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Ownership of Electronic Rights and the Private International Law of Copyright

by Jane C. Ginsburg*

When, in response to a French decision upholding the rights of employee journalists to prevent the publisher's unauthorized licensing of electronic rights in the journalists' articles,¹ French newspaper publishers yearn for "American-style copyright,"² they must imagine a work-made-for-hire nirvana in which publishers dispose of all rights in contributions to their periodicals, heedless of (and legally shielded from) authors' pesty claims for payment or control. To the extent that the work-made-for-hire doctrine applies, the publishing paradise conjured up by these French fantasies of law "reform" is very real indeed. Under U.S. copyright law, employee creators are not statutory "authors;" their employer enjoys that status, and owns all rights in the copyright, *ab initio*.³ Thus, had they been U.S. employee journalists challenging a U.S. employer-publisher's U.S. electronic exploitation, the plaintiffs in the Dutch, Belgian and French cases would have had no claim. Even U.S. free-lance journalists will be subject to copyright divestiture through the work-made-for-hire rule, *if* they sign a contract that commissions their contribution to the periodical, and specifies that their contribution will be considered a work made for hire.⁴ But, as the *Tasini*⁵ case illustrates, not all free-lancers sign work for hire agreements, either because they enjoy sufficient bargaining power to resist the publisher's demands, or (at least equally likely) because publishers are not always punctillious about securing these agreements.

Under U.S. copyright law, if the creator of the contribution is not an employee for hire, then she is the author and copyright owner, and, *Tasini* tells us, in the absence of a clear contractual grant, the author will not be presumed to have conveyed anything more than initial print publication rights. The copyright act requires any grant of exclusive rights to be in writing and signed by the author.⁶ Thus, if a free-lance author has merely contracted to publish in a print journal, she has not also contracted to be republished in a digital medium.

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1. See Trib. Gde. Instance de Strasbourg, order of February 3, 1998, English translation *infra*, in the appendix of this issue, 22 COLUM.-VLA J. L. & ARTS 199 (1998).

2. See Yves-Marie Labé, *La presse s'interroge sur les droits d'auteur liés aux médias électroniques*, LE MONDE, Feb. 6, 1998, at 20, col. 1.

3. See 17 U.S.C. §§101, 201(b).

4. See 17 U.S.C. §101(2)

5. *Tasini v. New York Times Co.*, 972 F. Supp. 804 (S.D.N.Y.), *reh'g denied*, 981 F. Supp. 841 (S.D.N.Y. 1997).

6. 17 U.S.C. § 204(a). A grant of non exclusive rights, however, may be oral or inferred from conduct. See, e.g., *Effects Associates v. Cohen*, 908 F.2d 555 (9th Cir. 1990), *cert. denied*, 498 U.S. 1103 (1991).

Were that the end of the U.S. copyright act's allocation of rights between authors and publishers, American copyright might still seem a lush oasis, albeit not quite the publishing paradise coveted abroad. Enter section 201(c) of the 1976 Copyright Act, which awards the copyright owners of collective works a presumptive privilege to reproduce the separately copyrighted works of its contributors, "as part of that particular collective work, any revision of that collective work, and any later collective work in the same series." *Tasini* tests the meaning both of the publisher's "privilege," and of "revision of that collective work." Were the District Court's ruling — that the publisher's revision privilege is transferrable to a third party database whose economic utility is to permit searching individual articles across myriad publishers' periodicals — to stand, then the U.S. would indeed appear a publisher's haven in a storm of conflicting claims to new technology rights.

But copyright is territorial.⁷ Since the result in *Tasini* rested on interpretation of section 201(c), a provision peculiar to U.S. law, it is necessary to explore whether a U.S. publisher could assert the "privilege" against its contributors in licensing electronic rights for exploitation abroad. For example, the *New York Times* may now be able to license the content of its daily issues to NEXIS for U.S. database users, but may it also license the material to NEXIS to make available to French, Belgian or Dutch database users? Is the answer the same whatever the employment status (salaried journalist or freelancer) of the contributor? What of a foreign newspaper publisher? May it license website or database rights for the U.S. without the consent of its freelance journalists? May it dispose freely in the U.S. of all publication rights (electronic or otherwise) in articles first published in Holland, Belgium or France by employee journalists? Put another way, does the mantle of works made for hire (and similar U.S.-law benefits or privileges) continue to drape the U.S. publisher wherever it exploits an employee's work; may a foreign publisher from a country that does not have a work made for hire regime assume that mantle for U.S. exploitations?

This comment will explore why the answer to the question regarding the extraterritorial effect of section 201(c) should be "No, with respect to database or website access in countries requiring that authors explicitly transfer electronic republication rights, the U.S. publisher should not be able to license foreign electronic rights without the freelance authors' consent." On the other hand, a U.S. employer-for-hire should retain copyright ownership even in countries where salaried authors remain copyright holders. By the same token, a foreign employer-publisher who does not own all rights at home does not suddenly acquire them for the U.S. simply by licensing exploitations that enter U.S. borders.

I. STATUTORY "PRIVILEGES" AND COPYRIGHT OWNERSHIP: SOME PREGOGATIVES ARE MORE TERRITORIAL THAN OTHERS

It may seem inconsistent at first blush to contend that, insofar as the works for hire doctrine is concerned, the law of the work's country of origin (first publication) determines copyright ownership for all countries in which the work may be

7. See III PAUL GOLDSTEIN, COPYRIGHT § 16.0, 16:1-2 (2d ed. 1996).

exploited⁸, but also to assert that U.S. publishers may not claim the benefits of the section 201(c) revision privilege abroad. Nonetheless, the two propositions in fact complement, rather than contradict, each other: in contrast to the works made for hire regime, section 201(c) sets forth a "privilege;" its holder is not a copyright *owner* of the contributions to the collective work.⁹ Section 201(c) establishes a narrow accommodation for copyright holders of collective works, but preserves the separate copyrights of the contributors. That provision neither makes copyright owners of collective works the joint owners of the contributor's digital media rights, nor does it purport to supplant the contributor's ownership of those rights. Moreover, section 201(c) operates in default of contracts. While courts abroad generally give effect to copyright transfer contracts governed by a foreign law¹⁰, it is less clear that they would give supranational effect to a special statutory privilege, especially if its result were to divest authors of rights for which publishers must bargain under local law.

If foreign jurisdictions decline to give supranational effect to section 201(c), then making U.S. free-lance journalists' articles available to a non-U.S. public through NEXIS without the authors' consent would appear to violate many foreign copyright laws. This suggests that NEXIS (and similar exploiters) would need either to seek the authors' permission for many markets in Europe and elsewhere, or to block access to subscribers from those countries.

But if section 201(c) is so territorially restricted that U.S. collective works copyright owners may not extend its benefits beyond U.S. borders, does it also follow that foreign collective works copyright owners may claim its benefits for the U.S. market? Arguably, the principle of national treatment enshrined in the Berne Convention¹¹ would assimilate foreign copyright owners to U.S. owners, and thus would confer the section 201(c) privilege on foreign collective works copyright owners. A closer look at both the Berne Convention and section 104 of the U.S. Copyright Act, however, reveals that neither instrument applies the national treatment principle to copyright *ownership* (much less to sub-ownership privileges). The Berne Convention directs application of the law of the "country where protection is claimed" to "the extent of protection as well as the means of redress afforded to the author to protect his rights."¹² In other words, the treaty provides that the law of the country where protection is claimed defines what rights are protected, the scope of protection, and the available remedies; the treaty does not supply a choice of law rule

8. See Jane C. Ginsburg and Pierre Sirinelli, *Authors and Exploiters in International Private Law: The French Supreme Court and the Huston Film Colorization Controversy*, 15 COLUM.-VLA J. L. & ARTS 135 (1991); Jane C. Ginsburg, *Conflits de lois et titulaire initial du droit d'auteur*, 18 CAHIERS DU DROIT D'AUTEUR 1 (July-August 1989).

9. See Alice Haemmerli, Commentary: *Tasini v. New York Times Co.*, in this issue, 22 COLUM.-VLA J.L. & ARTS 129 (1998).

10. See, e.g., EUGEN ULMER, *INTELLECTUAL PROPERTY RIGHTS AND THE CONFLICT OF LAWS* 39 (1978). The result may be different if local law deems the object of the transfer a matter of substantive copyright law, rather than of contract interpretation, or considers that the transfer violates local public policy. See discussion *infra*, pp. at 173-174.

11. See Berne Convention for the Protection of Literary and Artistic Works, Paris Act of 1971, reprinted in, S. TREATY DOC. NO. 27, 99th Cong., 2d Sess. 1, art 5.2 (1986) [hereinafter Berne Convention].

12. Berne Convention, *supra* note 11, art. 5.2.

for determining copyright ownership.¹³ Similarly, section 104 of the 1976 Copyright Act prescribes the U.S. law protection of foreign *works*; it does not directly address the application of U.S. law to foreign authors or rightsholders.

One might respond that if the Berne Convention and section 104 do not *mandate* according foreign copyright owners all the rights or privileges that U.S. copyright owners enjoy, neither do they *prohibit* full assimilation of foreign copyright owners to locals.¹⁴ To justify a choice of law rule that designates the law of the work's country of origin over that of its countries of reception to govern copyright ownership, it is necessary to consider why full territoriality is an undesirable solution.

II. TERRITORIALITY OF COPYRIGHT OWNERSHIP AND ITS ALTERNATIVES

Full territoriality does not in fact pervade the Berne Convention. That treaty abandons or loosens the principle of territoriality with respect to a variety of provisions that establish several supranational obligations or designate the application of the law of the country of origin.¹⁵ Thus, if it is generally true that the Berne Convention does not resolve the question of the law applicable to copyright ownership, it is also true that the treaty as a whole does not support the radical territoriality that would equate the law applicable to the scope of protection with that applicable to the determination of ownership.

In the absence of a treaty choice of law rule, the issue is remitted to the choice of law rules of the member countries. Potentially applicable conflicts rules of treaty member nations may vary depending on the issue to be determined. For example, local choice of law rules may identify one point of attachment for the law governing initial copyright ownership, and another for transfers of ownership. With respect to the law applicable to determine the initial allocation of copyright ownership when the creators are employees, any of the following laws might be competent:

1. The personal law (nationality or domicile) of the actual, human, creator(s);
2. The personal law of the employer (nationality, domicile, principal place of business -- if the employer is a corporate entity);
3. The law governing the employment contract (if the contract effects a choice of law; or the law of the country in which the contract is "localized");
4. The law of the country of origin (first publication); or
5. The law of the forum
 - a. Either as an adjunct to the forum law's competence to govern the substantive question of infringement;
 - b. Or, as the law competent to govern the "condition/rights of foreigners";

13. Except, Berne Convention, *supra* note 10, art. 14*bis*.2a: "Ownership of copyright in a cinematographic work shall be a matter for legislation in the country where protection is claimed."

14. *But see* 17 U.S.C. § 104A(b), discussed *infra*, text at 170-171.

15. For supranational rules, *see, e.g.*, arts. 2.1, 2.3, 2.5, 2.6, 2*bis*.3, 5.2 al.1, 6*bis*.1, 6*bis*.2, 7.1, 7.3, 7.4.2, 7.5, 8, 9.1, 9.2.2, 9.3, 10.1, 10.3, 10*bis*.1 al.2, 11, 11*bis*.1, 11*bis*.2.2, 11*bis*.3.1, 11*ter*, 12, 14, 14*bis*.1, 15.1, 15.2, 15.3, 16.1, 16.2. For application of the law of the country of origin, *see, e.g.*, arts. 2.7.2, 7.8, 18.1.

c. Or, as the generally residual choice of law designation

Concerning transfers of copyright ownership, potentially applicable choice of law rules include:

1. The law chosen by the parties to the contract
2. The law of the country in which the contract can be localized
3. The law of the forum

The adoption of a choice of law rule for copyright ownership should further an overall goal of the Berne Convention, to promote the international dissemination of works of authorship.¹⁶ Application of a rule of strict territoriality could result in a multiplicity of laws governing copyright ownership; this might so disrupt international commerce in copyrighted works as to defeat one of the principal purposes of the treaty.¹⁷ Moreover, while it has long been recognized that "international copyright" is more accurately understood as a collection of national copyrights conferred on the author (or initial copyright holder) by virtue of bi- and multilateral treaties,¹⁸ that characterization better fits the determination of protectable subject matter and scope of rights than ownership of rights. It makes more sense to conceive of copyright as germinating in a work's source country, subsequently to flower in all other countries in which the work is protected. The countries that later host the work tend to its growth, but the welcome they extend to the work does not uproot it from its source. The work's source country (country of first publication, or domicile or nationality of the author if the work is unpublished) determines who is the initial titleholder. Instead of seeking alternative points of attachment for identifying the law competent to designate copyright ownership, "it is simpler and more just simply to refer to the substantive rule as set forth in the national law under whose aegis the work was born."¹⁹

Why is it "simpler and more just" to adopt the law of the country of origin to govern initial copyright ownership? Because that choice of law rule ensures that the work will not change owners by operation of law each time the work crosses an international boundary. By the same token, licensees in all countries will know that they have acquired rights from their owner. This does not mean that local law cannot modify or even disrupt the ownership allocation established in the source country, for

16. See, e.g., CLAUDE MASOUYÉ, *GUIDE DE LA CONVENTION DE BERNE* 5 (1978).

17. Despite the intuitive appeal of this argument, the Berne Convention appears to tolerate the disparities resulting from application of the forum's law to determination of at least some ownership issues, see Berne Convention, *supra* note 10, art. 14*bis*.2a, on cinematographic works. On the other hand, distinguished commentators consider this provision to be an aberration, see, HENRI DESBOIS, ANDRÉ FRANÇON, ANDRÉ KÉRÉVER, *LES CONVENTIONS INTERNATIONALES DU DROIT D'AUTEUR ET DES DROITS VOISINS* 217 (1976).

18. See, e.g., Jon Baumgarten, *Primer on the Principles of International Copyright*, in *FOURTH ANNUAL U.S. COPYRIGHT OFFICE SPEAKS: CONTEMPORARY COPYRIGHT AND INTELLECTUAL PROPERTY ISSUES* 470, 471 (1992) (Prentice-Hall Law & Business): "The term 'international copyright' is something of a misnomer, for neither a single code governing copyright protection across national borders, nor a unitary multi-national property right, exists. What does exist is a complex of copyright *relations* among sovereign states, each having its own copyright law applicable to acts within its territory." (emphasis in original).

19. Judgment of April 29, 1970, Cass.civ. (Soc. Lancio v. Soc. Editrice Fotoromanzi Internazionali), 1971 *REVUE CRITIQUE DE DROIT INTERNATIONAL PRIVÉ* 270, note H. Batiffol.

example by applying the host country's public policy (*ordre public*) exception. Nonetheless, in principle, resort to the law of the source country reinforces the security of international contracts, and therefore would seem to promote the international exchange of copyrighted works.

In the context of work for hire relationships, moreover, the source country will often also correspond to at least one of the other points of attachment indicated above. The country of first publication is usually also the country where the employer/publisher has its principal place of business; it may also be the country of residence or nationality of the employees. If one of these additional points of attachment applies, the source country is likely to be the country in which the employment contract is localized as well.

III. COMPETENCE OF THE SOURCE COUNTRY'S LAW TO GOVERN COPYRIGHT OWNERSHIP

A recent amendment to the U.S. Copyright Act adopts the "source country" approach. Section 104A, added to implement U.S. obligations under the TRIPS agreement²⁰, restores copyright protection in qualifying foreign works. Section 104A(b) provides:

Ownership of Restored Copyright. A restored work vests initially in the author or initial rightholder of the work as determined by the law of the source country of the work.²¹

Thus, in reinstating copyright protection for foreign works whose copyrights had been lost, notably through noncompliance with U.S. formalities, U.S. courts and the Copyright Office will look to the person or entity that the law of the treaty country of first publication designates as the copyright holder. Where there is more than one treaty country of first publication, the source country is the one with the "most significant contacts with the work." In the case of employee-created or commissioned works, that country will likely be the country in which the employment or commissioned work contract is localized. That would mean, for example, that if the copyright in a French collective work published before 1964, such as a magazine, and its component articles and photographs, had lapsed through nonrenewal, the restored

20. Agreement on Trade-Related Aspects of Intellectual Property Rights, Including Trade in Counterfeit Goods, Apr. 15, 1994, Marrakesh Agreement Establishing the World Trade Organization, Annex 1C, Legal Instrument--Results of the Uruguay Round vol. 31, 33 I.L.M. 81 (1994).

21. Section 104A(h)(8) defines the "source country" of a restored work as

(A) a nation other than the United States;

(B) in the case of an unpublished work --

(i) the eligible country in which the author or rightholder is a national or domiciliary, or, if a restored work has more than 1 author or rightholder, the majority of foreign authors or rightholders are nationals or domiciliaries of eligible countries; or

(ii) if the majority of authors or rightholders are not foreign, the nation other than the United States which has the most significant contacts with the work; and

(C) in the case of a published work --

(i) the eligible country in which the work is first published, or

(ii) if the restored work is published on the same day in 2 or more eligible countries, the eligible country with the most significant contacts with the work.

copyright in the collective work would belong to the publisher, and the copyrights in the articles and photographs would belong to their individual authors and photographers. The latter is true whether or not the contributors were the employees of the publisher, because French law does not have a works made for hire doctrine.²²

In the absence of further indication in the text of the Copyright Act concerning attribution of initial copyright ownership in foreign works, does section 104A(b) simply affirm the general approach of U.S. copyright conflicts analysis, or should one interpret the specificity of section 104A(b) as a departure from a territorial norm? A 1997 decision from the Southern District of New York, *Itar-Tass Russian News Agency v. Russian Kurier, Inc.*,²³ suggests that 104A reflects a broader understanding of the law governing ownership claims. In *Itar-Tass*, plaintiffs, Russian and Israeli newspaper publishers and a Russian news agency, sought relief against the "open and blatant copying of copyrighted articles" by the defendant New York-based Russian language newspaper. The defendant did not deny that it had indeed copied the articles, but asserted that the plaintiffs had no "protectable copyright interest in the articles taken from their publications."²⁴ In addressing whether or not plaintiffs were copyright owners, the court did not consider whether, had the Russian and Israeli publishers been American, they would have been employers for hire.²⁵ Rather the court undertook an extensive analysis of Russian copyright law relating to employers generally, and to newspapers specifically, as well as of Israeli copyright law regarding works created pursuant to employment, in order to determine whether, in the countries of origin, plaintiffs would have been copyright owners of the rights plaintiffs alleged were infringed in the U.S. Specifically, the court considered the Russian law pertaining to the respective rights of copyright holders of periodicals, and of the authors of works included in the periodicals. The defendant had alleged that because, under Russian law, the authors retained exclusive rights in their

22. See Code de Propriété Intellectuelle [C.P.I.] art. L. 111-1.3 (Fr.) ("the existence or conclusion of a contract ordering the work does not in any way derogate from the author's enjoyment of the rights recognized [above]").

23. 42 U.S.P.Q.2d 1810 (S.D.N.Y. 1997).

24. *Id.* at 1815.

25. By contrast, the court upheld plaintiffs' registrations of the newspapers with the U.S. Copyright Office as works made for hire. Defendant had contended that, in Russia, newspaper articles are not works made for hire. The court replied: "This argument is misplaced because the plaintiffs registered their copyrights under United States law, not Russian law. In registering the works, the concept of a 'work made for hire' set by United States law was the most appropriate item to be listed." The court's territorial notion of registration would be more troublesome if it clashed with the allocation of rights in the source country. Under the court's analysis of that issue, however, some of the plaintiffs' rights were equivalent to those of employers for hire; others of the plaintiffs did not own full rights in the contributions to the periodicals, but did control all rights in the periodicals as a whole. More importantly, the court did not conflate registration and ownership. The court appears to have sought the closest U.S. equivalent registration category corresponding to the nature of the work and the respective rights of the authors and publishers; it did not, however, then apply that U.S.-law categorization back to its analysis of what rights the plaintiffs owned in the source countries, Russia and Israel. Compare *Dae Han Video Productions Inc. v. Kuk Dong Oriental Food, Inc.*, 19 U.S.P.Q.2d 1294 (D. Md. 1990), discussed *infra* (equating registration with ownership).

The Copyright Office has accepted applications from foreign claimants who characterize the work as "for hire," without requiring the applicant to demonstrate that in the source country the work would be "for hire." Interview with David Carson, Esq., General Counsel, U.S. Copyright Office, Feb. 24, 1998.

separate contributions, the publishers had no claim against the defendant's republication of individual articles.²⁶ After evaluating expert testimony on the relevant provisions of the Russian copyright law, the court ruled that, notwithstanding the authors' separate rights, the newspapers also had a property right in the articles, amounting at least to "a sufficient interest in those articles to sue for a copyright violation."²⁷ Because plaintiffs were the owners, in the source countries, of the rights plaintiffs claimed were infringed in the U.S., the court concluded, plaintiffs did have enforceable rights in the U.S.

By contrast, in *Dae Han Video Productions Inc v. Kuk Dong Oriental Food, Inc.*,²⁸ the court applied U.S.-law work for hire criteria to an alleged Korean employment relationship. The defendant, a third-party infringer, challenged the application of U.S. law, contending that under Korean law, the scriptwriters were not employees of the television producer and therefore retained the copyrights. The court followed a strictly, not to say woodenly, territorial approach to copyright ownership. Its analysis of the issue was as follows:

[T]he court in this case is dealing with copyright certificates issued by the United States Copyright Office. It is therefore the federal Copyright Act which is controlling and not any provision of Korean copyright law. . . . Korean law is not pertinent to the Court's determination that the scripts are works for hire because the screenwriters are employees of the networks. [The court had already applied U.S.-law criteria to determine that the screenwriters were "employees" for hire.]²⁹

It is understandable that U.S. courts would reject defenses "championing" author's rights against their publishers, when crediting the "pro-author" argument would result in dismissing the publisher's claims against blatant infringers, as was the case in *Dae Han*. As in *Istar-Tass*, there is no evidence that the *Dae Han* defendants' solicitude for authors' rights led them to secure licenses from the authors. *Dae Han* therefore may not offer much guidance concerning the law to apply to copyright ownership claims when the controversy pits authors against publishers, rather than publishers against pirates.

Istar-Tass supports the proposition that, were a foreign author to challenge her employer/publisher's grant to a U.S. licensee of rights that, the author asserts, the publisher does not enjoy in the source country, a U.S. court should not simply equate employer status with ownership of all rights (as would be the case if U.S. law applied). Rather, the court should look to the source country to ascertain if that law

26. 42 U.S.P.Q.2d at 1815. The defendant had not, however, obtained permission from the individual authors, either.

27. The court did not need to determine whether the publisher would still have a property interest in individual articles were its claim not against a third-party infringer, but against an author who licensed rights in the separate contributions.

28. 19 U.S.P.Q.2d at 1294.

29. *Id.* at 1298.

accords publishers prerogatives akin to a works for hire regime.³⁰ If the source country's law does not effect a general transfer to the employer, the U.S. court should next inquire if a specific statutory provision allocates the particular rights that the publisher is claiming. In the absence of a statutory grant, the court should determine if the foreign publisher/employer acquired by contract from the author the rights it purports to exercise in the U.S. or to grant to a U.S. licensee. The law of the contract (law chosen by the parties, or law ascertained by "localizing" the contract) would determine the formal requirements for the contract, for example, whether the contract must be in writing and signed by the author, and the degree of specificity with which the rights granted must be listed. Thus, if foreign authors from a "purpose of the grant" jurisdiction³¹ who had written for print publications were contesting the foreign publisher's (or its U.S. licensee's) U.S. exploitation of electronic database rights, the U.S. court should look to the law of the foreign contract to determine if database rights should be deemed included.

IV. TRANSFERS OF COPYRIGHT, AND THE ROLE OF LOCAL COPYRIGHT PUBLIC POLICY

If the law of the contract normally is competent to determine who is the copyright holder for the source country and abroad, the host country may nonetheless interpose its law when, under the law of the host country, the rules governing the contractual grant of rights at issue are considered a matter of substantive copyright law, rather than of interpretation of contracts, and/or the result of applying the foreign law would conflict with strongly held local public policy (*ordre public*). In other words, while the law of the source country governs what an author may *grant*, the law of the host country may also determine what the grantee may *receive* in that jurisdiction. The host country's law may prohibit the transfer of certain kinds of rights. For example, in Germany, a contract may not grant rights in new modes of exploitation unknown at the time of contracting.³² and in France, moral rights are inalienable.³³ The French courts have rejected claims by a U.S. motion picture producer that its employer-for-hire status and the film director's contractual waiver of moral rights should bar the director's invocation in France of the moral right of integrity against the French

30. The caselaw abroad, in at least one European Union jurisdiction, France, also appears to favor the competence of the law of the source country to designate initial ownership. *See, e.g.*, Judgment of March 14, 1991 (Cofrad et La Rosa v. Almax), Cour d'Appel de Paris, 1992 J.C.P. II, No. 21781 (Fr.); Judgment of Sept. 21, 1983 (Apple v. Segimex), Trib. Inst. (Fr.) 118 RIDA 259 (1983). *But see*, JACQUES RAYNARD, DROIT D'AUTEUR ET CONFLIT DE LOIS: ESSAI SUR LA NATURE JURIDIQUE DU DROIT D'AUTEUR § 537 (1991) (advocating application of the law of the host country to determine initial copyright ownership).

31. *See* P. Bernt Hugenholtz, *Electronic Rights and Wrongs in Germany and the Netherlands* on "purpose of the grant" principle of interpretation of copyright contracts, in this issue, 22 COLUM.-VLA J.L. & ARTS 151 (1998).

32. *See* German Copyright Act of September 9, 1965 [*Urheberrechtsgesetz*] (published in *Bundesgesetzblatt*, I p. 1273, No. 51, of September 16, 1965), with an English translation published in 1 COPYRIGHT 251 (1965) discussed in Hugenholtz, *supra* note 31.

33. *See* France, Code de la propriété intellectuelle, art. L. 121-1(3).

broadcast of a colorized version of the film.³⁴ On the other hand, French courts have also rejected a right of attribution claim by a French author bound by a U.S.-law ghostwriter contract when the book under contention was written in the U.S. and distributed in several countries, including the U.S., and the contract specified the application of U.S. law.³⁵

In other instances, the host country's law may prescribe the form required for an effective grant. For example, in *Corcovado Music Corp. v. Hollis Music, Inc.*,³⁶ a Brazilian-law contract between a Brazilian composer and a Brazilian publisher granted worldwide rights under copyright. The composer nonetheless terminated the Brazilian publisher's U.S. rights at the conclusion of the first term of 1909 Act copyright,³⁷ and granted the U.S. renewal term rights to a U.S. publisher. The Brazilian publisher objected that Brazilian law governed the grant of rights, and that under Brazilian law, the composer had no rights left to grant to another publisher. The Second Circuit held that, as a matter of U.S. copyright law, a contract granting the U.S. renewal term must explicitly state that the contract covers renewals or extensions of copyright. Because the Brazilian contract did not contain that language, it was ineffective to transfer rights in the U.S. renewal term.

Returning to the *Tasini* problem, the principles just rehearsed reinforce the conclusion that many foreign jurisdictions may decline to give effect to the section 201(c) privilege (as interpreted by the Southern District of New York). If these jurisdictions would limit what a foreign grantee (or its local licensee) has received, even when the grantee has bargained for the transfer in the source country, it seems all the more unlikely that those host country jurisdictions would credit a more expansive exercise of rights than local law would allow when the publisher has *not* bargained for the rights, but has simply received them by operation of a source country "privilege."

CONCLUSION

The principle of territoriality of copyright is, or should be, substantially attenuated in matters of copyright ownership, both initial and by transfer. As a general proposition, constancy of copyright ownership across international borders will promote international trade in copyrighted works, particularly in an era of instant, and pervasive, digital communications. But, the goal of reducing friction in the cross-border movement of works of authorship should not overwhelm the primary objective of international copyright, as set forth in the Berne Convention, which is "to protect, in as effective and uniform a manner as possible, the rights of *authors* in their literary

34. Judgment of December 19, 1994 (*Turner Ent. v. Huston*), Cour d'Appel de Versailles, combined civil chambers, 164 RIDA 389 (1995) (Fr.). See also Judgment of May 30, 1984 (*Marius Constant v. Ste. Warner Bros.*), Trib. Grde. Instance de Paris, 122 RIDA 220 (1984) (Fr.) (upholding French film composer's attribution right in U.S. film when the film was distributed in France).

35. Judgment of February 1, 1989 (*Bragance v. de Grèce*) Court of Appeals of Paris, 142 RIDA 301, 397 (1989), note by Sirinelli.

36. 981 F.2d 679 (2d Cir. 1993).

37. See 17 U.S.C. § 304(a) (copyrights in first term subsisting on effective date of 1976 Copyright Act).

and artistic works.”³⁸ Uniformity in choice of law approaches to copyright ownership should not lead to less effective protection of the rights of authors. Just as wooden application of the copyright ownership law of the host country may needlessly disrupt the international dissemination of copyrighted works, so unflinching resort to the law of the source country could promote the development -- through manipulation of the points of attachment to the “source” -- of a new kind of “copyright haven,”³⁹ a paradise not for pirates, but for some publishers.

Thus, while the starting point for analysis of the choice of law governing copyright ownership should be the law of the source country (or of the contract), nonetheless where the host country’s legislation or case law expresses a strongly author-protective public policy, it is likely that the host country will decline to give effect to the otherwise applicable law. This means, for example, that the host country that seeks to protect authors against improvident grants might recognize the transfer of *fewer* rights than the author conveyed under the law of the source country.⁴⁰ By contrast, host country courts should look to the law of the source country in order to ensure that application of the host country’s law will not result in giving the transferee *more* rights than the author could convey in the source country.

38. Berne Convention, *supra* note 11, preamble cl. 1 (emphasis added). This fundamental goal of the Berne Convention suggests that, where the treaty does not supply a choice of law rule, but leaves the determination of applicable law to the member countries, those countries’ determinations should be guided by the principle of *favor auctoris*: when in doubt, follow the conflicts analysis that will yield an author-favorable outcome.

39. The term has been employed by the European Commission to refer to countries whose lax copyright laws invite pirates to locate their operations in those countries, European Commission, Proposal for a Council Directive Concerning Cable and Satellite Transmissions, Explanatory Memorandum, COM(91) 276 Final, at 4.

40. The intensity of the host country’s public policy may vary. A host country may be highly protective of its *own* authors, and more forgiving toward foreign author-grantee arrangements which, had they been domestic contracts, would have been held invalid. See *e.g.*, HENRI BATIFFOL, *TRAITE DE DROIT INTERNATIONAL PRIVE* V.I 580 (1993) (on the difference between “ordre public,” and “ordre public international,” and the “effet atténué d’ordre public”).