



# Some important context: Transfers and licenses.

- Copyright transfers (assignments and exclusive licenses) must be in writing.
- Non-exclusive licenses need not be in writing and can be implied.
- With works made for hire, the employer is the author, and no assignment from worker to hirer is necessary.

#### **Reversions under the 1909 Act:**

- The initial term was 28 years.
- Copyrights had to be renewed at 28 years, or the work entered the public domain.
- During the initial term, authors could only transfer rights for the duration of that term.
- The policy was to give authors a second chance to make money from new leverage after works became successful.
- That policy was thwarted by *Fred Fisher Music* (1943), holding that original-term authors could bind themselves ahead of time to renew in favor of grantee. This became standard industry practice.
- Dead authors exception: Original-term authors could not bind heirs to renew in favor of grantees.

Currently, there are two ways to recapture transferred copyrights:

- 17 U.S.C. § 304(c)
   for pre-1978 transfers
- 17 U.S.C. § 203

   for post-1977 transfers



- Copyright extension legislation tacks years on to the end of existing copyrights
- The idea of § 304(c) is to give the benefit of those extensions to the authors, rather than give a windfall to assignees

## 17 U.S.C. § 304(c) for pre-1978 transfers For pre-1978 works (1909 Act), under extension legislation, there are automatic renewals. Pre-1978 transfers There are termination windows beginning at the 56th year (§ 304(c)) and 75th year of the copyright (if not exercised at 56th) (§ 304(d)). Derivative works can continue on. But after termination, there is no right to make further derivative works.

#### 17 U.S.C. § 203 for post-1977 transfers

• The idea of § 203 is to give the artists who signed away copyrights back when they had no bargaining leverage a second chance to get a better deal.

### 17 U.S.C. § 203 for post-1977 transfers

- The first transfer window opened up on January 1, 2013.
- § 203 may impact many contemporary works.

#### 17 U.S.C. § 203 for post-1977 transfers

- The grant must have been executed by the author to be terminable. (§ 203(a))
- (Note that this is in accord with the policy premise — to benefit authors who originally sold copyrights with little bargaining leverage.)

### 17 U.S.C. § 203 for post-1977 transfers

- Must serve notice between 10 and 2 years in advance of the effective date of the termination
- (Note the complicated arithmetic, need for complex docketing, and possible malpractice trap.)

#### 17 U.S.C. § 203 for post-1977 transfers

- Derivative works may continue to be utilized under the terms of their original grants after termination. But this does not apply to the making of new derivative works.
  - So a transferee can sell DVDs, e.g.
  - But the transferee can't make sequels after termination