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# Student Pieces

## **Standing to Sue in Another's Shoes: Can An Assignee of An Accrued Copyright Infringement Claim with No Other Interest in the Copyright Itself Sue for the Infringement?**

Wenjie Li\*

### Introduction

Congress' paramount goal in enacting the Copyright Act is to "encourage the production of original literary, artistic, and musical expression for the good of the public."<sup>1</sup> This goal is promoted "by discouraging infringement as well as by the successful defense of copyright infringement actions."<sup>2</sup> One of the defenses often asserted by a defendant in a copyright infringement case is that the plaintiff lacks standing to sue for the alleged copyright infringement. Under Article III of the

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1. *Arclightz & Films Pvt. Ltd. v. Video Palace Inc.*, 303 F. Supp. 2d 356, 363 (S.D.N.Y. 2003) (quoting *Fogerty v. Fantasy, Inc.*, 510 U.S. 517, 524 (1994)).

2. *Id.* at 364.

Constitution, a plaintiff must “have ‘standing’ to invoke the power of a federal court.”<sup>3</sup> The Copyright Act of 1909 granted a copyright proprietor standing to sue for copyright infringement.<sup>4</sup> The term “proprietor” was not defined in the 1909 Act. However, courts had construed the term to mean “the ‘sole owner’ of the copyright.”<sup>5</sup> With the introduction of the divisibility of copyright ownership, the Copyright Act of 1976 has extended standing to sue for copyright infringement to exclusive licensees of copyrights. Under section 501(b) of the Copyright Act of 1976, “[t]he legal or beneficial owner of an exclusive right under a copyright is entitled . . . to institute an action for any infringement of that particular right committed while he or she is the owner of it.”<sup>6</sup> Thus, both owners and exclusive licensees of a copyright have standing to sue for copyright infringement. However, both the 1909 and 1976 Acts are silent on whether the owners or exclusive licensees may transfer to a third party their accrued claims for prior infringement while retaining the copyright ownership and thereby enable the third party to sue for the copyright infringement in their shoes.

The federal circuit courts are split on this question. In *Prather v. Neva Paperbacks, Inc.*, the Fifth Circuit held that an assignee of an accrued cause of action for prior infringement with no ownership in the copyright has the right to maintain an action for the infringement under section 101 of the 1909 Copyright Act.<sup>7</sup> The court reasoned that the assignment is a “simple assignment of a chose in action” and such an assignee, “whether a ‘proprietor’ or not, has standing to sue and the court has effective power to avoid altogether the risk of double suit or double recovery.”<sup>8</sup> Courts in other circuits, however, have rejected this approach. In *Eden Toys, Inc. v. Florelee Undergarment Co.*, the Second Circuit ruled that Eden Toys would have standing to sue for infringement of its assignor’s copyright if Eden Toys could prove that it was the exclusive licensee of the copyright

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3. *Infodek, Inc. v. Meredith-Webb Printing Co.*, 830 F. Supp. 614, 619 (N.D. Ga. 1993) (citing *Allen v. Wright*, 468 U.S. 737, 750 (1984)).

4. The Copyright Act of 1909 § 101(b) (amended 1976), reprinted in 8 MELVILLE B. NIMMER & DAVID NIMMER, *NIMMER ON COPYRIGHT* app. 6 (2006).

5. *Silvers v. Sony Pictures Entm’t, Inc.*, 402 F.3d 881, 896 (9th Cir. 2005).

6. 17 U.S.C. § 501 (2006).

7. *Prather v. Neva Paperbacks, Inc.*, 410 F.2d 698 (5th Cir. 1969).

8. *Id.* at 699-700.

infringed.<sup>9</sup> The court explained that “[t]he Copyright Act authorizes only two types of claimants to sue for copyright infringement: (1) owners of copyrights, and (2) persons who have been granted exclusive licenses by owners of copyrights.”<sup>10</sup> The court noted that it did “not believe that the Copyright Act permits holders of rights under copyrights to choose third parties to bring suits on their behalf.”<sup>11</sup> More recently, in *Silvers v. Sony Pictures Entertainment, Inc.*, an en banc panel of the Ninth Circuit announced that an assignee of an accrued claim for copyright infringement with no legal or beneficial interest in the copyright itself could not institute an action for infringement under the 1976 Copyright Act.<sup>12</sup> The court acknowledged that the Act “does not say expressly that only a legal or beneficial owner of an exclusive right is entitled to sue.”<sup>13</sup> Applying the doctrine of *expressio unius est exclusio alterius* to interpret the Copyright Act, the court, however, argued that “Congress’ explicit listing of who may sue for copyright infringement should be understood as an exclusion of others from suing for infringement.”<sup>14</sup>

In enacting the Copyright Act, Congress expressed a clear intent to have national uniformity in copyright laws.<sup>15</sup> As a consequence of the split among the federal circuit courts, Congress’ goal has been undermined. In addition, a difference of opinion among the circuit courts could lead to forum shopping, another problem that the Copyright Act was designed to prevent.

This Commentary surveys the circuit courts’ approaches to whether an assignee of an accrued infringement claim with no other interest in the copyright itself has standing to sue for the infringement and suggests that the Fifth Circuit’s approach to allow such an assignee to sue for the infringement is consistent with the Copyright Act and the Federal Rules of Civil Procedure. Part I provides a general discussion of the standing provi-

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9. *Eden Toys, Inc. v. Florelee Undergarment Co.*, 697 F.2d 27 (2d Cir. 1982).

10. *Id.* at 32.

11. *Id.* at 32 n.3.

12. *Silvers v. Sony Pictures Entm’t, Inc.*, 402 F.3d 881 (9th Cir. 2005).

13. *Id.* at 885.

14. *Id.*

15. *Syntek Semiconductor Co. v. Microchip Tech. Inc.*, 307 F.3d 775, 781 (9th Cir. 2002).

sions of the Copyright Act, the “real party in interest” requirement under the Federal Rules of Civil Procedure and moral rights as authors’ inalienable rights to control the eventual fate of their works and their protection under the Berne Convention. Part II reviews case law dealing with a third party assignee’s standing to sue for the assignor’s accrued infringement claim under the Copyright Act. Part III argues that an assignee of an accrued claim for copyright infringement is a real party in interest and that such an assignee’s right to sue for copyright infringement is an independent right severable from the copyright itself under the Copyright Act. Part III also explains that the differences in the nature of copyrights and patent rights and in the invalidation risk between copyright and patent litigations necessitate different treatments in copyright and patent infringement cases. Part IV presents additional reasons to allow the third party assignee to sue for the accrued infringement claim when such an assignee is also the creator of the copyright. Part V concludes that the Copyright Act should be interpreted to allow an assignee of an accrued claim for copyright infringement with no other interest in the copyright itself to sue for the infringement in the assignor’s shoes. Particularly, when such an assignee is also the creator of the copyright, the purpose of copyright law and the author’s moral rights as protected under the Berne Convention provide further justifications in granting the assignee standing to sue for copyright infringement.

I. Standing Provisions under the Copyright Act, the “Real Party in Interest” Requirement and Authors’ Moral Rights

A. *The Copyright Act and Its Standing Provisions*

The Copyright Act of 1909 adopted the doctrine of indivisibility in copyright.<sup>16</sup> Under this doctrine, a copyright was an indivisible bundle of rights and only one person or entity could own the copyright. The Act referred to such a person or entity as “the copyright proprietor.”<sup>17</sup> A transfer of anything less than

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16. *Gardner v. Nike, Inc.*, 279 F.3d 774, 777-78 (9th Cir. 2002).

17. 3 MELVILLE B. NIMMER & DAVID NIMMER, NIMMER ON COPYRIGHT § 10.01[A] (2006).

the entire copyright was a license, not an assignment.<sup>18</sup> The purpose of the indivisibility doctrine was “to protect alleged infringers from the harassment of successive law suits.”<sup>19</sup>

Section 101 of the 1909 Act provided:

[i]f any person shall infringe the copyright in any work protected under the copyright laws of the United States such person shall be liable . . . [t]o pay to the copyright proprietor such damages as the copyright proprietor may have suffered due to the infringement, as well as all the profits which the infringer shall have made from such infringement . . . .<sup>20</sup>

Thus, the Act granted the right to seek damages for infringement solely to the owner of the copyright. Under section 101(b) of the 1909 Act, an assignee of the copyright was a proprietor and therefore had standing to sue for infringement. On the other hand, a licensee of the copyright did not have standing to bring an infringement action without joining the copyright owner because he did not acquire the proprietorship of the copyright.<sup>21</sup>

The justification of the indivisibility doctrine eventually proved to be “far outweighed by the impeding effect it had upon commerce in copyrighted works.”<sup>22</sup> With the subsequently developed media of communications, such as motion pictures, television, phonograph records and legitimate stage productions coming into existence, copyright eventually became “a label for a collection of diverse property rights each of which is separately marketable.”<sup>23</sup> In 1976, after nearly two decades of deliberation and drafting, Congress passed the Copyright Act of 1976, which came into effect in 1978. The 1976 Act largely abolished the doctrine of indivisibility and allows the copyright ownership to be divided and separately transferred and owned by multiple parties.<sup>24</sup>

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18. *Id.*

19. *Id.*

20. The Copyright Act of 1909, § 101(b) (amended 1976), reprinted in 8 MELVILLE B. NIMMER & DAVID NIMMER, *NIMMER ON COPYRIGHT* app. 6 (2006).

21. NIMMER & NIMMER, *supra* note 17, at § 10.01[C][1].

22. *Id.* at § 10.01[A].

23. *Id.*

24. Section 201(d)(2) provides:

Any of the exclusive rights comprised in a copyright, including any subdivision of any of the rights specified in section 106, may be transferred . . . and

Section 501(b) of the 1976 Act provides that “[t]he legal or beneficial owner of an exclusive right under a copyright is entitled . . . to institute an action for any infringement of that particular right committed while he or she is the owner of it.”<sup>25</sup> Since an exclusive licensee is considered to be the owner of the particular right he has licensed, the licensee has standing to sue for any infringement of that right in his own name. Thus, the 1976 Act expands the definition of persons who may sue for infringement to include an exclusive licensee. Recognizing the continued need to protect an alleged infringer from a multiplicity of law suits and the need to safeguard the rights of other owners of the copyright, Congress noted that section 501(b) “enables the owner of a particular right to bring an infringement action in that owner’s name alone, while at the same time insuring to the extent possible that the other owners whose rights may be affected are notified and given a chance to join the action.”<sup>26</sup> On the other hand, a nonexclusive licensee still does not have standing to sue “in his own name even for infringement of rights as to which he is a licensee.”<sup>27</sup>

B. *The “Real Party in Interest” Requirement under the Federal Rules of Civil Procedure*

Under Article III of the U.S. Constitution, a plaintiff must have “standing” to invoke the power of a federal court.<sup>28</sup> The Supreme Court has said, “In essence the question of standing is whether the litigant is entitled to have the court decide the merits of the dispute or of the particular issues.”<sup>29</sup> However, “[t]he standing doctrine, which ‘has been very much tied to litigation asserting the illegality of governmental action,’ is of limited applicability in cases between private parties.”<sup>30</sup> “Claims of pri-

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owned separately. The owner of any particular exclusive right is entitled, to the extent of that right, to all of the protection and remedies accorded to the copyright owner by this title.

17 U.S.C. § 201(d)(2) (2006).

25. 17 U.S.C. § 501(b) (2006).

26. H.R. REP. NO. 94-1476, at 159 (1976).

27. NIMMER & NIMMER, *supra* note 17, at § 10.02[B][1].

28. *Allen v. Wright*, 468 U.S. 737, 750 (1984).

29. *Id.* at 750-51 (citing *Warth v. Seldin*, 422 U.S. 490, 498 (1975)).

30. *Glickstein v. Sun Bank/Miami N.A.*, 922 F.2d 666, 670 (11th Cir. 1991) (citing 13 CHARLES ALAN WRIGHT, ARTHUR R. MILLER & EDWARD H. COOPER, *FEDERAL PRACTICE & PROCEDURE* § 1351 (2d ed. 1984)).

vate wrongdoing ordinarily are asserted by persons obviously having the enforceable interest, if anyone has; such problems as arise commonly are handled in terms of defining private causes of action or identifying the real party in interest.”<sup>31</sup>

Rule 17(a) of the Federal Rules of Civil Procedure requires that “[e]very action shall be prosecuted in the name of the real party in interest.”<sup>32</sup> The basic purpose of Rule 17(a) is to protect defendants “from subsequent similar actions by one not a party to the initial action.”<sup>33</sup> Rule 17(a) also ensures finality of judgment of the court.<sup>34</sup>

### C. *Authors' Moral Rights*

Moral rights are commonly viewed to have evolved from French case law and German legal theory.<sup>35</sup> The term “moral rights” is a translation of the French expression “droit moral” and is used to describe an author’s ability to control the eventual fate of his work.<sup>36</sup> Moral rights are defined as the “legal recognition of non-economic interests of the author.”<sup>37</sup> The concept of moral rights rests on the presumed intimate bond existing between authors and their works.<sup>38</sup> The basic theory of moral rights is that “authors of copyrightable works have inalienable rights in their works that protect their moral or personal interests and that supplement the set of economic rights traditionally granted to copyright holders in all jurisdictions.”<sup>39</sup> Thus, an author’s moral rights are separate from his copyright and are retained by the author even after he has transferred the copyright ownership to another.<sup>40</sup>

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31. *Id.*

32. FED. R. CIV. P. 17(a).

33. *Pac. Coast Agric. Exp. Assoc. v. Sunkist Growers, Inc.*, 526 F.2d 1196, 1208 (9th Cir. 1975) (citing *Virginia Elec. & Power Co. v. Westinghouse Elec. Corp.*, 485 F.2d 78, 84 (4th Cir. 1973)).

34. E. Michael Johnson, Note, *The Real Party under Rule 17(a): The Loan Receipt and Insurers' Subrogation Revisited*, 74 MINN. L. REV. 1107, 1112 (1990).

35. Cyrill P. Rigamonti, *Deconstructing Moral Rights*, 47 HARV. INT'L L.J. 353, 356 (2006).

36. Betsy Rosenblatt, *Moral Rights Basics*, <http://cyber.law.harvard.edu/property/library/moralprimer.html> (last visited Sep. 22, 2007).

37. Rigamonti, *supra* note 35, at 355 n.10.

38. *Id.* at 355.

39. *Id.*

40. Henry Hansmann & Marina Santilli, *Authors' and Artists' Moral Rights: A Comparative Legal and Economic Analysis*, 26 J. LEGAL STUD. 95 (1997).



Four distinct rights are embedded in an author's moral rights: the right of integrity, the right of attribution, the right of disclosure and the right of withdrawal.<sup>41</sup> The right of integrity is viewed as the most important moral right. Under the right of integrity, an author can prevent modifications of his work without his consent, regardless of whether the modifications benefit or negatively impact his work. The right of attribution provides an author the right to claim authorship to his work and to prohibit distributing or publishing his work unless the author's name is affixed to the work. The right of disclosure gives an author the right to decide when his work is complete and ready for publication and distribution. Finally, after an author has released his work to the public, the right of withdrawal entitles the author to retract his work from the public if he feels the work no longer reflects his personal conviction.<sup>42</sup>

Moral rights gained widespread international recognition in the 1920s. In 1928, the Berne Convention for the Protection of Literary and Artistic Works ("Berne Convention") expressly incorporated a moral rights provision at the Rome revision conference.<sup>43</sup> The first paragraph of Article 6*bis* of the Berne Convention provides:

Independently of the author's economic rights, and even after the transfer of the said rights, the author shall have the right to claim authorship of the work and to object to any distortion, mutilation or other modification of, or other derogatory action in relation to, the said work, which would be prejudicial to his honor or reputation.<sup>44</sup>

Article 6*bis* of the Berne Convention is universally understood as codifying rights of integrity and attribution. Thus, the Berne Convention protects only the right of integrity and the right of attribution.<sup>45</sup>

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41. *Id.* at 95-96.

42. *Id.*; see also Rigamonti, *supra* note 35, at 362-68.

43. Michael B. Gunlicks, *A Balance of Interests: The Concordance of Copyright Law and Moral Rights in the Worldwide Economy*, 11 FORDHAM INTELL. PROP. MEDIA & ENT. L.J. 601 (2001).

44. Berne Convention for the Protection of Literary and Artistic Works, July 24, 1971, 25 U.S.T. 1341, 828 U.N.T.S. 221, art. 6*bis*(1) [hereinafter Berne Convention].

45. Gunlicks, *supra* note 43, at 608.

American law had historically failed to make explicit provision recognizing authors' moral rights.<sup>46</sup> For a long time, the United States refused to join the Berne Convention, in part due to its objection to the moral right clause. However, in 1988, the United States reversed its position and acceded to the Berne Convention.<sup>47</sup> Upon ratification of the Berne Convention, the United States claimed that "U.S. law had evolved to the point where it could be construed, as a whole, to provide the minimal protection for artists' moral rights required by the Convention . . . ."<sup>48</sup> In 1990, Congress enacted the Visual Artists Right Acts (VARA) which explicitly provides protection to visual artists' moral rights of integrity and attribution.<sup>49</sup> Nearly a dozen states now explicitly recognize an author's moral rights.<sup>50</sup> In addition, commentators have also noted that American courts have at times extended protections to authors' moral rights "through extension of common-law rights or through expansive interpretation of particular statutory rights, such as the trademark laws."<sup>51</sup>

## II. Case Law on Assignee's Standing to Sue for Another's Accrued Copyright Infringement Claim

### A. *Prather v. Neva Paperbacks, Inc.*

In *Prather v. Neva Paperbacks, Inc.*, plaintiff Prather authored nine books.<sup>52</sup> Through a publishing agreement, Prather retained the copyright on one of the books and his publisher, Fawcett Publications, Inc. ("Fawcett"), obtained the copyright on the remaining books.<sup>53</sup> Later, it was discovered that defendant Neva Paperbacks ("Neva") infringed on Fawcett's copyright by plagiarizing some of the books.<sup>54</sup> Prather and Fawcett then entered into a contract by which Fawcett assigned to Prather "all its right, title and interest in and to the copyright

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46. Hansmann & Santilli, *supra* note 40, at 96-97.

47. *Id.* at 97.

48. *Id.*

49. *Id.*

50. *Id.*

51. *Id.*

52. *Prather v. Neva Paperbacks, Inc.*, 410 F.2d 698, 698-99 (5th Cir. 1969).

53. *Id.* at 699.

54. *Id.* at 698-99.

secured by it" on the infringed books and "any and all causes of action that may have . . . accrued in Fawcett's favor for infringement of said copyright."<sup>55</sup> The contract also specified that Prather simultaneously granted to Fawcett an exclusive license to publish these books in the English language throughout the world.<sup>56</sup> Thus, through the contract, Fawcett assigned all causes of action and some portion of the copyright on these books to Prather, but retained the English language rights for these books throughout the world to itself. Subsequently, Prather brought a copyright infringement case against Neva.<sup>57</sup> Neva moved to dismiss the case claiming that Prather did not have standing to sue without joining Fawcett.<sup>58</sup>

The case predated the 1976 Act, and the *Prather* court applied the Copyright Act of 1909. Section 101 of the 1909 Act granted to the sole owner of a copyright standing to sue for copyright infringement.<sup>59</sup> Neva argued primarily that, since Fawcett retained some portion of the copyright to the books, Prather was a mere copyright licensee without the status of a sole owner of the copyright and therefore not one entitled to sue for infringement.<sup>60</sup>

The Fifth Circuit affirmed the trial court's decision to deny Neva's motion to dismiss and held that Prather had standing to sue for copyright infringement without joinder of Fawcett.<sup>61</sup> The Fifth Circuit explained that the contract between Prather and Fawcett was an effective assignment of accrued causes of action for copyright infringement.<sup>62</sup> "As an assignee of the causes of action for infringement damages, past, present and future, Prather has the right to maintain the action" under section 101 of the 1909 Copyright Act.<sup>63</sup> "There is no public policy against such assignment and under F.R. Civ.P. 17 such assignee of all choses in action for infringement, whether a 'proprietor' or not, has standing to sue and the court has effective

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55. *Id.* at 699.

56. *Id.*

57. *Id.* at 698.

58. *Id.*

59. *Silvers v. Sony Pictures Entm't, Inc.*, 402 F.3d 881, 896 (9th Cir. 2005).

60. *Prather*, 410 F.2d at 699.

61. *Id.* at 698.

62. *Id.* at 700.

63. *Id.*

power to avoid altogether the risk of double suit or double recovery.”<sup>64</sup>

B. *Eden Toys, Inc. v. Florelee Undergarment Co.*

In *Eden Toys, Inc. v. Florelee Undergarment Co.*, Paddington and Company, Limited (“Paddington”) was the copyright owner of the fictional character Paddington Bear, which was the central figure in a series of children’s books.<sup>65</sup> Paddington entered into a license agreement with plaintiff Eden Toys, Inc. (“Eden”) granting to Eden an exclusive right to produce and sublicense all Paddington products except books, tapes and records, stage plays, motion pictures and radio and television productions in North America.<sup>66</sup> Eden later discovered that defendant Florelee Undergarment Co. (“Florelee”) was using the Paddington Bear figure in adult nightshirts it sold.<sup>67</sup> Eden sued Florelee for copyright infringement.<sup>68</sup> Florelee moved for summary judgment dismissing the copyright claim.<sup>69</sup> The trial court granted Florelee’s motion on the ground that Eden was not an exclusive licensee of the copyright that Florelee had infringed.<sup>70</sup>

The Second Circuit held that the Copyright Act of 1976 only allows owners and exclusive licensees of a copyright to sue for infringement.<sup>71</sup> The original Paddington-Eden license agreement did not cover the copyright Florelee infringed—using Paddington Bear on adult clothing. But if the trial court could find that Paddington granted an informal exclusive license to sell Paddington Bear products in adult clothing to Eden and later confirmed it in writing, Eden would be an exclusive licensee of the copyright and therefore be entitled to sue for the infringement.<sup>72</sup> The Second Circuit then reversed the trial court’s judg-

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64. *Id.*

65. *Eden Toys, Inc. v. Florelee Undergarment Co.*, 697 F.2d 27, 29 (2d Cir. 1982).

66. *Id.* at 29-30.

67. *Id.* at 30-31.

68. *Id.* at 31.

69. *Id.*

70. *Eden Toys, Inc. v. Florelee Undergarment Co.*, 526 F. Supp. 1187 (S.D.N.Y. 1981).

71. *Eden Toys*, 697 F.2d at 32.

72. *Id.* at 36.

ment dismissing Eden's claim of copyright infringement and remanded the case for further proceedings.<sup>73</sup>

C. *Silvers v. Sony Pictures Entertainment, Inc.*

In *Silvers v. Sony Pictures Entertainment, Inc.*, plaintiff Silvers, a writer and producer of television movies, wrote the script for a made-for-television movie entitled *The Other Woman*, which was broadcast on CBS in 1995.<sup>74</sup> Because the script was a work-for-hire that Silvers completed on behalf of Frank and Bob Films II ("Frank & Bob"), Silvers did not own the copyright to the work. Rather, Frank & Bob remained the original owner of the copyright to the movie.<sup>75</sup> In 1998, defendant Sony Pictures Entertainment, Inc. ("Sony") released the motion picture *Stepmom*.<sup>76</sup> Silvers thought that *Stepmom* infringed the copyright to *The Other Woman*. Thereafter, Frank & Bob executed an "Assignment of Claims and Causes of Action," assigning to Silvers "all right, title and interest in and to any claims and causes of action against Sony . . . with respect to the screenplay 'The Other Woman' . . . and the motion picture 'Stepmom.'"<sup>77</sup> Frank & Bob retained the copyright ownership to *The Other Woman*.<sup>78</sup> Silvers then filed a complaint against Sony alleging *Stepmom* infringed on the copyright of *The Other Woman*.<sup>79</sup> Sony moved to dismiss, claiming that Silvers lacked standing to bring the copyright infringement suit.<sup>80</sup>

The trial court denied Sony's motion, but allowed the issue for interlocutory appeal.<sup>81</sup> A three-judge panel of the Ninth Circuit affirmed the trial court's decision, relying on the rationale established in *Prather v. Neva Paperbacks, Inc.*<sup>82</sup> The panel stated that "Congress codified pre-existing case law that had developed under the 1909 Copyright Act into the standing pro-

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73. *Id.* at 37.

74. *Silvers v. Sony Pictures Entm't, Inc.*, 330 F.3d 1204, 1205-06 (9th Cir. 2003).

75. *Id.* at 1206.

76. *Id.*

77. *Id.*

78. *Id.*

79. *Id.*

80. *Id.*

81. *Id.*

82. *Id.*

visions of §501(b) [of the 1976 Copyright Act].”<sup>83</sup> However, the Ninth Circuit voted to rehear the case en banc and withdrew the panel opinion.<sup>84</sup> Following the rehearing, the Ninth Circuit reversed the trial court’s decision by a seven-to-four margin.<sup>85</sup> The Supreme Court denied certiorari to hear the case.<sup>86</sup>

The Ninth Circuit held that an assignee of an accrued claim for copyright infringement, having no legal or beneficial interest in the copyright itself, does not have standing to sue for infringement.<sup>87</sup> The court relied on section 501(b) of the 1976 Copyright Act to establish “who is legally authorized to sue for infringement of a copyright.”<sup>88</sup> It acknowledged that the Copyright Act “does not say expressly that only a legal or beneficial owner of an exclusive right is entitled to sue.”<sup>89</sup> However, applying the doctrine of *expressio unius est exclusion alterius*, the court argued that “Congress’ explicit listing of who may sue for copyright infringement should be understood as an exclusion of others from suing for infringement.”<sup>90</sup>

Recognizing the statute’s “omission explicitly to address the present question may create an ambiguity,”<sup>91</sup> the court then analyzed the legislative history of the standing provisions of the 1976 Act.<sup>92</sup> The court concluded that although the 1976 Act allowed a copyright to be divided and separately owned, it “did not alter the requirement that only owners of an exclusive right in the copyright could bring suit.”<sup>93</sup> The court next looked at patent law and suggested that the Copyright Act should be interpreted consistently with the requirement of the Patent Act.<sup>94</sup> Relying on the Supreme Court’s decision in *Crown Die & Tool Co. v. Nye Tool & Mach. Works*, which precluded assignment of causes of action for patent infringement separate from the pat-

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83. *Id.* (citing *Moran v. London Records, Ltd.*, 827 F.2d 180, 183 (7th Cir. 1987)).

84. *Silvers v. Sony Pictures Entm’t, Inc.*, 370 F.3d 1252 (9th Cir. 2004).

85. *Silvers v. Sony Pictures Entm’t, Inc.*, 402 F.3d 881 (9th Cir. 2005).

86. *Silvers v. Sony Pictures Entm’t, Inc.*, 546 U.S. 827 (2005).

87. *Silvers*, 402 F.3d 881.

88. *Id.* at 884.

89. *Id.* at 885.

90. *Id.*

91. *Id.*

92. *Id.* at 885-87.

93. *Id.* at 886.

94. *Id.* at 888.

ent ownership, the court reasoned that the Copyright Act should be interpreted likewise to prevent such assignments.<sup>95</sup>

In the first dissenting opinion, Judge Berzon explained that the language of section 501(b) was not conclusive in “deciding the viability of assignments of accrued rights to sue for copyright infringement.”<sup>96</sup> Focusing on Congress’ overall intent in enacting the 1976 Copyright Act, Judge Berzon argued that Silvers, as the original creator of the copyright, should be permitted to pursue the accrued claims assigned to her because the creator is “the person for whom the copyright system is designed to provide incentives for more creations,” while “a complete stranger to the creative process” should not.<sup>97</sup> Judge Berzon also pointed out that the legal and factual differences between *Crown Die* and *Silvers* were significant enough to render the patent case inapplicable to the *Silvers* case.<sup>98</sup>

In the second dissent, Judge Bea opined that “the text, purpose and history of the 1976 Copyright Act () allow . . . assignees of an accrued copyright claim to sue for infringement.”<sup>99</sup> Judge Bea argued that in enacting the 1976 Act, Congress intended to “enlarge the ability to bring suit to the owners of exclusive rights.”<sup>100</sup> In addition, allowing assignees of accrued claims to sue for infringement is also consistent with common law and courts’ decisions where other federal statutes are involved.<sup>101</sup> Judge Bea further argued that *Crown Die* is not analogous to the *Silvers* case in light of differences between the patent and copyright law.<sup>102</sup> Lastly, Judge Bea noted that case law supports the interpretation that the Copyright Act allows an assignee of accrued claims to sue for copyright infringement.<sup>103</sup>

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95. *Id.* at 887.

96. *Id.* at 891.

97. *Id.* at 891-94.

98. *Id.* at 894-95.

99. *Id.* at 895.

100. *Id.* at 899.

101. *Id.* at 902-03.

102. *Id.* at 903-05.

103. *Id.* at 907-11.

### III. A Third Party Assignee's Standing to Sue Is Consistent with the Copyright Act and the "Real Party in Interest" Requirement

#### A. *Section 501(b) Cannot and Should Not be Interpreted to Allow Only a Person in the Specified Class to Sue for Copyright Infringement*

Section 501(b) of the 1976 Copyright Act specifies a class of people who have standing to sue for copyright infringement. Under section 501(b), "[t]he legal or beneficial owner of an exclusive right under a copyright is entitled, subject to the requirements of section 411, to institute an action for any infringement of that particular right committed *while he or she is the owner of it.*"<sup>104</sup> Thus, the class of people specified in section 501(b) are only those legal or beneficial owners who owned the copyright *at* the time of infringement. Owners who have acquired their legal or beneficial interest in the copyright *after* the time of infringement are not included in the class specified in section 501(b).

Although section 501(b) does not say expressly that only a certain class of people may sue for copyright infringement, the majority in *Silvers*, relying on the doctrine of *expressio unius est exclusio alterius*, concluded that the Copyright Act allows only those people specified in section 501(b) to sue for copyright infringement.<sup>105</sup> One consequence of the *Silvers* court's interpretation of section 501(b) would be that only the legal or beneficial owners who owned the copyright at the time of infringement may sue for infringement. Owners who purchased a copyright after the time of infringement would be prohibited from suing for infringement. This is inconsistent with case law and would lead to absurd results.

Courts have long recognized that a purchaser of a copyright could sue for infringement accrued before purchase, so long as the right to bring the accrued claims is expressly transferred along with the copyright.<sup>106</sup> For example, in *ABKCO*, plaintiff

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104. 17 U.S.C. § 501(b) (2006) (emphasis added).

105. *Silvers*, 402 F.3d at 885.

106. *See, e.g., ABKCO Music, Inc. v. Harrisongs Music, Ltd.*, 944 F.2d 971 (2d Cir. 1991); *Harold Lloyd Corp. v. Witwer*, 65 F.2d 1 (9th Cir. 1933); *Wade Williams Distrib., Inc. v. Am. Broad. Co., Inc.*, No. 00 Civ. 5002, 2005 WL 774275 (S.D.N.Y. Apr. 5, 2005); *Fisher v. United Feature Syndicate, Inc.*, 37 F. Supp. 2d 1213 (D.



ABKCO purchased from Bright Tunes the copyright to the song "He's So Fine" and "all rights assertable against infringing compositions" of the song.<sup>107</sup> ABKCO then proceeded to sue the defendant, Sony, for infringement that occurred before the purchase.<sup>108</sup> Under the *Silvers* court's interpretation of section 501(b), ABKCO would be barred from the lawsuit because it was not the owner of the song when the infringement occurred and thus did not fit into the class specified in section 501(b). However, the Second Circuit held that ABKCO had standing to sue for the infringement due to its ownership of the claims themselves which it purchased along with the copyright.<sup>109</sup>

In addition, the *Silvers* court's interpretation of section 501(b) would also lead to absurd results.<sup>110</sup> As Judge Bea suggested in his dissenting opinion, one scenario under this interpretation would be that when an owner of the copyright dies, his heirs would not be allowed to sue for an infringement claim that accrued while he was alive.<sup>111</sup> Thus, the *Silvers* court's interpretation of section 501(b) would effectively prevent the alienation of the accrued claims for copyright infringement.<sup>112</sup> Courts traditionally have disfavored "restraint[s] on alienation" of property rights.<sup>113</sup> Therefore, section 501(b) cannot and should not be interpreted to allow only a person who is within the class specified to sue for copyright infringement.

B. *Right to Sue for an Accrued Claim for Copyright Infringement is an Independent and Assignable Right*

Courts generally have held that a copyright assignment does not automatically convey with it accrued causes of action for infringement that occurred prior to the assignment, unless

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Colo. 1999); *Intimo, Inc. v. Briefly Stated, Inc.*, 948 F. Supp. 315 (S.D.N.Y. 1996); *Kruger v. MacFadden Publ'ns, Inc.*, 43 F. Supp. 170 (S.D.N.Y. 1941); see generally *NIMMER & NIMMER*, *supra* note 17, at § 12.02[B].

107. *ABKCO Music, Inc.*, 944 F.2d at 975.

108. *Id.*

109. *Id.* at 980-81.

110. *Silvers*, 402 F.3d at 900-01.

111. *Id.* at 901.

112. *Id.* at 905.

113. *Bank of Am., N.A. v. Moglia*, 330 F.3d 942, 947 (7th Cir. 2003).

they are expressly included in the assignment.<sup>114</sup> If the accrued causes of action are not conveyed to the assignee, they would be retained by the assignor. In this situation, “it is the assignor, not assignee, who has the standing to sue for the infringement acts . . . .”<sup>115</sup> Thus, the right to sue for an accrued claim for copyright infringement is an independent right severable from the copyright ownership itself.

As discussed in Section A, the right to sue for an accrued copyright infringement claim could be transferred along with the copyright itself to an assignee and the assignee is allowed to sue in the assignor’s shoes for the infringement that occurred before the transfer.<sup>116</sup> In addition, in cases where the right to sue for the accrued claim was not simultaneously transferred during the copyright assignment, courts have allowed the assignor to subsequently convey this right to the assignee of the copyright.<sup>117</sup> As long as the subsequent conveyance is “appropriately worded” and is done prior to trial, the assignee again obtains standing to sue for the infringement that occurred prior to the assignment.<sup>118</sup> Therefore, not only is the right to sue for an accrued copyright infringement claim completely severable from the copyright itself, it is also independently assignable.

### C. *A Third Party Assignee of an Accrued Copyright Claim is a Real Party in Interest*

As discussed in Part I, the Constitutional standing requirement is often satisfied when a plaintiff claims a personal injury fairly traceable to the defendant’s conduct and likely to be redressed by the requested relief.<sup>119</sup> The actual question then is

114. *See, e.g.,* *Skor-Mor Prods. v. Sears, Roebuck and Co.*, No. 81 Civ. 1286, 1982 WL 1264 (S.D.N.Y. May 12, 1982); *Co-Opportunities, Inc. v. Nat’l Broad. Co.*, 510 F. Supp. 43 (N.D. Cal. 1981).

115. *Skor-Mor Prods.*, 1982 WL 1264, at \*3.

116. *ABKCO Music, Inc. v. Harrison’s Music, Ltd.*, 944 F.2d 971 (2d Cir. 1991).

117. *Seatrunk v. Darwell Integrated Tech., Inc.*, No. 3:05-CV-531-G, 2006 WL 1932342 (N.D. Tex. July 10, 2006); *Infodek, Inc. v. Meredith-Webb Printing Co.*, 830 F. Supp. 614 (N.D. Ga. 1993).

118. *NIMMER & NIMMER, supra* note 17, at § 12.02[B].

119. *Glickstein v. Sun Bank/Miami N.A.*, 922 F.2d 666, 670 (11th Cir. 1991) (citing 13 CHARLES ALAN WRIGHT, ARTHUR R. MILLER & EDWARD H. COOPER, *FEDERAL PRACTICE & PROCEDURE* § 1351, at 340-41 (2d ed. 1984)); *see also Infodek, Inc.*, 830 F. Supp. 614.

whether the plaintiff is a real party in interest within the meaning of Rule 17(a) of the Federal Rules of Civil Procedure.<sup>120</sup> Rule 17(a) requires that "[e]very action shall be prosecuted in the name of the real party in interest."<sup>121</sup> The purpose of the rule is "to protect defendants against a subsequent suit on a cause of action previously adjudicated with another plaintiff."<sup>122</sup> However, the rule "does not bar a suit by a bona fide representative on behalf of real parties in interest which will have the effect of preventing a multiplicity of suits."<sup>123</sup>

Courts have held that an assignee of an accrued claim "steps into the shoes of its assignors" and thus is a real party in interest under Rule 17(a).<sup>124</sup> In *Infodek, Inc. v. Meredith-Webb Printing Co.*, the court held that plaintiff Infodek, an assignee of accrued copyright infringement claims, was a real party in interest under Rule 17(a).<sup>125</sup> The court reasoned that the defendant is not prejudiced by recognizing the plaintiff's right to sue all accrued causes of action because "the threat of multiple litigation is effectively removed."<sup>126</sup> Based on the foregoing reasoning, a third party assignee is a real party in interest for the accrued copyright claims and thus should be allowed to sue for the copyright infringement.

D. *Differences in the Nature of Copyrights and Patent Rights and in the Invalidity Risk of Copyrights and Patents in Litigations Necessitate a Different Treatment in Copyright Cases*

The *Silvers* court placed heavy weight on a patent case, *Crown Die & Tool Co. v. Nye Tool & Mach. Works*, to reach its decision.<sup>127</sup> In *Crown Die*, the Supreme Court addressed the issue of whether an assignee of an accrued patent infringement

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120. *Glickstein*, 922 F.2d at 670.

121. FED. R. CIV. P. 17(a).

122. *United Fed'n of Postal Clerks v. Watson*, 409 F.2d 462, 470 (D.C. Cir. 1969).

123. *Id.* at 471.

124. *Pac. Coast Agric. Exp. Assoc. v. Sunkist Growers, Inc.*, 526 F.2d 1196, 1208 (9th Cir. 1976); *see also* *Dubuque Stone Prods. Co. v. Fred L. Gray Co.*, 356 F.2d 718 (8th Cir. 1966); *Infodek, Inc.*, 830 F. Supp. 614.

125. *Infodek*, 830 F. Supp. at 621.

126. *Id.*

127. *Silvers v. Sony Pictures Entm't, Inc.*, 402 F.3d 881, 887-88 (9th Cir. 2005).

claim with no interest in the patent itself could sue for past infringements.<sup>128</sup> Inventors Wright and Hubbard assigned their right to a patent for a machine for forming screw-thread cutting devices to Reed Manufacturing Company ("Reed").<sup>129</sup> After discovering that defendant Crown Die & Tool Company ("Crown Die") had been manufacturing and using devices in infringement of the Wright and Hubbard patent, Reed entered into an agreement with Crown Die's competitor, Nye Tool & Machine Works ("Nye Tool").<sup>130</sup> In the agreement, Reed assigned to Nye Tool

all claims recoverable in law or in equity, whether for damages, profits, savings, or any other kind or description which the Reed Manufacturing Company has against the Crown Die & Tool Company arising out of the infringement by the Crown Die & Tool Company of the Wright & Hubbard patent . . . .<sup>131</sup>

Nye Tool then brought a suit to prevent Crown Die from practicing the invention of the patent.<sup>132</sup> Crown Die moved to dismiss the suit on the ground that Nye Tool did not have standing to sue because the Reed-Nye Tool assignment conveyed to Nye Tool only the right to sue for accrued causes of action for patent infringement, not the patent.<sup>133</sup>

The Supreme Court ruled that Nye Tool could not sue for accrued causes of action for past infringements without joining the owner of the patent.<sup>134</sup> In reaching its decision, the Supreme Court explained that "the monopoly granted to the patentee is for one entire thing and in order to enable an assignee to sue he must have received the entire and unqualified monopoly in the territory specified."<sup>135</sup> "[I]t was obviously not the intention of the Legislature to permit several monopolies to be made out of one, and divided among different persons within the same limits."<sup>136</sup> Thus, the Supreme Court's holding that an assignee of accrued causes of action did not have standing to

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128. *Crown Die & Tool Co. v. Nye Tool & Mach. Works*, 261 U.S. 24 (1923).

129. *Id.* at 24.

130. *Id.*

131. *Id.* at 26.

132. *Id.*

133. *Id.* at 27-28.

134. *Id.* at 39.

135. *Id.* at 38.

136. *Id.* (quoting *Gayler v. Wilder*, 51 U.S. 477, 494 (1870)).

sue for past infringement was predicated on the indivisibility of patent rights.

The Supreme Court has noted that “patents and copyrights do not entail the same exchange.”<sup>137</sup> The patent law promulgated by the Supreme Court in *Crown Die* is inapplicable to copyright cases due to the difference in the nature of copyrights and patent rights. Copyrights protect the expression of ideas and facts, whereas patents protect the ideas and facts themselves.<sup>138</sup> Copyrights give their holders “no monopoly on any knowledge.”<sup>139</sup> “A reader of an author’s writing may make full use of any fact or idea she acquires from her reading.”<sup>140</sup> “The grant of a patent, on the other hand, does prevent full use by others of the inventor’s knowledge.”<sup>141</sup>

Patent rights are generally considered indivisible, meaning that the patent owner could assign only an undivided interest in his property.<sup>142</sup> An assignment of the patent can be effected by conveying either “the entire patent, an undivided part or share of the entire patent, or all rights under the patent in a specified geographical region of the United States.”<sup>143</sup> A transfer of anything less than one of these three interests is a license, not an assignment.<sup>144</sup> An assignee of a patent has standing to sue for patent infringement.<sup>145</sup> A licensee, on the other hand, does not acquire title in the patent and has no right to sue for infringement at law in the licensee’s own name.<sup>146</sup>

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137. *Eldred v. Ashcroft*, 537 U.S. 186, 216 (2002).

138. *Golan v. Gonzales*, No. 01-B-1854, 2005 WL 914754 at \*12 (D. Colo. Apr. 20, 2005).

139. *Eldred*, 537 U.S. at 217.

140. *Id.*

141. *Id.*

142. Roger D. Blair & Thomas F. Cotter, *The Elusive Logic of Standing Doctrine in Intellectual Property Law*, 74 TUL. L. REV. 1323, 1365 (2000).

143. 8 DONALD S. CHISUM, CHISUM ON PATENTS § 21.03[2] (1997) (quoting *Rite-Hite Corp. v. Kelly Co., Inc.*, 56 F.3d 1538, 1551-52 (Fed. Cir. 1995) (en banc), cert. denied, 516 U.S. 867 (1995)).

144. Blair & Cotter, *supra* note 142, at 1366; see also CHISUM, *supra* note 143, at § 21.03[2] (1997).

145. An assignee of the entire patent or all rights under the patent in a specified geographical region of the United States may sue in its own name; an assignee of an undivided part or share of the entire patent may sue jointly with the assignor. CHISUM, *supra* note 143, at § 21.03[2] (quoting *Rite-Hite Corp.*, 56 F.3d at 1551-52).

146. *Id.*

Unlike the patent law granting to a patentee an indivisible patent right, the 1976 Copyright Act allows a single copyright to be divided and separately owned by different persons.<sup>147</sup> Section 201(d) of the 1976 Act provides:

(1) The ownership of a copyright may be transferred in whole or in part by any means of conveyance or by operation of law, and may be bequeathed by will or pass as personal property by the applicable laws of intestate succession.

(2) Any of the exclusive rights comprised in a copyright, including any subdivision of any of the rights specified by section 106, may be transferred as provided by clause (1) and owned separately. The owner of any particular exclusive right is entitled, to the extent of that right, to all of the protection and remedies accorded to the copyright owner by this title.<sup>148</sup>

Section 106 expressly lists six “exclusive rights” that a copyright owner could own or transfer.<sup>149</sup> As a result of the emphasis on the divisibility of copyrights, courts have allowed the assignee of any one or more of these exclusive rights to sue for infringement without necessarily joining any other persons as plaintiffs.<sup>150</sup> Courts have also granted the exclusive licensee of one or more of these exclusive rights standing to sue for infringement without necessarily joining the transferor.<sup>151</sup> Furthermore, section 501(b) “confers standing upon a ‘beneficial

147. *Silvers v. Sony Pictures Entm't, Inc.*, 402 F.3d 881, 905 (9th Cir. 2005).

148. 17 U.S.C. § 201(d) (2006).

149. Under 17 U.S.C. § 106, the owner of a 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;
- (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.

17 U.S.C. § 106 (2006).

150. Blair & Cotter, *supra* note 142, at 1368.

151. *Id.* at 1368-69

owner' of a copyright" and the legislative history states that a beneficial owner would include an "author who had parted with legal title to the copyright in exchange for percentage royalties based on sales or license fees."<sup>152</sup> This suggests that "an assignee with a continuing interest in the assigned property may commence an infringement action in his own right, an option that appears to be impossible in patent law."<sup>153</sup> Thus, under the 1976 Copyright Act, Congress obviously intended to "permit several monopolies to be made out of one [copyright], and divided among different persons within the same limits."<sup>154</sup> This is in direct "contrast to the Chief Justice's 1923 reading of an 1874 Patent Law" in *Crown Die*.<sup>155</sup> The difference in the nature of copyrights and patent rights therefore prevents the patent law established in *Crown Die* from being applied to copyright cases.

In addition, there is probably a much lower risk for a copyright to be invalidated in litigation than a patent.<sup>156</sup> In order to be a valid patent, an invention must be novel, nonobvious and useful.<sup>157</sup> An invention is deemed to be "novel" if it was not publicly known or published at the time the invention was made.<sup>158</sup> An invention is "nonobvious" if it would not have been obvious to a person having ordinary skill in the art at the time it was made.<sup>159</sup> An invention is deemed "useful" if it is "capable of beneficial and practical application."<sup>160</sup>

Unlike patents, "[t]he *sine qua non* of copyright is originality."<sup>161</sup> It has been clearly established, "both as a matter of congressional intent and judicial construction, that the originality

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152. *Id.* at 1369 (quoting H.R. Rep. No. 94-1476, at 159 (1976)).

153. *Id.* at 1369.

154. *Crown Die & Tool Co. v. Nye Tool & Machine Works*, 261 U.S. 24, 38 (1923).

155. *Silvers v. Sony Pictures Entm't, Inc.*, 402 F.3d 881, 904 (9th Cir. 2005).

156. *Blair & Cotter*, *supra* note 142 at 1372.

157. 35 U.S.C. §§ 101-03 (2006).

158. 35 U.S.C. § 102 (2006).

159. 35 U.S.C. § 103 (2006).

160. Adam Macluckie, *United States v. Microsoft: Look at the Balancing Act between Copyright Protection for Software, Intellectual Property Rights and the Sherman Antitrust Act*, 2 Hous. Bus. & Tax. L. J. 415, 429 (2002) (quoting Aaron Xavier Fellmeth, *Copyright Misuse and the Limits on the Intellectual Property Monopoly*, 6 J. INTELL. PROP. L. 1, 6 (1998)).

161. *Feist Publ'ns v. Rural Tel. Serv. Co.*, 499 U.S. 340, 345 (1991).

necessary to support a copyright merely calls for independent creation, not novelty.”<sup>162</sup> A work may be original and qualified for copyright protection “even though it closely resembles other works so long as the similarity is fortuitous, not the result of copying.”<sup>163</sup> Thus, “copyrights are easier to obtain than patents, because originality is more easily proven than is novelty.”<sup>164</sup>

Furthermore, “many patents are declared invalid in litigation, mostly on non-obvious grounds, a challenge that is unavailable against a copyright.”<sup>165</sup> The lack of nonobvious ground, plus the lower standard of originality, probably renders a copyright much less likely to be invalidated during litigation than a patent.<sup>166</sup> The much lower risk of invalidation thus makes it unnecessary to require the owner to be a party of any copyright infringement action, a rule that is generally exercised in the patent infringement lawsuits.<sup>167</sup> Therefore, the difference in risk of invalidation of copyrights and patents in litigations also entails a different treatment in copyright infringement actions.

#### IV. Additional Reasons to Grant Standing When the Assignee Is Also the Creator of the Copyright

##### A. *Granting An Author Standing to Sue for Infringement of His Works is Consistent with the General Goals of the Copyright Law*

The Constitution provides that “the Congress shall have power [t]o 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.”<sup>168</sup> Based on the power bestowed by the Constitution, Congress enacted the Copyright Act. “The primary objective of the Copyright Act is to ‘encourage the production of original literary, artistic, and

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162. 1 MELVILLE B. NIMMER & DAVID NIMMER, NIMMER ON COPYRIGHT § 2.01[A] (2006).

163. *Feist Pub'ns*, 499 U.S. at 345.

164. NIMMER & NIMMER, *supra* note 162, at § 2.01[A].

165. Blair & Cotter, *supra* note 142, at 1372 n.225 (quoting Paul J. Heald, *Payment Demands for Spurious Copyrights: Four Causes of Action*, 1 J. INTELL. PROP. L. 259, 271 (1994)).

166. Almost half of all litigated patents are invalidated. *Id.* at 1372 n.225.

167. *Id.* at 1372.

168. U.S. CONST., art. I, § 8, cl. 8.



musical expression for the good of the public.”<sup>169</sup> Through the copyright law, Congress designed the copyright system to provide incentives for more creations.<sup>170</sup>

An author generally has significant interests in how his work is treated by others. Author's interests in his work continue even after he parts from the ownership of his work. When his work is infringed by a third party, the author may desire to prosecute the infringement even when the copyright owner does not.<sup>171</sup> If the infringement remains unchallenged, it “could alter the original work in a way that could damage the creator's reputation or prestige, upon which the creator may very well depend for future contracts or employment.”<sup>172</sup> In this situation, even though the author does not suffer any current financial damage from the infringement, the unchallenged infringement may well affect his future economic interests. Thus, allowing an author to sue as an assignee of the accrued claim for infringement of his work would preserve the financial incentives for him to create more works for the public in the future.<sup>173</sup> This is what the copyright law is designed to achieve. Denying an author's right to sue as an assignee for the accrued copyright infringement claim undermines this purpose and thus is inconsistent with the general goals of the copyright law.

B. *An Author's Moral Rights Demand Standing to Sue for Infringement of His Work*

Authors have intrinsic moral rights interests in their works that supplement the set of economic rights traditionally granted to copyright owners through copyright law.<sup>174</sup> Authors' moral rights interests are found “worthy of protection because of the presumed intimate bond between authors and their works, which are almost universally understood to be an extension of

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169. *Arclightz & Films Pvt. Ltd. v. Video Palace Inc.*, 303 F. Supp. 2d 356, 363 (S.D.N.Y. 2003) (quoting *Fogerty v. Fantasy, Inc.*, 510 U.S. 517, 524 (1994)).

170. *Silvers v. Sony Pictures Entm't, Inc.*, 402 F.3d 881, 893 (9th Cir. 2005) (Berzon, J., dissenting).

171. Recent Cases, *Silvers v. Sony Pictures Entertainment, Inc.*, 402 F.3d 881 (9th Cir.) (en banc), cert. denied, 126 S. Ct. 367 (2005), 119 HARV. L. REV. 693, 699 (2005).

172. *Id.*

173. *Id.*

174. *Rigamonti*, *supra* note 35, at 356.

the author's personhood."<sup>175</sup> An author's moral rights are inalienable and thus remain with him even after he has assigned the ownership of his work to another person.<sup>176</sup>

Authors' moral rights encompass four distinct rights: right of integrity; right of attribution; right of disclosure; and right of withdrawal.<sup>177</sup> The Berne Convention explicitly codified the first two rights: rights of integrity and attribution. Under Article 6*bis* of the Berne Convention, an "author shall have the right to claim authorship of the work and to object to any distortion, mutilation or other modification of, or other derogatory action in relation to, the said work, which would be prejudicial to his honor or reputation."<sup>178</sup> An infringement to an author's work falls into the category of actions defined in Article 6*bis* of the Berne Convention. Thus, under Article 6*bis*, authors would have the right to sue for the infringement, regardless of whether they are the copyright owners of their works or not.

As a member of the Berne Convention, the United States has obligations to enforce authors' moral rights specified in Article 6*bis* of the Berne Convention.<sup>179</sup> In addition, since the majority of countries in the world have now recognized moral rights, the United States' refusal to effectively implement them "continues to be a significant barrier to further international agreement on the basic protections of copyright law and continues to hinder the expansion of copyright right protection throughout the globe."<sup>180</sup> Furthermore, effective protections of moral rights in the U.S. and throughout the world would help to protect works of American authors "from challenges caused by technological innovation that do not fall within the traditional scope of copyright law" and "secure the highest available level of protection for American authors in the global marketplace."<sup>181</sup> Based on these considerations, legislatures at both federal and state levels have enacted laws to extend protections

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175. *Id.* at 355-56.

176. Hansmann & Santilli, *supra* note 40, at 96.

177. *Id.* at 95-96.

178. Berne Convention *supra* note 44.

179. Gunlicks, *supra* note 43, at 608.

180. *Id.* at 605.

181. *Id.* at 606 (quoting Ronald Reagan, President, Remarks on Signing the Berne Convention Implementation Act of 1988 (Oct. 31, 1988), in 24 WEEKLY COMP. PRESS. DOC. 1405).

to author's moral rights in the past two decades.<sup>182</sup> For example, Congress enacted the federal Visual Artists Rights Act to protect the rights of integrity and attribution of visual artists.<sup>183</sup> Nearly a dozen states have now recognized author's moral rights at various degrees.<sup>184</sup> In addition, "even in the absence of specific legislation, American courts have at times offered protection for interests analogous to moral rights through extension of common-law rights or through expansive interpretation of particular statutory rights . . . ."<sup>185</sup> As Judge Posner noted, the doctrine of moral rights "is creeping into American copyright law."<sup>186</sup>

An author's moral rights as protected under Article 6bis of the Berne Convention demand granting to him the right to prevent his work from being infringed. Courts should allow an assignee of an accrued copyright infringement claim who is also the author of the copyright work to sue for the infringement. Doing so would bring the United States a step closer into compliance with the Berne Convention and would achieve greater harmony between the U.S. law and that of the European Community.<sup>187</sup>

### Conclusion

Different federal circuits have ruled differently on the issue of whether an assignee of an accrued copyright infringement claim, who has no other interest in the copyright itself, may sue for the infringement under the Copyright Act. The Fifth Circuit allowed such assignees to sue for the infringement on the ground that the assignment is a "simple assignment of a chose in action" and "the court has effective power to avoid altogether the risk of double suit or double recovery."<sup>188</sup> The Second and Ninth Circuits, on the other hand, interpreted that the Copyright Act of 1976 allows only owners or exclusive licensees of

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182. Hansmann & Santilli, *supra* note 40, at 97.

183. *Id.*

184. *Id.*

185. *Id.*

186. *TY, INC. v. GMA ACCESSORIES, INC.*, 132 F.3d 1167, 1173 (7th Cir. 1997).

187. Hansmann & Santilli, *supra* note 40, at 97.

188. *Prather v. Neva Paperbacks, Inc.*, 410 F.2d 698, 699-700 (5th Cir. 1969).

copyrights to sue for copyright infringement.<sup>189</sup> Since such assignees are neither owners nor exclusive licensees of the copyright, they do not have standing to sue for the copyright infringement.<sup>190</sup>

The Fifth Circuit's ruling is compatible with the Copyright Act and satisfies the "real party in interest" requirement of the Federal Rules of Civil Procedure.<sup>191</sup> The interpretation that the Copyright Act only allows a person specified in section 501(b) to sue for copyright infringement is inconsistent with case law and would lead to absurd results. Thus, section 501(b) cannot and should not be interpreted to prevent persons other than owners or exclusive licensees of copyrights from suing for infringement. Copyright case law has also established that the right to sue for an accrued copyright infringement claim is a right severable from the copyright itself and is independently assignable. In addition, the assignee of an accrued copyright infringement claim is a real party in interest and thus satisfies the requirement of Rule 17(a) of the Federal Rules of Civil Procedure.<sup>192</sup> Furthermore, although a bare assignee of a patent infringement claim does not have standing to sue for the infringement under patent law, the differences in the nature of copyrights and patent rights and in the invalidation risk of copyrights and patents in litigations necessitate a different treatment in copyright infringement cases.

When the assignee of an accrued copyright infringement claim is also the creator of the copyright, there are additional reasons favoring granting standing to sue for the infringement to the assignee. Allowing the author to sue for copyright infringement of his work would provide financial incentives for him to create more works for the public in the future and thus accords with the general goals of the copyright law. Furthermore, an author's moral rights as protected under the Berne Convention also demand granting to him the right to prevent others from infringing on his work.

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189. *Eden Toys, Inc. v. Florelee Undergarment Co., Inc.*, 697 F.2d 27 (2d Cir. 1991); *Silvers v. Sony Pictures Entm't, Inc.*, 402 F.3d 881 (9th Cir. 2005).

190. *Id.*

191. FED. R. CIV. P. 17(a).

192. *Id.*