Case Law on Copyright Disclaimers

The Ninth Circuit Court of Appeals in *A&M Records v. Napster, Inc.* (2001), 239 F.3d 1004 stated:

> "Waiver is the intentional relinquishment of a known right with knowledge of its existence and the intent to relinquish it." *United States v. King Features Entm't, Inc., 843 F.2d 394, 399 (9th Cir. 1988).* In copyright, waiver or abandonment of copyright "occurs only if there is an intent by the copyright proprietor to surrender rights in his work." Melville B. Nimmer & David Nimmer, *Nimmer On Copyright P 13.06* (2000); *see also Micro Star v. Formgen, Inc., 154 F.3d 1107, 1114 (9th Cir. 1998)* (discussing abandonment) (*A&M Records, supra,* 1026).

The US District Court of the Northern District of Illinois, Eastern Division in *Brode v. Tax Mgmt.* (1990), 1990 U.S. Dist. LEXIS 998 stated:

> Defendant MDC insists that it is an innocent infringer and therefore cannot be held liable for any acts of copyright infringement.
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> The agreement's waiver provision could not be more explicit. Mr. Brode clearly agreed to waive all claims arising from TMI's pre-October 1988, use of the portfolio. October 15, 1987 Agreement between Brode-TMI, paragraph 5. Plaintiff does not attempt to argue that this clause is ambiguous, indeed, he could not. Plaintiff conceded in his deposition that he agreed to the waiver provision and clearly understood its effect. Brode Deposition p. 405, Defendant's Exhibit 103. Brode's waiver was an intentional relinquishment of a known right (*Brode, supra*, 11).

The First Circuit U.S. Court of Appeals in *Egner v. E. C. Schirmer Music Co*. (1943) 139 F.2d 398 stated:

> When their compilation was put on sale at the West Point Hotel, this publication and sale with the consent of Gruber amounted to such a general publication as to dedicate the song to the public and worked an abandonment of Gruber's common-law right to a copyright. "If an author permit his intellectual production to be published his right to a copyright is lost as effectually as the right of an inventor to a patent upon an invention which he deliberately abandons to the public, and this, too, irrespective of his actual intention not to make such abandonment." Holmes v. Hurst, 1899, 174 U.S. 82, 89, 19 S.Ct. 606, 609, 43 L.Ed. 904. Wagner v. Conried, C.C.S.D.N.Y. 1903, 125 F. 798; see Werckmeister v. American Lithographic Co., 2 Cir., 1904, 134 F. 321, 326, 68 L.R.A. 591 (*Egner, supra,* 399-400).

The District Court of Massachussettes in *Egner v. E. C. Schirmer Music Co.* (1942), 48 F. Supp. 187 stated:

> The conduct of Gruber from 1908 at least through 1929 shows such a tender of the song to the public generally as to imply an abandonment of the right of copyright. . . .
>
> The conduct of Gruber from the time of the artillery regiment reunion in 1908 up to the time of his application in 1930 for a copyright is consistent with a general publication of his work without a reservation of a right to copyright. In this he may have been induced by the knowledge that the song itself was dedicated to the army in which he had chosen his career. This same feeling may have impelled him to refrain from action against Sousa and to refrain from causing others during the first World War to refrain from using this song. . . . I find that the use of the song by Sousa and by the soldiers in the various cantonments was not such a limited publication as would save the rights of the composer. All in all, the whole picture shows an abandonment by Gruber of his rights to the exclusive use of the song and its complete dedication to the public use (189-190).

The U.S. District Court of Appeal for the Northern District of California in *Adobe Sys. v. NA Tech Direct Inc.* (2019), 2019 U.S. Dist. LEXIS 187630 stated:

> Waiver occurs "if there is an intent by the copyright proprietor to surrender rights in his work," as "manifested by an overt act indicative of a right-holder's intent to completely abandon those rights." *Taylor Holland LLC v. MVMT Watches, Inc.*, 2:15-cv-03578-CVW-JC, 2016 U.S. Dist. LEXIS 187379, at **16-17 (C.D. Cal. Aug. 11, 2016) (citations omitted). Acquiescence "limits a party's right to bring suit following an *affirmative* act by word or deed by the party that conveys implied consent to another." *Seller Agency Council, Inc. v. Kennedy Ctr. For Real Estate Educ., Inc.*, 621 F.3d 981, 988 (9th Cir. 2010) (emphasis in original). Acquiescence requires that "the senior user actively represented that it would not assert a right or a claim." *Id.* at 989 (*Adobe*, *supra*, 11-12).

The U.S. District Court for the Central District of California stated in *Taylor Holland LLC v. MVMT Watches, Inc.* (2016) 2016 U.S. Dist. LEXIS 187379:

> Abandonment of copyright (sometimes referred to as waiver) also constitutes an effective defense in an infringement action. See 4-13 Nimmer on Copyright § 13.06 (16-17).

The Court continued:

> But an abandonment of a copyright must be manifested by an overt act indicative of a right-holder's intent to completely abandon those rights and allow the public to copy. *Hampton v. Paramount Pictures Corp.*, 279 F.2d 100, 104 (9th Cir. 1960). Overt acts include wide and general circulation of copies of a work by the copyright owner, or with his acquiescence, without a copyright notice affixed. *See White v. Kimmell*, 193 F.2d 744, 745 (9th Cir. 1952); *Lopez v. Elec. Rebuilders, Inc.*, 416 F. Supp. 1133, 1135 (C.D. Cal. 1976). An overt act can also consist of public statements by the copyright owner renouncing an interest in a work. *See*

> *Marya*, 131 F. Supp. 3d at 993 (finding author's statement to journalist that she had surrendered any claim she had to copyrighted lyrics was an overt act upon which a reasonable fact finder could base a finding of abandonment); *Melchizedek v. Holt*, 792 F. Supp. 2d 1042, 1051-54 (D. Ariz. 2011) (finding author's public statements indicating he was not interested in protecting his work were overt acts that could be indicative of intent to abandon copyright protection) (17-18).

The U.S. District Court for the Central District of California stated in *Marya v. Warner/Chappell Music, Inc.* (2015) 131 F. Supp. 3d 975:

> General publication, which would cause a forfeiture, occurs "when, by consent of the copyright owner, the original or tangible copies of a work are sold, leased, loaned, given away, or otherwise made available to the general public, or when an authorized offer is made to dispose of the work in any such manner, even if a sale or other such disposition does not in fact occur" (*Marya*, *supra*, 990).

The Court continued:

> The clear implication from the article is that Patty told the *TIME* journalist that she had surrendered any claim she may have had to the *Happy Birthday* lyrics. A public statement like this, if believed, is an overt act on which a reasonable fact finder could base a finding that Patty abandoned her copyright interest in the lyrics (*Marya*, *supra*, 993).

The United States District Court for the Central District of California, Western Division in *Lanard Toys Ltd. v. Novelty, Inc.* (2006), 2006 U.S. Dist. LEXIS 96703 stated:

> First, the Court is unpersuaded, as defendants appear to contend, that plaintiffs have abandoned their copyright in the packaging of plaintiffs' "Drop Copter" toy. "In copyright, waiver or abandonment 'occurs only if there is an intent by the copyright proprietor to surrender rights in his work.'" *A&M Records v. Napster, Inc.*, 239 F.3d 1004, 1026 (9th Cir. 2001) (quoting 4 Nimmer & Nimmer, Nimmer on Copyright P 13.06 (2000)). Accordingly, the Ninth Circuit has held that "abandonment of a right must be manifested by some overt act indicating an intention to abandon the right." *Microstar v. Formgen Inc.*, 154 F.3d 1107, 1114 (9th Cir. 1998) (citing *Hampton v. Paramount Pictures Corp.*, 279 F.2d 100, 104 (9th Cir. 1960)). It does not appear from the record that plaintiffs have manifested an intention to abandon their copyright through any overt act (*Lanard Toys*, *supra*, 41-42).

The Ninth Circuit Court of Appeals in *Micro Star v. Formgen Inc.* (1998), 154 F.3d 1107 held:

> In case FormGen didn't license away its rights, Micro Star argues that, by providing the Build Editor and encouraging players to create their own levels, FormGen abandoned all rights to its protected expression. It is well settled that

> rights gained under the Copyright Act may be abandoned. But abandonment of a right must be manifested by some overt act indicating an intention to abandon that right. *See Hampton* v. *Paramount Pictures Corp.,* 279 F.2d 100, 104 (9th Cir. 1960) (*Micro Star*, *supra*, 1114).

The Second Curcuit Court of Appeals in *Nat'l Comics Publs., Inc. v. Fawcett Publs., Inc.* (1951) 191 F.2d 594 held:

> [W]e do not doubt that the "author or proprietor of any work made the subject of copyright" by the Copyright Law may "abandon" his literary property in the "work" before he has published it, or his copyright in it after he has done so; but he must "abandon" it by some overt act which manifests his purpose to surrender his rights in the "work," and to allow the public to copy it (*Nat'l Comics*, *supra*, 598).

The following are from headnotes in *Nat'l Comics* in the LexisNexis document:

> Section 21 of the Copyright Act, 17 U.S.C.S. § 21, provides that when the proprietor has sought to comply with respect to notice, the omission by accident or mistake of the prescribed notice from a particular copy or copies shall not invalidate the copyright as against an infringer who has actual notice.
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> Section 9 of the Copyright Act (Act), 17 U.S.C.S. § 9, declares that it is the author or proprietor of any work who is entitled to its copyright, § 10 of the Act declares that he may obtain it by publication with the required notice affixed, and § 19 of the Act prescribes what the notice must be.

The U.S. Supreme Court in *Reed Elsevier, Inc. v. Muchnick*, 559 U.S. 154 stated:

> Held: Section 411(a)'s registration requirement is a precondition to filing a copyright infringement claim. A copyright holder's failure to comply with that requirement does not restrict a federal court's subject-matter jurisdiction over infringement claims involving unregistered works. Pp. 160-171, 176 L. Ed. 2d, at 26-33 (*Reed Elsevier*, *supra*, 154).

The U.S. District Court for the Northern District of Illinois, Eastern Division in *FASA Corp. v. Playmates Toys, Inc.* (1995) 892 F. Supp. 1061 stated:

> 16. In the instant case, we find that federal authority, as well as that of Illinois and California converge on the conclusion that Playmates' waiver form is unenforceable because it purports to require the signor to waive unknown future claims. Such a waiver is void as against public policy (*FASA Corp*, *supra*, 1066).
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> 17. The California Civil Code provides that "A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release. . . ." Cal. Civ. *§ 1542*. Thus, we believe that California

> recognizes the general proposition that a waiver of future unknown claims is unenforceable (*FASA Corp*, *supra*, 1066).
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> 22. In the instant case, we are persuaded that a purported waiver of future, unknown federal intellectual property rights is unenforceable and void as against public policy. Such a waiver would permit a party to violate another's intellectual property rights with impunity in contravention of the clear and long standing public policies underlying the trademark, copyright and patent laws. Giving force to such waivers would invariably stifle creativity and inventiveness and inhibit inventors from presenting their creations to others. Thus, even if we were not to look at state law as a guide we would reach the same conclusion: The waiver of unknown future claims is unenforceable (1070).

The US District Court of Arizona, in *Melchizedek v. Holt* (2011) 792 F. Supp. 2d 1042 stated:

> An overt act indicating the abandonment of copyright protection in one work does not automatically result in the abandonment of copyright protection in subsequent works. *E.g., Hadady Corp. v. Dean Witter Reynolds, Inc., 739 F. Supp. 1392, 1395 (C.D. Cal. 1990)* (finding that abandonment ended when the plaintiff changed the contents of the copyright notice on his newsletters; yet, the revised notice did not avoid abandonment of the newsletters distributed under the original notice) . . . At a minimum, the original selection and arrangement of the materials in the Copyrighted Works are subject to copyright protection distinct from copyright protection in the 1992 Video (*Melchizedek*, *supra*, 1052).

17 USCS §102 reads in full:

> (a) Copyright protection subsists, in accordance with this title, in original works of authorship fixed in any tangible medium of expression, now known or later developed, from which they can be perceived, reproduced, or otherwise communicated, either directly or with the aid of a machine or device. Works of authorship include the following categories:
> (1) literary works;
> (2) musical works, including any accompanying words;
> (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; and
> (8) architectural works.
> (b) In no case does copyright protection for an original work of authorship extend to any idea, procedure, process, system, method of operation, concept, principle, or discovery, regardless of the form in which it is described, explained, illustrated, or embodied in such work.

17 USCS §411(a) reads:

> Except for an action brought for a violation of the rights of the author under section 106A(a) [17 USCS § 106A(a)], and subject to the provisions of subsection (b), no civil action for infringement of the copyright in any United States work shall be instituted until preregistration or registration of the copyright claim has been made in accordance with this title. In any case, however, where the deposit, application, and fee required for registration have been delivered to the Copyright Office in proper form and registration has been refused, the applicant is entitled to institute a civil action for infringement if notice thereof, with a copy of the complaint, is served on the Register of Copyrights. The Register may, at his or her option, become a party to the action with respect to the issue of registrability of the copyright claim by entering an appearance within sixty days after such service, but the Register's failure to become a party shall not deprive the court of jurisdiction to determine that issue.

17 USCS §411(c) reads:

> In the case of a work consisting of sounds, images, or both, the first fixation of which is made simultaneously with its transmission, the copyright owner may, either before or after such fixation takes place, institute an action for infringement under section 501 [17 USCS § 501], fully subject to the remedies provided by sections 502 through 505 [17 USCS §§ 502 through 505] and section 510 [17 USCS § 510], if, in accordance with requirements that the Register of Copyrights shall prescribe by regulation, the copyright owner—
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> (1) serves notice upon the infringer, not less than 48 hours before such fixation, identifying the work and the specific time and source of its first transmission, and declaring an intention to secure copyright in the work; and
>
> (2) makes registration for the work, if required by subsection (a), within three months after its first transmission.

17 USCS § 202 reads:

> Ownership of a copyright, or of any of the exclusive rights under a copyright, is distinct from ownership of any material object in which the work is embodied. Transfer of ownership of any material object, including the copy or phonorecord in which the work is first fixed, does not of itself convey any rights in the copyrighted work embodied in the object; nor, in the absence of an agreement, does transfer of ownership of a copyright or of any exclusive rights under a copyright convey property rights in any material object.

17 USCS § 204(a) reads:

> A transfer of copyright ownership, other than by operation of law, is not valid unless an instrument of conveyance, or a note or memorandum of the transfer, is in writing and signed by the owner of the rights conveyed or such owner's duly authorized agent.