RETHINKING COPYRIGHT TERMINATION IN A GLOBAL MARKET: HOW A LIMITATION IN U.S. COPYRIGHT LAW COULD BE RESOLVED BY FRANCE'S DROIT D'AUTEUR

*Andrew Paster**

I. INTRODUCTION 376
II. AN OVERVIEW OF COPYRIGHT LAW AND ITS DEVELOPMENT IN COMMON LAW NATIONS AND CIVIL LAW NATIONS 378
A. *Common Law Nations* 378
B. *Civil Law Nations* 380
C. *Reconciling Two Competing Ideologies in a Global Market* 382
D. *The Berne Convention: An International Agreement to Protect Authors' Rights Throughout the World* ... 383
III. LA SOCIÉTÉ DES AUTEURS DES ARTS VISUELS ET DE L'IMAGE FIXE (SAIF) V. GOOGLE: U.S. COPYRIGHT LAW MAKES ITS WAY INTO FRENCH CIVIL COURT 384
IV. *LEX CONTRACTUS*: WHEN THE CONTRACT EFFECTUATING AN ASSIGNMENT SELECTS THE APPLICABLE LAW 388
V. *ORDRE PUBLIC* – FRANCE'S PUBLIC POLICY IS IN HARMONY WITH THE UNDERLYING REASONING FOR U.S. TERMINATION OF ASSIGNMENTS 390
A. *The Right of Withdrawal* 391
B. *Reciprocity* 392
VI. CONCLUSION 394

* Andrew Paster is a Southwestern graduate of the class of 2015, currently working in Business & Legal Affairs at Interscope Geffen A&M Records.

I. Introduction

In 1932, two teenagers, Jerome Siegel and Joseph Shuster, created a superhero that would change the world forever.[1] This superhero began as just a man, but these two teenagers breathed an extraordinary life into him.[2] Over time, they gave him a backstory, superhuman powers, an alter-ego, a love interest, and most important of all, the name: "Superman."[3] By creating Superman, Siegel and Shuster enabled an escape from the reality of despair that was the Great Depression.[4] To them, Superman was the solution, as he could transform from an ordinary man into a superhero to aid the "downtrodden and oppressed."[5]

Once further developed, Siegel and Shuster began shopping Superman around for acquisition.[6] After a series of setbacks and changes, they created several weeks' worth of comic strips for eventual newspaper syndication.[7] Upon this series of revisions, they eventually struck a deal with DC Comics in 1938, thereby assigning "'all [the] goodwill attached . . . and exclusive right[s]' to Superman 'to have and hold forever,'" for a sum of $130.00.[8] Although this was quite a deal of money in the midst of the Great Depression, it absolutely pales in comparison to the more than $1 billion franchise that Superman would eventually become.[9]

This was a great investment on DC Comics' part, but the same cannot be said for Superman's creators, who lived in near destitute conditions,[10] and unfortunately, did not survive long enough to enforce the termination rights granted to them under Section 304 of the Copyright Act of 1976.[11] Instead, it was Siegel's surviving heirs who

---

1. Siegel v. Warner Bros. Entm't, 542 F. Supp. 2d 1098, 1102 (C.D. Cal. 2008); *see also* Jennifer K. Stuller, Ink-Stained Amazons and Cinematic Warriors: Superwomen in Modern Mythology 13-14 (2010).

2. *See Siegel,* 542 F. Supp. at 1103-04.

3. *Id.* at 1104.

4. *Id.* at 1102.

5. *Id.*

6. *Id.* at 1105.

7. *Id.* at 1104.

8. *Id.* at 1107.

9. Edward E. Weiman et al., *Copyright Termination for Noncopyright Majors: An Overview of Termination Rights and Procedures*, 24 No. 8 Intell. Prop. & Tech. L.J. 3, 4 (2012).

10. Bruce Lambert, *Joseph Shuster, Cartoonist, Dies; Co-Creator of 'Superman' was 78,* N.Y. Times (Aug. 3, 1992), http://www.nytimes.com/1992/08/03/arts/joseph-shuster-cartoonist-dies-co-creator-of-superman-was-78.html.

11. *See* 17 U.S.C. § 304(c) (2016) (provides the framework to terminate assignments made before 1978). Termination rights cause a reversion of copyright after assignment, which can be

brought suit to terminate the initial assignment made in 1938.[12] Complying with the statute, Siegel's heirs properly served notice of termination on Warner Brothers Entertainment ("Warner Brothers") in 1997.[13] However, litigation eventually ensued in 2004.[14]

While Siegel's heirs successfully terminated the 1938 assignment after four years of litigation, the result was only a partial victory.[15] The heirs recovered only the rights and interests to Superman within the United States,[16] but any of the rights or interests acquired by DC Comics, or later Warner Brothers, by exploitation in foreign nations were left undisturbed, as they are governed by each nation's own copyright law.[17] Therefore, Warner Brothers was not obligated to return its exploitation rights in territories outside of the U.S.[18]

This limitation of termination rights under U.S. copyright law is a frustration shared by many authors. In today's global market, the exploitation of intellectual property is not limited by jurisdiction, yet the law governing it is.[19] This conflict is problematic because when a U.S. author assigns his or her rights to a U.S. assignee, the author assigns the right to exploit the work outside of the U.S., which vests ownership in the assignee in whichever foreign territory it chooses to exploit the work.[20] Thus, the author cannot terminate his or her assignment to the assignee in those territories under U.S. copyright law.[21] While the assignee may be the owner of the author's work in foreign jurisdictions, this should not mean that the author has no redress.

In today's global market, U.S. authors are in need of a remedy that will allow them to regain the rights in and to their work on a

---

exercised by the original author of a work. *Id.* Termination is further discussed below, see discussion *infra* Part II, Section A.

12. *Siegel,* 542 F. Supp. 2d at 1114.

13. *Id.*

14. *See id.*; *see also* JOE SERGI, THE LAW FOR COMIC BOOK CREATORS: ESSENTIAL CONCEPTS AND APPLICATIONS 206 (2015).

15. *See Siegel,* 542 F. Supp. 2d at 1142.

16. Michael Cieply, *Ruling Gives Heirs a Share of Superman Copyright,* N.Y. TIMES, Mar. 29, 2008, at C3.

17. *Siegel,* 542 F. Supp. 2d at 1141-42 (holding that the termination notice is not effective as to the remainder of the grant, that is, defendants' exploitation of the work abroad under the aegis of foreign copyright laws); *see also* 3 MELVILLE B. NIMMER & DAVID NIMMER, NIMMER ON COPYRIGHT § 11.02[B][2] (2015) ("A grant of copyright 'throughout the world' is terminable only with respect to uses within the geographic limits of the United States.").

18. *See Siegel*, 542 F. Supp. 2d at 1142 (noting the right to termination leaves "undisturbed the original grantee or its successors in interest's rights arising under 'federal law.'") (citing 17 U.S.C. § 304(c)(6)(E) (2016)).

19. *See* 17 U.S.C. § 304(c)(6)(E) (2016).

20. Bill Gable, *Taking it Back*, L.A. LAWYER, June 2008, at 38.

21. *Id.* at 36.

global scale. Fortunately for such authors, many civil law nations, such as France, favor authorship over ownership,[22] which is a concept that presumptively supports an author of a work to assert his or her natural rights to reclaim ownership. While favoring authorship over ownership is at odds with U.S. copyright law, the principles of civil law and natural rights are in harmony with the underlying policy of copyright termination in the U.S.[23]

Part II of this article will first compare the development of copyright law in both common law and civil law nations. This will provide a better understanding of how the law in these two different classifications of nations has evolved to a point where the underlying policies allow for a limitation in one type of nation to be resolved by the other.

Parts III through V will then explain why civil law nations should apply U.S. copyright law to allow a U.S. author to recover his or her foreign rights when effectuating a termination in the U.S., and how the policies of civil law nations justify such application of U.S. copyright law in this context.

For purposes of simplicity, this article will closely analyze the developments and significant aspects of U.S. copyright law, exemplifying the traditional views of common law nations, and French copyright law, representing the civil law nations.

II. An Overview of Copyright Law and its Development in Common Law Nations and Civil Law Nations

A. *Common Law Nations*

The copyright laws of many common law nations, including the U.S., can trace its initial inception back to the Statute of Anne,[24] but for purposes of this article, our analysis will begin with the U.S. Constitution. The Copyright Clause authorizes Congress "[t]o promote the Progress of Science and useful Arts, by securing for limited Times

---

22. *See* Paul Goldstein & Bernt Hugenholtz, International Copyright: Principles, Law, and Practice 20-21 (3d ed. 2013).

23. Congress gave the author the right to regain copyright because the author's initial bargaining power may have been "weak." *See* Adam R Blankenheimer, *Of Rights and Men: The Re-Alienability of Termination of Transfer Rights in Penguin Group v. Steinbeck*, 24 Berkley Tech. L.J. 321, 321 (2009).

24. The Statute of Anne was enacted in 1710 by the English Parliament, which imposed limits on its copyright term and provided the framework for U.S. Copyright Law. *See* Tyler T. Ochoa & Mark Rose, *The Anti-Monopoly Origins of the Patent and Copyright Clause*, 84 J. Pat. & Trademark Off. Soc'y 909, 914-19 (2002); Lionel Bently et al., *Emerging Divergences in the Common Law of Intellectual Property*, *in* The Common Law of Intellectual Property: Essays in Honour of Professor David Vaver 3 (Catherine W. Ng et al. eds., 2010).

to Authors and Inventors the exclusive Right to their respective Writings and Discoveries."[25] This single sentence is the foundation of U.S. copyright law, from which all subsequent law is derived.

The Founding Fathers could never have fathomed today's global market, but wisely authorized Congress to amend the law as authors' needs developed.[26] U.S. copyright law has been amended numerous times since its inception in the Constitution,[27] each time addressing newer needs of authors. The Copyright Act of 1790 first introduced copyright laws in the U.S.,[28] providing authors with a fourteen-year term of protection upon registration,[29] which could be renewed for another fourteen years.[30] Later, in the Copyright Act of 1909, the two fourteen-year terms were extended to two twenty-eight-year terms.[31]

However, the most significant revision to U.S. copyright law occurred in the Copyright Act of 1976. This Act drastically changed copyright law by: (i) extending the term of copyright to life of the author, plus an additional fifty years (and later expanded to seventy years in 1998);[32] and (ii) granting the author the ability to terminate an earlier assignment of copyright by complying with the statutory requirements.[33]

These two changes afforded authors more protection in and to their works than they had ever been given before. By granting such an extended term, authors would never live to see their work enter the public domain, and thus, allowing the author to exploit the work throughout his or her lifetime, and even beyond. Of course, this extension of the copyright term would not hold much value for the authors who had assigned the rights in and to their works if Congress did not also provide them the ability to terminate their earlier assignments.

---

25. U.S. CONST. art. I, § 8, cl. 8. "Authors" and "Writings" apply to copyright owners, while "Inventors" and "Discoveries" apply to patent owners, s*ee* Gregory Troxell, *Copyright Reform and the Author's Right to "Vend": The Case of the Unpaid Manufacturer*, 10 IND. L. REV. 507, 519 (1976); *see also What are Patents, Trademarks, and Copyrights*, DOCIE INVENTION & PAT. MARKETING, http://www.docie.com/patenting-help/what-are-patents-trademarks-and-copyrights/ (last visited Feb. 25, 2017).

26. *See* Eldred v. Ashcroft, 537 U.S. 186, 204 (2003).

27. James Marion, *An Act for the Encouragement of Learning – Copyright Law Then and Now*, 41 S.F. ATT'Y 42, 44 (2015).

28. *Id.* at 43; Copyright Act of 1790, ch. 15, 1 Stat. 124 (repealed 1802).

29. Copyright Act of 1790; Ochoa, *supra* note 24, at 914.

30. Copyright Act of 1790; *See also Eldred* 537 U.S. at 246; Ochoa, *supra* note 24, at 915.

31. Copyright Act of 1909, Pub. L. No. 60-349, 35 Stat. 1075, 1080 (1909) (repealed 1976).

32. Copyright Act of 1976, 17 U.S.C. § 302(a) (2012). This applies to works created on or after January 1, 1978. *Id.* However, the applicable term for works created on or before December 31, 1977 is different. 17 U.S.C. § 304(c)-(d).

33. 17 U.S.C. § 203.

Termination signifies a radical departure from traditional U.S. copyright law because the U.S. places a higher value on the economic right of a copyright than the moral rights of authors.[34] With the termination right, Congress expressly protected the author's integrity and work to his or her assignee's detriment. For the first time in U.S. copyright law, Congress recognized the author's disparities in initial bargaining power with his or her assignee, and sought to undermine the assignee's economic interest, thus allowing the interest of authors—as the work's originators—to prevail.

B. Civil Law Nations

The majority of the world's nations have adopted the civil law system.[35] Therefore, a number of bodies of law could be analyzed in this article. However, because no nation is as passionate about, nor has a more robust body of law defining moral rights than France,[36] this article examines France's *droit d'auteur*, or "author's rights"[37] for comparison.

Prior to the French Revolution (the "Revolution"), France's copyright law favored authors' economic rights over their moral rights.[38] During this time, the king would selectively grant authors copyright protection.[39] This was just one way in which the king's centralized powers enraged the French people and ultimately led to the Revolution.[40] When the Revolution began, revolutionaries sought to destroy all symbols of the former monarchy, "including cultural and artistic

---

34. *See* Mira T. Sundara Rajan, *The Tradition and Change: The Past and Future of Author's Moral Rights*, *in* INTELLECTUAL PROPERTY IN COMMON LAW AND CIVIL LAW 123, 137-38 (Toshiko Takenaka ed., 2013); *see also* Brandi L. Holland, *Moral Rights Protection in the United States and the Effect of the Family Entertainment and Copyright Act of 2005 on U.S. International Obligations*, 39 VAND. J. TRANSNAT'L L. 217, 230-31 (2006).

35. *The World Factbook: Legal Systems,* C.I.A., *available at* https://www.cia.gov/library/publications/the-world-factbook/docs/notesanddefs.html?fieldkey=2100&term=Legal%20system (last visited Mar. 8, 2017) (noting that approximately 80 countries apply common law and 150 countries apply civil law "in various forms").

36. Rajan, *supra* note 34, at 53 (noting that French law contains "one of the most comprehensive sets of provisions on moral rights in the world.").

37. Jean-Luc Piotraut, *An Authors' Rights-Based Copyright Law: The Fairness and Morality of French and American Law Compared*, 24 CARDOZO ARTS & ENT. L.J. 549, 551 (2006); Droit d'auter consists of authorial rights, as well as moral rights (droit moral). *Id.* at 554-55.

38. *See* Christine L. Chinni, *Droit D'auteur Versus the Economics of Copyright: Implications for American Law of Accession to the Berne Convention*, 14 W. NEW ENG. L. REV. 145, 149 (1992).

39. Calvin D. Peeler, *From the Providence of Kings to Copyrighted Things (And French Moral Rights)*, 9 IND. INT'L & COMP. L. REV. 423, 428 (1999).

40. *Id.*

property."[41] In response, a new cultural awareness of national heritage spread to prevent the destruction of art.[42] This new policy focused on the author of the work, rather than just the work itself.[43]

In 1793, after the Revolution, France enacted its first copyright laws,[44] which were likely influenced by and modeled after both the English Statute of Anne and the more contemporary U.S. Copyright Act of 1790.[45] Despite the movement to protect authors' rights during the Revolution, early post-Revolution French copyright law still favored economic rights over moral rights.[46] Although an author's moral rights were not yet highly regarded under France's early copyright laws, its significance would emerge, not statutorily, but within the French court system.[47] Because moral rights developed through the court system, they would continually be redefined and reinterpreted by recurring arguments based on public policy as to the proper function and purpose of copyright protection.[48] Thus, the law grew as "social concerns about ethics and justice" evolved.[49] While French courts freely interpreted moral rights issues as they arose, this was not problematic, as the post-Revolution French "rulers found a different relationship with culture than their predecessors."[50] This relationship differed from the past as it considered art to glorify the nation and that its creative elements were part of the author as the art's originator.[51]

The policies that shaped moral rights developed throughout the nineteenth and twentieth centuries and were eventually codified in 1957 through the parliament's ratification of France's most recent copyright act.[52] The most significant aspect of France's codification of moral rights is its recognition that "[a]uthorship is the foundation of copyright law,"[53] distinctively separating it from its economic right

41. *Id.*

42. *Id.* at 429.

43. *See* Joseph L. Sax, *Heritage Preservation as a Public Duty: The Abbe Gregoire and the Origins of an Idea*, 88 MICH. L. REV. 1142, 1155-56 (1990).

44. STINA TEILMANN-LOCK, BRITISH AND FRENCH COPYRIGHT: A HISTORICAL STUDY OF AESTHETIC IMPLICATIONS 32-33 (2009).

45. Peeler, *supra* note 39, at 429.

46. *See* Chinni, *supra* note 38, at 151.

47. Peeler, *supra* note 39, at 432.

48. *Id.*

49. *Id.*

50. *Id.* at 449.

51. *Id.* at 448.

52. Chinni, *supra* note 38, at 152.

53. Rajan, *supra* note 34, at 123.

protections.[54] Moral rights are concerned with an author's reputation but frequently overlap with economic rights, which relate to matters of exploitation.[55] In France, moral rights are so revered that they are "perpetual, inalienable, and imprescriptible,"[56] whereas the economic right is subject to a limited term.[57]

Despite the fact that French copyright law is now codified, French courts continue to facilitate the development of moral rights laws, much like they did during the nineteenth century.[58] Because every case that comes before the court is unique, the court may expand upon the law beyond the legislature's initial intent to invoke public policy, and further, to consider any philosophical or political argument by any litigant, or of its own volition.[59] Because France safeguards authors by consistently providing them various remedies, it "continue[s] to exert cultural domination in the arts."[60]

C. Reconciling Two Competing Ideologies in a Global Market

As demonstrated by the foregoing, modern U.S. and French policies regarding copyright law are drastically different. The U.S. emphasizes ownership more than it does authorship, while France, conversely, emphasizes authorship over ownership.[61] While these differences are at odds with each other, this is a benefit to the U.S. author.

While U.S. copyright law does not apply extraterritorially,[62] France "extend[s] moral rights to all authors regardless of a treaty point of attachment."[63] For U.S. authors who are restricted from regaining the foreign rights in and to their works under U.S. copyright law, the extraterritorial application of moral rights allows them to assert their rights not just in France, but in various other civil law nations as well.[64] In the European Union alone, the harmonization of copyright law has accelerated the convergence between economic and

54. *See* Peeler, *supra* note 39, at 423.
55. *Id.* at 434-35.
56. Code de la Propriété Intellectuelle art. L121-1 (Fr.) (consolidated June 20, 2008).
57. Piotraut, *supra* note 37, at 612.
58. Peeler, *supra* note 39, at 454.
59. *Id*.
60. *Id*. at 455.
61. Piotraut, *supra* note 37, at 551.
62. Subafilms, Ltd. v. MGM-Pathe Commc'ns Co., 24 F.3d 1088, 1098-99 (9th Cir. 1994); Armstrong v. Virgin Record, Ltd., 91 F. Supp. 2d 628, 632 (S.D.N.Y. 2000).
63. Goldstein & Hugenholtz, *supra* note 22, at 365-66.
64. *See id.*

moral rights.[65] With France being a forerunner in the continuing development of moral rights, many other nations are likely to follow in its place, which may allow U.S. authors to regain their rights in various territories.

D. The Berne Convention: An International Agreement to Protect Authors' Rights Throughout the World

While there is no international copyright law per se, there are multiple treaties and agreements to which many nations are signatories. The most significant of these agreements is the Berne Convention for the Protection of Literary and Artistic Works ("Berne").[66] Berne, which went into effect in 1886,[67] can trace its origins back to 1852, when, coincidentally, French legislation sought to establish universal copyright law through the invocation of natural rights.[68] With consideration of natural rights, Berne laid out many terms of protection and national reciprocity by establishing "minimum standards"[69] for its signatory nations to abide by.[70] Berne made protection available to authors who were "nationals" of signatory countries, whether their work was published in other countries or not.[71]

When Berne went into effect in 1886, Europe's most powerful nations such as France, Germany, and the United Kingdom committed to its obligations.[72] The U.S. was the most commercially significant country to refuse adherence to Berne. Although throughout its history the U.S. has entered into a series of bilateral copyright agreements on a country-by-country basis, it evaded adherence until 1989: 103 years after some of the world's most significant, and today's most economically important nations had joined.[73] The implications of the U.S. joining Berne are significant, as it affords U.S. authors the ability to substantively gain more rights in signatory nations, allowing them to assert more of their rights abroad.[74]

65. *Id.* at 21.

66. Berne Convention for the Protection of Literary and Artistic Works, Sept. 9, 1886, 331 U.N.T.S. 217.

67. *Id.*

68. GOLDSTEIN & HUGENHOLTZ, *supra* note 22, at 34.

69. ANTHONY D'AMATO & DORIS ESTELLE LONG, INTERNATIONAL INTELLECTUAL PROPERTY ANTHOLOGY 225 (1996).

70. *Id.*

71. GOLDSTEIN & HUGENHOLTZ, *supra* note 22, at 36.

72. SAM RICKETSON, THE BERNE CONVENTION FOR THE PROTECTION OF LITERARY AND ARTISTIC WORKS: 1886-1986, at 79 (1987).

73. GOLDSTEIN & HUGENHOLTZ, *supra* note 22, at 38.

74. *See id.* at 38-39.

While Berne sets universal standards for its signatories to adhere to, its signatories are free to interpret its provisions with some freedom.[75] As is inevitable in international copyright disputes, where national sovereignty is monumental, choice of law conflicts are likely to arise. However, Article 5(2) of Berne provides some guidance as to what to do when a national of one nation seeks redress in another. Article 5(2) provides: "the extent of protection, as well as the means of redress afforded to the author to protect his rights, shall be governed exclusively by the laws of the country where protection is claimed."[76] While this language appears to preclude an author from asserting his or her rights under U.S. copyright law extraterritorially, Berne is in fact silent as to "questions of authorship, initial ownership, and transfers of ownership,"[77] which provides U.S. authors with the basis to pursue U.S. termination in such an instance.

With Berne being silent as to issues of transfers of ownership, a French court is free to apply whichever law it sees fit to govern instances where a U.S. author seeks to terminate an earlier assignment, and his or her assignee has exploited the copyright in France.[78] Therefore, a U.S. author would not be prohibited by Berne from extraterritorial application of U.S. termination in France. In fact, Berne's silence on transfers of ownership may have been intended to grant individual nations such freedom to determine how they are to proceed in an ever-changing global market. While it is ultimately up to a French court to decide which law may govern in such an instance, without any regulation to the contrary, and in consideration of other arguments, which shall be made below, U.S. termination could conceivably be applied in France to allow a U.S. author to regain his or her French rights.

III. La Société des Auteurs des arts visuels et de l'Image Fixe (SAIF) v. Google:[79] U.S. Copyright Law Makes its Way into French Civil Court

A French Civil Court recently addressed a copyright infringement claim under a framework analogous to a termination of assignment in

75. Sam Ricketson & Jane C. Ginsburg, International Copyright and Neighbouring Rights: The Berne Convention and Beyond 1297 (2d ed. 2006).

76. Berne Convention for the Protection of Literary and Artistic Works art. 5(2), Sept. 9, 1886, 331 U.N.T.S. 217.

77. Ricketson & Ginsburg, *supra* note 75, at 1299.

78. *See id.*

79. Tribunal de grande instance [TGI] [ordinary court of original jurisdiction] Paris, 3e ch., May 20, 2008, 05/12117 (Fr.).

a global market.[80] However, the issue arose in the context of the internet, which is another prime example of how the exploitation of copyright is not limited to a single jurisdiction. What began as a French lawsuit quickly developed into a case of international copyright law and eventually made the U.S. internet pioneer corporation, Google, a party.

In 2005, the French artists' society, SAIF, a collective organization that represents visual artists,[81] alleged that the websites google.fr and images.google.fr had infringed its members' copyrights by displaying various thumbnail images as search results.[82] Through its search engines, Google located online images and downloaded copies into its database.[83] SAIF alleged that the process violated its members' exclusive rights, specifically those of reproduction and display.[84]

In turn, Google argued that the French Civil Court ought to apply U.S. copyright law—specifically, the fair use doctrine.[85] Under the fair use doctrine, a defendant admits to an unauthorized use of a copyrighted work, but claims defense against such alleged copyright infringement "for purposes such as criticism, comment, news reporting, teaching (including multiple copies for classroom use), scholarship, or research."[86] In order to prevail, the defendant must argue that the four factors the court must consider tip in favor of the use being "fair" and not an infringement.[87] Interestingly, Google argued that such an application of U.S. copyright law was justified under Article 5(2) of the Berne Convention.[88]

When the case went to trial in 2008, the Paris Civil Court agreed with Google and applied U.S. copyright law.[89] The Civil Court "noted that the Berne Convention did in fact control [its] choice of law analysis."[90] It then looked to the Court of Cassation,[91] which "had interpreted the Berne Convention to require the application of the

80. *See id.*

81. *La Saif, Societe des Auteurs des artes visuels et de l'Image Fixe*, SAIF.FR, https://www.saif.fr/spip.php?page=saif2&id_article=90 (last visited Mar. 8, 2017).

82. KATE SPELMAN & BRENT CASLIN, *La Societe des Auteurs des arts visuels et de l'Image Fixe (SAIF) v. Google: A Parisian Story of the Berne Convention and Online Infringement Claims*, 19 CAL. INT'L L.J. 3 (2011) ("'Thumbnail' images are typically small, low-resolution reproductions of full-sized images.").

83. TGI, Paris, 3e ch., May 20, 2008, 05/12117 (Fr.).

84. *Id.*

85. *Id.*; *see also* 17 U.S.C. § 107 (2012).

86. 17 U.S.C. § 107 (2012).

87. *See id.*

88. TGI, Paris, 3e ch., May 20, 2008, 05/12117 (Fr.); *see supra* Part II.D.

89. *Id.*

90. *Id.*; SPELMAN & CASLIN, *supra* note 82, at 5.

country's law in which the harm was produced."[92] Since the alleged harm was generated by Google's search engine at its headquarters in California, the court reasoned that U.S. copyright law ought to govern such an alleged case of infringement.[93]

The Civil Court compared Google's operation to that of a dictionary, which warranted application of the fair use doctrine.[94] The Civil Court then went through the four steps of a fair use doctrine analysis and found such use to be "fair."[95] This decision not only applied U.S. copyright law extraterritorially, but also expanded the holding of a prior U.S. fair use doctrine case,[96] which was applied extraterritorially by way of the Berne Convention.[97]

This is a very significant outcome for the French courts and a very promising achievement for hopeful U.S. authors who wish to apply U.S. termination provisions extraterritorially. While the defense of fair use is quite distinct from the right to terminate an earlier assignment, the application of any U.S. provision in France raises hope that an author can assert his or her natural rights as the author to regain ownership in his or her works abroad. One must also consider the context of this decision with how termination may be treated even more favorably. Copyright infringement and the fair use defense are primarily concerned with the economic right (i.e., that of reproduction and display) in a copyright,[98] whereas the right of termination encompasses both the economic right as well as the author's moral right.[99]

---

91. The Court of Cassation is France's highest court. SPELMAN & CASLIN, *supra* note 82, at 5.

92. *Id.* (emphasis in original).

93. TGI, Paris, 3e ch., May 20, 2008, 05/12117 (Fr.).

94. *Id.* "The court analogized Google to a dictionary or directory providing cost-free and universal access to information, and thus deserving of the 'fair use' protection." SPELMAN & CASLIN, *supra* note 82, at 5.

95. TGI, Paris, 3e ch., May 20, 2008, 05/12117 (Fr.); SPELMAN & CASLIN, *supra* note 82, at 5.

96. Perfect 10, Inc. v. Amazon.com, Inc., 508 F.3d 1146, 1176 (9th Cir. 2007). The Ninth Circuit Court of Appeals found that "the copying function performed automatically by a user's computer to assist in accessing the Internet is a transformative use. Moreover, . . . a cache copies no more than is necessary to assist the user in Internet use . . . Such automatic background copying has no more than a minimal effect on Perfect 10's rights, but a considerable public benefit." Thus, the four fair use factors weighed in favor of a fair use. *Id.* at 1147, 1169-70, 1176-77.

97. SPELMAN & CASLIN, *supra* note 82, at 5.

98. *See* 17 U.S.C. § 107 (2016).

99. *See* Neil Netanel, *Copyright Alienability Restrictions and the Enhancement of Author Autonomy: A Normative Evaluation*, 24 RUTGERS L. J. 347, 393-97 (1993); *see also*, Michael H. Davis, *The Screenwriter's Indestructible Right to Terminate Her Assignment of Copyright: Once a Story is "Pitched," a Studio Can Never Obtain All Copyrights in the Story*, 18 CARDOZO ARTS & ENT. L. J. 93, 106-07, 106 n.75 (2000). *See generally* Jill R. Applebaum, *The Visual Arts Rights*

French courts favor the author's moral right over the economic right,[100] and when considering this, they may be more inclined to apply U.S. copyright law than the court in *SAIF*.

While this was a major victory justifying the application of U.S. copyright law abroad, it must be noted that SAIF appealed this decision to the Paris Court of Appeals, where the decision was overturned.[101] Google still prevailed over SAIF, but the Paris Court of Appeals applied a French variation of fair use[102] instead of the U.S. fair use doctrine.[103] While this foreclosed Google's pursuit of applying U.S. copyright law in France, this is only so because France has its own equivalent protections to uphold Google's defense.[104] Unlike fair use, France does not have an equivalent legal protection that could supplant U.S. termination. The concept is unique to the U.S. and no equivalent legal remedy exists in French copyright law.

SAIF demonstrates the willingness of France's Civil Court to apply U.S. copyright law and what may happen when France has its own equivalent legal remedy. However, it is still unknown what may happen when the Paris Court of Appeal is faced with a claim to which no French copyright law could sufficiently supplant U.S. termination. Fortunately for U.S. authors, France's legal system operates very differently than the U.S. legal system. Whereas the U.S. abides by *stare decisis*, France does not.[105] French case law still develops much like its law of moral rights developed prior to its codification in 1957.[106] It is developed by judges who seldom cite case precedent.[107] This inconsistency benefits U.S. authors because no French court is bound by an-

---

Act of 1990: An Analysis Based on the French Droit Moral, 8 AM. U. J. INT'L & POL'Y 183 (1992) (analyzing the Visual Artists Rights Act of 1990 based on the French doctrine of moral rights).

100. *See* Applebaum, *supra* note 99, at 186-87.

101. Cour d'appel [CA] [regional court of appeal] Paris, 1e ch., Jan. 26, 2011, 08/13423; SPELMAN & CASLIN, *supra* note 82, at 5.

102. CA, Paris, 1e ch., Jan. 26, 2011, 08/13423. The Appeals Court found that since the alleged harm was sustained in France, French law should apply. *Id.*; SPELMAN & CASLIN, *supra* note 82, at 5. Thus, the court held that "Google [was] not liable for copyright infringement under the Law on Confidence in the Digital Economy (*Loi sur la Confiance dans l'Economie Numerique*, or 'LCEN'), which governs internet actors absent a more specific statute." CA, Paris 1e ch., Jan. 26, 2011, 08/13423; SPELMAN & CASLIN, *supra* note 82, at 5.

103. CA, Paris, 1e ch., Jan. 26, 2011, 08/13423.

104. *See* Zohar Efroni, *Who Said France Does Not Have Fair Use?*, STAN. L. SCH. CTR. FOR INTERNET & SOC'Y (Jan. 28, 2011, 3:41 AM), http://cyberlaw.stanford.edu/blog/2011/01/who-said-france-does-not-have-fair-use.

105. WILLIAM L. BURDICK, THE BENCH AND BAR OF OTHER LANDS 228 (1939).

106. *See* Peeler, *supra* note 39, at 432.

107. BURDICK, *supra* note 105, at 228.

other, and when such a unique concept such as U.S. termination is brought before it, the application of U.S. copyright law can prevail.

While the uncertainty of a ruling in France may be a drawback for a U.S. author, there exist contractual remedies, which the author may argue and use to support the application of U.S. copyright law to effectuate a termination of assignment in France, in the event a French court would not be so willing to apply more U.S. copyright law than it already has.[108]

IV. *Lex Contractus*: When the Contract Effectuating an Assignment Selects the Applicable Law

Under U.S. copyright law, an assignment of copyright is ineffective unless it is done in writing.[109] As many copyright professors have emphasized when explaining the concept of assignment, the writing effectuating such assignment need not be complex.[110] All that is required is a simple writing, and no matter how simple it may be, the assignor and assignee are left with a fully binding contract of assignment.[111]

While only a simple writing is required, this is rarely the case. In many instances (particularly in an entertainment context), an assignment of copyright is usually a part of a much larger contract. Because of the complexities of these types of contracts and the many possible legal scenarios that could potentially arise from entering into such a contract, the parties always designate an applicable law to govern a dispute if and when it arises. This "choice of law" provision is commonly referred to as the "*lex contractus*."[112] Several states' laws could be applied, but in many instances (particularly in an entertainment context), the most popular laws are California and New York. While there may not always be an explicit reference to federal law, federal copyright law preempts state copyright law[113] (which is almost nonexistent), and is therefore implicitly acknowledged to govern any copyright dispute that may arise.

108. *See* Andre Lucas, UNESCO Copyright Bulletin, Applicable law in Copyright Infringement Cases in the Digital Environment 1, 6-9 (Oct.-Dec. 2005), http://portal.unesco.org/culture/en/files/29336/11338009191lucas_en.pdf/lucas_en.pdf.

109. 17 U.S.C. § 204(a) (2012).

110. *See* Jay Dratler Jr. & Stephen M. McJohn, Licensing of Intellectual Property 8-9 (2014) (citing Effects Assocs., Inc. v. Cohen, 908 F.2d 555, 557 (9th Cir. 1990)).

111. *See id.*

112. Ricketson & Ginsburg, *supra* note 75, at 1324.

113. 17 U.S.C. § 301 (2012).

The nations of the European Union, including France, are signatories to the Rome I Regulation ("Rome I"),[114] which allows parties to choose the law that will govern all or part of a contract, expressly or implicitly, so long as it is "clearly demonstrated by the terms of the contract or the circumstances of the case."[115] To be effective, the court must first determine whether the rights have been legitimately acquired in the source country.[116] Once this has been determined, the court will then consult the choice of law designated in the contract and determine whether the scope of assignment should be narrowed using local laws.[117] The court will then consider the parties' intentions, whether it be expressed or implied, and apply the law of the nation that has the closest relationship with the contract.[118] Public policy will also be a consideration of the court.[119]

Returning to the entertainment contract discussed above, one can see how a French court may rule when considering a choice of law clause in the context between a U.S. author and a U.S. assignee. The court would first look to the contract that assigns the author's rights to the assignee. Upon reading the contract, the court will see that the assignee has legitimately acquired the author's rights in the source country (for our purposes, the U.S.). The court will then see a choice of law that is "clearly demonstrated by the terms of the contract."[120] Whether the contract selects the laws of New York or California to govern, the court will see that the two U.S. parties entered into a contract granting the assignee the rights to exploit the author's rights internationally and that the parties have mutually agreed upon a specific set of U.S. laws to govern any dispute that may arise from such exploitation. The court might also elect to narrow the scope of assignment using local laws, if determined necessary.

Following a thorough consideration of the contract, the court will then consider public policy. Public policy and its connection to the author's moral rights is really the heart and soul of any argument for the extraterritorial application of U.S. copyright law, whether a party

114. Regulation (EC) No. 593/2008 of the European Parliament and the Council of 17 June 2008 on the Law Applicable to Contractual Obligations (Rome I), art. 3, 2008 O.J. (L 177) 1, 2 [hereinafter Rome I].

115. *Id.*

116. RICKETSON & GINSBURG, *supra* note 75, at 1324.

117. *Id.*

118. *Id.*

119. *Id.* at 1325.

120. Rome I, *supra* note 114, art. 3.

brings suit insisting upon its application like Google did in *SAIF* above, or relying on the parties' mutual assent in the contract.

V. *Ordre Public* – France's Public Policy is in Harmony with the Underlying Reasoning for U.S. Termination of Assignments

Both of the arguments made in Parts III and IV provide ample support to a U.S. author who is seeking to apply U.S. termination provisions extraterritorially. Whether the author insists upon the application of U.S. copyright law without reference to a contract, or solely looks to the contract of assignment for its application, doing so without other support for such application may not persuade a French court. As previously mentioned, French courts do not abide by *stare decisis*[121] and may not be so willing to consider the ruling of *SAIF*. Further, courts may very well decide to extend Article 5(2) of the Berne Convention to assignments of copyright,[122] which would mean that French copyright law would govern and the author's attempt to implement U.S. copyright law in France would come to a rather abrupt halt. Nevertheless, while an author could rely on the legal principle of *lex contractus* to identify the U.S. as the country with the closest connection to the contract to justify the application of U.S. copyright law, a French court could decide that its laws better suit the claim brought against the assignee.[123] Therefore, neither claim on its own may be enough to persuade a French court to apply U.S. copyright law.

What a U.S. author needs is support from French law itself; a justification that would compel a French court to realize that its laws are not a valid substitute for U.S. copyright law in this particular instance and that the public policy of French copyright law, in terms of an author's rights, justifies this application. The Court of Cassation has stressed the principle of public policy in recent years, applying it in both domestic and international cases.[124] Public policy strengthens the moral right by indicating that it is a right that "upholds fundamental values of society."[125]

121. *See* Burdick, *supra* note 105, at 228.

122. *See* Ricketson & Ginsburg, *supra* note 75, at 1299.

123. *See id.* at 1325.

124. Elizabeth Adeney, The Moral Rights of Authors and Performers: An International and Comparative Analysis 171 (2006).

125. *Id.* ¶ 8.28.

As previously noted, French law developed and continues to develop through judge-made decisions, growing more sensitive to the author throughout time.[126] The French also revere the author's moral rights over his or her economic rights.[127] What is interesting to note is that the author's rights and needs have not independently changed significantly since the French Revolution. What has changed is the drastic exploitation of the economic rights of a copyright due to the globalization of the world economy. The author's rights and needs have only had to adapt due to the global focus of copyright exploitation.[128] Such rights and needs have developed throughout time and France's strong and protective measures to remedy an author are ready to embrace another nation's copyright law to better protect the author in a global economy.

A French court must first look to the U.S. termination provisions and understand its underlying policy before it can proceed. Upon doing so, it will see that while there is definitely an economic component attached to the right of termination,[129] the reason for doing so lies much deeper. The reason for termination is to "give the author a second bite at the apple," and allow the author to renegotiate a possible extension of the initial assignment based on the actual worth of the copyright.[130] However, one must also consider the legislative intent for granting the author such a right. The right is more author-centric than it is economic-centric by going so far as to provide an author the right to overcome the economic interest of its assignee;[131] a principle France is familiar with.

A. The Right of Withdrawal

Considering the underlying legislative intent behind U.S. termination rights, a French court can compare such a right with its own moral right of withdrawal. The French moral right of withdrawal may actually be the least understood moral right, as there is very little case law to flesh out its real meaning or to define its scope,[132] in turn, allowing a U.S. author to make a creative argument to establish a parallel with termination. The right of withdrawal allows the author to

126. Peeler, *supra* note 39, at 432.

127. *See* Goldstein & Hugenholtz, *supra* note 22, at 20; *see also* Peeler, *supra* note 39, at 428.

128. *See* Goldstein & Hugenholtz, *supra* note 22, at 96.

129. *Id.* at 85, 152-53.

130. *See* Blankenheimer, *supra* note 23, at 321.

131. Adeney, *supra* note 124, at 195.

132. *Id.*

reconsider the work even after its economic rights have been assigned to and exploited by another.[133] Essentially, it allows the author to end exploitation or utilization of the work,[134] and may even be exercised after publication of the work.[135]

Notably, the right of withdrawal may also override a contract formed for purposes of exploitation.[136] Additionally, since French law "does not indicate a proper choice of law in relation to the rights of [ ] withdrawal,"[137] it may even be open to the application of U.S. termination when supported by a choice of law provision already agreed upon by the parties in the contract of assignment.

While it is a moral right of the author to overcome an economic right of the assignee by withdrawing their work, the assignee is not without redress, as the assignee is provided more safeguards than under the right of termination.[138] Whereas under U.S. copyright law, an author owes no compensation to the assignee, nor does he or she even have to renegotiate an extension of assignment, the French moral right of withdrawal causes the author to indemnify the assignee of the economic interest for such a disruption in the exploitation of the work.[139]

When considering the implications of applying U.S. termination and seeing that it affords U.S. authors a greater right than its own right of withdrawal, a French court may be more interested in expanding upon the principles of U.S. termination to assist U.S. authors in the global marketplace, simply because of the similar underlying policies of termination and withdrawal.

B. Reciprocity

The concept of reciprocity is extremely important in a global market where various nations are engaged in trade and therefore, a great number of individual nation's laws could apply.[140] Reciprocity empha-

---

133. *Id.*; D'Amato & Long, *supra* note 69, at 121. The Right of withdrawal may only be exercised by the author against his or her assignee. Adeney, *supra* note 124, at 195.

134. D'Amato & Long, *supra* note 69, at 121.

135. Peeler, *supra* note 39, at 427.

136. Adeney, *supra* note 124, at 196.

137. *Id.* at 671. It should be noted that because the right of withdrawal is so closely associated with an assignment of economic rights in a work, no indication of a proper choice of law in an international dispute could very well be attributable to the absence of assignments from the Berne Convention. *See* Ricketson & Ginsburg, *supra* note 75, at 1299.

138. *See* D'Amato & Long, *supra* note 69, at 415.

139. *See* Adeney, *supra* note 124, at 196.

140. Francesco Parisi & Nita Ghei, *The Role of Reciprocity in International Law*, 36 Cornell Int'l L.J. 93, 94 (2003).

sizes one nation's specific behavior towards another nation who is also expected to exhibit a particular behavior in a similar instance.[141] Reciprocity promotes cooperation between nations by incentivizing each other to behave cordially in expectations for reciprocal treatment.[142]

Due to its implications, reciprocity has become imperative between various nations with respect to international legal disputes.[143] Such a relationship is meant to discourage opportunistic action.[144] The concept of reciprocity is not limited to instances of trade, and courts are free to consider the application of another nation's laws when adjudicating a dispute.

A French court should be willing to apply U.S. copyright law because of the U.S. Seventh Circuit Court of Appeal's application of French law in *Bodum, USA, Inc. v. La Cafetiere, Inc.*[145] In this case, the court was presented with a trademark dispute between Bodum, a French distributor of a successful French-press maker, and Household Articles Ltd. ("Household"), a British distributor of a French-press maker.[146] Household sold a French-press maker that had a striking similarity to Bodum's French-press maker.[147] Household wanted to continue selling their French-press makers and entered into negotiations with Bodum to do so.[148] The parties came to an agreement whereby "Household would never sell one of its French-press makers in France [and] that it could not use the trade names Chambord or Melior."[149]

Household continued its business and eventually established a distributor in the U.S., which prompted Bodum to file suit against Household under U.S. federal and state law for trade dress violation.[150] The parties agreed that the agreement would be interpreted using French law.[151] Therefore, the court referenced various sections of the French Civil Code and Commercial Code in reaching its conclu-

141. *See id.*

142. *See id.* at 95-96.

143. *Id.* at 106.

144. *Id.* at 94-97.

145. Bodum USA, Inc. v. La Cafetiere, Inc., 621 F.3d 624, 628 (7th Cir. 2010).

146. *Id.* at 625.

147. *Id.* at 626.

148. *Id.* at 625.

149. *Id.*

150. *Id.* at 625-26. Trade dress is a "form of trademark;" it is a product's "distinctive appearance that enables consumers to identify a product's maker." *Id.* at 626.

151. *Id.* at 628.

sion.[152] By doing so, the court honored the agreement's choice of law provision, resolving this dispute under French law.[153]

While the court was silent as to its decision to apply French law, it may be presumed that it was due to the parties' mutual assent in their initial agreement that French law was to govern any and all disputes. The significance of this decision sets a precedent and encourages French courts to apply U.S. law when U.S. authors come before it and present a contract entered into under U.S. law with the intention that it be the sole law to govern a dispute, very much like it would in the entertainment contract discussed in Part IV.

While trademark law and copyright law are distinct areas of intellectual property, they are similar enough to justify that where a U.S. court decides to apply French law in a trademark dispute, a French court ought to reciprocate and apply U.S. law in a copyright dispute. The matter really lies in the court's decision to respect the parties' intention to have a particular nation's law be the governing law, despite where the suit may be brought. Article 1156 of France's Civil Code provides that the parties' intention when entering into a contract ought to prevail over the written word.[154] This could only strengthen the instance where the parties have explicitly set out their intention in their contract and thus, the intention and written word of the contract would be in harmony, compelling the application of the law set forth in the contract, particularly when the underlying policy of U.S. termination is in harmony with French public policy.

VI. Conclusion

U.S. authors can overcome the territorial limitation of U.S. termination rights by demonstrating that its underlying policy is in harmony with the various policies of moral rights. Moral rights favor authorship over ownership,[155] justifying the application of U.S. termination in France. The underlying policy of the reversion of rights under U.S. termination is in harmony with the public policy of French moral rights. This policy recognizes reversion of U.S. rights as a quintessential right of an author that should prevail over any economic interest of an assignee and cause the author's rights to revert in France as well.

As demonstrated in Part II, The Berne Convention does not state which nation's laws ought to apply in the instance of copyright assign-

152. *Id.* at 628-30.
153. *See id.*
154. Code Civil [C. Civ.] art. 1156 (Fr.).
155. *See* Rajan, *supra* note 34, at 125.

ment.[156] This allows a U.S. author to argue that U.S. termination ought to apply extraterritorially because of its intrinsic association with assignment. Because U.S. termination is such a unique concept, France does not have a valid substitute that a U.S. author could argue in a French court. However, a U.S. author could argue for its application as Google did in *SAIF* and by comparing termination to the right of withdrawal. The similarities between the policies of both termination and the right of withdrawal could justify such an application of U.S. copyright law, particularly because no other remedy in France is so comparable as to supplant U.S. copyright law in such an instance. However, a French court can see that it recognizes a similar remedy (i.e., the right of withdrawal) in a slightly different context so that its courts would not be wholly unaware of the repercussions of applying U.S. termination.

Additionally, as demonstrated in Part IV, the choice of law of a contract would justify the application of U.S. termination in France, as it manifests the parties' true intent at the time they entered into the contract. By recognizing that a U.S. author assigned his or her rights to a U.S. assignee and that the parties agreed that U.S. law is to govern any dispute that may arise, a French court would be compelled to apply U.S. termination. Article 1156 of France's Civil Code would support the application of U.S. copyright law, as it is mostly concerned with the parties' intent.[157] A French court may be even more compelled to apply U.S. termination after recognizing the U.S.'s application of French law in *Bodum, USA, Inc. v. La Cafetiere, Inc.*, because of the parties' mutual assent as set forth in their agreement. France would be incentivized to behave cordially in hopes of further reciprocation by the U.S. in future instances.

While this article specifically addresses how a dispute ought to be resolved between the U.S. and France, it is also intended to provide a framework for the protection of authors of common law nations in civil law nations. As previously mentioned, France is a forerunner in the development of moral rights and the various nations of the European Union develop their copyright law to be in harmony with French copyright law.[158] Therefore, this position, if accepted and enacted, has the potential of substantively revising how business is conducted and how rights are evaluated on a worldwide basis.

---

156. *See* Ricketson & Ginsburg, *supra* note 75, at 1299.
157. Code Civil [C. Civ.] art. 1156 (Fr.).
158. Goldstein & Hugenholtz, *supra* note 22, at 19-21.