Tech Law Garden

US Copyright Law – Recent Developments Relevant to Free and Open Source Software

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Tennille Christensen- Perspective

Early career: worked as an engineer (BASH, Python, Java, C, XSLT) coding and technical writing at several start-up software companies in Silicon Valley.

Why law? Went to law school because I couldn't get solid answers to my questions about FOSS. 13+ years later - I can answer some of those questions. (But the trade off?)

Current Open Source Clients:

- Cumulus Networks (Cumulus Linux - acting GC, 50% of my firm's time)
- Mattermost (an open source, self-hosted Slack-alternative)
- Open Whisper Systems (Signal, formerly Redphone/TextSecure)
- OpenGamma (real-time market risk management and analytics)
- RethinkDB (JSON push to apps)
- TomiTribe (Apache TomCat and TomEE)

Seed Funded and Venture Backed Startups: On-call outside legal support, primarily for venture backed start-ups. FOSS is relevant to almost all software IP technology transactions (licensing, sales, technology integration, NDAs, manufacturing, distribution).

Outside special counsel to a few large companies and individual contributors on FOSS issues.

I do not litigate. My focus is on helping clients navigate the FOSS legal obstacles they encounter, with the goal of avoiding court.

Audience Perspective?

Exclusive Copyright Rights

17 USC § 106 (similar in all 168 Berne countries)

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

Why is Copyright Such a Big Deal in Software?

Typical Use of a Book:

Open Single Copy. Read. Close. No need to copy, or modify.

Typical Use of Software:

--COPYING is required to run executable software (machine code). A copy must be made from memory and moved into the hardware where it will run.

--COPYING and MODIFICATION are required to run byte code (the output of compiled source code in Java, Ruby & Python) and script code (Javascript, HTML, PHP, Perl). First a copy must be moved from memory into the virtual machine where it is either modified into processor instructions or executed by the runtime engine at runtime.

This disparity between these two types of use is one of the main drivers behind FOSS.

SO MANY RECENT COPYRIGHT CASES!

Oracle v. Google

(Copyrightability & Fair Use)

Author's Guild v. Google

(Fair Use)

Casa Duse v. Merkin (& Urbont)

(Collaborative Entertainment Projects & Copyrightability – Analogies for Multi-contributor FOSS Projects)

Oracle v. Google

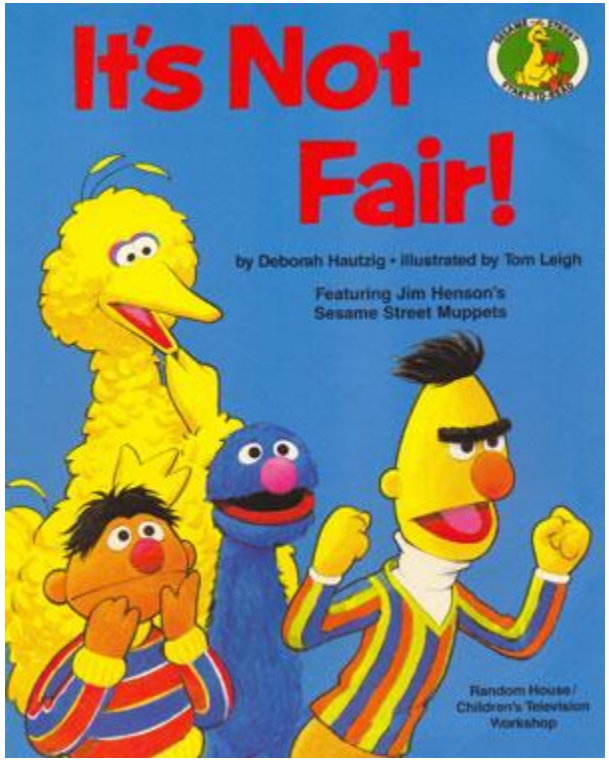
-Java introduced in 1996 by Sun, who were later acquired by Oracle. In 2007, Google released Android. Google implemented the Java language, but built their own VM, implementation, etc. Copied the APIs of 37 Java packages.

-May 2012, Judge Alsup, N.D. CA, held that the declaring code and Sequence Structure and Organization of 37 Java packages were not copyright infringement because the declaratory code, Structure, Sequence and Organization at issue were not subject to copyright protection.

-May 9, 2014, Federal Circuit overruled Judge Alsup. Held: the APIs at issue *are* subject to copyright protection.

-Jun 29, 2015, SCOTUS refused to review (despite circuit split)

Policy Arguments



-Not fair to allow software to have dual protection under *both* patents and copyright

-Method & System/Function = idea, ideas can't be copyrightable, ergo, APIs just shouldn't be copyrightable.

What Is Your FOSS Goal?

-Allow but don't require openness? Get as many people using the software as possible? Disclaim liability, allow for as much freedom as possible, including commercial use? (YOU JUST WANT TO BE ABLE TO DISCLAIM LIABILITY, COPYRIGHTABILITY ISN'T THAT IMPORTANT)

-Require openness, prohibit closed private improvement to previously open software, require patent license grants? (YOU WANT STRONG COPYRIGHTABILITY OF SOFTWARE TO HAVE ENFORCEABLE CONDITIONS)

So Where Are We Now?

Copyrightability (Pre Oracle v. Google Circuit Split)

-Judge Alsup primarily relied upon a 1st Circuit case: (Lotus) “method of operation” (the means by which someone operates something – menu structure in Lotus-1-2-3) is *not* copyrightable

-3rd Circuit “if other programs can be written or created which perform the same function, then that program is an expression of an idea and hence copyrightable”

-8th Circuit – classifying a work as a “system” does not preclude copyright for a particular expression of that system

Copyrightability Today (Post Oracle v. Google Circuit Split)

-Fed Cir Applied 9th Cir "abstraction-filtration-comparison test" (from 2nd Cir and adopted by several other circuits).

<u>This test rejects the notion that anything that performs a function is necessarily uncopyrightable.</u>

"this test eschews bright line approaches and requires a more nuanced assessment of the particular program at issue in order to determine what expression is protectable and infringed."

-SCOTUS refused to take Oracle v. Google, so the crazy circuit-by-circuit copyright situation *is* the current state of the law today.

Does this Affect FOSS at all?

How are Coplyeft FOSS Licenses Affected?

(GPL, AGPL, LGPL, Mozilla, CPL, CC-by-SA, etc.)

- Copyleft only works if the subject matter is copyrightable
- Original Alsup ruling arguably weakened enforceability of copyleft conditions in the case of APIs, declaratory code, & potentially anything that could be a “command structure” or “method of operation”
- HOW DO THOSE DYNAMIC LINKING AND STATIC LINKING BITS ACTUALLY WORK?
- Fed. Cir. ruling is *good* for copyleft, b/c copyrightability of software is *stronger* (than some may have thought appropriate), and thus these licenses are arguably *more* enforceable

What about Permissive Licenses? (MIT, BSD, APLv2, etc.)

- These licenses are primarily disclaimers of liabilities, no real need for enforcement, so no real change (very little enforcement of attribution)

- Original Alsup ruling probably allowed for more “freedom of use” by providing for less copyright protection for software in general

- The patent, attribution, and other conditions in these licenses are likely as enforceable re: APIs as most of us thought

What's Next for Google v. Oracle?

Applying copyright law to computer programs is like assembling a jigsaw puzzle whose pieces do not quite fit (Lotus v. Borland, 1st Cir. 1995).

- FAIR USE – back to the district court for a new hearing (Jury previously hung on this issue)
- 4 factors of fair use to be heard:
  - Purpose and Character of the use
  - Nature of the copyrighted work
  - Amount of work and substantiality of work copied
  - Effect of use upon the potential market for the original work

We’re Back to Fair Use Again

Author's Guild v. Google

-10 years to get a ruling – Fair Use is a Defense (which means if you are relying on it, you better be ready for a long fight)

Held: Google's copying and use of the copies is transformative within the meaning of Cambell v. Acuff-Rose Music, Inc. and does not offer the public a meaningful substitute for matter protected by the platintiff's copyrights and satisfies Section 107 fair use.

A Moment for 2 Live Crew

Notwithstanding fair use's long common-law history, not until the *Campbell* ruling in 1994 did courts undertake to explain the standards for finding fair use. -- Authors Guild v. Google, 2nd Circuit, Oct. 16, 2015

Fair Use: ALL about the Function

- Author's Guild v. Google: No dispute that Google has made digital copies of tens of millions of books.
- Dist. Ct. held copying to search and show snippets and information about frequency of word use was fair use.
- 2nd Cir upheld the ruling, focusing on transformative use (look, here's how you can do something super cool that you didn't used to be able to do)
- Note: no snippets shown for dictionaries, cookbooks, and books of short poems (where it would be likely to replace the need for the original work)
- Footnote: Google now honors requests to remove books from snippet view (practice point)

Copyright Issues for FOSS Projects

- Who owns the FOSS project copyright?
- Collaborative works? Joint Works?
- Derivative works?
- Are a contributor's additions to a code tree separable copyright contributions?
- What if you don't get a copyright assignment?
- Do we really *need* to do a CLA?

Urbont v. Sony

Ghostface Killah, aka Dennis Coles, former member of Wu Tang Clan, sampled Iron Man Theme, Urbont (original musician) sued in June 2011.

Work for Hire?

-4/20/2015 – SDNY Ruled in favor of Sony, saying Iron Man theme song (written in 1960s) was a work for hire owned by Marvel (despite settlement where Marvel let Urbont have rights).

-Work For Hire under 1909 copyright act (song written in 1960, prior to 1978 copyright act).

-1909 test doesn't look anything like modern day test (very confusing vis-à-vis modern software work-for hire case law)

-4/22/2015 – Urbont filed motion for reconsideration, interesting academically, but not much applicability to software due to the date of the original work

1978 Copyright Act
Work For Hire

- Test, distinction between employee and independent contractor
- If an independent contractor, there must be a written agreement and it must fall under the statutory list of works for hire
- Strong argument for clear written agreements, or at a minimum CLAs referencing the employer to clarify that employers don't own contributions made by their employees

Casa Duse v. Merkin

Sept. 2014 2nd Cir. ruled (on appeal Sept. 2013 SDNY)

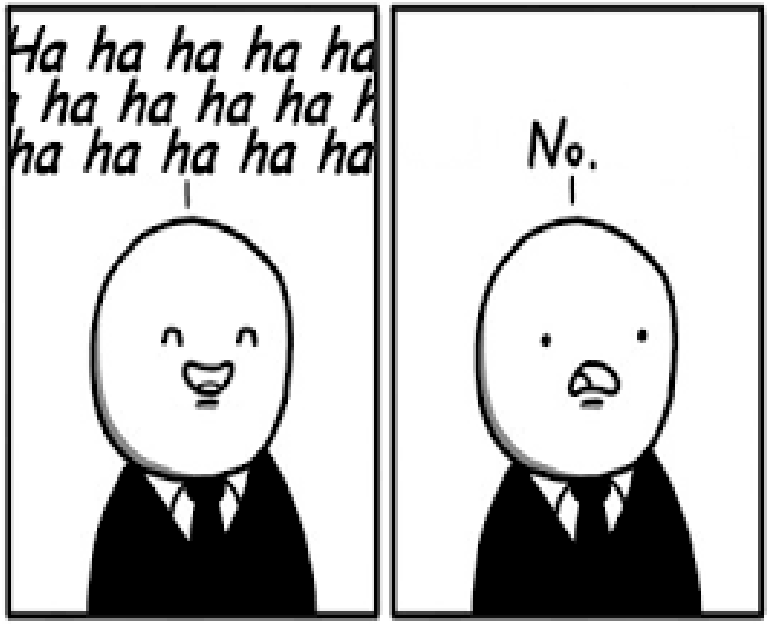
- Granted Summary Judgment to Casa Duse on its copyright (and state law claims)
- Casa Duse purchased rights to "Heads Up" Screen play. Started a movie production. Got consulting agreements/work for hire from everyone….
- Except the Director (Merkin) – Ruh, roh.

Casa Duse v. Merkin

This case requires us to answer a question of first impression in this Circuit:

<u>May a contributor to a creative work whose contributions are inseparable from, and integrated into, the work maintain a copyright interest in his or her contributions alone?</u>

And the Answer is…



We conclude that, <u>at least on the facts of the present case</u> he or she may not. – Casa Duse v. Merkin, 2d Cir, June 29, 2015.

Casa Duse v. Merkin – What Does This Have To Do With FOSS?

Most successful FOSS projects could be described by the contributors as the following:

a creative work whose contributions are inseparable from, and integrated into, the work

"A motion picture is a work to which many contribute; however, those contributions ultimately merge to create a unitary whole."

Copyright in each separate contribution to a collective work is distinct from copyright in the collective work as a whole, but only when such contributions constitute, "separate and independent" works.

So What Can We learn for Casa Duse?

"A joint work is a work prepared by two or more authors with the intention that their contributions be merged into inseparable or interdependent parts of a unitary whole." 17 USC 101.

One joint owner cannot be liable for copyright infringement to another joint owner.

In other words, if the steward of a joint work grants a license, all other joint owners can't sue that steward for granting that license, nor recipients for exercising it.

What Else Can We learn?

In a joint work, "the separate elements [comprising the work] merge into a unified whole," whereas in a collective work, individuals' contributions "remain unintegrated and disparate."

"We agree with the en banc Ninth Circuit (in *Garcia en banc*) that the creation of 'thousands of standalone copyrights' in a given work was likely not intended." –2nd Cir., Casa Duse v. Merkin

(Different Facts from a typical FOSS Project)

Casa Duse v. Merkin – What Does This Have To Do With FOSS?

2nd Cir: "We Have never decided whether an individual's non-de-minimus creative contributions… (BUG FIXES, FEATURES, WHAT?).. Fall within the subject matter of copyright, when the contributions are inseparable from the work and the individual is neither the sole nor joint author of the work and is not a party to a work for hire arrangement…"

TAKE HOME: Without a CLA or copyright assignment, you don't know what your rights are to FOSS contributions (although, they may be stronger than what your lawyer thought before this case…)

Take Homes From My Perspective (Avoiding Litigation, But Risk Tolerant)

- Should probably assume all software is copyrightable
- Fair Use
  - a defense, if you can avoid the fight, you should.
  - focus on TRANSFORMATIVE USE (and reasonableness goes a long way)
  - We hope for good clear ruling on the Oracle v. Google remand that we can use to advise clients on where they have risk
- Best practice is to require clear CLAs or other written agreements obtaining copyrights from FOSS contributors
- Movement toward more lenient CLA/Copyright Assignment policies may not be as legally risky as it used to seem (still not a best practice, legally)

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Questions?

Please feel free to reach out to me directly at tennille[AT]techlawgarden.com