Counseling Statutory Successors Regarding Copyright Termination

By Carrie Casselman

The management of literary, artistic or other creative portfolios comprised of copyright-protected works continues long after the original author has passed away. The enduring nature of copyright protection means that generations of an author's heirs or other statutory successors may be involved to some degree in the ongoing exploitation of the author's works. In some cases, the successors may be intimately and directly engaged in activities such as licensing, publishing and merchandising. In other instances, the role of the successors might be limited to receipt of a passive share of royalties or other monies earned by a party to whom rights in the copyrighted works have been transferred. In either circumstance, however, the termination provisions of the Copyright Act of 1976 (the Copyright Act) may provide the successors with an opportunity to recapture rights earlier granted by the author, or in the case of a grant prior to January 1, 1978, by an earlier successor.

Since the Copyright Act became effective on January 1, 1978, authors and statutorily designated successors have had the opportunity to terminate prior grants of rights in copyrighted works, subject to certain criteria and conditions. Although the predecessor statute to the current Copyright Act offered a similar "recapture" right in the form of a renewal term of copyright protection that was intended to vest in the author rather than grantees, the renewal right was alienable and thus proved of limited value to authors and heirs who transferred this right to licensees or assignees, particularly if the transfer of the renewal right occurred at or close in time to the date of the grant in the initial term. In response to frustration over the limited value of the renewal right, Congress made this new right of termination inalienable. The termination right was intended to offer an opportunity for authors and their successors to leverage the successful exploitation of a particular copyrighted property to obtain more favorable terms, either by negotiating with the original grantee to secure a new deal applicable to the grantee's exploitation during the later years of copyright protection,[1] or transferring the terminated rights to a third party who may offer better terms than the original grantee.

However, exercise of the termination right requires compliance with specific statutory and regulatory requirements related to the timing and mechanics. Successors who do not understand these provisions may lose the opportunity once the window for exercise closes. Successors who find themselves controlling deceased authors' copyright interests will frequently require guidance in order to identify grants that are subject to the termination right, properly prepare and serve notices of termination, and make a value assessment as to whether exercise of the termination right is likely to provide benefit greater than the associated cost of exercising the right and negotiating new agreements for exploitation of the subject works.

The following is a brief overview of the nature of the copyright termination right, as well as guidance with respect to a few key issues encountered by successors contemplating its exercise, namely identification of the parties entitled to effect termination, preparation of the termination notice, limitations on the scope of termination, and value assessment. Although much of what is discussed is also applicable to authors considering exercise of the termination right, it is generally geared towards counseling successors. This article is not intended as a comprehensive summary for advising successors as to their termination rights, but rather a highlight of issues that are most likely to arise.

Overview of the Termination Right

The termination right arises under two provisions of the Copyright Act. Section 203 is applicable to grants executed by the author after January 1, 1978, regardless of the date of the copyright registration of the subject work.[2] Section 304 is applicable to works in either the first or renewal term of copyright on January 1, 1978 and subject to grants executed by either the author or the statutory successors prior to January 1, 1978.[3]

Consistent with the legislative intent of protecting authors and successors from unremunerative transfers executed early in the term of copyright protection, the termination right was made inalienable. Legislative history notes that a provision of this sort was needed "because of the unequal bargaining position of authors, resulting in part from the impossibility of determining a work's value until it has been exploited."[4] The relevant statutory language provides that "termination of the grant may be effected notwithstanding any agreement to the contrary, including an agreement to make a will or to make any future grant."[5]

In the case of either § 203 or § 304, termination may only be effected within a certain five-year window. For terminations under § 203, the window runs for five years "beginning at the end of 35 years from the date of execution of the grant" or, if the grant covers the right of publication of the work, then the earlier of 35 years from the date of publication or 40 years from the date of execution of the grant.[6] The five year window under § 304(c) opens "beginning at the end of 56 years from the date copyright was originally secured" and thus closes at the end of the 61st year from such date.[7] A further provision, § 304(d), offers an opportunity for those successors who did not terminate a grant under § 304(c) to do so for a period of five years beginning at the end of 75 years from the date the copyright was secured. One key distinction to note is that the termination window under § 203 is calculated from either the date of execution of the grant or publication of the work (as applicable), whereas the termination window under § 304(c) or (d) is calculated from the date of copyright registration.

With this very brief and broad overview of the termination right, we turn to consideration of specific issues encountered by successors contemplating termination of a grant.

Parties Entitled to Effect Termination

If the author has died, the termination right may be exercised "by the person or persons who…own and are entitled to exercise a total of more than one-half of that author's termination interest."[8] The designated—and exclusive—group of successors entitled to exercise the termination interest under the Copyright Act are the widow or widower, the author's surviving children, the author's grandchildren, or—in the event that none of the preceding are living (or in the event the author never had a spouse or children)—the author's executor, administrator, personal representative, or trustee.[9] If the right is held by a surviving spouse and there are no children, the Copyright Act provides that the author's widow or widower controls the entire termination interest; if there are also surviving children and/or grandchildren, the widow or widower owns one-half of the author's interest, and the rights of the author's children and grandchildren descend on a *per stirpes* basis.[10] Furthermore, "the share of the children of a dead child in a termination interest can be exercised only by action of a majority of them."[11]

This means that in any case in which the group of successors includes more than just the surviving spouse, it will be necessary to gain the consent of and coordinate multiple parties in order to execute and deliver the termination notice. There is the very real potential that family dynamics—an estranged child, in-fighting amongst siblings—can impact the ability of the successors to terminate a grant. The further down the line the right descends, the larger the pool of individuals who must join in the termination action becomes, and thus a greater risk that familial factionalism will arise.

If the particular grant in question is dated on or after January 1, 1978 and executed by more than one author of a joint work, then the universe of parties who must coordinate grows even larger. Under § 203, "[i]n the case of a grant executed by two or more authors of a joint work, termination of the grant may be effected by a majority of the authors who executed it."[12] Note that the necessity of securing consent of co-authors depends on whether the grant itself was signed by more than one author, not simply whether the work was a joint work. In a recent decision by the Southern District of California involving a co-author of several songs popularized by the group *The Village People*, the court interpreted the language of § 203(a)(1) to mean that if a "single joint author enters into a grant of his copyright interest, that author alone can terminate his grant."[13] Unless the co-authors have a separate agreement apportioning ownership between them, the terminating co-author receives back his or her undivided interest in the work as a whole.[14] The corresponding provision in § 304(c)(1) applicable to pre-1978 grants is slightly different, omitting the requirement that a grant executed by one or more authors must be terminated by a majority of such authors, and instead allowing a co-author to terminate the grant "to the extent of a particular author's share in the ownership of the renewal copyright."[15]

Fact patterns of cases dealing with termination offer insight into the many ways families may be divided in their management of copyright assets. Disputes over termination rights have pitted the author's second wife against the children of the author's first wife,[16] the children of the author against the author's mistress,[17] and the executor of the author's estate, who was also the nephew of the author, against the assignee of the author's siblings.[18] Being on the losing side or minority faction of a termination dispute has genuine consequences because the statutory successors are entitled to exercise the termination right only once between them. Successors who choose not to join in terminating a grant (or who perhaps were never aware that termination was under consideration) are nevertheless bound by such action and will not have a further opportunity to terminate. In fact, the majority successors and the original grantee can enter into a new agreement that rescinds the prior grant and thus extinguishes the termination right, even if no termination notice was served. Both the Second Circuit and the Ninth Circuit have held that agreements negotiated by successors who never delivered a termination notice, but were nevertheless able to leverage the threat of termination to secure more favorable terms, eliminated the termination right of other successors; as the Second Circuit noted, there is no "moment of freedom" required.[19] In fact, the Second Circuit made such a finding notwithstanding that the agreement eliminating the termination right of the non-signatory successors was signed by only the widow, who controlled only one-half of the author's termination interest and may not have actually had the authority to terminate the prior agreement on her own.[20]

Preparation of the Termination Notice

Assuming that the requisite number of successors have agreed to terminate a particular grant, the focus will turn to preparation of the termination notice. Termination is effected by serving notice on "each grantee whose rights are being terminated, or the grantee's successor in title."[21] The statute requires that the notice be served no earlier than 10 years and no later than two years prior to the effective date of termination (the notice may designate any date within the five-year window to be the effective date of termination, subject to the minimum two-year notice requirement). Failure to serve timely notice or serving notice that does not comply with the requirements of the promulgated regulations will prevent the author or successors from effecting termination.

The Copyright Act states that the notice must "comply, in form, content and manner of service, with requirements" prescribed by "the Register of Copyrights."[22] Those requirements are elaborated in the Code of Federal Regulations, and contain a "litany of formalities"[23] requiring information as to the identification of the terminated grant and the works covered by such grant, the author(s), the names of grantee(s), and, if executed by the successors, rather than the author, details as to the relationship with the deceased author and an indication that those executing the notice constitute more than one-half of that author's termination interest. The need to identify the grant and to precisely catalog the subject works may present a challenge for successors who are dealing with records or archives of the author that may be incomplete or missing given the passage of time. Alleged deficiencies in termination notices have been at issue in several termination lawsuits and, as a result, successors will want to make every effort to comply with the notice requirements, notwithstanding such challenges. Although the regulations offer a safety valve by clarifying that "[h]armless errors that do not materially affect the adequacy of the information required to serve the purposes" of the statutory provisions will not render the notice invalid, there is relatively sparse guidance in case law. Those courts that have weighed in offered some flexibility with respect to the identification of the grant, upholding a seemingly generic description of the grant as the "Grant or transfer of copyright and the rights of copyright proprietor, including publication and recording rights" because "the custom of the industry and of the Register of Copyrights dictates that this language is adequate."[24] Courts have also granted some leniency with respect to the description of the works covered by such grant, but only when the body of works subject to the terminated grant was especially large and the omission constituted a small percentage of the works terminated under the grant.[25] The willingness to offer flexibility, however, may depend on the total number of works terminated under the grant; a decision in the Second Circuit involving the Tarzan character found that a termination notice which omitted five of 14 Tarzan stories meant that the subsequent grantee's right to "use and exploit the character of Tarzan" remained intact.[26] Furthermore, the harmless error safety valve appears not to apply at all to compliance with the notice window. A California district court has described the five-year window as an "unbendable rule" and held that works that fell just a few days outside the five-year period were excluded from the reach of the termination.[27]

Attorneys may wish to assist clients by reviewing the relevant documents underlying the information in the termination notice. To that end, the distinction between the timing of the termination window for grants on or after January 1, 1978 (calculated based on the date of the grant or the date of publication, as applicable) versus grants prior to January 1, 1978 (calculated based on the date on which copyright was originally secured) is particularly important when advising clients as to the documents required to accurately prepare the termination notice. For works created prior to January 1, 1978, it does not suffice to simply review copyright registration information or other documentation evidencing the date on which copyright was secured; there should also be an inquiry with the client as to whether there have been any grants on or after January 1, 1978. Conversely, for works created on or after January 1, 1978, clients need to be able to provide the date of the grant; some clients are surprised that providing copyright registration information is not applicable to calculating the termination window. Here, again, the quality of the original author's and/or prior successors' record-keeping may pose a challenge for successors, who may not have copies of older agreements or, in the case of an attempt to terminate under § 304 where the author has not retained copyright registration certificates, may incur additional charges for copyright record searches to determine the date upon which copyright was secured.

One further consideration in delivering the termination notice is determining the parties to be served. Given the fact that the chain of title for older works may contain multiple licenses, successors-in-interest and other transfers, successors may find there are several possible parties on whom to serve notice. Unlike the "unbendable rule" with respect to the dates of the termination window, court decisions in this area have taken a fairly practical approach, with a district court in California recently observing that the service requirement "was not meant to require a mad dash to serve everyone and anyone who may have been involved in the chain of title to the copyright (but who possess no present right to the same)."[28] Quoting an earlier concurring opinion issued by Judge Newman in the Second Circuit, the California court noted that the statutory provision should be read "to mean that the notice is to be served (a) on the grantee, if the grantee has retained all rights originally conveyed, (b) on the transferee, if the grantee has conveyed all rights to the transferee, or (c) if some rights have been conveyed, on the grantee or the transferee (or both) depending upon which rights are sought to be terminated."[29] Consistent with Judge Newman's concurrence, a later opinion in the Southern District of New York required service only on the current rightsholder and not the would-be purchaser of such rights, where the termination notice was served prior to completion of the sale of the rights.[30]

Having reviewed certain of the mechanics of effecting termination, we turn now to its substance.

Limitations on the Termination Right

The limitations and exceptions to the scope of the termination right are sometimes an unwelcome surprise to successors, who may initially presume that termination will offer a sweeping exit from all manner of undesirable exploitations. One of the more significant is the exception for derivative works. Although no new works can be created once a grant is terminated, a derivative work "prepared under authority of the grant before its termination may continue to be utilized under the terms of the grant after its termination."[31] As the House Report noted, "In other words, a film made from a play could continue to be licensed for performance after the motion picture contract had been terminated, but any remake rights covered by the contract would be cut off."[32] Successors who hope that termination will allow the renegotiation of revenue-sharing from existing derivative works are likely to be disappointed, unless the successors are able to use the threat of termination to extract a new agreement from the grantee that grants the successors a greater participation in existing derivative works in exchange for the successors permitting the grantee to continue creating new works rather than terminating such grantee's rights.

The derivative work exception also allows a grantee to continue receiving passive income from post-termination exploitation. In *Mills Music Inc. v. Snyder*, the successors of a composer argued that once the grant to a music publisher with respect to certain underlying musical compositions had been terminated, the music publisher was no longer entitled to receive income from the exploitation by third parties of sound recordings that had been licensed by the music publisher during the term of the grant. The crux of the argument by the composer's heirs was that since there was no longer any valid grant running from the composer's interest to the music publishing company, any royalties formerly paid by the owners/users of the sound recordings to the music publisher should now be paid directly to the heirs. The Supreme Court disagreed, finding no reason "to draw a distinction between a direct grant by an author to a party that produces derivative works itself and a situation in which a middleman is given authority to make subsequent grants to such producers."[33] Successors who are hoping to capture income streams paid to a "middleman" of this kind may find that *Mills Music* makes it difficult to cut out such participation.

A subsequent case in the Second Circuit, *Fred Ahlert Music Corp. v. Warner/Chappell Music, Inc.*, relied on *Mills Music* to limit, rather than affirm, certain post-termination uses of a grantee,[34] but scholarly authority has observed that *Ahlert* highlights another potential area of concern for successors, namely the possibility that following receipt of a termination notice, a grantee may "engage[ ] in a flurry of downstream licensing to cover the exploitations the grantee did not previously authorize."[35] Professors Bentley and Ginsburg further underscore a related concern that as of yet, there is no decision addressing the question of whether, in order to qualify for the exception, a derivative work must have been fully created or must simply have been developed but not finished; as they observe, "the termination right would be considerably compromised if the notice period also enabled grantees to gear up to engage in further development of derivative works."[36] Successors contemplating the timing of delivering a termination notice may wish to consider whether in some instances a shorter notice period may be preferable in order to mitigate the risk that the grantee ramps up activity during the final remaining years of the grant.

A further limitation is that termination affects only those rights arising under the copyright laws of the United States.[37] Thus, a grant relating to foreign exploitation cannot be terminated. Furthermore, rights arising under other federal or state laws—notably, trademark and unfair competition laws—are also not subject to termination. The impact of this latter exception on disputes over franchise properties like Spiderman and Superman—both characters having been the subject of recent and very publicized termination disputes—remains to be seen, but the exception is potentially very significant. Writing in connection with the dispute over the Superman character, the district court in California has offered a narrow holding that the plaintiff successors were not entitled to an accounting of profits "from the use of the Superman trademarks that 'are purely attributable to [those] trademark rights,'" but did not elaborate on how the parties might go about segregating such profits from other income.[38] Indeed, the accounting issues that may arise from even relatively uncontroversial terminations as parties try to sort out the allocation of income in "mixed" uses may become an increasingly tangled and contested area of intellectual property law.

Works made for hire are also excluded from the termination provisions of the Copyright Act.[39] This has been a central issue in the lawsuits embroiling both the Spiderman and Superman characters; in each case, courts were required to consider the "instance and expense" test to determine whether material constituted a work made for hire under the 1909 Copyright Act, since that issue is controlled by the applicable law at the time the work was created.[40] There is not yet any developed body of case law construing the current Copyright Act provisions regarding works made for hire in the context of a termination dispute, though that may soon be coming. The last several years have seen increasing rumblings from the music industry in particular regarding the possible termination of rights in sound recordings and other works created under contracts dated after January 1, 1978; under § 203, the earliest effective date for the termination under these grants arrives in 2013, and there is the potential for a landscape-altering dispute between labels and artists.[41] For now, though, and without going into an exhaustive review of the extensive analysis and parsing of facts by the courts in both the Spiderman and Superman litigations, successors who need to confront this issue should review the circumstances under which the subject works were created and overlay the chronology of the work's creation against the date of any assignments or other transfers of interest. Factors to consider include the right of the purported employer or commissioning party to supervise the author's work, including the ability "to accept, reject, modify, or otherwise control the creation of the work" (though complete control is not required for the work to be deemed made for hire),[42] whether there is any written agreement setting out the terms for purported employment or commission of the work (though the lack of such an agreement was found to have no bearing on the determination that Jack Kirby's contributions to the Spiderman character were works made for hire, and the existence of an agreement—admittedly dated well after the works were created—containing an acknowledgement by Joseph Simon that his contributions to the Captain America comics were works made for hire was ultimately disregarded),[43] and whether the author was able to "openly engage in efforts to sell the work to others" rather than simply turn the work over to the purported owner.[44] The economics of the relationship are also relevant, including whether the author undertook creation of the work "without any mention or provision for compensation" from the allegedly commissioning party,[45] and whether the author was paid a fixed sum or royalties, with an eye towards determining which party bore the risk of the work's profitability.[46] Not every successor will need to deal with the thorny work for hire issue; in many instances, particularly those involving a grant of a pre-existing underlying work, there will be no dispute as to the nature of the work. For those successors who do encounter this question, however, it may require further analysis of whatever archival documents and records are available concerning the relationship between the author and alleged employer or commissioning party.

A final element in the limitations analysis is the potential for the author's will to impact the statutory successor's ability to exercise the termination right. Under the Copyright Act, "[t]he future rights that will revert upon termination of the grant become vested on the date the notice of termination has been served…[.]"[47] If the author dies before delivering a termination notice, *i.e.* before vesting, the termination right passes to the successors in accordance with the Copyright Act, and is not otherwise part of the author's estate. If the author, or a prior successor, serves a notice of termination but dies before the effective date of reversion, the rights under the terminated grant pass to the estate of the author and or terminating successor (as applicable). The interaction between an author's will and the termination right can be a source of confusion for both successors and assignees.

Case law in this area is highly fact specific, frequently involving a review of various assignments, bequests by will and dueling chains of title. Two cases, both involving the song "Cecilia," serve to illustrate. In *Bourne Co. v. MPL Communications*, the music publisher Bourne Co. (Bourne) successfully defended its chain of title to the interest of Herman Ruby, a co-author of the song. Bourne's predecessor-in-interest was the original assignee of Ruby's rights in the composition. After Ruby's death, his widow served a termination notice on Bourne, but died prior to the effective date of termination. As her rights under the terminated grant had vested, those rights thus passed to her estate. The terms of her will gave a life interest in all royalties "to which she 'might be entitled'" to her second husband, and after his death, to certain of the defendants, Kenneth and Richard Marx; the residue of her estate, including Ruby's copyright interest in the song, went to the second husband.[48] The split between the royalties and the residue of the estate set up two potentially conflicting chains of title to the extended renewal term, the first a claim for royalties through the Marx beneficiaries and the second a claim for the copyright during the extended renewal term through the eventual beneficiary of the second husband's estate. The court upheld the chain of title that flowed through the beneficiary of the second husband's estate (who had in turn assigned her interest to Bourne, thus granting back to Bourne the rights that had been terminated), noting that even though the widow's termination rights had vested, the fact that she died prior to the effective date of termination meant she was never entitled to any royalties derived from the extended renewal term; the will did not otherwise specifically mention termination rights, and the court determined that there was "no basis to conclude that [the widow] intended to separate royalties for the extended renewal period from the other termination rights attributable to the copyright itself, which passed as part of the residuary estate."[49] Thus the court declined to sustain the royalty bequest to the Marx defendants.

Five years later, in *Larry Spier, Inc. v. Bourne Company*, Bourne, as successor-in-interest to the original assignee of Ruby's co-author Dave Dreyer, was unsuccessful in claiming that Dreyer's transfer of certain music assets (which included "Cecilia" but also other compositions authored by Dreyer between 1925 and 1931), namely, copyrights, renewal copyrights and publishing contracts to a testamentary trust created by his will, placed those interests outside the reach of the termination right. As the transfer by will took place prior to the serving of the termination notice, Bourne argued that the termination rights had never vested, and the interests fell under § 304's exclusion from the termination right of any grant by will.[50] However, the Second Circuit noted that at the time the will was executed, the author had already granted his renewal copyrights "and all his right, title and interest, vested and contingent, therein and thereto" to the music publisher pursuant to the terms of a 1951 assignment of Dreyer's renewal interest. Therefore, no interest in the extended renewal term remained to be transferred by the will, and the statutory successors did in fact have a termination right with respect to the 1951 grant.

From the same song, the co-author interests of which were originally granted to the same music publisher,[51] we see that various assignments and estate planning actions, deaths and delivery of termination notices resulted in two different results (and not for lack of trying on the part of Bourne to achieve a similar result in each case). While it may be difficult to extract general principles from these factually detailed cases, these cases do illustrate the need to carefully parse through each document or action affecting the particular copyright interest and grant at issue, even those actions that may have been taken before the author was aware any right to terminate existed.

Factors Relevant to Assessing the Value of Termination

Separate from the tasks of aligning the various parties entitled to terminate preparing a termination notice looms the larger question of whether termination is likely to be of value to the successors. Although termination frequently has an emotional appeal for authors and successors who view it as an opportunity to remedy a transfer that has proved frustrating or otherwise unremunerative, the decision whether to terminate a particular grant should take into account not only the potential psychological satisfaction, but also the aggregate costs incurred in ascertaining which grants may be eligible for termination, preparing and delivering termination notices, and entering into a new deal for exploitation of the recaptured rights. There is also the risk that the termination notice itself will result in a dispute and possibly litigation with the grantee; successors who face such a prospect may need to be prepared to bear the cost of sorting out those issues before even embarking on negotiation of new deals.

Furthermore, there is a risk that a new deal may not ultimately result. Not all grantees will choose to re-negotiate a terminated grant, particularly if the grantee determines that there is little likelihood that exploitation under a new deal will exceed the transaction costs of negotiating it. The author and successors would have the option of offering the recaptured rights to a new third party licensee, but the limitations on termination may also bear on the value of the rights to the third party; for example, a third party licensee would receive its grant subject to both ongoing exploitations of existing derivative works and any foreign rights that could not be terminated. The third-party licensee may also wish to use trademarks or rights arising under federal or state laws other than the Copyright Act and inuring to the original grantee as a result of such grantee's use; such rights would remain with the original grantee, from whom the third party would need to secure a license (query how inclined the grantee whose rights were terminated would be to agree to license those rights to the new grantee).

Despite these limitations and risks, however, termination is an option that merits serious consideration by successors, both as a means of preserving artistic legacies—a newly negotiated grant may offer not only more financial compensation but also greater control and approval over exploitations—and securing meaningful compensation for the families of authors from grantees who have long enjoyed the fruits of exploitation under the original grant.

Endnotes

1. The Copyright Act extended the term of copyright protection, both for works then in existence as well as for new works going forward. For works published before January 1, 1978, the Copyright Act added 19 years to the term of protection, and in 1998, Congress added another 20 years to the term of protection applicable to all copyrighted works. Thus, the termination right applicable to pre-1978 grants allowed the terminating party to recapture the grant for the extended renewal term of copyright.
2. 17 U.S.C. § 203(a) (2012).
3. 17 U.S.C. § 304(c) (2012).
4. Mills Music, Inc. v. Snyder, 469 U.S. 153, 172-73 (1985) (*citing* H.R. Rep. No. 94-1476, at 124, USCCAN 1976, p. 5740).
5. 17 U.S.C. § 203 (a)(5) (2012), 17 U.S.C. § 304 (c)(5) (2012).
6. 17 U.S.C. § 203(a)(3) (2012).
7. 17 U.S.C. § 304(c)(3) (2012); 17 U.S.C. § 304(d) (2012).
8. 17 U.S.C. § 203(a)(1) (2012), § 304(c)(1) (2012).
9. Although the language of the statute appears to presuppose that the author would have a spouse or children, courts have clarified that "[w]here the author lacks immediate family…the rights pass to the executor as a fiduciary for the next of kin or, in the absence of a will and executor, to the next of kin themselves." Music Sales Corp v. Morris, 73 F.Supp.2d 364, 374 (S.D.N.Y. 1999) (*quoting* Miller Music v. Charles N. Daniels, Inc., 362 U.S. 373 (1960) and Stewart v. Abend, 495 U.S. 207 (1990)).
10. 17 U.S.C. § 203(a)(2) (2012); 17 U.S.C. § 304(c)(2) (2012).
11. *Id*.
12. 17 U.S.C. § 203(a)(1) (2012).
13. Scorpio Music S.A. v. Willis, 2012 WL 1598043, 3 (S.D. Cal. 2012).
14. *Id.* at 5.
15. 17 U.S.C. § 304(c)(1) (2012). The *Willis* court, citing the *Nimmer* treatise, noted that the rationale for treating pre-1978 grants differently than post-1977 grants stems from renewal rights that apply only to pre-1978 works; because "joint author grants of

renewal rights…terminate individually by operation of law upon an author's death [if the author failed to survive until such rights vested], it was thought 'inappropriate' to require anything more than individual termination via the termination provisions." *Scorpio Music*, 2012 WL 1598043 at 4, *quoting* 3 Melville B. Nimmer & David Nimmer, Nimmer on Copyright Sec. 11.03 (2011).

16. Penguin Group (USA) Inc. v. Steinbeck, 537 F.3d 193 (2d Cir. 2008).
17. Larry Spier, Inc. v. Bourne Co., 953 F.2d 774 (2d Cir. 1992).
18. *Music Sales Corp*, 73 F.Supp.2d 364.
19. *Penguin Group (USA) Inc.*, 537 F.3d at 201.
20. *Penguin Group (USA) Inc*., 537 F.3d at 203, n. 5 (commenting that there "is some question as to why Penguin agreed to terminate and renegotiate the 1938 Agreement, for without a majority termination interest, it appears [the widow] would have been unable to terminate…on her own" and noting that although the widow possessed a power of attorney to exercise the termination rights of the author's other successors, "it is unclear that her exercise of those rights would have been valid").
21. 37 CFR § 201.10 (2012).
22. 17 U.S.C. § 203(a)(3)(B) (2012) and 17 U.S.C. § 304(c)(4)(B) (2012).
23. Siegel v. Warner Bros. Entm't, Inc., 690 F.Supp.2d 1048, 1052 (C.D. Cal. 2009).
24. *Music Sales Corp.*, 73 F.Supp.2d at 378 (*noting* that the grant description "appears to be boilerplate on termination notices customarily accepted by the Register of Copyrights").
25. Siegel v. Warner Bros. Entm't Inc., 658 F.Supp.2d 1036, 1094 and 1095 (C.D. Cal. 2009) (observing that "[i]n a case involving thousands of works, to insist on literal compliance with the termination notice regulations sets up a meaningless trap for the unwary without any meaningful vindication of the purpose underlying the regulation at issue" and noting that the "near-Herculean effort and diligence…placed on cataloging the works and drafting the termination notice, and the inclusion of the express catch-all provision in the termination notice put to rest any reasonable doubt defendants may have had that plaintiffs sought to recapture all, not just some, of the copyright in the Superman character").
26. Burroughs v. Metro-Goldwyn-Mayer Inc., 683 F.2d 610, 622 (2d. Cir. 1982).
27. Siegel v. Warner Bros. Entm't Inc., 542 F.Supp.2d 1098,1121-22 (C.D. Cal. 2008) (*Superman I*) (observing that "[o]nce a termination effective date is chosen and listed in the notice, the five-year time window is an unbendable rule with an inescapable effect, not subject to harmless error analysis").
28. *Siegel*, 658 F.Supp.2d at 1089.
29. *Id*. (*quoting Burroughs*, 683 F.2d at 634, n.5).
30. *Music Sales Corp.* 73 F.Supp.2d at 379.
31. 17 U.S.C. § 203(b)(1) (2012); 17 U.S.C. § 304(c)(6)(A) (2012).
32. *Mills Music*, 469 U.S. at 176 (*citing* H.R. Rep. No. 94-1476, at 127, USCCAN 1976, p. 5743).
33. *Mills Music*, 469 U.S. at 172.
34. Fred Ahlert Music Corp. v. Warner/Chappell Music Inc., 155 F.3d 17 (2d Cir. 1998).
35. Lionel Bentley & Jane Ginsburg, *The Sole Right…Shall Return to the Authors*, 25 Berkeley Tech. L.J. 1475, 1579 (2010).
36. *Id.*
37. 17 U.S.C. § 203(b)(5) (2012).
38. *Siegel*, 542 F.Supp.2d at 1142-43.
39. 17 U.S.C. § 203(a) (applicable to "any work other than a work made for hire"); 17 U.S.C. §304(c) (applicable to "any copyright subsisting in either its first or renewal term on January 1, 1978, other than a copyright in a work made for hire").
40. *Siegel*, 658 F.Supp.2d at 1057.
41. Larry Rohter, *Record Industry Braces for Artists' Battles Over Song Rights*, N.Y. Times, Apr. 16, 2011 at C1.
42. Marvel Worldwide, Inc. v. Kirby, 777 F.Supp.2d 720, 738 (S.D.N.Y. 2011).
43. *See id* at 741; *see also* Marvel Characters, Inc. v. Simon, 310 F.3d 280, 290 (2d Cir. 2002).
44. *Siegel*, 658 F.Supp.2d at 1083.
45. *Id.*
46. *Marvel Worldwide Inc.*, 777 F.Supp.2d at 741-742.
47. 17 U.S.C. § 203(b)(2); 17 U.S.C. § 304(c)(6)(B).
48. Bourne Co. v. MPL Communications, Inc., 675 F.Supp. 859, 862 (S.D.N.Y. 1987).
49. *Id.* at 863.
50. *Larry Spier, Inc.*, 953 F.2d at 774; 17 U.S.C. 304(c).
51. The court in *Bourne* recited that Dreyer and Ruby jointly assigned their interest pursuant to a grant dated May 20, 1925. *Bourne*, 675 F.Supp. at 861. The *Larry Spier, Inc.* court simply noted that Dreyer "joined with some famous co-authors" in assigning the rights to the predecessor to Bourne. *Larry Spier, Inc.*, 953 F.2d at 775-776.

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