

## Licensing & Tech. Transfer

- Module 5
- Interpretation and the Grant Clause

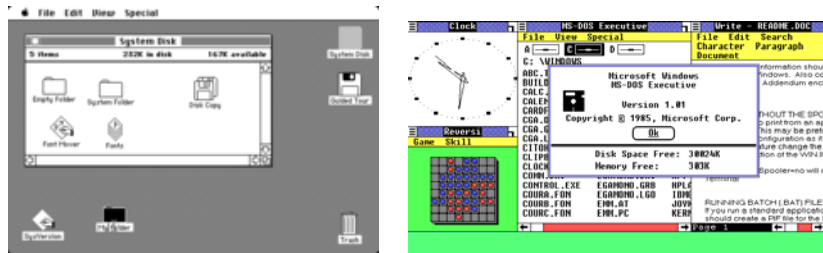
## Cyrix Corp. v. Intel Corp. (Fed. Cir. 1996)

- IBM and ST as foundries making for Cyrix under Intel patents
  - “make rights”
  - “have made” rights
  - What is a “Sanyo limitation”?
- Compare to *ULSI* case
- IBM
  - definitions of IBM IHS products
- ST and ST-Italy
  - disallowed sublicense?
  - Compare to *du Pont* case



## Apple v. Microsoft (9th Cir.1994)

- 1985 visual display “cross-license” of a sort
- Temporal anchor for the term “visual displays” as “derivative works”?
- Did Microsoft exceed the scope of the license?



## Illustrative Works - § 102

- 1) literary works
  - including non-literal elements such as structure, organization and sequence, but not extending to names, titles and slogans; the less developed a literary character, the less it can be copyrighted
- 2) musical works, including any accompanying words
- 3) dramatic works, including any accompanying music
- 4) pantomimes and choreographic works
  - Protection extends to written or otherwise fixed instructions for performing a work of art
- 5) pictorial, graphic, and sculptural works
  - Useful article doctrine poses a significant limitation on the scope of protection; scope of protection runs with degree to which author has delineated the subjects of the work; In some cases, such as photographs, drawings and maps, the limited range of expressive choices necessarily limits the scope of protection
- 6) motion pictures and other audiovisual works
- 7) sound recordings
- 8) architectural works
  - New category after Berne implementation in US law; pictorial representations permitted (if building visible from a public place); alterations and destruction allowed, regardless of 106(2)

## Illustrative Works - § 102

- 1) literary works
- 2) musical works, including any accompanying words
  - Work must be original in its melody, harmony or rhythm, individually or in combination.
    - But, rhythm is the least likely aspect in which originality may be manifested
  - Non-dramatic musical compositions are subject to a compulsory license once released to the public – “cover license” under § 115
- 3) dramatic works, including any accompanying music
- 4) pantomimes and choreographic works
- 5) pictorial, graphic, and sculptural works
- 6) motion pictures and other audiovisual works
- 7) sound recordings
  - Since 1972, sound recordings are protectable independently of the musical, dramatic, or literary works which are recorded; they are a separate work; does not include sounds accompanying a motion picture or audiovisual work; no mechanism such as the “cover license;” embodied in a “phonorecord”
  - No general public performance right
  - Sometimes not clear who the “author” of a sound recording is; singer, band, studio engineer? – typically handled by contract
- 8) architectural works

## Illustrative Works - § 102

- 1) literary works
- 2) musical works, including any accompanying words
- 3) dramatic works, including any accompanying music
  - one that portrays a story by means of dialog or acting and [that] is intended to be performed. It gives direction for performance or actually represents all or a substantial portion of the action as actually occurring rather than merely being narrated or described
- 4) pantomimes and choreographic works
- 5) pictorial, graphic, and sculptural works
- 6) motion pictures and other audiovisual works
  - AV works
    - series of related images which are intrinsically intended to be shown by the use of machines . . . together with accompanying sounds, if any . . .
  - Motion pictures
    - A subset of AV works – “audiovisual works consisting of a series of related images which, when shown in succession, impart an impression of motion, together with accompanying sounds, if any”
- 7) sound recordings
- 8) architectural works

### Derivative Works; Compilations

- is “based upon one or more preexisting works . . . [and is any] form in which a work may be recast, transformed, or adapted”
- Examples include:
  - translation, musical arrangement, dramatization, fictionalization, motion picture version, sound recording, art reproduction, abridgment, condensation
  - a work consisting of editorial revisions, annotations, elaborations, or other modifications which, as a whole, represent an original work of authorship
- Compilations
  - a work formed by the collection and assembling of preexisting materials or of data that are selected, coordinated, or arranged in such a way that the resulting work as a whole constitutes an original work of authorship. The term "compilation" includes collective works

### Exclusive Rights in © Works - § 106

- Subject to sections 107 through 121, the owner of copyright under this title has the exclusive rights to do and to authorize any of the following:
  - **(1)** to reproduce the copyrighted work in copies or phonorecords [material object in which sound is fixated . . .];
  - **(2)** to prepare derivative works based upon the copyrighted work;
  - **(3)** to distribute copies or phonorecords of the copyrighted work to the public by sale or other transfer of ownership, or by rental, lease, or lending;
  - **(4)** in the case of literary, musical, dramatic, and choreographic works, pantomimes, and motion pictures and other audiovisual works, to perform the copyrighted work publicly;
  - **(5)** in the case of literary, musical, dramatic, and choreographic works, pantomimes, and pictorial, graphic, or sculptural works, including the individual images of a motion picture or other audiovisual work, to display the copyrighted work publicly; and
  - **(6)** in the case of sound recordings, to perform the copyrighted work publicly by means of a digital audio transmission

## U.S. Software Protection via Copyright

The limited right to exclude others from:

- Reproducing
- Distributing
- Creating derivative works
- Publicly performing or displaying

**Rights available to a copyright holder**

**Code as a literary work**

**Interface(s) - Input/Output**

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## U.S. Software Protection via Copyright

```
#include <iostream.h>
main()
{
    for(;;)
    {
        cout << "Hello World! ";
    }
}
```

**Abstraction**

**Filtration**

- pure idea
- dictated by efficiency
- required by factors external to the program
- public domain

**Comparison**

- substantial similarity inquiry of what remains
- determine whether defendant copied protected expression

**Non-literal infringement of code**

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## Sun v. Microsoft (9th Cir. 1999)



- Microsoft in violation of interpreted agreement to implement Java according to a standard of compatibility
  - Compatibility tests
  - JNI support
- But, district court failed to indicate whether this is a breach of a covenant or non-compliance with a condition of the license
  - Why does this matter?
- Embrace, extend, extinguish . . . ?
- District court on remand



The network is the computer.

## Edwin Kennedy v. NJDA (7<sup>th</sup> 1999)

- What deliverable did Kennedy generate and what did NJDA do with it?
- Dist Ct. result
- Appellate Ct. result
- Dissent

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- (2) to prepare derivative works based upon the copyrighted work;
- (3) to distribute copies or phonorecords of the copyrighted work to the public by sale or other transfer of ownership, or by rental, lease, or lending;
- (4) in the case of literary, musical, dramatic, and choreographic works, pantomimes, and motion pictures and other audiovisual works, to perform the copyrighted work publicly;
- (5) in the case of literary, musical, dramatic, and choreographic works, pantomimes, and pictorial, graphic, or sculptural works, including the individual images of a motion picture or other audiovisual work, to display the copyrighted work publicly; and
- (6) in the case of sound recordings, to perform the copyrighted work publicly by means of a digital audio transmission

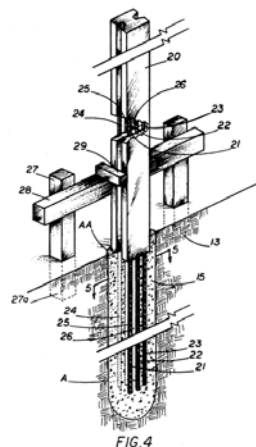
Where activities supported by this contract produce original computer programs (the term computer programs includes executable computer programs and supporting data in any form), **writing**, sound recordings, pictorial reproductions, drawing or other graphical representations and works of any similar nature, the government has the right to **use, duplicate and disclose, in whole or in part, such materials in any manner for any purpose whatsoever** and have others do so. If the material is copyrightable, Edwin Kennedy may copyright such, but the government reserves a **royalty-free non-exclusive and irreversible license to reproduce, publish, and use such materials in whole or in part** and to authorize others to do so. (emphasis added)

## Works for Hire

- § 101 - A "work made for hire" is –
  - (1) a work prepared by an **employee** within the **scope of his or her employment**; or
  - (2) a work specially ordered or commissioned for use as a contribution to a collective work, as a part of a motion picture or other audiovisual work, as a translation, as a supplementary work, as a compilation, as an instructional text, as a test, as answer material for a test, or as an atlas,
    - if the parties expressly agree in a written instrument signed by them that the work shall be considered a work made for hire.
      - For the purpose of the foregoing sentence, a "supplementary work" is a work prepared for publication as a secondary adjunct to a work by another author for the purpose of introducing, concluding, illustrating, explaining, revising, commenting upon, or assisting in the use of the other work, such as forewords, afterwords, pictorial illustrations, maps, charts, tables, editorial notes, musical arrangements, answer material for tests, bibliographies, appendixes, and indexes, and
      - an "instructional text" is a literary, pictorial, or graphic work prepared for publication and with the purpose of use in systematic instructional activities.
- works prepared by employees AND within the scope of employment (and also § 201(b) requirement that work be prepared FOR the employer)

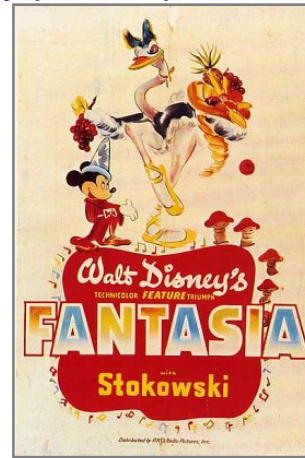
## State Contracting & Engr. v. Florida (Fed. Cir. 2001)

- Sound barrier wall "Value Engineering Change Proposal" (VECP)
  - Patents related to the VECP
  - Later deployment of information in the VECP by Florida Dept. of Transportation (FDOT)
- Contractual provisions
  - "Future Rights"
  - Patent provisions?
- Dist. Ct. result
- Federal Circuit result



## Boosey & Hawkes v. Walt Disney Company (2<sup>nd</sup> 1998)

- What did B&H's predecessor in copyright interest license to Disney, and how did Disney use the work?
- Preferences for construction of terms in copyright licenses?
  - Generally
  - New-use issues
- Video format issue
- ASCAP condition issue



The right to record the musical composition as covered by this agreement is conditioned upon the performance of the musical work in theaters having valid licenses from the American Society of Composers, Authors and Publishers, or any other performing rights society having jurisdiction in the territory in which the said musical composition is performed.

## Random House v. Rosetta Books (SDNY 2002)

- Rosetta entering eBook business (2000)
- Common phrase among licenses from authors to Random House as LicEE
  - “print, publish and sell the work in book form”
  - Authors:
    - Styron (1961 / 1977)
    - Vonnegut (1967 / 1970)
    - Parker (1982)
- “New Use” case law
- “book form” versus “the book”
- Reasons for final result

