyrights lapse, the underlying screenplays, stories, and musical compositions of the same wayward classics may still be protected. If someone still owns an underlying copyright, then under \textit{Stuart v. Abend} that copyright owner should be able to subordinate the derivative work. Valid copyrights, however, might be difficult to locate, given the passage of time.

\textsuperscript{46} The query is, what does a copyright of a novel include? Does it cover only the form of communication or the mechanism employed, or does it also embrace the pattern of the story? The essence of a novel or any other story for that matter, is the plot, plan, arrangement, characters and dialogue therein contained and not simply its form and articulation. "In truth, every author of a book has a copyright in the plan, arrangement and combination of his materials, and in his mode of illustrating his subject, if it be new and original in its substance."

\textsuperscript{47} See supra note 16.

\textsuperscript{48} Kalem Co. v. Harper Bros., 222 U.S. 55, 61 (1911) (holding that an attempt to reproduce the copyrighted story of \textit{Ben Hur} by moving pictures of scenes dramatizing the work constituted an infringement of the author's copyright).
1. Protection at Common Law of Underlying Works

Initially, the studios must demonstrate that even if the wayward classics were considered "published" at the time they were distributed and exhibited, the underlying works on which the classics were based were not published, and hence retained their common-law copyright protection. The most difficult view to reconcile with this argument belongs to Nimmer, the major proponent of derivative-work subordination. Nimmer's support of the doctrine is tempered by support of the basic-work theory. According to the theory, when a derivative motion picture is published, the underlying common-law screenplay (the basic work) is published as well.49 "Since a derivative work by definition to some extent incorporates a copy of the preexisting work, publication of the former necessarily constitutes publication of the copied portion of the latter."50 Under the basic-work theory, the publication of the derivative work would invest the underlying work with statutory copyright protection pursuant to the 1909 Act and its separate twenty-eight year periods of protection.

If derivative works are supposedly subordinate to their underlying works, then why this reversal which makes the underlying work suddenly subordinate to the derivative work? Although the basic-work theory seems counter to the doctrine of derivative-work subordination, the assumption is that when the owner of the underlying work has consented to the publication of the derivative work, then publication of the underlying work also occurs.51

The prevailing case law and the leading commentators, however, agree that failure to renew the derivative copyright will not strip an underlying work of its valid statutory copyright.52 Taking this argu-

49. 1 NIMMER, supra note 2, § 4.12[A]. This view is shared by Professor Paul Goldstein.
50. 1 NIMMER, supra note 2, § 4.12.
52. See G. Ricordi & Co. v. Paramount Pictures, 189 F.2d 469 (2d Cir.), cert. denied, 342 U.S. 849 (1951); Russell v. Price, 612 F.2d 1123 (9th Cir. 1979), cert. denied, 446 U.S. 952 (1980); Filmvideo Releasing v. Hastings, 668 F.2d 91 (2d Cir. 1981). Nimmer states this view by negative implication: "[C]opyright in the preexisting (or underlying) work will not be vitiated if the new edition (or derivative work) is injected into the public domain for some
ment a step further, the common-law copyright status of underlying works should not be stripped from the underlying work by publication of the derivative work. There is ample authority to support this view.\textsuperscript{53} Indeed, the court in \textit{Gilliam v. American Broadcasting Cos.}\hinted at support for Nimmer's basic-work theory, but refused to commit itself.\textsuperscript{54} In dictum, the court exposed the theory's shaky underpinnings.

The law is apparently unsettled with respect to whether a broadcast of a recorded program constitutes publication of that program and the underlying script so as to divest the proprietor of the script of his common law copyright. Arguably, once the scriptwriter obtains the economic benefit of the recording and the broadcast, he has obtained all that his common law copyright was intended to secure for him; thus it would not be unfair to find that publication of the derivative work divested the script of its common law protection. On the other hand, several types of performances from scripts have been held not to constitute divestiture publication, and it is unclear whether a broadcast of the recording in itself constitutes publication. Since ABC has not objected to Monty Python's assertion of common law copyright in the unpublished script, we need not entertain . . . this perplexing question . . . \textsuperscript{55}

Further, in \textit{Classic Film Museum v. Warner Brothers}, publication of the derivative motion picture \textit{A Star Is Born} was found not to have altered or stripped away the common-law status of the underlying screenplay and musical score.\textsuperscript{56}

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\textsuperscript{54} 538 F.2d 14 (2d Cir. 1976).

\textsuperscript{55} Id. at 20 n.3 (citations omitted).

\textsuperscript{56} 453 F. Supp. 852 (D. Me. 1978), aff'd, 597 F.2d 13 (1st Cir. 1979).
Finally, Nimmer's basic-work theory is also in possible conflict with the language of the "force or validity" clause of the 1909 Act.\textsuperscript{57} This clause purportedly protects the force and validity of underlying copyrights from being adversely affected or impinged in any way by the copyright in the derivative work.\textsuperscript{58}

Provided that underlying common-law works are not "published" through publication of their derivative works, those attempting to wrest control of wayward classics through derivative-work subordination could argue that just as the failure to renew the derivative copyright will not strip the underlying work of its statutory copyright, neither should the failure to renew the derivative copyright strip the underlying work of its common-law protection.\textsuperscript{59} Consent to publication by the underlying work's owner should not lead to loss of common-law copyright because of the shortcomings of the derivative owner. Some may argue that the underlying owner has gotten all that the copyright law promises—the initial sale to another of the property. The underlying work owner, however, should not be forced to police the derivative-work owner's conduct. A copyright owner could force movie studios to comply with copyright law through contractual agreements, but oversights often occur. Perhaps even more burdensome for the underlying owner would be the expectation that he or she should police the

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\textsuperscript{57} Compilations or abridgements, adaptations, arrangements, dramatizations, translations, or other versions of works in the public domain or of copyrighted works when produced with the consent of the proprietor of the copyright in such works, or works republished with new matter, shall be regarded as new works subject to copyright under the provisions of this title; but the publication of any such new works shall not affect the force or validity of any subsisting copyright upon the matter employed or any part thereof, or be construed to imply an exclusive right to such use of the original works, or to secure or extend copyright in such original works.


\textsuperscript{58} "The plain meaning of the ['force or validity' clause] is that the copyright in the 'matter employed'—the pre-existing work when it is incorporated into the derivative work—is not abrogated by publication of the new work." Stewart v. Abend, 495 U.S. 207, 231 (1990).

\textsuperscript{59} If underlying works were allowed to retain their common law copyright, then the statutory minimums of 17 U.S.C. § 303 (1988) provide for continued copyright protection of those screenplays to this day and provide added ammunition to studios in search of "copyright ambush." See discussion infra Section III.
copyright renewal of the derivative work.\textsuperscript{60}

2. Even Underlying Works That Were Thought to Have Statutory Protection May Never Have Been Published or Registered

Studios are well advised to investigate the status of underlying works thought to have statutory protection. A proper analysis may reveal that they, like their common-law counterparts, were never published or registered.\textsuperscript{61} If so, instead of being in the public domain, the underlying works retained their common-law copyright protection until January 1, 1978.\textsuperscript{62} Under this analysis, such underlying works are statutorily protected until at least 2002,\textsuperscript{63} and can be used to control their derivative wayward classics.

As previously discussed, publication of a derivative work does not necessarily constitute publication of the underlying work. Under this view, few if any screenplays or musical scores were statutorily protected prior to January 1, 1978. Moreover, the customs of the industry during Hollywood’s golden age support this contention.

The studio system in place in Hollywood from 1930 to 1945 offered few avenues for investitive publication of screenplays, since each studio had its own stable of salaried writer-employees.\textsuperscript{64} Upon completion of the screenplay, it was either produced or passed over.

\textsuperscript{60} Grove Press v. Greenleaf Publishing, 247 F. Supp. 518, 528 (E.D.N.Y. 1965) (finding that imposing upon a European author the obligation to police publication with requisite notice in the United States was unnecessarily burdensome).

\textsuperscript{61} "Publication" is the distribution of copies or phonorecords of a work to the public by sale or other transfer of ownership, or by rental, lease, or lending. The offering to distribute copies or phonorecords to a group of persons for purposes of further distribution, public performance, or public display, constitutes publication. 17 U.S.C. § 101 (1988 & Supp. IV 1992).

\textsuperscript{62} See supra note 10 and accompanying text.

\textsuperscript{63} See supra note 11 and accompanying text.

\textsuperscript{64} Elaine Dutka, \textit{How Much Are Words Worth To Hollywood}, L.A. TIMES, April 5, 1992, Calendar Section at 22, 65.
The screenplays were considered works made for hire,65 and courts interpreted section 26 of the 1909 Act as applying to both employees and even independent contractors.66 As a result, the studios were considered the authors of the screenplays and owners of common-law copyrights.67 Further, intra-studio distribution of motion picture screenplays to actors, producers, directors, technicians, and management constituted limited, non-divestitive publication.68 Therefore, it is highly unlikely that any of the screenplays to the wayward classics would have been published automatically.

Section 12 of the Copyright Act of 1909 created an exception to the requirement of general publication for statutory protection. It provided statutory protection for a limited class of unpublished works provided they were deposited in the copyright office with claim of copyright.69 "Motion Picture photoplays" fell within this limited class. If they were not deposited with the Copyright Office as section 12 mandates, then they never received statutory protection unless they were deemed to be "published" pursuant to the provisions of section 26 of the 1909 Act or by publication of the derivative motion pictures.

Interestingly enough, however, a search through the Catalogue of Copyright Entries, Cumulative Series70 fails to reveal the names of

65. Under § 26 of the 1909 Act, the author and owner of the copyright to a work were presumed to be the party who initiated, supervised, controlled, and paid for the work. See, e.g., Lumiere v. Robertson-Cole Distrib., 280 F. 550 (2d Cir. 1922) (construing the owner of the copyright to a series of photographs as the entity that arranged and paid for the photograph session), cert. denied, 259 U.S. 583 (1922).

66. May v. Morganelli-Heumann & Assocs., 618 F.2d 1363, 1368 (9th Cir. 1980). Under this view, a customer could qualify as the work's author if the independent contractor produced the work at the customer's instance and expense. 1 GOLDSTEIN, supra note 8, § 4.3.1.

67. Dutka, supra note 64, at 22, 24.

68. "Courts generally hold that the distribution of copies 'to a limited class of persons and for a limited purpose' did not divest common law copyright under the 1909 Act." 1 GOLDSTEIN, supra note 8, § 3.2.2.1 (citations omitted); King v. Mister Maestro, Inc., 224 F. Supp. 101, 107 (S.D.N.Y. 1963) (requirements of limited publication met where a speaker distributed copies of his speech to the press to assist them in reporting the speech); Allen v. Walt Disney Prods., 41 F. Supp. 134, 135-36 (S.D.N.Y. 1941) (general publication not attained where a composer gave or lent copies of his composition to several musicians and orchestra leaders for purposes of performance).


70. UNITED STATES GOVERNMENT PRINTING OFFICE, CATALOGUE OF COPYRIGHT ENTRIES, CUMULATIVE SERIES (1991).
many of the screenplays of the wayward classics. Perhaps the screenplay titles listed in the Catalogue are different from those of their derivative films and are therefore difficult to locate. Or perhaps, the same studio policies and oversights which caused so many copyrights to lapse into the public domain were also at work here. Further investigation is needed to discover if these underlying works were invested with statutory copyright protection via registration. If they were not, then support for derivative-work subordination continues to mount in favor of the owner of the underlying works.

III. UNDER THE 1909 ACT COMMERCIAL DISTRIBUTION OF MOTION PICTURES DID NOT CONSTITUTE GENERAL PUBLICATION

The second major section of this Comment submits that entirely independent of the doctrine of derivative-work subordination, public distribution of motion pictures prior to 1949 did not constitute general publication under the 1909 Act. If the films were neither published nor registered, then they also still enjoy statutory protection until at least December 31, 2002. 71

Publication was never defined by the 1909 Act. 72 This has led to a distinct split of authority with respect to motion picture distribution. The view espoused by Professor Nimmer, the "publication" view, contends that if a motion picture was publicly distributed then it was generally published. 73 The issue then becomes whether there was indeed public distribution.

The alternative position, the "non-publication" view, contends that distribution of motion pictures prior to 1978 constitutes only a limited, non-divestitive publication. Under this view, the distributed work retained its common-law protection.

It is submitted that the "non-publication" view should control. This view is supported by the majority of the case law and is more representative of the practices and intent of the studios which distributed the

71. See supra notes 10-11 and accompanying text.
72. 1 GOLDSTEIN, supra note 8, § 3.2.1.
73. See 1 NIMMER, supra note 2, § 4.11[A].
motion pictures. Further, this view would support the contention that motion picture copyrights in many of the wayward classics are still viable.

A. The "Publication" View

Although Professor Nimmer agrees "that performance is not a publication," he strongly supports the notion that commercial distribution of a motion picture constitutes publication, even under the 1909 Act. He states that "where distribution of a film is made on an unrestricted and commercial basis such distribution constitutes a general publication." Nimmer adds: "[P]ublication occurs when by consent of the copyright owner, the original or tangible copies of a work are sold, leased, loaned, given away, or otherwise made available to the general public, or when an authorized offer is made to dispose of the work in any such manner even if a sale or other such disposition does not in fact occur." The leading cases in support of this view are *American Vitagraph v. Levy*, and *Blanc v. Lantz*.

In *Vitagraph*, plaintiff American Vitagraph ("Vitagraph") produced the film *Hooray for Hollywood*. As part of its sale agreement to Levy, Vitagraph retained a security interest in the film. Vitagraph alleged it was owed damages due to Levy's publication, by release of the film, without proper notice, thereby damaging Vitagraph's security interest. However, the release to the public was extremely limited. The "print was screened to the public for one week in late December 1975 in Eureka, California, and subsequently returned to Vitagraph for additional editing." Although the court found that this did not constitute divestitive publication, it held that a general commercial release of the film would have. It stated:

74. *Id.*
75. *Id.* (citation omitted).
76. *Id.* at § 4.04 (citations omitted).
77. 659 F.2d 1023 (9th Cir. 1981).
79. *Vitagraph*, 659 F.2d at 1025.
In sum, we hold that, in the context where a forfeiture of copyright protection is at stake, that publication of a motion picture does not occur until the film is in commercial distribution—when copies of a film are placed in the regional exchanges for distribution to theatre operators. The adoption of this rule, generally advocated by commentators and followed by the film industry, is in accord with the underlying policies of the copyright law, and at the same time removes much uncertainty from a difficult and arcane area of copyright law under the 1909 act.\(^8\)

Notwithstanding the court’s language, however, its “holding” in the aforementioned quote is actually dicta; the court based its holding in the case on the fact that the display to the public was made for a very limited time.

In *Blanc*, meanwhile, plaintiff sought damages for the alleged infringement of his common-law rights to his musical laugh on the soundtracks of Woody Woodpecker films.\(^8\) Defendants contended that the distribution of the films throughout the world constituted divestitive publication, thereby divesting plaintiff of his common-law rights. The California Superior Court agreed, stating:

> I am unable to concur in plaintiff’s contention that the distribution of the Woody Woodpecker cartoons at most amounted to a “limited” as distinguished from a “general” publication. The distribution and exhibition of these films in commercial theatres throughout the world in my opinion constitutes so general a publication of the contents of the film and its soundtrack as to result in the loss of the common-law copyright. The fact that the copies of the film were leased rather than sold does not prevent the distribution from constituting a “publication” resulting in the termination of the common-law right.\(^8\)

The *Blanc* case has been sharply criticized because it was based on an overbroad, and subsequently repealed, California statute.\(^8\) Due to

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80. *Id.* at 1029.
82. *Id.* at 142 (citation omitted).
83. *CAL. CIV. CODE* § 983 (1872), amended by 1947 Cal. Stat. 1107, § 4. The language upon which the *Blanc* court relied, “makes it public,” was deleted by the 1947 amendments and replaced with “publishes it.”

[T]he *Blanc* case has been distinguished by commentators on the grounds that the court’s decision was based on a subsequently repealed California statute which stated: “If the owner of a product of the mind intentionally makes it public, a copy or reproduction may be made public by any person, without responsibility to the owner, so far as this state is concerned.”
the limited case law on divestitive publication, however, *Blanc* still retains formidable precedential weight.  

B. The “Non-Publication” View

The “non-publication” view holds that distribution and circulation of motion pictures does not constitute publication sufficient to divest the motion pictures of their common-law copyright protection. This view looks to the copyright holder’s control of the films during and after their distribution, the actual use of the films as authorized by the copyright holder, and the intention of the copyright holder regarding whether publication should be divestitive.

Four cases are generally cited in favor of the theory that widespread distribution of a motion picture does not constitute general publication: *O’Neill v. General Film*;  
*De Mille Co. v. Casey*;  
*Brandon Films v. Arjay Enterprises*;  
and *Paramount Pictures v. Rubinowitz*.

In *O’Neill*, the plaintiff was the owner of the common-law copyright to the book *Count of Monte Cristo*. He sued defendant, which had distributed a motion-picture adaptation of the book, in state court for infringement of those common-law rights. Defendant contended

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By the words “makes it public,” the statute appears to have included the public performance of writing in California’s definition of publication, a definition broader than that existing at common law. This position is supported by the *Blanc* court’s use of the words “and exhibition” after the word “distribution,” in finding that the motion picture in question had been published. Since this statutory definition of publication is broader than the common-law definition, the *Blanc* case is said to have little precedent for cases not coming under the statute.

Peter F. Nolan, *Copyright Protection for Motion Pictures: Limited or Perpetual?*, 18 COPYRIGHT L. SYMPS. (ASCAP) 174, 185-86 (1970) (emphasis in original) (citations omitted). For the language of § 983 as it appeared in 1872 and the changes that were made in 1947, see Historical Note in the West Annotated Civil Code (1982).

84. *Blanc* is favorably cited throughout *Vitagraph*.
86. 201 N.Y.S. 20 (Sup. Ct. 1923).
that publication of the motion picture had divested plaintiff's common-law rights, and therefore the state court had no jurisdiction over the matter. 90

The court agreed with this jurisdictional argument but granted plaintiff damages up to and until the date of divestiture—the date when federal jurisdiction would control the matter. 91 There were two dates at issue: November 1, 1912, the date the film was released to exhibitors, and December 10, 1912, the date the film was registered with the copyright office. 92 The court granted plaintiff his common-law relief up to December 10, 1912. By so doing, the court impliedly rejected the notion that the widespread distribution and circulation of the film on November 1, 1912, constituted divestitive publication. 93

*De Mille* was a state-court action for breach of contract and common-law copyright infringement. 94 Defendants contended that plaintiff's underlying work no longer enjoyed common-law protection due to publication of its motion picture adaptation. Ruling for the plaintiff, the court stated:

I do not see that there ever was a publication or dedication to the plaintiff where the public as a whole could claim a right to these plays. The plaintiff's control over them, and the use which it authorized others to make of them, caused no cessation of its original rights. There was, in law, no circulation, exhibition, or distribution of the subject of the copyright that, under the authorities, would constitute an abandonment . . . . Performance of an ordinary play has never been held to be a publication. The mere performance of a photoplay can have no different result; nor can the leasing of the latter or the furnishing of the film constitute a dedication under the circumstances here shown. Furthermore, as defendants conceded, the question of publication is largely one of intention. 95

In its support of the "non-publication" view, *De Mille* emphasized: 1) the copyright holder's control of the films during and after their distribution, 2) the actual use of the films as authorized by the copyright holder, and 3) the intention of the copyright holder regarding

90. *Id.* at 1037.
91. *Id.* at 1038-40.
92. *Id.* at 1037-38.
93. *Id.* See also Nolan, *supra* note 83, at 184-85.
94. 201 N.Y.S. 20 (Sup. Ct. 1923).
95. *Id.* at 28 (emphasis added) (citations omitted).
whether publication should be divestitive in nature.\textsuperscript{96} Widespread distribution alone, therefore, was not sufficient to divest an owner of his common-law copyright ownership.

In \textit{Brandon}, plaintiff Brandon Films had leased its motion pictures for commercial exhibition both domestically and abroad for over thirty-five years without proper copyright notice.\textsuperscript{97} Brandon alleged that Arjay Enterprises infringed Brandon's common-law copyright in two of its motion pictures. Arjay countered that Brandon's long-term commercial distribution constituted divestitive publication of the films' common-law copyrights, thereby placing them in the public domain.

The \textit{Brandon} court distinguished \textit{Blanc} due in large part to its reliance on "a peculiar California statute defining publication, which has since been repealed."\textsuperscript{98} The court, however, prominently cited \textit{De Mille} in holding that Brandon's long period of commercial distribution constituted only limited and not general publication since Brandon Films did not authorize divestitive publication. Further, Brandon retained ultimate control over the use of the two films at issue. As such, the court found that the common-law copyright remained intact.\textsuperscript{99}

In \textit{Rubinowitz}, defendant All-Star Video contended that Paramount's syndication of the \textit{Star Trek} series to television stations throughout the country without proper copyright notice dedicated the work to the public domain.\textsuperscript{100} All-Star Video contended that general publication had occurred in that the broadcasters had tangible possessory interest of the videotapes.\textsuperscript{101} The court disagreed, finding that only a limited publication had occurred.\textsuperscript{102} Prominently citing \textit{Burke v. National Broadcasting Co.},\textsuperscript{103} the court distinguished a "general

\begin{itemize}
  \item \textsuperscript{96} \textit{Id.}
  \item \textsuperscript{97} Brandon Films v. Arjay Enters., 230 N.Y.S.2d 56 (Sup. Ct. 1962).
  \item \textsuperscript{98} \textit{Id.} at 58 (quoting the attorney rendering an opinion for the defendant in the case).
  \item \textsuperscript{99} \textit{Id.}
  \item \textsuperscript{100} Paramount Pictures v. Rubinowitz, 217 U.S.P.Q. (BNA) 48 (E.D.N.Y. 1981).
  \item \textsuperscript{101} NIMMER, supra note 2, § 4.04 ("The relevant decisions indicated that publication occurs when by consent of the copyright owner, the original or tangible copies of a work are sold, leased, loaned, given away, or otherwise made available to the general public . . . .").
  \item \textsuperscript{102} Rubinowitz, 217 U.S.P.Q. at 51.
  \item \textsuperscript{103} 598 F.2d 688 (1st Cir.), \textit{cert. denied}, 444 U.S. 869 (1979).
\end{itemize}
publication,” which justifies the belief that a work has been dedicated to the general public, from a limited publication, which occurs when reproductions of a work are distributed to a limited group of people and for a limited purpose. The distinction between the two is one of degree, and depends primarily on the creator’s actions. ‘In cases where general publication has been found, the creator has made his work available in a manner that suggested that any interested person could have a copy.’

The court based its conclusion on the reservation of rights by the copyright owner in addition to the relative control of the copyright owner over the distributed product. The decision, therefore, follows the De Mille holding that a film cannot become public property unless the creator either authorizes it, or by his behavior, impliedly intends it to be so. In Rubinowitz, plaintiff’s “explicit and exhaustive reservation of rights” adequately signified to the court that despite the existence of a tangible possessory interest by numerous licensees, only a limited publication had occurred.

C. A Viable “Non-Publication” Argument Exists for Motion Picture Studios

As a result of this broad split of authority, motion picture studios can argue that their wayward classics have never entered the public domain. The intent/authorization theory underlying De Mille and its progeny is persuasive. The leasing of motion pictures was never designed to allow interested persons to retain their own copies.

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105. Id. (quoting Burke, 598 F.2d at 692).
106. Id. at 50-51.
107. De Mille Co. v. Casey, 201 N.Y.S. 20, 28 (Sup. Ct. 1923) (“the question of publication is largely one of intention”).
109. See Nolan, supra note 83, at 204 (“[I]t is submitted that . . . there is no divestiture of common-law rights to a motion picture when a film is commercially leased to exhibitors.”).
110. “For the most part, American motion picture companies have made it a policy only to lease, rather than sell, prints of their films. At the conclusion of the commercial release of a particular motion picture, most prints in circulation are recalled and destroyed.” Jaszi, supra
The Rubinowitz court would consider the studios' express contractual representation of their continued ownership of the physical film prints and their mandatory return as constituting limited publication.\footnote{111} No doubt De Mille and Brandon also support this viewpoint.\footnote{112}

Using De Mille's three-part analysis, a strong case can be made that commercial distribution of motion pictures did not constitute general publication. First, one would be hard pressed to find a motion picture studio that authorized the loss of copyright ownership as a result of distribution. Second, with few exceptions, only theater operators, a limited class, were actually provided with tangible possessory copies of the bulky thirty-five millimeter film prints. Unlike today's video tape players, thirty-five millimeter films with large reels and magnetic and/or optical soundtracks have always required complex and expensive theatrical equipment to project them. Rarely do entities other than theater owners and screening-room owners possess such equipment, a fact that weighs against any dedication of the films to the public. Third, the films were distributed for the limited time and purpose of fulfilling contractually obligated theatrical runs.

The court in Rubinowitz stated that although publication was defined by the 1976 Act, that definition should not be applied to films distributed prior to January 1, 1978.\footnote{113} In so doing, Rubinowitz distinguished the view of Nimmer and others that "the current Act represents a codification of what implicitly was the rule with respect to pre-1978 publications."\footnote{114} The court stated: "Notwithstanding Nimmer's position, it is not clear that pre-1978 law maintained the view that leasing or distributing film prints for exhibition was

\footnote{note 16, at 741 n.68 (citations omitted).}
\footnote{111. See supra notes 100-108 and accompanying text.}
\footnote{112. See supra notes 94-99 and accompanying text.}
\footnote{114. Id. at 50 (quoting MELVILLE B. NIMMER, NIMMER ON COPYRIGHT §4.11[B] (1978)).}
tantamount to a publication."115 Rubinowitz created a persuasive argument against general publication based on the copyright holder’s intent or authorization.116 The court interpreted Paramount Pictures’ license restrictions concerning limitations on airing and return of tangible possessory copies of television programs as showing Paramount’s efforts to preserve its rights therein.117 Determining that similar efforts were taken by motion picture studios when distributing their wayward classics should not be difficult. As a result, De Mille and its progeny provide a persuasive argument that commercial distribution of motion pictures did not constitute divestitive general publication.

Conversely, the Blanc decision has been severely limited by its reliance on a questionable, and subsequently repealed, California statute.118 Only Vitagraph119 would provide a viable counterposition to the non-publication view. Vitagraph, however, rests on insecure footing. Although the 1976 Act’s codification of the previously nebulous definition of publication helped formalize the notion that commercial distribution of films does constitute publication, Vitagraph relied too heavily on the 1976 Act, rather than on the case law and statutes prevailing under the 1909 Act. Since the facts upon which Vitagraph were based occurred prior to 1978, that case should have been grounded in the pre-1978 law.

Further, Vitagraph was based on motion picture industry distribution as conducted in 1981. The Vitagraph court found that general

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115. Rubinowitz, 217 U.S.P.Q. at 50 (citing Patterson v. Century Prods., 93 F.2d 489 (2d Cir. 1937), cert. denied 303 U.S. 655 (1938)).
116. Id. ("The test of general publication is whether the exhibition of the work to the public is under such conditions as to show dedication without reservation of rights or only the right to view or inspect it without more.") (citations omitted).
117. Therefore, Paramount’s explicit and exhaustive reservation of rights cannot be interpreted as a general publication which would have placed the series in the public domain. Paramount’s efforts to preserve its rights in the ‘Star Trek’ series are analogous to the conduct relied upon by the courts in Patterson v. Century Production, and Burke v. National Broadcasting Co.
Rubinowitz, 217 U.S.P.Q. at 51 (citations omitted).
118. See supra note 83 and accompanying text.
publication occurred when copies of a film were "placed in the regional exchanges for distribution to theatre operators." Industry distribution practices, however, were radically different prior to 1949. Prior to that year, seven major companies possessed theater chains in addition to their production units, and the majority of motion pictures in the United States were produced by those companies and exhibited in the studio's theaters. The United States brought an anti-trust suit against these companies and United Artists Corporation, and forced them to divest their theater chains. "No longer able to find easy access into the theaters for exhibition of their pictures, the major producers found it unprofitable to maintain their vast studio facilities."

Although the five major studios owned only seventeen percent of all theaters in the United States prior to divestment, U.S. v. Paramount focused on the monopoly over first-run exhibition, which was largely dominated by the studio-affiliated theaters. First-run exhibition generally centered around the studios' highest caliber releases. Independent theater owners, who were effectively shut out of this market, clamored for a share of the exhibition rights to these more profitable films.

Many of the wayward classics were these highly desirable motion pictures. Prior to the studio divestment, therefore, the major studios were essentially distributing their films to themselves. Only the studios retained a tangible possessory interest in those films, and they certainly did not intend members of the general public to have their own prints. No court has held that distributing one's own property to oneself constitutes divestitive publication.

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120. Id. at 1029.
121. SKLAR, supra note 1, at 272-73 (Paramount Pictures; Loew's, Inc.; Radio Keith-Orpheum; Warner Bros. Pictures; Twentieth Century-Fox; Columbia Pictures; and Universal Pictures).
122. Nolan, supra note 83, at 177.
124. Nolan, supra note 83, at 177 n.13 (citation omitted).
125. Paramount, Warner Brothers, MGM-Loew's, RKO, and Twentieth Century-Fox. SKLAR, supra note 1, at 273.
126. Id.
127. See generally id. at 272-74.
Finally, the *Vitagraph* controversy centered around a one-week screening in a single theater, which was arranged to gauge audience reactions for editorial purposes. The court agreed that this minor screening was not divestitive in nature. The court took it upon itself to try and remedy once and for all "an arcane and unsettled area of law," even though the facts did not call for such a far-reaching decision. The *Vitagraph* court set out to define publication for acts occurring after January 1, 1978, and in that regard, the court agreed with Nimmer and the 1976 Act. However, in accordance with Rubinowitz, the wayward classics should be adjudged by the 1909 Act, its purposefully vague definition of publication, and the holdings of *De Mille* and its progeny.

In addition to the legal arguments that wayward classics may still be owned by their former studios and authors, there is also a benefit to society that results when movie studios retain ownership: film preservation. If the motion picture studios again had a vested interest in their wayward classics, they might provide the large sums of money needed for proper preservation of old films. American films made before 1952 are on volatile nitrate-based film stock which deteriorates rapidly. No more than twenty percent of the 6,600 motion pictures made in the United States during the 1920s survive. Additionally, films made during the 1950s, '60s, and '70s are experiencing severe problems with color loss and distortion. Profit potential for many

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128. 659 F.2d 1023, 1025 (9th Cir. 1981).
129. *Id.* at 1029.
130. *Id.* at 1026.
131. The drafters of the 1909 Copyright Act never intended the definition of the date of publication to be an all-inclusive description of how publication itself could take place. There was a fear among the drafters that new methods of exploitation of writings, especially works not reproduced for sale, would be developed which would not be considered acts of publication because such methods did not come within the requirements of a specific definition of publication. It was, therefore, resolved that no definition of publication would be present in the Act.
133. *Id.*
134. *Id.*
of these films clearly exists. Domestic, international, and home video markets are still expanding. The market for all films, both new and old, will continue to grow as well. Add potentially hundreds of cable television channels and it becomes clear that future markets for the wayward classics will be abundant. The studios, with their financial and technical might, are best able to preserve the nation's film history.

IV. CONCLUSION

In summary, the studios have two main theories at their disposal for arguing that they are still the valid owners of their wayward classics. The doctrine of derivative-work subordination presents a viable course of action that is firmly grounded in the copyright law. There may be more copyrights in underlying works, which could be used to control derivative works, than anyone previously thought. Additionally, the distribution and exhibition of films during Hollywood's golden age may not have been considered "general publication" under the Copyright Act of 1909, so the works would have been protected by the common law until January 1, 1978. After that date, the works would have been vested with statutory protection by the Copyright Act of 1976, a protection that would last until at least December 31, 2002.

If studios pick up on the trend of recapturing the copyrights to their

135. There is great potential for profit in regaining control of derivative works, particularly those in the public domain. Within months of the completion of the first version of this Comment, Republic Pictures Corporation seized on this very idea in reasserting control of the motion picture It's A Wonderful Life. Kirk Honeycutt, Republic Claims Capra Rights, HOLLYWOOD REPORTER, June 15, 1993, at 3, 103.

136. Alan Citron, Hollywood Goes Boffo Overseas, L.A. TIMES, March 30, 1990, at A1, A12 ("Nearly half of all film revenue already comes from abroad, compared with about 30% in 1980. Movies earn the U.S. a $3.5 billion export surplus—up from $3 billion in just two years.").

137. George Gilder, Cable's Secret Weapon, FORBES, April 13, 1992, at 80, 82.

138. Id. at 84 ("TCI [Tele-Communications, Inc.] is joining US West and AT&T in a Denver test of video-on-demand, supplying the viewer's choice of 2,000 movies within minutes.").
wayward classics, the American viewing public may no longer be inundated with the likes of *It's A Wonderful Life* during the Christmas season. Though this may cause fans of Frank Capra and James Stewart much anguish, the general public should not panic. With renewed free-market control of such films, timely and enjoyable viewing by the public will always continue. Where there is demand, supply cannot be far behind.