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Second Circuit – Aligning With the Ninth – Finds Director's Contribution to Film Not Independently Copyrightable

By Jonathan Bloom and Daniel Cohl

Introduction

As filmmaking is a craft that requires creative contributions from multiple parties—from actors and directors to producers and cinematographers—an argument can be (and has been) made that each of these parties has a copyright interest in his or her contribution to the film. The Second Circuit, however, recently followed the Ninth Circuit in rejecting a copyright infringement claim predicated on the notion that the copyright rights in a film can be fragmented in this manner. Specifically, on June 29, in *16 Casa Duse, LLC v. Merkin,*[1] the court, in an opinion by Judge Robert D. Sack, affirmed the district court's ruling that the director's contributions to an independent film were not copyrightable separate from the film itself and that the director therefore did not have the right to prevent exploitation of the film by its producer. In addition to noting its agreement with the en banc Ninth Circuit's recent ruling on an actress's copyright claims in *Garcia v. Google, Inc.,*[2] the Second Circuit pointed out that a contrary conclusion would have given the director greater rights than a joint author (which the director concededly was not).

Factual Background

16 Casa Duse, LLC (Casa Duse) is a film production company owned and operated by Robert Kravoski. Alex Merkin is a film director, producer, and editor. Kravoski, in his capacity as principal of Casa Duse, purchased the rights to a screenplay entitled *Heads Up* and engaged Merkin to direct the film. Kravoski then hired the cast and crew of the film, each of whom entered into work-for-hire agreements.[3] Throughout filming, Kravoski repeatedly asked Merkin to enter into a similar work-for-hire agreement, but his requests were ignored.[4]

After the filming was completed, Kravoski and Merkin got into a dispute over whether Casa Duse could screen the completed film, with Merkin taking the position that, absent a work-for-hire agreement, any screening of the film would infringe his purported copyright in his directorial contribution to the film.[5] When Merkin started interfering with Casa Duse's attempts to screen the film, Casa Duse sought a declaratory judgment in the Southern District of New York that it was not liable to Merkin for copyright infringement, that Merkin did not have a copyright interest in the film, and that Merkin's interference with Casa Duse's screening efforts constituted tortious interference with business relations.[6]

The Court Rulings

The district court (per Judge Richard J. Sullivan) granted summary judgment to Casa Duse on its copyright infringement and tortious interference claims, holding as to the former that Merkin could not copyright his creative contributions to the film. The court also held that Merkin and his attorney had to pay Casa Duse's attorneys' fees and costs.[7] Merkin appealed, and the Second Circuit affirmed as to the copyright claims, reversed as to the tortious interference claim, and remanded the award of costs and attorneys' fees.[8]

As an initial matter, the parties agreed, and the court of appeals confirmed, that Merkin was a not a joint author of the film, and the court also held that Merkin's direction was not a work made for hire.[9] The court proceeded to decide whether "an individual's non-*de minimis* creative contributions to a work in which copyright protection subsists, such as a film, falls within the subject matter of copyright, when the contributions are inseparable from the work and the individual is neither the sole nor a joint author of the work and is not a party to a work-for-hire arrangement." [10] The court concluded that the answer is no.[11]

The court reasoned that while various contributors to a film may make original artistic expressions that are fixed in the medium of film footage, their contributions do not independently constitute "works of authorship" as required for copyright protection.[12] Analogizing to joint works, the court determined that "inseparable contributions are not themselves 'works of authorship'" entitled to copyright protection. The court further noted that although copyright may subsist in contributions to a collective work, those contributions must be "separate and independent" to obtain copyright protection on their own.[13] Consequently, the court concluded that inseparable contributions integrated into a single work, such as a film, cannot be copyrighted apart from the work.[14]

The Second Circuit cited the recent ruling by the Ninth Circuit in *Garcia, supra*. In that case, the Ninth Circuit, sitting en banc, reversed the original panel opinion and held that copyright protection did not subsist in the plaintiff's performance in a politically inflammatory film that she sought to have removed from YouTube. In reaching its conclusion, the court noted that the U.S. Copyright Office had rejected Garcia's application to register the copyright in her performance, stating that its "longstanding practices do not allow a copyright claim by an individual actor or actress in his or her performance contained within a motion picture." The Ninth Circuit likewise concluded that one who intends that her individual contribution to a motion picture be merged inseparably into the work may assert a claim to joint authorship of the work but may not claim sole authorship of her contribution.[15]

The Second and Ninth Circuits thus concluded that allowing copyright claims in each non-*de minimis* contribution to a film would make "Swiss cheese of copyrights."[16] That is, if copyright rights subsisted separately in the contribution of every actor, designer, cinematographer, director, and camera operator, the copyright in the film itself would be undermined – splintered – by the individual claims of the various contributors. Further, it would lead to the anomalous result that these contributors would have greater rights than joint authors, who are not entitled to interfere with their co-authors' exploitation of the copyrighted work.

The Second Circuit also addressed Merkin's contention the he, and not Casa Duse, was the sole copyright owner in the "raw film footage." While the court stated that the footage, unlike Merkin's creative contribution, is subject to copyright protection, it held that Casa Duse owned the copyright to the final version of the film, and necessarily the raw footage as well. The court explained that where multiple individuals lay claim to the copyright in a single work, the copyright will belong to the "dominant author" of the work. The court concluded that Casa Duse was the dominant author of the footage because it exercised far more decision-making authority than Merkin and was responsible for executing all of the third-party agreements relevant to making the film. Finding Casa Duse to be the dominant author of the film, and therefore the sole copyright owner in the finished product as well as the raw footage, the court rejected Merkin's claim to any ownership rights therein.[17]

Conclusion

The Second Circuit's ruling in *16 Casa Duse* avoids the practical difficulties that would flow from affording every significant non-joint author contributor to a film or television show a copyright in his or her contributions. It withholds from such contributors a potential weapon for interfering with exploitation of a film by the producer. The case also serves as a cautionary tale for those who would, like Casa Duse, move forward without having obtained a work-for-hire agreement from all contributors to a film. Had Casa Duse insisted on obtaining an executed agreement from Merkin before proceeding, it could have avoided the time and expense of litigation.

1. No. 13-3865, 2015 WL 3937947 (2d Cir. June 29, 2015).
2. No. 12-57302, 2015 WL 2343586 (9th Cir. May 18, 2015). Garcia's subsequent motion to dismiss the case was granted on June 29, 2015.
3. *16 Casa Duse*, 2015 WL 3937947, at *1.
4. *Id.* at *2.
5. *Id.*
6. *Id.* at *4.
7. *Id.*
8. *Id.* at *15.
9. *Id.* at *6.
10. *Id.* at *7.
11. *Id.*
12. *Id.* at *9.
13. *Id.* at *7.
14. The Second Circuit reversed the district court's grant of summary judgment to Casa Druse on its tortious interference claim. The court reasoned that, in light of the fact that the three-judge panel in *Garcia* had held that copyright protection may subsist in an individual contribution, Merkin's belief that he held a valid copyright was not so utterly meritless as to constitute the sort of wrongdoing that would support a tortious interference claim. *Id.* at *13. The court refused, however, to reverse the district court's award of fees and costs to Casa Duse, holding that to the extent it was predicated on the copyright claims, the award was proper. *Id.* at *14. It ordered the district court on remand to calculate costs and fees only with respect to the copyright claims. *Id.* at *15.
15. *Id.* at *8-9.
16. *Id.* at *9 (quoting *Garcia*).
17. *Id.* at *10-11.

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Editors:

Randi Singer (NY)	Bio Page	randi.singer@weil.com	+1 212 310 8152
Jonathan Bloom (NY)	Bio Page	jonathan.bloom@weil.com	+1 212 310 8775

Contributing Authors:

Jonathan Bloom (NY)	Bio Page	jonathan.bloom@weil.com	+1 212 310 8775
Daniel Cohl (NY)	Bio Page	dan.cohl@weil.com	+1 212 310 8061