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Shane D. Valenzi

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Rereading a Canonical Copyright Case: The Nonexistent Right to Hoard in *Fox Film Corp. v. Doyal*

by SHANE D. VALENZI*

Abstract

Do copyright owners have the right to hoard their creative works? The right to exclude on an individual basis is the keystone of copyright law, yet using copyright protection to prevent all public access to a work runs counter to the very premises upon which copyright law is based. This right to exclude the world from use of a creative work—referred to as the right to “hoard” by Justice O’Connor in *Stewart v. Abend*, is commonly traced to a Lochner-era tax case: *Fox Film Corp. v. Doyal*. This article examines the right to hoard and its origins in *Fox Film*, concluding that no such right can be properly read into the language of the case, and that the right to hoard in copyright law in fact remains an open question. Next, this article examines the compatibility of the right to hoard with both Lockean property theory and the economic utilitarian theory that underlies copyright law, ultimately concluding that both theories emphatically reject the possibility of an authorial right to hoard. Finally, this article posits a purely judiciary correction that could effectively eliminate the right to hoard on a domestic level without necessitating a change in the Copyright Act, as well as a potential international restriction on the right to hoard through an expansion of the appendix to the TRIPS Agreement.

* Law Clerk, United States District Court for the Northern District of Alabama, 2013–14. Editor in Chief, Vanderbilt Journal of Entertainment and Technology Law 2012–13. J.D., Vanderbilt University Law School 2013. The Author would like to thank Professor Daniel Gervais, Ph.D., for his guidance and support throughout the development of this Article.

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Copyright is an exclusionary right.¹ It does not grant an affirmative right for a copyright owner to use his work; rather, it protects a copyright owner's right to exclude others from the work.² In the United States, granting this exclusionary monopoly is done for the benefit of the public, in the hope that granting authors exclusive economic control over their creative output will provide the necessary incentive for more authors to create and distribute more works to the public.³ Any benefit to an author is secondary, and rewarding an author for his creative labors is only for the benefit of the public, not as a means to an end itself.⁴ This “public benefit” rationale, coupled with an owner's right to exclude others for a limited time, makes copyright law similar to patent law in both theory and practice.⁵ Ultimately, both copyright and patent law are statutory rights created by Congress, and can be modified by that body at will.⁶

Each of the above propositions is a building block of scholarly discourse on copyright law. Scholars and judges have written extensively about each in turn. Some propositions, like the public benefit rationale

1. *E.g.*, *Fox Film Corp. v. Doyal*, 286 U.S. 123, 127 (1932).

2. *E.g.*, *id.*

3. *E.g.*, *id.* at 127–28.

4. *E.g.*, *id.* at 127.

5. *E.g.*, *id.*

6. *E.g.*, *id.*

underlying copyright law, are not particularly controversial.⁷ Others, like the interchangeability of copyright and patent law, are more hotly debated.⁸ But all of these propositions appeared in a single *Lochner*-era Supreme Court case whose citation count continues to increase exponentially with each passing year: *Fox Film Corp. v. Doyal*.⁹ Despite the age of this Depression-era case, *Fox Film* has been cited far more often in the past two decades than it ever was when the decision was fresh, most often for the proposition that copyright rewards the labor of authors in order to benefit the public.¹⁰

But *Fox Film* has increasingly stood for another proposition, one barely found in the text of the case itself: That an author has the right to hoard his copyright and exclude the work from the public for the full term of copyright protection.¹¹ Why an author would want to remove public access to his work could be moral in nature (i.e., an author may be dissatisfied with the quality of his work) or economically motivated (to increase demand for that work or another, related work, or to prevent reputational harm which could translate to decreased profitability). Two real-world examples may be instructive.

First, and perhaps most famously, Disney's 1946 live action-animated mash-up *Song of the South* has not been available to the public in any form since 1986; despite its iconic song "Zip-ah-dee-doo-dah" and its preservation in Disney World's Splash Mountain ride, the film itself was protested at the time it was released as being overtly racially offensive, and has been buried in the ominous "Disney Vault" for more than two

7. See, e.g., *Mazer v. Stein*, 347 U.S. 201, 219 (1954) ("The economic philosophy behind the clause empowering Congress to grant patents and copyrights is the conviction that encouragement of individual effort by personal gain is the best way to advance public welfare through the talents of authors and inventors in 'Science and useful Arts.'"); Alina Ng, *When Users Are Authors: Authorship in the Age of Digital Media*, 12 VAND. J. ENT. & TECH. L. 853, 868–69 (2010) ("Copyright law has conventionally aimed to provide enough economic incentive for authors to encourage the creation of literary and artistic works for public benefit.").

8. Compare, e.g., *Mazer*, 347 U.S. at 217 ("Unlike a patent, a copyright gives no exclusive right to the art disclosed; protection is given only to the expression of the idea—not the idea itself."), with *eBay, Inc. v. MercExchange, L.L.C.*, 547 U.S. 388, 392 ("Like a patent owner, a copyright holder possesses 'the right to exclude others from using his property.'" (citing *Fox Film*, 286 U.S. at 127)).

9. *Fox Film*, 286 U.S. at 127–28.

10. E.g., *Sony Corp. of Am. v. Universal City Studios*, 464 U.S. 417, 429 (1984); see also *infra* text accompanying note 88.

11. E.g., *Stewart v. Abend*, 495 U.S. 207, 228–29 (1990) ("But nothing in the copyright statutes would prevent an author from hoarding all of his works during the term of the copyright. In fact, this Court has held that a copyright owner has the capacity arbitrarily to refuse to license one who seeks to exploit the work." (citing *Fox Film*, 286 U.S. at 127)).

decades.¹² Complaints from the NAACP during the 1940s that the film depicted an “idyllic slave-master relationship” based on the Uncle Remus stories of Joel Chandler and stereotyped “tar baby” sequences, among other controversial content, have discouraged Disney from releasing the film to the public in any form.¹³ Most born after 1980 or so have likely never seen the film, and those who have seen it likely did so via unlicensed and technically infringing means.¹⁴

Another less familiar example concerns the script to Leonard Bernstein’s *Candide*. Based on Voltaire’s novel of the same name, esteemed playwright Lillian Hellman penned the original script for the 1956 Broadway premiere.¹⁵ This script is unavailable to modern companies and audiences, however; stock and amateur companies wishing to mount a new production of *Candide* are limited to either the Harold Prince-produced revival from the 1970s (with a new script by Hugh Wheeler) or the late 1990s Royal National Theatre Revival (with an even newer script by John Caird).¹⁶ While the later revivals were modestly

12. See John Ligan, *Bristling Dixie*, SLATE (Jan. 4, 2013, 11:36 PM), http://www.slate.com/articles/arts/books/2013/01/song_of_the_south_disney_s_most_notorious_film_by_jas_on_sperb_reviewed.html.

13. See Barbara Mikkelson & David P. Mikkelson, *Song of the South*, SNOPEs, <http://www.snopes.com/disney/films/sots.asp> (last updated Aug. 21, 2007).

14. See Ligan, *supra* note 12; see also Christian E. Willis, *Frequently Asked Questions*, SONGOFTHESOUTH, <http://www.songofthesouth.net/faq/index.html> (last updated Apr. 8, 2013). For years, a rumor persisted that Bill Cosby had purchased the rights to *Song of the South* and *The Little Rascals* in order to prevent the films from being shown anywhere due to their objectionable depiction of African American stereotypes. While this behavior would have been perfect for the subject of this article, these rumors are, sadly, untrue. See, e.g., Barbara Mikkelson & David P. Mikkelson, *The Little Rascals*, SNOPEs, <http://www.snopes.com/radiotv/tv/rascals.asp> (last visited Aug. 8, 2007); Mikkelson & Mikkelson, *supra* note 13.

15. See *Candide*, INTERNET BROADWAY DATABASE, <http://www.ibdb.com/production.php?id=2591> (last visited Apr. 8, 2013).

16. See *Candide (1999)*, MUSIC THEATRE INTERNATIONAL, http://www.mtishows.com/show_detail.asp?showid=000256 (last visited Apr. 8, 2013); *Candide (1974)*, MUSIC THEATRE INTERNATIONAL, http://www.mtishows.com/show_detail.asp?showid=000016 (last visited Apr. 8, 2013). Specifically:

Michael Stewart, the writer of *Hello Dolly!*, rewrote Hellman’s book, and then Hugh Wheeler, who wrote *Sweeney Todd*, rewrote Stewart’s rewrite. In 1989, our own John Wells, of *Private Eye* et al, rewrote Wheeler’s rewrite of Stewart’s rewrite of Hellman. “The old dodo seems very happy with it,” said Wells, referring to Bernstein. But the old dodo is gone now, so the new National Theatre version has chucked out Wells’s rewrite of Wheeler’s rewrite and replaced it with Les Misérables man John Caird’s rewrite of Wheeler’s rewrite.

See Mark Steyn, *The Most Difficult of All Musicals*, DAILY TELEGRAPH (Apr. 5, 1999) available at www.telegraph.co.uk/culture/471793/the-most-difficult-of-all-musicals.html.

successful, the original Broadway production was a flop that reviewers blamed on Hellman.¹⁷ As a result, Hellman insisted that her name be removed from all future productions and refused to license her script to anyone for performance, such that today few theatergoers know the script ever existed.¹⁸

Can these authors (one an institutional author, the other a flesh-and-blood author) hoard their creative works in this manner once they have been released to the public? Should they? A “hoarding” right may be facially implied under the language of the 1976 Copyright Act, but both scenarios in which such hoarding could occur seem to be at odds with the underlying “public benefit” rationale of the Act. Allowing an author to restrict public access based on quality concerns does not have a place in the economic-rights foundation of the statutorily created right, and allowing a third party to restrict access during the full term of copyright protection would restrict the spread of new expression to the public.¹⁹ And yet, relying on *Fox Film* as precedent, courts (in dicta) and commentators have affirmed such a hoarding right without discussion.²⁰

This article will trace the origins of the “right to hoard” in copyright law, concluding that, where such a right was asserted by the judiciary, it was done so through a misapplication of the questionable precedent of *Fox Film*. Part I will examine the actual *Fox Film* case and decision in detail, concluding that the “right to hoard” language was mere dicta intended to

17. See Brooks Peters, *Making Your Garden Growl: Lillian Hellman and Candide*, OPERA NEWS (July 2000), available at <http://www.sondheimguide.com/Candide/writings12.html>. Peters describes how:

Hellman’s contribution was whittled down until there was nothing left of her own work. By the time Hal Prince revived the show in the ’70s with a circus-like theme, in a small Brooklyn theater, Hellman was fed up with *Candide*. She officially okayed the project but insisted that her name be removed from it entirely and blocked any future use of her original script.

18. See *id.*

19. See U.S. CONST. art 1, § 8, cl. 8; cf. Zohar Efroni, *A Momentary Lapse of Reason: Digital Copyright, the DMCA and a Dose of Common Sense*, 28 COLUM. J.L. & ARTS 249, 275 (2005) (“[S]ince accessing a work is an act not equivalent to any of the section 106 exclusive rights, . . . copyright law does not secure to authors’ [sic] an access control right.”).

20. See, e.g., *Stewart v. Abend*, 495 U.S. 207, 228–29 (1990); Peter M. Boyle, Penelope M. Lister, & J. Clayton Everett, Jr., *Antitrust Law at the Federal Circuit: Red Light or Green Light at the IP-Antitrust Intersection?*, 69 ANTITRUST L.J. 739, 748 (2002) (“The patent and copyright laws confer upon patent and copyright owners, respectively, the right to refuse either to license or sell products embodying the protected invention or work The right to refuse to license one’s patents or copyrights or to sell patented or copyrighted products follows inherently from the right to exclude. And the courts, including the Supreme Court, have found as much.” (citing *Fox Film*, 286 U.S. at 127)).

emphasize that copyright was an individual right granted by Congress and was not itself a federal instrumentality. Part I will then trace the development of the “right to hoard” precedent by examining the historical evolution of cases and commentaries citing to *Fox Film*, taking special note of other landmark cases in developing the modern precedent (particularly *Stewart v. Abend*). Part II will conclude that interpreting *Fox Film* as evincing the right to hoard is an incorrect reading of the case. Part III will examine the right to hoard normatively by (1) properly framing the right as a blanket exclusion of the public following first publication, (2) analyzing the right to hoard from a copyright-as-property perspective, and (3) reconciling the normative view with the existing caselaw on the issue. Part III will conclude that such a right to hoard, properly cabined, should not exist, as it is fundamentally inconsistent with the constitutional and legislative theories underlying copyright law. Finally, Part IV will consider the practical implementation of eliminating the right to hoard, recommending both a domestic solution (encouraging courts to utilize the “judicially imposed royalty” option of *eBay*) and an international solution (the expansion of the compulsory license for creative works extended to developing countries in the Paris Convention).

I. An Introduction to *Fox Film* and Its Citation History

A. *Fox Film* in Proper Context

Fox Film is a tax case. In the 1932 Supreme Court decision, the titular plaintiff challenged the State of Georgia’s ability to tax its gross revenue earned from licensing copyrighted films, arguing that copyright was an instrumentality of the federal government, and therefore immune from state taxation.²¹ In the third paragraph of a ten-paragraph opinion, Justice Hughes introduced the constitutional and statutory foundations of copyright law, noting that it was based on the Progress Clause of the Constitution, that any production protected by copyright was owned by an author and not the United States, and that the copyright itself was the product of a federal statute; that is, Congress *created* a right, rather than sanctioning a preexisting one.²² Hughes went on to name the exclusive rights granted to an author under the then-current Copyright Act of 1909, pinpointing the “exclusive right for a limited period to multiply and vend copies,” in

21. *Fox Film Corp. v. Doyal*, 286 U.S. 123, 126–27 (1932).

22. *See id.* at 127 (citing *Wheaton v. Peters*, 33 U.S. 591, 661 (1834)).

particular.²³ Justice Hughes made a point of noting that the United States had no interest in the production, exercise, or use of a copyright itself, and that Congress did not provide that the financial gains of the exercise of a copyright (i.e., licensing or sale) should be “free of tax.”²⁴

Immediately following this point Hughes added the sentence that provided the foundation for the right to hoard: “The owner of the copyright, if he pleases, may refrain from vending or licensing and content himself with simply exercising the right to exclude others from using his property.”²⁵ In the next sentence, Hughes summarized the purpose of U.S. copyright law in the most cited assertion of the case: “The sole interest of the United States and the primary object in conferring the monopoly lie in the general benefits derived by the public from the labors of authors.”²⁶ To conclude this single paragraph that would later prove to be a powerhouse for future citations, Hughes noted that copyright law, like patent law, functions essentially as an exchange of benefits between the public and a creator: the public grants the creator the benefit of a copyright or patent in exchange for the public benefit conferred by such creation or invention, and to incentivize future creation and invention (which would, presumptively, also be shared with the public).²⁷

The remaining seven paragraphs introduced the principle that a federal instrumentality cannot be taxed by a state, then clarified that, because the United States did not own the copyright at issue (or, in fact, any copyright whatsoever), the copyright itself as the property of a private party was subject to state taxation.²⁸ Hughes analogized ownership of a copyright to property purchased under U.S. public land laws (which is not taxable when owned by the United States but becomes taxable as soon as the land changes hands and a private party purchases it).²⁹ The only hint as to why Justice Hughes elaborated on the scope of what a copyright owner may do with his rights in the context of the tax issue in the case comes in the final three sentences of paragraph eight which are rarely, if ever, cited:

23. *See id.* (citing 17 U.S.C. § 1 *et seq.* (1909) (codified as amended in 17 U.S.C. §106 (2012))).

24. *Id.*

25. *Id.*

26. *Fox Film Corp.*, 286 U.S. at 127.

27. *See Fox Film Corp. v. Doyal*, 286 U.S. 123, 127–28 (1932).

28. *See id.* at 129 (“[T]he mere fact that a property right is created by statute to fulfill a governmental purpose does not make it nontaxable when it is held in private ownership and exercised for private advantage.”).

29. *See id.*

After the copyright has been granted, the government has no interest in any action under it save the general one that its laws shall be obeyed. Operations of the owner in multiplying copies, in sales, in performances or exhibitions, or in licensing others for such purposes, are manifestly not the operations of the government. A tax upon the gains derived from such operations is not a tax upon the exertion of any governmental function.³⁰

Far from asserting an affirmative right to hoard, then, Justice Hughes's intent was more likely to extrapolate an extreme use of a copyright owner's right to exclude in order to illustrate the federal government's complete lack of interest in the private exercise of a copyright. Justice Hughes concluded the opinion with an assertion that patents and copyrights work more or less the same, and overruled a prior Supreme Court case holding that states could not tax patent royalties.³¹

A few takeaways from the full case analysis are instructive. First, the "right to exclude" language is inarguably dicta; it has very little to do with the actual issue of the case other than as a hypothetical example of the federal government's lack of interest in private exercise of a copyright. Second, substantially more language (that has generated substantially more citations) in the case is devoted to the "public benefit" rationale of copyright protection being paramount over authorial reward or control, a principle that seems to be at odds with a draconian right to exclude. Finally, Justice Hughes explicitly characterized copyright as a property right of the author, and made no distinction between an intellectual property right and a real property right, which may help to explain his willingness to include a total right of exclusion as part of the statutorily

30. *Id.* at 130.

31. *See id.* at 131.

[I]n this aspect royalties from copyrights stand in the same position as royalties from the use of patent rights, and what we have said as to the purposes of the government in relation to copyrights applies as well, *mutatis mutandis*, to patents which are granted under the same constitutional authority to promote the progress of science and useful arts. The affirmance of the judgment in the instant case cannot be reconciled with the decision in *Long v. Rockwood*, upon which appellant relies, and, in view of the conclusions now reached upon a re-examination of the question, that case is definitely overruled.

Id. (internal citations omitted).

granted rights of a copyright owner (due to the preeminence of the right to exclude in real property law).³²

Despite these takeaways, *Fox Film* is still primarily (and exclusively) a classic *Lochner*-era case, limiting federal power (to prohibit state tax on federal instrumentalities) and championing personal autonomy and minimal federal involvement in both state and personal affairs.³³ The following section will trace the historical treatment of the case, and, in particular, how the case evolved from being solely about state taxation power to something else entirely.

B. The Citation History of *Fox Film*

Courts, treatises, and law review articles have cited *Fox Film Corp. v. Doyal* for more than a half-dozen unrelated propositions.³⁴ Following the Supreme Court's citation to *Fox Film* in *Stewart v. Abend* in 1990, however, the case has enjoyed a renaissance in relevance—over eighty percent of law review citations to the case come after 1990.³⁵ This section will examine the treatment of *Fox Film* by the Supreme Court, circuit, district, and state courts, and legal commentators from the year of the decision (1932) to the present day, organized into three discrete periods of time: 1932–1956 (the “tax” era), 1957–1990 (the “pre-*Stewart*” era), and 1990–2012 (the “post-*Stewart*” era).

1. The Tax Era (1932–1956)

For the first twenty four years following the decision, neither the Supreme Court nor a single legal commentator referenced *Fox Films* as evincing the right to exclude.³⁶ The Supreme Court cited *Fox Film* eleven times from 1932–1954, eight of which were to reiterate the holding of the case—that a private privilege extended by the federal government is not a

32. See *Fox Film Corp.*, 286 U.S. at 127 (“The production to which the protection of copyright may be accorded is the property of the author and not of the United States.”); *id.* at 128–29 (analogizing a copyright owner’s property right to both the property rights of a recipient of a US land grant and the authorized discoverer of minerals on US land).

33. See Robert Post, *Federalism in the Taft Court Era: Can It Be “Revived”?*, 51 DUKE L.J. 1513, 1535 (2002) (arguing that the Court at constructed at the time it decided *Fox Film* evinced “increasingly anxious efforts to maintain the spheres of federal and state power as distinct and mutually exclusive.”).

34. See *supra* notes 1–6.

35. As of March 4, 2013, Westlaw lists 514 law journal articles referencing *Fox Film*, with eighty percent of those citations occurring after 1990. A Lexis search for the same citation reveals 406 citing references to the case, with ninety percent occurring in or after 1990.

36. *Supra* note 35.

federal instrumentality and thus is not exempt from state tax.³⁷ The year 1945 marked the Court's first departure from the purely tax holding of the case, where *Fox Film* appeared as part of a string cite in *Special Equipment v. Coe* to support the proposition that the failure of a patentee to use a patented invention doesn't affect the validity of a patent.³⁸ The Court laid the groundwork for treatment of *Fox Film* as a copyright case in 1948 in *United States v. Paramount Pictures*, an antitrust case holding that block-booking (the practice of film producers conditioning a license to display a popular film at a movie theater on that theater also licensing a less popular film at a similar rate) was an improper enlargement of a copyright monopoly.³⁹ The Court cited *Fox Film* in support of the assertion that the purpose of copyright is primarily for the benefit of the public, and any benefit to the author is a secondary consideration at best.⁴⁰ Citing the "labor of authors" language of *Fox Film*, *Paramount* would prove to be the case that kept *Fox Film* alive in the public conscious for future references, as the same labor-of-authors language would appear again (often with reference to *Paramount* as well as *Fox Film*) in eight of the eleven Supreme Court decisions between 1948 and 2012 citing the case.⁴¹

Similarly, the legal commentary on *Fox Film* from 1932–1956 is focused on tax. More than a dozen articles published in those years reference *Fox Film* only for its tax implications,⁴² and the small handful that do not instead use Justice Hughes's casual overruling of *Long v. Rockwood* as a discussion point for the Supreme Court's practice of overruling cases.⁴³ The notable exception to this trend, and the first commentary directly addressing the issue of this article, appeared in a note in the *Columbia Law Review* in 1956, where, in a piece on parody and infringement, the author digressed (in a footnote):

37. See, e.g., *Broad River Power Co. v. Query*, 288 U.S. 178, 180 (1933).

38. 324 U.S. 370, 378–79 (1945).

39. See 334 U.S. 131, 143 (1948).

40. *Id.* at 158.

41. See, e.g., *Eldred v. Ashcroft*, 537 U.S. 186, 231 (2006); *Mazer v. Stein*, 347 U.S. 201, 214 (1954). Of the three cases citing *Fox Film*, but not for the "labor of authors" language, two of them (*Stewart v. Abend* and *eBay v. MercExchange, LLC*) will be discussed in greater detail in Part I.B.3 for their assertion of the author's right to exclude. The third case, *Nat'l League of Cities v. Usery*, is another tax case. 426 U.S. 833, 866 (1976).

42. See, e.g., Note, *Constitutionality of State Privilege Tax on Cotton Brokers*, 43 YALE L.J. 337, 339 (1933).

43. See, e.g., Malcolm P. Sharp, *Movement in Supreme Court Adjudication—A Study of Modified and Overruled Decisions*, 46 HARV. L. REV. 361, 364 (1933).

The constitutional justification for the right of [a] non-user is not as obvious as that for economic rights. Indeed, the proposition that the arts are promoted by the permissive stifling of artistic works, even by their creators, seems paradoxical. The apparent inconsistency is minimized when it is considered that if this right were denied, and the author was not permitted to prevent publication of works he thinks are unworthy of perpetuation, artistic integrity and pride would suffer and, as a result, authors would be discouraged from producing. To those authors for which the non-economic spurs to creation are the greatest, this right to protect one's artistic reputation would be particularly valuable and effective in encouraging creativity.⁴⁴

This particular student author was far ahead of the time, however, as the right to exclude would not appear in commentary again until 1979,⁴⁵ and wouldn't appear outside the narrow context of a footnote to a student note in the *Columbia Law Review* until after the *Sony v. Universal* decision in 1984.⁴⁶

Lower courts were more varied in their use and understanding of *Fox Film*. Twelve of seventeen circuit court decisions citing *Fox Film* at this time still did so purely for its tax holding,⁴⁷ while two of the remaining five noted that an inventor's nonuse⁴⁸ or absolute exclusion of the public⁴⁹ would not compel the loss of patent rights. Of the remaining three decisions, one was a post-*Paramount* decision that cited the soon-to-be-ubiquitous "labor of authors" language,⁵⁰ while the other two dealt with a copyright owner's rights more directly. *Interstate Hotel Co. v. Remick Music Corp.* cited *Fox Film* for the proposition that copyright owners may exercise either the right to publish and vend their work, the right to publicly perform their work, or both.⁵¹ Notably, the case did not mention an owner's right to refuse to exercise *either* right. More directly, *Leon v. Pacific Telephone & Telegraph Co.*, in an opinion delivered five years after

44. Note, *Parody and Copyright Infringement*, 56 COLUM. L. REV. 585, 588 n.12 (1956).

45. See Celia Goldwag, Note, *Copyright Infringement and the First Amendment*, 79 COLUM. L. REV. 320, 339 n.122 (1979). The fact that the only two on-point commentaries on the issue prior to the *Sony* case both appeared as footnotes to student notes in the same journal appears to be coincidental, as the later note does not cite the earlier note.

46. See *infra* Part I.B.3.

47. E.g., *Buckley v. Comm. of Internal Revenue*, 66 F.2d 394, 396 (2d Cir. 1933).

48. *Hartford-Empire Co. v. Obear-Nester Glass Co.*, 71 F.2d 539, 566 (8th Cir. 1934).

49. *Special Equip. Co. v. Coe*, 144 F.2d 497, 502 n.3 (D.C. Cir. 1944).

50. *Baker-Cammack Hosiery Mills v. Davis Co.*, 181 F.2d 550, 572 (4th Cir. 1950).

51. 157 F.2d 744, 745 (8th Cir. 1946).

Fox Film, cited the case for the proposition that a unique arrangement of copyrighted material was not a permissible fair use merely because the holder of the copyright had not used (that is, arranged) it in that manner.⁵²

Published district court decisions citing *Fox Film* in this time period were much more varied (and rare) in their uses of the case. In fact, fewer than a dozen published district court decisions during this time cited to *Fox Film* at all, and four of them did so in support of a copyright owner's right to exclude.⁵³ In *Buck v. Hillsgrove Country Club*, the court struck two paragraphs from a plaintiff's complaint that the American Society of Composers, Authors and Publishers ("ASCAP") impermissibly violated antitrust laws and cited *Fox Film* as part of a collection of cases demonstrating that Congress failed to insert any explicit limitations on a copyright owner's right to exclude.⁵⁴ *Paine v. Electrical Research Products* permitted a manufacturer of equipment to play music during silent films to avoid payment on a contract with a music agent where the agent's clients didn't actually own the foreign distribution rights the manufacturer was paying for; *Fox Films* was used to support the court's assertion that the agent's clients need not have licensed their work at all, concluding that since they did, their representations must be accurate to compel payment under the contract.⁵⁵ *Loew's, Inc. v. CBS* contained a fact pattern similar to *Leon* and, as it was a district court case located within the Ninth Circuit, both relied on *Leon* as precedent and cited *Fox Film* for the same proposition.⁵⁶ Finally, *Inge v. Twentieth Century-Fox Film Corp.* used the right to exclude language from *Fox Film* immediately following an assertion of the plaintiff's affirmative right to license his copyright, likely to indicate that the plaintiff, the copyright owner of a play, had the right to license or not license the right to make a film version of the play to

52. See 91 F.2d 484, 487 (9th Cir. 1937). The subject matter at issue in *Leon* was the arrangement of names in a phone book, famously held to be uncopyrightable more than fifty years later in *Feist Pub's v. Rural Tel. Svs. Co., Inc.*, 499 U.S. 340, 362 (1991) (citing the *Leon* court as having "misunderstood the [1909 Copyright Act]"). Because *Feist* rendered the subject matter of *Leon* uncopyrightable, but did not disturb the holding of *Leon* concerning the use (or lack thereof) of copyrighted material in the abstract, the reasoning of the *Leon* court is still relevant to the analysis in this article.

53. See *infra* notes 54–57.

54. *Buck v. Hillsgrove Country Club*, 17 F. Supp. 643, 645 (D.R.I. 1937).

55. 27 F. Supp. 780, 784 (S.D.N.Y. 1939).

56. See 131 F. Supp. 165, 184 (S.D. Cal. 1955).

defendants at will.⁵⁷ Additionally, nearly every published state case citing *Fox Film* in this era did so to support a similar tax holding.⁵⁸

The principal takeaway from this era of jurisprudence is that for more than two decades following the *Fox Film* decision, the overwhelming majority of decisions citing to the case treated it exclusively as a tax case. In those rare occurrences where the right to exclude was cited, it was done so 1) in dicta and 2) as part of a general affirmance of the scope of a copyright owner's monopoly power, without any treatment or thought of what impact the exertion of a blanket right to exclude would have on the public.

2. *The Pre-Stewart Era: 1957–1989*

The arbitrary separation of analysis following 1956 does not follow a particular case of consequence; rather, 1956 marks a natural break in jurisprudence citing the case itself. The Supreme Court did not cite *Fox Film* from 1954–1962, no circuit court cited the case from 1950–1968, and no district court cited the case from 1956–1975.⁵⁹ No state case cited *Fox Film* from 1956–1961.⁶⁰ And only nine law review articles cited *Fox Film* from 1956–1979 (compared to seventy-eight articles from 1979–1990 and 413 from 1990–2012).⁶¹ The reasons for this lull may be temporal; the case would have been nearly thirty years old, and slowly replaced with more recent precedent. More interesting than its waning lack of influence with the passage of time is the case's sudden resurgence as precedence. It was a series of fortuitous and influential citations that reversed the case's seemingly inevitable path to obscurity.

First, the “labors of authors” language was revived by the Supreme Court in 1975 in *Twentieth Century Music Corp. v. Aiken*, which held that a radio broadcast in a restaurant did not constitute a public performance, and

57. See 143 F. Supp. 294, 298 (S.D.N.Y. 1956). Licensing the derivative right, particularly as regards “versioning,” may contain a special protection that licensing other rights do not have; see *infra* Part III.C.

58. E.g., *Stone v. Stapling Mach. Co.*, 221 Miss. 555, 565 (1954).

59. See *United States v. Loew's Inc.*, 371 U.S. 38, 46–47 (1962); *Mazer v. Stein*, 347 U.S. 210, 214 (1954); *City of Paris, Ky. v. Fed. Pwr. Comm'n*, 399 F.2d 484, 488 (2d Cir. 1977); *Baker-Cammack Hosiery Mills v. Davis Co.*, 181 F.2d 550, 572 (4th Cir. 1950); *Mills Music, Inc. v. State of Ariz.*, 1975 WL 21095 (D. Ariz.); *Inge*, 143 F. Supp. at 298 (S.D.N.Y. 1956).

60. See *Appeal of Baltimore & O.R.R.*, 405 Pa. 349, 355 (1961); *Columbia River Bridge Co. v. State*, 46 Wash. 2d 385, 390 (1955).

61. These numbers reflect the citation references Westlaw and Lexis associate with *Fox Film*, organized by date.

has become standard reading for students of copyright law.⁶² Although the next citation following *Aiken* was, again, a tax case,⁶³ the Court revisited *Fox Film* extensively in *Sony Corp. of America v. Universal City Studios, Inc.*⁶⁴ The Court, tasked with determining the legality of time-shifting devices (i.e., VCRs), ultimately held that VCRs had the potential for “substantial non-infringing uses,” which precluded a finding of contributory infringement.⁶⁵ In reaching this determination, the Court also revisited nearly ever pertinent judicial interpretation of *Fox Film* along the way. The majority quoted the language from *Paramount*, which was actually Justice Hughes’s language from *Fox Film*, noting that reward to authors is merely a secondary consideration of copyright law.⁶⁶ The majority also quoted from *Aiken*, which in turn quoted *Fox Film*’s “labor of authors” language.⁶⁷ Further, *Fox Film*’s tax-related holding is cited to support the proposition that “[copyright] protection has never accorded the copyright owner complete control over all possible uses of his work.”⁶⁸ Finally, the Court relies on *Fox Film* as an example of the “historic kinship” between patent and copyright law as a precursor to justifying the importation of the “substantial noninfringing uses” doctrine from patent jurisprudence.⁶⁹

However thorough the majority’s treatment of the case, Justice Blackmun’s dissent actually provides what would later become the majority reading of *Fox Film*. Citing it first for the carefully stated proposition that “[t]he monopoly created by copyright thus rewards the individual author in order to benefit the public,”⁷⁰ and thereby emphasizing the individual reward over the public benefit, Justice Blackmun later uses *Fox Film* to support his contention that “[c]opyright gives the author a right to limit or even to cut off access to his work.”⁷¹ This extension of *Fox Film* was brand new to the Court, but would become codified in the majority opinion (which Justice Blackmun joined) in *Stewart v. Abend*.⁷²

62. E.g., JULIE E. COHEN, LYDIA PALLAS LOREN, RUTH L. OKEDJII, & PAUREEN A. O’ROURKE, COPYRIGHT IN A GLOBAL INFORMATION ECONOMY 412–13 (3d ed. 2010).

63. See *Nat’l League of Cities v. Usery*, 426 U.S. 833, 866 (1976) (cited as eroding claimed federal immunities to state tax).

64. 464 U.S. 417 (1984).

65. *Id.* at 456.

66. *Id.* at 429.

67. *Id.* at 432.

68. *Id.* at 432 n.13.

69. *Id.* at 439 & n.19.

70. *Sony Corp. of Am.*, 466 U.S. at 477 (Blackmun, J., dissenting).

71. *Id.* at 480.

72. *Stewart v. Abend*, 495 U.S. 207, 228–29 (1990).

After *Sony*, fueled perhaps by Justice Blackmun's dissent, citations to *Fox Film* as justification for the right to exclude began to manifest for the first time in legal commentary, appearing at least a half-dozen times between *Sony* and *Stewart* (1984–1990).⁷³ After *Stewart*, citations to *Fox Film* in general skyrocketed, but before examining that decision and its impact on the right to exclude, it is worth pondering: where did the right to hoard argument come from?

The robust defense of an author's right to refuse to license to anyone most likely originated in 1977 with the Authors' League of America ("ALA") and an amicus brief the ALA filed in *Rohauer v. Killam Shows, Inc.*⁷⁴ At issue in *Rohauer* was the grant and renewal of the underlying copyright of a literary work that had been turned into a movie.⁷⁵ Though the original author had granted the studio both the initial and renewal rights in his work, her daughter (who controlled the renewal rights after the author passed away) refused to re-grant the expiring rights in the underlying literary work used in the already-released film.⁷⁶ The ALA argued in their brief, according to the Second Circuit, that the "force" of the renewal rights includes the right to refrain from vending or licensing and to exclude everyone from the work.⁷⁷ Ultimately, the court disagreed with the plaintiff and the ALA, holding that the owner of an underlying right cannot prevent the distribution and exercise of a derivative work based on that right where the work was initially created with a valid license.⁷⁸ This opinion was not cited in the final Supreme Court decision in *Sony*, but *was* cited at the circuit court level, suggesting the *Sony* court was familiar with it.⁷⁹ Interestingly, despite the Ninth Circuit's singling out of the unqualified right to exclude as a key component of the ALA's argument, the ALA General Counsel at the time delivered a published address to the Copyright Society of the U.S.A. during the *Rohauer* deliberations specifically about the key arguments in the *Rohauer* amicus brief, but failed to mention protecting an author's unqualified right to exclude as any

73. E.g., Edward Allan Jeffords, *Home Audio Recording After Betamax: Taking a Fresh Look*, 36 BAYLOR L. REV. 855, 857 n.16 (1984) (arguing that *Sony* disagreed with *Fox Film*'s stated right to exclude by noting that an author has no right to exclude fair uses of his work).

74. 551 F.2d 484, 488 (2d Cir. 1977); see also Irwin Karp, *From Roth to Rohauer: Twenty Years of Amicus Briefs*, 25 BULL. COPYRIGHT SOC'Y U.S.A. 1 (1977) (describing the fervor with which the ALA filed amicus briefs in copyright cases from 1957–1977).

75. *Rohauer*, 551 F.2d at 487.

76. *Id.* at 486–87.

77. *Id.* at 488.

78. *Id.* at 494.

79. See *Universal City Studios, Inc. v. Sony Corp. of Am.*, 659 F.2d 963, 972 n.10 (9th Cir. 1981).

aspect of their argument, much less the most important one.⁸⁰ Nevertheless, it is likely that the Authors' League brief was the first legal document to frame, consider, and advocate for a full authorial right to hoard.⁸¹

Until 1990, the right to exclude appeared very little in federal jurisprudence generally, and, while the right was usually associated with *Fox Film*, it was hardly the proposition most associated with the case.⁸² But in 1990, Justice O'Connor's majority opinion in *Stewart v. Abend* thrust the right to exclude, and, with it, what could be considered a misreading of *Fox Film* (or, at least, a reading out of context) back into the forefront of legal consciousness.⁸³ The fact pattern of *Stewart* was similar to *Rohauer*; that is, the heirs of the author of the underlying rights to a film sought to withhold permission for their ancestor's work to continue to be used in the film once the initial term of copyright had expired.⁸⁴ In finding for the plaintiffs (and holding that the creators of a work used in a derivative work still control the underlying rights to the work once the initial grant of rights expires), Justice O'Connor noted in dicta: "Nothing in the copyright statutes would prevent an author from hoarding all his works during the term of copyright. . . . A copyright owner has the capacity arbitrarily to refuse to license one who seeks to exploit the work."⁸⁵ The only cite to support these propositions was, of course, *Fox Film*.⁸⁶ Obviously influenced strongly by *Rohauer*, *Stewart* did not explicitly overrule the older case. Though it reached the opposite conclusion regarding control of a derivative work following the expiration of the

80. See Karp, *supra* note 74 at 16–17.

81. At the very least, it was the first document to gain traction at the federal level, as far as this author can tell.

82. Before 1990, *Fox Film* was more often cited for the propositions that (1) copyright is not a federal instrumentality, *e.g.*, *Paris, Ky. v. Fed. Pwr. Comm'n*, 399 F.2d 983, 987 (D.C. Cir. 1968); (2) copyright is designed for the public benefit by rewarding the labors of authors, *e.g.*, *Baker-Cammack Hosiery Mills v. Davis Co.*, 181 F.2d 550, 572 (4th Cir. 1950); (3) copyright is a statutory right created by Congress, not a natural right, *e.g.*, *Assoc. Film Distr. Corp. v. Thornburgh*, 683 F.2d 808, 815 (3d Cir. 1982); and, (4) patent law and copyright law are closely analogous, and provisions of one body of law can help inform the other body, *e.g.*, *Sony Corp. of Am. v. Universal City Studios, Inc.*, 464 U.S. 417, 439 (1984). Even in legal commentary, which is freer to extrapolate meaning, *Fox Film* was just as often used as a discussion point for the principle of stare decisis in the 1930s as it was as support for the right to exclude between 1932–1990. Compare Sharp, *supra* note 43 (stare decisis), with L. Ray Patterson & Craig Joyce, *Monopolizing the Law: The Scope of Copyright Protection for Law Reports and Statutory Compilations*, 36 UCLA L. REV. 719, 749 (1989) (right to exclude).

83. See *Stewart v. Abend*, 495 U.S. 207 (1990).

84. *Id.* at 211–15.

85. *Id.* at 228–29 (citing *Fox Film Corp. v. Doyal*, 286 U.S. 123, 126–27 (1932)).

86. *Id.*

ownership of rights in an underlying work, Justice O'Connor reframed the holding of *Rohauer* as mandating a balancing of the equities based on the state of the law and the facts of the case, not prescribing a particular result.⁸⁷

Here, for the first time, was an explicit assertion of an author's right to hoard. Though never again would such a right be stated so forcefully or eloquently at the Supreme Court level, the assertion would create a new and robust interest in *Fox Film* as relevant precedent for the purposes of copyright law generally, along with the only precedent for a copyright owner's right to exclude.

3. *The Post-Stewart Era: 1990–2012*

Following the *Stewart* decision, citations to *Fox Film* exploded. The case is primarily cited for its “labors of authors” language stating that copyright law was crafted by Congress for the benefit of the public; it has been cited more than 300 times for this proposition in the last twenty years.⁸⁸ It has been used to support an author's right to exclude a little over fifty times in that same period—a paltry number in comparison to the public benefit proposition, but exponentially more than the case had ever been used to support such a proposition before *Stewart*.⁸⁹ Clearly, then, the right to exclude is still not the *primary* use of *Fox Film*, or anything close to it. But the reverse is also true: *Fox Film* is, indeed, the most common citation to support an author's right to hoard.⁹⁰

At the Supreme Court level, *Fox Film* has become a go-to citation for copyright cases. *New York Times v. Tasini*,⁹¹ *Eldred v. Ashcroft*,⁹² and *Golan v. Holder*⁹³ all cite *Fox Film* for its “labors of authors” language. Most importantly for the purposes of this analysis, *eBay v. MercExchange*, though technically establishing an analysis to determine the remedy for

87. *See id.* at 209, 227.

88. *See, e.g., Golan v. Holder*, 132 S. Ct. 873, 902 (2012).

89. These numbers were obtained through searches for citation references to *Fox Film* on both Westlaw and Lexis.

90. Where the right to exclude is mentioned without a *Fox Film* cite, a citation to the more bombastic language in *Stewart* usually appears in its place. *See, e.g., Robert A. Kreiss, Accessibility and Commercialization in Copyright Theory*, 43 UCLA L. REV. 1, 5 (1995) (citing *Stewart* for the right to exclude, but not *Fox Film*).

91. 533 U.S. 483, 519 (2001).

92. 537 U.S. 186, 231 (2003).

93. 132 S. Ct. 873 (2012).

patent infringement, has since been extended in full to copyright infringement remedies,⁹⁴ and cited *Fox Film* for the right to exclude.⁹⁵

The trend extends to courts of appeals as well; following *Stewart*, the right to exclude picked up dramatically at the circuit court level, often citing both *Stewart* and *Fox Film*.⁹⁶ The right is not always treated favorably, either.⁹⁷ In *Data General Corp. v. Gramman Systems Support Corp.*, the First Circuit parsed the language in both *Fox Film* and *Stewart*, emerging with three key conclusions: (1) a copyright owner may refrain from vending and licensing because the Congressionally created system promotes consumer (i.e., public) welfare by encouraging investment; (2) although nothing in the Copyright Act *itself* would prevent hoarding (citing the *Stewart* language), nothing would prevent *other* acts of Congress from preventing that sort of activity, and the Sherman Act in particular could prevent hoarding where a monopolist harms consumers by refusing to license a copyrighted work to a competitor; and, (3) a copyright owner's *unilateral* refusal to license a copyright to a particular entity should be considered a "presumptively valid business decision" for the purposes of the Sherman Act, with the burden on the rejected licensee to prove anticompetitive practices.⁹⁸ Though the *Data General* decision is narrow in scope, and ultimately favored a copyright owner's refusal to license, it set statutory limitations on the right (at least in the First Circuit), which underscores the greater point that a copyright owner's right to exclude is far from natural or moral; it is based on a purely economic concern.

From its roots as a tax case, *Fox Film* has through a series of fortuitous citations (*Paramount*, *Rohauer*, *Sony*, *Stewart*, and *eBay*, in particular) reemerged and reinvented itself as a bulwark of copyright theory and policy. The unfettered right to exclude, in particular, after lying unnoticed for over half a century, emerged almost overnight as one of the central holdings of the case. But such a characterization is not necessarily fair. It

94. See, e.g., *Salinger v. Colting*, 607 F.3d 68, 77 (2d Cir. 2010) ("We hold today that *eBay* applies with equal force (a) to preliminary injunctions (b) that are issued for alleged copyright infringement.").

95. 547 U.S. 388, 392 (2006) ("Like a patent owner, a copyright holder possesses 'the right to exclude others from using his property.'" (citing *Fox Film Corp. v. Doyal*, 286 U.S. 123, 126–27 (1932)).

96. E.g., *Orson v. Mirimax Film Corp.*, 189 F.3d 377, 390 (3d Cir. 1999) (citing *Stewart* and *Fox Film* for the proposition that a copyright owner has the capacity to refuse to license); *Image Tech. Svs. v. Eastman Kodak Co.*, 125 F.3d 1195, 1215 (9th Cir. 1997) (noting that a copyright holder may refuse to sell or license the work, but applying the concept to patent law only, and relying on patent-exclusive citations in addition to *Stewart* and *Fox Film*).

97. See *Data Gen. Corp. v. Gramman Sys. Support Corp.*, 36 F.3d 1147, 1186–87 (1st Cir. 1994).

98. *Id.*

is unlikely nearly sixty years of judges and scholars erred by failing to ascribe the “right to hoard” to the case before Justice O’Connor’s bit of dicta. The next Part will analyze this proposition in more detail; that is, it will argue why interpreting *Fox Film* as asserting the right to hoard is an improper reading of the case.

II. Why *Fox Film* Does Not Support a Modern Right to Hoard

Citing *Fox Film* to support copyright owners’ rights to refuse to license their works has become common, even by esteemed copyright scholars.⁹⁹ But is such a leap of understanding justified? This part argues that no, it is not.

First, the right to exclude is dictum from the case. It had no bearing on the essential holding that copyright is not a federal instrumentality and thus not exempt from state tax. A proper understanding of its presence in the opinion can be found in the (winning) Appellee’s Brief, which used the right to exclude only as evidence that imposing a tax did not abrogate a copyright owner’s statutorily granted rights:

A tax on royalties paid under a license from the owner of a copyright . . . interferes only indirectly and remotely with the copyright, the franchise granted by the government. It lessens to some extent the amount of income which the owner of the copyright would otherwise receive from it, but it does not diminish the right given by the United States to exclude others from “making, using, or vending the thing” copyrighted. That right is just as full and complete with the tax as without it. *The tax does not make the privilege less exclusive.*¹⁰⁰

The Court was not expounding on or analyzing the limits of the right to exclude in any way; this would have been overreaching. Rather, the Court was simply attempting to restate the law as it currently existed (under the Copyright Act of 1909) in order to emphasize that a state tax on royalties would not alter the fundamental character of the rights themselves. Under the Copyright Act of 1909, a copyright owner (specifically, “any person

99. See, e.g., Daniel J. Gervais, *The Internationalization of Intellectual Property: New Challenges from the Very Old and the Very New*, 12 FORDHAM INTELL. PROP. MEDIA & ENT. L.J. 929, 977 (2003) (“Copyright in its most traditional form is illustrated in *Fox Film Corp. v. Doyal*, in which the Supreme Court stated, ‘The owner of the copyright if he pleases may refrain from vending or licensing, and content himself with simply exercising the right to exclude others from using his property.’” (footnote omitted)).

100. Brief for Appellee, *Fox Film Corp. v. Doyal*, 1932 WL 33528, at *18 (emphasis added).

entitled thereto, upon complying with the provisions of this Act”) had “the exclusive right . . . to print, reprint, publish, copy, and vend the copyrighted work,” as well as the exclusive rights of translation and public performance.¹⁰¹ In addition, an “author” (as opposed to “any person entitled thereto . . .”) of an *unpublished* work retained a full common-law right “to prevent the copying, publication, or use of such unpublished work without his consent . . .”¹⁰² The implication, therefore, is that some circumstances exist in which the owner of a copyright may not exercise his right to exclude (specifically, the statute was likely referring to compulsory licensing of mechanical reproductions of music)¹⁰³ and, further, that the owner of a published work had no common-law right to exclude. At any rate, the contours of these rights are not closely examined by the Court, nor would it have been appropriate to do so, as the right to exclude was only mentioned to emphasize that a state tax would not affect the right one way or the other.

Further, the only support the Court cites for the right to exclude is a patent case from 1908: *Continental Paper Bag Co. v. Eastern Paper Bag Co.*¹⁰⁴ *Continental Paper Bag* held, broadly, that unreasonable nonuse was not a qualifier of the ability of an inventor to exercise his right to exclude others from his invention during the patent term.¹⁰⁵ Tracing the equitable remedy to patent infringement back to 1819, the Court explicitly rejected the argument that an inventor has a “sort of moral obligation” to make the invention available to the public as quickly as possible, noting that the monopoly was “only for a few years.”¹⁰⁶ Driving the property argument home, the Court declared that “patents are property, and entitled to the same rights and sanctions as other property” and analogized patent infringement to a trespass.¹⁰⁷ Finally, the Court reached no holding as to whether a future court, in view of the public interest, might withhold injunctive relief for such an infringement.¹⁰⁸

This case is wholly irrelevant to a modern copyright system. Not only does the case fail to mention copyright once, even if it had it would have been citing a copyright act from 1870 (albeit with several more recent

101. Act of 1909, ch. 320, § 1(a)-(e), 35 Stat. 1075, 1075–76 (repealed 1976).

102. *Id.* § 2, 35 Stat. at 1076.

103. *Id.* § 1(e), 35 Stat. at 1075–76.

104. 210 U.S. 405, 422, 424 (1908).

105. *Id.* at 424, 428.

106. *Id.*

107. *Id.* at 425.

108. *Id.* at 430.

amendments).¹⁰⁹ With two complete overhauls of the system since then (along with numerous small-scale revisions), a 1908 patent case can hardly serve as proper precedent for such a squirrely interpretation of a copyright owner's right to exclude. Further, the breadth of the right to exclude granted to the patentee depended (and still depends), in the words of the Court, on public disclosure.¹¹⁰ Patentees are incentivized to publicly disclose via a patent rather than relying on trade secret protection, which would deny *all* public disclosure as long as the invention remained secret. No such dichotomy or incentive exists within copyright law. Whereas common law copyright in unpublished works existed at the time of *Continental Paper Bag* and still existed under the Copyright Act of 1909, no such separate protection of unpublished works exists under modern copyright law; the law protects all eligible work equally, whether it is made available to the public or kept secret and unpublished.¹¹¹ The analogy between the two systems, therefore, is strained and the disadvantages of public exclusion are not as justifiable where the need to incentivize public disclosure is absent.

Finally, the age of *Fox Film* and the state of the law at the time it was decided is highly relevant. The fact that *Fox Film* preceded the current Copyright Act does not, on its face, make the precedent obsolete; plenty of pre-1976 case law remains of vital importance to the current copyright scheme.¹¹² But certain aspects of the law relating to the alienability of rights under the 1909 Act are treated very differently under the 1976 Act, making analogies to the modern day system more problematic. First, authors under the 1909 Act were not free to sell their rights separately to one or more third parties, as they are today.¹¹³ Rather, an author at the time *Fox Film* was decided was obligated to either sell *all* of the exclusive rights granted by a copyright to a single third party or decline to sell *any* of them, making such a refusal one of only two options, and therefore a more

109. Patent Act of July 8, 1870, ch. 230, 16 Stat. 198 (repealed 1909).

110. *Id.* at 424 (quoting *United States v. Am. Bell Tel. Co.*, 167 U.S. 224, 250).

111. Compare 17 U.S.C. § 301(a) (2006) (“[A]ll legal or equitable rights that are equivalent to any of the exclusive rights within the general scope of copyright, . . . whether published or unpublished, are governed exclusively by this title.”), with Act of 1909, ch. 320, § 2, 35 Stat. 1075, 1076 (repealed 1976) (“[N]othing in this Act should be construed to annul or limit the right of the author or proprietor of an unpublished work, at common law or equity, to prevent the copying, publication, or use of such unpublished work without his consent . . .”).

112. See, e.g., *Baker v. Selden*, 101 U.S. 99, 103 (1879) (elucidating the idea-expression distinction in copyright).

113. See 17 U.S.C. § 201(d) (2006).

commonly exercised activity of a copyright owner at the time.¹¹⁴ An author could *license* rights individually;¹¹⁵ however, the licensee had no legal ability to enforce those rights against the world.¹¹⁶ The original author was still obligated to bring suit on behalf of the licensee if such rights were infringed.¹¹⁷ Such a system would have made a refusal to license the only palatable option for authors who preferred not to grant their *entire* copyrights away and who faced prospective user-distributors who insisted on a transfer of rights, rather than a license, in order to maintain the ability to file infringement suits on their own behalf.

In addition, the term of copyright is much longer now than it was in 1932.¹¹⁸ Rather than a term of twenty-eight or fifty-six years (depending on whether or not the author renewed), modern copyright protection subsists for the life of the author plus seventy years (raised from life-plus-fifty years in 1998); under the modern system, even if an author creates a work and dies the same day, that copyright will still remain in force longer than the maximum length permissible at the time *Fox Film* was decided.¹¹⁹ As the Court in *Stewart* explained:

[A]lthough dissemination of creative works is a goal of the Copyright Act, the Act creates a balance between the artist's right to control the work during the term of the copyright protection and the public's need for access to creative works. The copyright term

114. See SAMUEL SPRING, RISKS AND RIGHTS 167 (1st ed. 1952) ("Any assignment of the copyright is invalid unless all of the bundle of rights is transferred at one time But an assignment of some of the rights included in the bundle . . . is invalid and unenforcible [sic], except as a license.").

115. See *id.*

116. See *id.* at 168.

117. See *id.* ("A licensee therefore can not [sic] sue an infringer in his own name for infringements of rights he holds as licensee. The licensor, i.e., the copyright proprietor, must sue for him.").

118. Compare 17 U.S.C. § 302(a) (2006) ("Copyright in a work created on or after January 1, 1978, subsists from its creation and, except as provided by the following subsections, endures for a term consisting of the life of the author and 70 years after the author's death."), with Act of 1909, ch. 320, § 23, 35 Stat. 1075, 1080 (repealed 1976):

([T]he copyright secured by this Act shall endure for twenty-eight years from the date of first publication And provided further, That . . . the author of such work, if still living, or . . . his next of kin shall be entitled to a renewal and extension of the copyright in such work for a further term of twenty-eight years when application for such renewal and extension shall have been made to the copyright office and duly registered therein within one year prior to the expiration of the original term of copyright.).

119. See *supra* note 118.

is limited so that the public will not be permanently deprived of the fruits of an artist's labors.¹²⁰

Although the Court was referring to the 1976 Act, rather than the 1909 Act, the principle remains the same. The House Report accompanying the 1909 Act reads something similar: "In enacting a copyright law Congress must consider . . . two questions: First, how much will the legislation stimulate the producer and so benefit the public; and second, how much will the monopoly granted be detrimental to the public?"¹²¹ The modern extension of the "limited times" in which a copyright subsists surely reframes the issue. The advent of the Internet and digital distribution necessitates a similar reconsideration: once a work is "published" online, what effect would it have on the public to allow an author (or copyright owner) to exclude the public from accessing it?¹²²

Taken together, these factors lead to the conclusion that the *Fox Film* exclusory right doctrine does not withstand the test of time. A new look at the exclusory right is needed.

III. Reconsidering the Right to Exclude

A. Reframing the Issue

Tackling a problem as complex as the right to exclude can be unwieldy, and certain avenues of analysis, while fruitful and important within the full scope of copyright law, will not be the focus of this particular article. A brief mention of each may, however, be worthwhile for future scholarship.

1. *Free Expression and the First Amendment*

The Supreme Court famously referred to copyright as the "engine of free expression."¹²³ Courts have generally used the free expression rationale to justify imposing structured limits on fair use (to assure speakers that their expression will be protected).¹²⁴ Commentators often take the opposite view, arguing that the First Amendment should justify tremendous

120. *Stewart v. Abend*, 495 U.S. 207, 228 (1990). For an extension of the "times have changed" argument to *Stewart* as well, see *infra* Part IV.A.2.

121. H.R. REP. 60-2222 at 7.

122. See Gervais, *supra* note 99, at 977–80.

123. *Harper & Row Publishers, Inc. v. Nation Enterps.*, 471 U.S. 539, 589 (1985).

124. See *id.*

limitations on the right to exclude.¹²⁵ There are a “veritable slew” of publications on copyright and the First Amendment,¹²⁶ and this article will not add to them, but to mention that such analysis does not generally touch an author’s right to first publication, and that the First Amendment can usually be used to justify an author’s right to control his own speech (by excluding others from taking it) as equally as it justifies the public’s access to that speech.¹²⁷

2. *Antitrust Law*

The Supreme Court has recognized the Sherman Act as posing an explicit limit on an author’s right to exclude.¹²⁸ At the same time, antitrust law does not provide much of a cudgel against a copyright owner’s unilateral refusal to license; such a decision is presumptively valid under antitrust laws, and a spurned prospective licensee has the burden to prove anticompetitive practices, excluding an owner’s subjective motivation as evidence.¹²⁹ Here, again, the ways in which antitrust law may or may not

125. E.g., Alan E. Garfield, *The Case for First Amendment Limits on Copyright Law*, 35 HOFSTRA L. REV. 1169, 1173–74 (2007).

126. John M. Newman, Note, *Holden Caulfield Grows Up: Salinger v. Colting, the Promotion-of-Progress Requirement, and Market Failure in a Derivative-Works Regime*, 96 IOWA L. REV. 737, 747 n.53 (2011) (collecting articles).

127. Compare, e.g., Christina Bohannon, *Copyright Harm, Foreseeability, and Fair Use*, 85 WASH. U. L. REV. 969, 990 (2007) (arguing that permitting a copyright owner to suppress expression that conflicts with their view would harm general First Amendment interests), with Christina Bohannon, *Copyright Infringement and Harmless Speech*, 61 HASTINGS L.J. 1083, 1149–50 (2010) (“[T]he First Amendment protects [a copyright owner’s] right to develop and refine her own message prior to communicating it to the world as well as the right to decide against communicating it altogether.”). It is coincidental but apt that the same academic author effectively used the First Amendment to argue both in favor of and against the right to exclude in respective articles.

128. *United States v. Loew’s Inc.*, 371 U.S. 38, 46–48 (1962).

129. See *In re Indep. Svs. Orgs. Antitrust Lit.* (hereinafter *Xerox*):

We therefore reject CSU’s invitation to examine Xerox’s subjective motivation in asserting its right to exclude under the copyright laws for pretext, in the absence of any evidence that the copyrights were obtained by unlawful means or were used to gain monopoly power beyond the statutory copyright granted by Congress.)

203 F.3d 1322, 1329 (Fed. Cir. 2000); *Data General Corp. v. Grumman Sys. Support Corp.*, 36 F.3d 1147, 1187 (1st Cir. 1994) (“[W]e hold that while exclusionary conduct can include a monopolist’s unilateral refusal to license a copyright, an author’s desire to exclude others from use of its copyrighted work is a presumptively valid business justification for any immediate harm to consumers.”). *But see*:

Nevertheless, although “nothing in the *copyright statutes* would prevent an author from hoarding all of his works during the term of the copyright,”

cabin the right to exclude is worthy of a separate analysis that is beyond the scope of this article,¹³⁰ other than to reiterate the point that unilateral refusals to deal are presumed valid under both copyright and antitrust law.¹³¹

3. *Publicity Law*

Finally, while a publicity law analysis may be tempting, it is of little use here. Publicity and privacy law exist at common law only, and serve to fill in the gaps where copyright and trademark fail to provide protection.¹³² In this case, no such gap exists; under the current copyright scheme and its lack of formalities, all creative works, even unpublished works, are protected by copyright by statute and so an assertion of an individual's right to privacy would be superseded by whatever protection the Copyright Act provides.¹³³ While a severe limitation on an author's right to exclude might create a window for those same authors to make a privacy law argument, such a scenario is far beyond the purpose and scope of this article.¹³⁴

(emphasis added), the Copyright Act does not explicitly purport to limit the scope of the Sherman Act. And, if the Copyright Act is silent on the subject generally, the silence is particularly acute in cases where a monopolist harms consumers in the monopolized market by refusing to license a copyrighted work to competitors.

Id. (internal citation omitted) (quoting *Stewart v. Abend*, 495 U.S. 222, 228–29 (1990)).

130. For a thorough examination of antitrust and refusals to deal in copyright along with a robust criticism of *Fox Film*, see Catherine Parrish, *Unilateral Refusals to License Software: Limitations on the Right to Exclude and the Need for Compulsory Licensing*, 68 BROOK. L. REV. 557 (2002).

131. See *Data General*, 36 F.3d at 1187. Much scholarship already exists on the intersection of antitrust law and unilateral refusals to deal in the patent context. See Parrish, *supra* note 130. See generally, e.g., Marina Lao, *Unilateral Refusals to Sell or License Intellectual Property and the Antitrust Duty to Deal*, 9 CORNELL J.L. & PUB. POL'Y 193 (2002) (arguing that imposing a general antitrust duty to deal on patentees could promote innovation in certain contexts).

132. See MARSHALL A. LEAFFER, UNDERSTANDING COPYRIGHT LAW § 1.14 (2010) (“In addition to these traditional forms of state law protection, the right to publicity represents a relatively new body of law having similarities to both copyright and trademark law State protection of intangible property interests supplements federal protection and fills in gaps unattended by federal law.”).

133. See 17 U.S.C. § 301(a) (2012).

134. For a brief discussion of the interplay between publicity law and the now-defunct (practically speaking) common law copyright doctrine, see Jeffrey Malkan, *Stolen Photographs: Personality, Publicity, and Privacy*, 75 TEX. L. REV. 779, 798 (1997).

B. Defining the Discussion: Considering the Unilateral Refusal to License

The final step before moving into full analysis of the right to exclude is to differentiate between exercising a unilateral right to exclude against a discrete potential user and exercising a blanket right to exclude against the world (that is, the right to hoard). The former is not only a presumptively valid exercise of a copyright owner's exclusory power,¹³⁵ it is also the core notion of the incentive that copyright law provides: the ability to exclude others and therefore extract more value from the publication of the work itself.¹³⁶ Challenges to the right to exclude are almost universally decided in favor of the intellectual property owner.¹³⁷ Perhaps part of the reason for this phenomenon is that nearly any discrete instance of a refusal to license is part of a valid exercise of statutory power.¹³⁸ Without that power, a copyright owner has little chance to mine the maximum value from his work. Part of what a movie producer or book publisher bargains for is exclusivity; if an author cannot provide such a guarantee, his creative product is worth little to any individual distributor.¹³⁹ Before simply accepting the right to exclude unilaterally as desirable, however, considering the basic alternative scheme of copyright protection (one based on nonexclusive compulsory licenses with no exclusory right) is a worthwhile exercise.

The alternative to this dominant free-market, maximum-control view is that by providing unlimited public access to a creative work for a statutorily determined fee, an author can receive financial remuneration for their work (thereby encouraging future creation) while at the same time providing maximum "progress" of creative works by spreading access to

135. See *Data General*, 36 F.3d at 1187.

136. See, e.g., Max Stul Oppenheimer, *The Time and Place for "Technology-Shifting" Rights*, 14 MARQ. INTELL. PROP. L. REV. 269, 273 (2010) ("The 'exclusive' rights that the Constitution authorizes Congress to grant are exclusive in the sense of 'rights to exclude' rather than 'all-inclusive rights.'"); Ryan J. Swingle, Note, *Tasini v. New York Times: The Problem of Unauthorized Secondary Usage of an Author's Works*, 5 J. INTELL. PROP. L. 601, 622 (1998) ("The copyright law . . . should have been interpreted by the court as preserving the remaining rights . . . in the plaintiffs, so that the plaintiffs would have the requisite bargaining power to sell those rights and receive a fair return for the work.").

137. Cf. *Data General*, 36 F.3d at 1187 (creating a high barrier to establish anticompetitive conduct in any discrete refusal to deal in the patent context).

138. Cf. *id.*

139. See Nicolas Suzor, *Access, Progress, and Fairness: Rethinking Exclusivity in Copyright*, 15 VAND. J. ENT. & TECH. L. 297, 309 (2013) ("Exclusivity allows a commodity market in expression, and the market provides an objective method of valuing creative works. In this context, abundance models that use purely economic arguments to decouple incentives from exclusivity in copyright fail because they break the link between incentives and reward.").

those works to the most people.¹⁴⁰ This conceptualization fails for two reasons, however. First, it is entirely impractical; such a shift to completely alter the monopolistic nature of copyright law would require a complete overhaul of the Copyright Act as currently written (and any copyright scheme existing anywhere in the world) and is extremely unlikely to ever gain traction. Second, the actual implementation of such a scheme would require a statutorily determined royalty rate for any given work: essentially a compulsory license. While there is precedence for such a scheme—a triad of royalty judges already determine the statutory rate for mechanical reproduction licenses in music¹⁴¹—such an arrangement would harm all parties in the aggregate.

There are three players in the scheme whose benefits and losses determine the ultimate utility of any given copyright scheme: individual creators, creative content distributors (e.g., producers and publishers), and the public at large. There are also two types of individual creators: those with bargaining power (the “famous artists”) and those without (the “starving artists”). Those without bargaining power—the starving artists who are at risk of signing unremunerative transfers of rights and who were the targets of the old renewal-rights scheme and the current termination-rights scheme¹⁴²—are in no position to negotiate terms under the current system.¹⁴³ They usually sign away all control over their rights for a standard minimum agreement.¹⁴⁴ A statutory royalty in a given field that is

140. See Malla Pollack, *What Is Congress Supposed to Promote?: Defining “Progress” in Article I, Section 8, Clause 8 of the United State Constitution, or Introducing the Progress Clause*, 80 NEB. L. REV. 754, 809 (2001) (“The word ‘progress’ means ‘spread.’”).

141. 17 U.S.C. § 801(a) (2012). See generally COPYRIGHT ROYALTY BOARD, <http://www.loc.gov/crb> (last visited Apr. 1, 2013); see also Shane D. Valenzi, Note, *A Rollicking Band of Pirates: Licensing the Exclusive Right of Public Performance in the Theatre Industry*, 14 VAND. J. ENT. & TECH. L. 759, 790–91 (2012).

142. See Shane Valenzi, *It’s Only a Day Away: Rethinking Copyright Termination in a New Era*, 53 IDEA 225, 227, 236–37 (2013); see also *Mills Music, Inc. v. Snyder*, 469 U.S. 153, 172–73 (1985) (“[T]he termination right was expressly intended to relieve authors of the consequences of ill-advised and unremunerative grants that had been made before the author had a fair opportunity to appreciate the true value of his work product.” (citing H.R. REP. 94-1476, at 127 (1976))).

143. See John M. Kernochan, *The Distribution Right in the United States of America: Review and Reflections*, 42 VAND. L. REV. 1407, 1433 (1989) (“In the United States, upon sale, there is a consequent and sometimes serious loss of artistic and economic control over the future of the work, especially if weak bargaining power means the artist must yield the copyright . . .”).

144. See Don E. Tomlinson, *Everything that Glitters Is Not Gold: Songwriter-Music Publisher Agreements and Disagreements*, 18 HASTINGS COMM. & ENT. L.J. 85, 94 (1995) (“Because of the impossibility of predicting the commercial value of a work upon its creation and because of the weak bargaining position of [songwriters], they sometimes assigned their copyrights in return for very little remuneration, such as small lump-sum payments or inadequate royalty rates . . .”).

equal to the current minimum agreement artists sign in that field, and that would guarantee the public's ability to sign nonexclusive licenses to use the work, would not place those artists in any better or worse of a financial situation than they are currently in. Additionally, both systems prevent those authors from exercising any control over their work. Distributors in each field would be in a worse position under the nonexclusive compulsory license system, because they would pay the same amount (the minimum) but for less control, as anyone could license the same right to the same work. Notably, however, artists with no bargaining power also have no current market for their work, so any refusal to license is not likely to inflict any harm on the public except in the abstract (by depriving the public of part of the universe of creative expression).

On the other hand, those artists *with* bargaining power (i.e., the successful, famous ones) would be severely harmed by such a scheme. First, the agreements these artists sign are much higher than the minimum agreements.¹⁴⁵ A statutory rate equal to the minimum would deprive those artists with the largest market for their works of both the revenue and the control they've bargained for through market forces.¹⁴⁶ A statutory rate that is any lower than the maximum a famous artist could earn would incentivize third-party facilitators to license work from more popular artists who would have, under the current free-market system, been able to bargain for a higher rate. A statutory rate at the same level or higher than the current market-determined minimum would, conversely, incentivize licensing of famous authors' work *at the expense of* the "starving artists" who would have otherwise agreed to a lower rate. As a result, everyone loses: the established artists lose revenue, facilitators and artists lose all control, emerging artists lose the opportunity to be discovered (because licensing their work is no cheaper than licensing work from already established creators), and the public loses in the aggregate because such increased barriers to entry and decreased bargaining potential would discourage new artists from beginning creation and established artists from continuing to create.

This brief consideration of an alternative scheme reveals that protecting the unilateral right to exclude in turn protects the continued production of

145. *See id.* at 87–92 (describing differences between the bargaining power of successful songwriters and newly-signed songwriters when negotiating with producers, and noting that successful songwriters often become their own publishers when they are able).

146. Of course, every author begins with full control. But few authors are able to monetize their work without transferring their rights to a distributor (at least historically), and only successful authors are able to maintain control either through self-distribution or through greater bargaining power with distributors.

creative works. Picking and choosing who may use a given creative work makes economic sense for the creators, and the interests of the creators, distributors, and the public should theoretically be aligned to provide as much access to creative work to the public (and therefore generate as much profit) as possible.¹⁴⁷ This careful economic structure breaks down entirely, however, when either a creator or a distributor's interests change; i.e., when one who controls access to a creative work denies all access to the *world*, not just to discrete individuals seeking a license on unacceptable terms.

Accepting, then, the notion that some level of control over unilateral licensing agreements is a desirable scheme, this article will turn its exclusive attention to an author's right to refuse to transfer or license their work to *anyone*—that is, the right to hoard.

C. Property Rights and the Right to Hoard¹⁴⁸

Is copyright property? The Supreme Court has asserted on multiple occasions that it is.¹⁴⁹ At the same time, the Court has noted that copyright is a statutory right conferred by Congress and not a natural right.¹⁵⁰ John

147. The debate centers on the amount the public should pay, which is beyond the scope of this article.

148. Under now-defunct common law copyright, the author of an unpublished work retained the right of first publication regardless of other statutory rights surrounding it; now that statutory copyright subsists in a work from the moment of creation, however, there is no functional difference in the bundle of rights between published and unpublished works. *See supra* note 111. The only creative field in which an unpublished author retains slightly more control over their work than a published author is music, where a published work is subject to compulsory mechanical reproductions (i.e., recorded covers of the song). *See* 17 U.S.C. § 115 (2010). For the purposes of this section, then, both published and unpublished works may be analyzed together.

149. *See, e.g.,* C.I.R. v. Wodehouse, 337 U.S. 369, 401 (1949) (Frankfurter, J., dissenting) (“In the exercise of its power ‘To promote the Progress of Science and useful Arts,’ Congress, by granting copyrights, has created valuable property rights.”); Fox Film Corp. v. Doyal, 286 U.S. 123, 128 (1932); *see also* Loew’s Inc. v. CBS, 131 F. Supp. 165, 184 (S.D. Cal. 1955) (“After all, copyright is property . . .”). *See generally* Justin Hughes, *Copyright and Incomplete Historiographies: of Piracy, Propertization, and Thomas Jefferson*, 79 S. CAL. L. REV. 993, 1004–46 (2006) (presenting an informal historiographical survey of references to pre-20th century copyright law, and concluding that copyright was commonly understood internationally by courts, legislatures, and academics to be a form of property). *But see generally* Tom W. Bell, *Copyright as Intellectual Property Privilege*, 58 SYRACUSE L. REV. 523 (2008) (arguing copyright is better conceptualized as a form of legislatively granted privilege, not property).

150. *E.g.,* Sony v. Universal City Studios, Inc., 464 U.S. 417, 431 n.10 (1984) (“In its report accompanying the comprehensive revision of the Copyright Act in 1909, the Judiciary Committee of the House of Representatives explained this balance: ‘The enactment of copyright legislation by Congress under the terms of the Constitution is not based upon any natural right that the author has in his writings’” (citing H. R. REP. NO. 60-2222, at 7 (1909))).

Locke describes the right to property as a natural and fundamental right,¹⁵¹ which seems to place the judicial interpretation of copyright as a property right at odds with the Congressional view of copyright as a government grant to individuals for the benefit of society.¹⁵² A closer look at the full scope of Locke's property theory reveals a common space (literally) within which to bridge the two conceptions.

Many copyright scholars are familiar with the labor-theory aspect of Locke's proviso: a property owner holds the moral right to exclude *everyone* from his property due to the labor he put into cultivating that property.¹⁵³ The Lockean labor theory of copyright suggests that an author deserves protection based on the effort he put into the work, which closely aligns with the moral rights justification for copyright prominent in Europe.¹⁵⁴ If an apple grows on a property owner's land and the owner picks it, the theory goes, then that owner should have the right to exclude anyone else from entering his land and taking his apple.¹⁵⁵

This principle alone is an oversimplification of the theory, however. First, such a principle presumes that equivalent apples are available for

151. See JOHN LOCKE, SECOND TREATISE ON GOVERNMENT § 25 (1890) (“[M]en . . . have a *property* in several parts of that which God gave to mankind in common”); *id.* § 27 (“[E]very man has a *property* in his own *person*: this no body has any right to but himself Whatsoever then he removes out of the state that nature hath provided, and left it in, he hath mixed his *labour* with, and joined to it something that is his own, and thereby makes it his *property*.”).

152. Compare *id.*, with *Bobbs-Merrill Co. v. Strauss*, 210 U.S. 339, 346 (1908) (“Recent cases in this court have affirmed the proposition that copyright property under the Federal law is wholly statutory, and depends upon the right created under the acts of Congress passed in pursuance of the authority conferred under article 1, § 8, of the Federal Constitution”), and H. R. REP. NO. 60-2222, at 7 (1909) (“The enactment of copyright legislation by Congress under the terms of the Constitution is not based upon any natural right that the author has in his writings”).

153. Locke states how:

(The *labour* of his body, and the *work* of his hands, we may say, are properly his. Whatsoever then he removes out of the state that nature hath provided, and left it in, he hath mixed his *labour* with, and joined to it something that is his own, and thereby makes it his *property*. It being by him removed from the common state nature hath placed it in, it hath by this *labour* something annexed to it, that excludes the common right of other men: for this *labour* being the unquestionable property of the labourer, no man but he can have a right to what that is once joined to, at least where there is enough, and as good, left in common for others.

LOCKE, *supra* note 151, § 27.

154. *Id.*

155. *Id.*

picking elsewhere.¹⁵⁶ Second, the principle also contemplates that there exists a separate tract of land—the “commons”—which all may use and which none may restrict.¹⁵⁷ Finally, and most importantly, the principle requires the laborer to do something with the apple. A land owner may not exercise his right to exclude others from his fruit while he allows it to rot on the tree.¹⁵⁸ While labor and moral rights theorists have traditionally

156. *Id.* § 33:

Nor was this *appropriation* of any parcel of *land*, by improving it, any prejudice to any other man, since there was still enough, and as good left; and more than the yet unprovided could use. So that, in effect, there was never the less left for others because of his inclosure for himself: for he that leaves as much as another can make use of, does as good as take nothing at all.

157. *See id.* § 27 (“[N]o man but he can have a right to what that is once joined to, at least where there is enough, and as good, left in common for others.”).

158. The relevant provision reads:

As much as any one can make use of to any advantage of life before it spoils, so much he may by his labour fix a property in: whatever is beyond this, is more than his share, and belongs to others. Nothing was made by God for man to spoil or destroy. And thus, considering the plenty of natural provisions there was a long time in the world, and the few spenders; and to how small a part of that provision the industry of one man could extend itself, and ingross it to the prejudice of others; especially keeping within the *bounds*, set by reason, of what might serve for his *use*; there could be then little room for quarrels or contentions about property so established.

Id. § 31.

A similar sentiment is expressed in *id.* §§ 37–38:

Before the appropriation of land, he who gathered as much of the wild fruit, killed, caught or tamed, as many of the beasts, as he could; he that so imployed his pains about any of the spontaneous products of nature, as any way to alter them from the state which nature put them in, *by* placing any of his *labour* on them, did thereby *acquire a property in them*: but if they perished, in his possession, without their due use; if the fruits rotted, or the venison putrified, before he could spend it, he offended against the common law of nature, and was liable to be punished; he invaded his neighbour’s share for he had *no right, farther than his use* called for any of them, and they might serve to afford him conveniences of life.

Before the appropriation of land, he who gathered as much of the wild fruit, killed, caught or tamed, as many of the beasts, as he could; he that so imployed his pains about any of the spontaneous products of nature, as any way to alter them from the state which nature put them in, *by* placing any of his *labour* on them, did thereby *acquire a property in them*: but if they perished, in his possession, without their due use; if the fruits rotted, or the venison putrified, before he could spend it, he offended against the common law of nature, and was liable to be punished; he invaded his neighbour’s share for he had *no right*,

used Lockean labor theory to justify an author's sacred and fundamental right to exclude others from their work, such a right is cabined by an obligation to *use* it in some way.

Under Lockean theory, then, the right to hoard does *not* exist. As long as an author *uses* a work in some way, by providing some sort of public access, that author is free to exclude all others. To *create but not use* is tantamount to allowing your carefully cultivated creative apples to rot while excluding the starving public.¹⁵⁹ In addition, executing a broad right to exclude depends on a robust commons by which the public may craft its own similar work. In copyright terms, this "commons" consists not only of public domain works, but also material that is not copyrightable (e.g., ideas, words). This creative commons¹⁶⁰ made up of works currently in the public domain as well as ideas and other uncopyrightable material presumes that a future user is also a creator. This storehouse of knowledge does not deplete, and copyright law does not threaten it (or, at least, it should not). Such a conception may justify a copyright owner's blanket refusal to license derivative works; with a broad storehouse of ideas from which to draw, there is no reason a future creator cannot rely on an idea rather than an earlier creator's protected expression in order to create. But most users are just that: users, not creators. They want to consume, not create, and leaving these users only public domain expression to consume is inapposite to the goals of copyright under *any* statutory scheme, particularly where nothing new (when properly renewed) has entered the public domain since 1923 (and likely won't anytime soon).¹⁶¹

farther than his use called for any of them, and they might serve to afford him conveniences of life.

But if either the grass of his inclosure rotted on the ground, or the fruit of his planting perished without gathering, and laying up, this part of the earth, notwithstanding his inclosure, was still to be looked on as waste, and might be the possession of any other.

See also id. § 48.

159. *See supra* note 158.

160. Not to be confused with the Creative Commons, the collection of free copyrighted material available online for use with various non-onerous license restrictions. *See About, CREATIVE COMMONS*, <http://creativecommons.org/about> (last visited Mar. 31, 2013). Unlike the real-world Creative Commons project, the Lockean creative commons does not consist of copyrighted material available for free, but rather consists only of uncopyrightable creative content.

161. *See* LAWRENCE LESSIG, *FREE CULTURE* 214 (2004) ("Eldred would not be free to add any works more recent than 1923 to his collection until 2019. Indeed, no copyrighted work would pass into the public domain until that year (and not even then, if Congress extends the term again). By contrast, in the same period, more than 1 million patents will pass into the public domain.").

Under this property-rights analysis, the *type* of right being hoarded is relevant.¹⁶² An argument against hoarding is very strong when applied to the distribution right,¹⁶³ as that right most directly affects public access to the work for consumptive purposes and is the most obvious analogy to the work “rotting on the tree.” In contrast, this analysis does not cut strongly against an author’s (or copyright owner’s) right to refuse to license the derivative right to his work in any form¹⁶⁴—with only an uncopyrightable idea necessary to spur authorship of a creative work, the argument that copyrightable expression must also be made available for alteration is nearly nonexistent.¹⁶⁵ In Lockean terms, there is no need to compel access to privately owned apples when there are perfectly good pears in the commons.

Protecting an author’s derivative right also protects a literary author’s right to “version” his work—that is, to option a book into a movie. Compelling an author to license a work to any film company that comes calling could actually harm the value of the work. As an example, films based on the works of Stephen King run the gamut of quality. He has licensed faithful film adaptations that were critically acclaimed (e.g., *The Shawshank Redemption*, *The Green Mile*), adaptations that flopped (e.g., *Dreamcatcher*, *Hearts in Atlantis*), and television miniseries that, while faithful, have not aged well over time (*It*, *The Stand*).¹⁶⁶ King has also licensed comic books, video games, and even pop-up books derived from his works.¹⁶⁷ He has not always been happy with the final result,¹⁶⁸ but

162. The discussion *infra* refers to the exclusive rights embodied in 17 U.S.C. § 106 (reproduction, distribution, public display, public performance, and derivative), commonly understood as the “bundle of rights” that comprise a copyright. It does not, for example, refer to the statutory termination right contained in §§ 203 and 304. “Hoarding,” the termination right, is, in this author’s view, inevitable, since the right itself was intended to be inalienable. See Valenzi, *supra* note 142, at 225.

163. 17 U.S.C. § 106(3) (2012) (“[T]he owner of copyright under this title has the exclusive right[] . . . 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[.]”).

164. *Id.* § 106(2) (“[T]he owner of copyright under this title has the exclusive right[] . . . to prepare derivative works based upon the copyrighted work[.]”).

165. See generally Daniel J. Gervais, *The Derivative Right, or Why Copyright Law Protects Foxes Better Than Hedgehogs*, 15 VAND. J. ENT. & TECH. L. 785, 798–99 (2013) (examining the derivative right’s “different normative target” from the reproduction right, and citing Jessica Litman, *The Public Domain*, 39 EMORY L.J. 965, 966 (1990) (“[T]he very act of authorship in any medium is more akin to translation and recombination than it is to creating Aphrodite from the foam of the sea.”)).

166. For a comprehensive list of King’s works and the authorized versioning of each one, see *Creator:StephenKing*, TV, TROPES, <http://tvtropes.org/pmwiki/pmwiki.php/Creator/StephenKing?from=Main.StephenKing> (last visited May 1, 2013).

167. *Id.*

making decisions about which adaptations to license (a film version of *The Dark Tower* series has yet to take form, for example) and the form such adaptations should take (King often prefers television miniseries, presumably because they can capture more of the source material and he can maintain more creative control) should remain purely the province of the author.

Even an author who refuses to license *any* derivative use of *any* of his works may have normative grounds to do so. J. D. Salinger, who took just such a stance during his lifetime, perhaps expressed this sentiment best through a private letter denying a prospective filmmaker the rights to adapt his work: “I see my novel as a novel and only a novel.”¹⁶⁹ To put it in Lockean terms, the creative work is the author’s absolute property. Provided he has made productive use of it (by releasing it to the public as a novel), he has fulfilled whatever duty to the public he may have and should not be required to sacrifice any more of his creative control. Just because an owner is content to eat his apples raw does not mean he is obligated to allow an outsider to turn his product into apple pie.

The importance of hoarding the remaining exclusive rights depends very much on the work in question. Hoarding the right of reproduction¹⁷⁰ in a great work of art seems perfectly appropriate; less so for a great work of literature. In contrast, hoarding the right to display¹⁷¹ that same work of art would prevent the public from accessing the work in any meaningful way. Hoarding of the display right in musical or dramatic works, however, might hurt certain types of advertising but wouldn’t prevent access to the heart of those works themselves. Of course, preventing all public performance¹⁷² of those later two categories of works would eviscerate the creative contributions those works make to the public.

168. For example, King remade *The Shining* after he was famously displeased with Stanley Kubrick’s loose adaptation. *See id.* King also attempted to have his name legally removed from the film *Lawnmower Man*, which bore no resemblance to his short story and licensed the work purely for name recognition. *See id.*

169. *See* Judy Berman, *Letter: J.D. Salinger Rejects Film Adaptation of “Catcher in the Rye,”* FLAVORWIRE (Dec. 6, 2010, 1:01 PM), <http://flavorwire.com/134595/letter-j-d-salinger-rejects-film-adaptation-of-catcher-in-the-rye>.

170. 17 U.S.C. § 106(1) (2012) (“[T]he owner of copyright under this title has the exclusive right[] . . . to reproduce the copyrighted work in copies or phonorecords[.]”).

171. *Id.* § 106(5) (“[T]he owner of copyright under this title has the exclusive right[] . . . 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[.]”).

172. *Id.* § 106(4) (“[T]he owner of copyright under this title has the exclusive right[] . . . in the case of literary, musical, dramatic, and choreographic works, pantomimes, and motion pictures and other audiovisual works, to perform the copyrighted work publicly[.]”).

In sum, a proper Lockean analysis of property rights protects a discrete right to exclude only so far as a copyright owner makes some affirmative use of his rights to the work. Under Lockean theory, an author may still refuse to make or license a derivative of his work, but hoarding any of the remaining exclusive rights without exercising them frustrates public access to *some* category of protectable work.

As a final addendum, an astute reader may note that, by treating published and unpublished works together under this analysis, many types of unpublished work would be inappropriately subject to public access (diaries, confidential documents, or even simply unfinished drafts of creative work). Although technically protected by copyright, proponents of the continued secrecy of these works should, practically speaking, not be concerned about the effects of this theory on unpublished works. First, in the case of unfinished drafts, the Lockean theory supports an author's right to tend his own garden; until a work is completed, its creator would be unable to "waste" its creation, so no public access would be required. In the case of completed-but-private works, such as diaries and private papers, copyright law alone simply shouldn't rule the day.¹⁷³ Here, a privacy law analysis should come back into play, as permitting public access to these sorts of works would be damaging to a person's "right to be let alone" in a way that copyright law was not and should not be designed to accommodate.¹⁷⁴ Much as trademark scholars have argued that trademark law need not concern itself with evils fought by unfair competition or false advertising laws, copyright law and theory in this case need not concern itself with privacy issues protectable under the common law.¹⁷⁵

173. The very foundations of copyright law draw a meaningful distinction between published and unpublished works. See generally M. ROSE, *AUTHORS AND OWNERS: THE INVENTION OF COPYRIGHT* 79 (1993).

174. See Samuel D. Warren & Louis D. Brandeis, *The Right to Privacy*, 4 HARV. L. REV. 193, 193–96 (1890).

175. See Mark A. Lemley & Mark McKenna, *Irrelevant Confusion*, 62 STAN. L. REV. 413, 427 (2010):

We therefore propose to do away with the "sponsorship or affiliation" terminology altogether and to reframe the trademark infringement question in terms of whether the defendant's use is likely to confuse consumers about who is responsible for the quality of the defendant's goods or services. Uses that cause such confusion should be deemed trademark infringement; those that cause confusion regarding other types of relationships should be dealt with, if at all, through something analogous to a false advertising claim.

Id.

D. Reconciling the Property View with the Utilitarian View

One problem with a robust property-rights analysis of the right to exclude is that the Lockean labor theory of copyright has little domestic influence. The United States has long rejected such an approach in favor of a purely utilitarian (i.e., economic) justification. In fact, the *Fox Film* Court alludes to exactly that distinction when it notes that copyright law rewards the “labors of authors” only to benefit the public, and not for the authors’ own sake.¹⁷⁶ But even in purely utilitarian terms, the right to hoard sits on shaky ground.

The right to hoard is wholly incompatible with the utilitarian view of copyright. The utilitarian system of copyright is based on the effective workings of the free market.¹⁷⁷ Adopting Samuel Johnson’s quip that “[n]o man but a blockhead ever wrote, except for money,”¹⁷⁸ as a mantra, the theory predicates awarding authors the right to exclude on the notion that authors can maximize the economic value of their works through bargaining.¹⁷⁹ As detailed above, removing an author’s ability to exclude anyone from using his work as they please would decrease the economic potential of the work, and thereby decrease an author’s incentive to create.¹⁸⁰ This purely economic system is equally a utilitarian system because incentivizing creation is done solely for the good of the public—to guarantee public access to creative works.¹⁸¹ Though exercising the right to exclude necessarily limits the public availability of some works, the theory goes, such protection extends only for a limited time, and the public will gain in the aggregate because every work will ultimately enter the public domain.¹⁸²

176. *Fox Film Corp. v. Doyal*, 286 U.S. 123, 127 (1932).

177. Cf. Alina Ng, *The Author’s Rights in Literary and Artistic Works*, 9 J. MARSHALL REV. INTELL. PROP. L. 453, 453 (2010) (“Congress protects these specific acts of publicly disseminating works to facilitate market commercialization of creative works by preventing the general public from exercising the exclusive rights under section 106 without the permission of the author or copyright owner.”).

178. JAMES BOSWELL, 2 BOSWELL’S LIFE OF JOHNSON 14 (Henry Frowde ed., Oxford 1904) (quoting Samuel Johnson).

179. See Ng, *supra* note 177, at 462 (“Economic theory seeks to encourage authorship by the promise of market rewards, and through the market, authors are remunerated for their creativity.”).

180. See *id.* at 490–91

181. See, e.g., H.R. REP. NO. 60-2222 (1909) (“Not primarily for the benefit of the author, but primarily for the benefit of the public, such rights are given.”).

182. See, e.g., Rebekah O’Hara, *You Say You Want a Revolution: Music & Technology—Evolution or Destruction?*, 39 GONZ. L. REV. 247, 258 (2004) (“The quid pro quo for a ‘Limited Times’ monopoly is the ability of the public to access the materials after the copyright expires and falls into the public domain.”).

Whether copyright is treated as a privilege or a property right,¹⁸³ an author who hoards a work and refuses to release it to the public takes away more “good” from society than it provides: the public loses access to the work (bad), a monopoly exists (bad), and the author earns no economic benefit, and thereby has no incentive to further create (neutral).¹⁸⁴ The right to hoard, then, can only be justified with a view towards the public in the long term—that is, while the present public may not benefit, the future public will benefit because the work will enter the public domain at some point.¹⁸⁵ Such a justification is commonly asserted in patent cases.¹⁸⁶ It is here that the similar theories and justifications of copyright and patent law diverge, however, due to the practical differences between the laws. Patent monopolies expire after twenty years.¹⁸⁷ With some fancy tricks, an inventor may extend that monopoly by a year.¹⁸⁸ Therefore, when the Court notes at the turn of the twentieth century that “the monopoly which he receives is only for a few years,” such a sentiment remains relevant

183. See generally Bell, *supra* note 149 (arguing that copyright’s property-like attributes are all qualified, and therefore can be better conceptualized as a set of privileges).

184. The system is designed to trade off the creation of monopoly power (bad) with public access (good) and additional incentive to create (good). While few would argue in modern economic terms that an author *only* creates for the potential to make money, scratching a creative itch and self-actualizing through creation are not contemplated under the cold economic terms on which U.S. copyright law is predicated. See, e.g., H. REP. 60-2222 at 7 (1909) stating:

The enactment of copyright legislation by Congress under the terms of the Constitution is not based upon any natural right that the author has in his writings, for the Supreme Court has held that such rights as he has are purely statutory rights, but upon the ground that the welfare of the public will be served and progress of science and useful arts will be promoted by securing to authors for limited periods the exclusive rights to their writings Not primarily for the benefit of the author, but primarily for the benefit of the public such rights are given.

Id.

185. See O’Hara, *supra* note 182, at 258.

186. E.g., *In re Metoprolol Succinate Direct Purchaser Antitrust Litigation*, 2010 WL 1485328, at *1 (D. Del. April 13, 2010) (“The Hatch–Waxman Amendments intend to balance two important public policy objectives: (1) prescription drug manufacturers need meaningful market protection incentives to encourage the development of new drugs; and (2) once the statutory patent protection and marketing exclusivity for these new drugs has expired, the public benefits from the rapid availability of lower priced generic versions of the innovator drug.”).

187. 35 U.S.C. § 154(a)(2) (2012).

188. SEAN B. SEYMORE, SEYMORE ON PROVISIONAL PATENT APPLICATIONS 1 n.55 (2012) (“By waiting the full year to file the nonprovisional application, applicants may effectively extend their patent term to 21 years.”) (on file with author).

today even though the patent term is longer than it was when the Court first asserted the justification.¹⁸⁹

In contrast, nothing currently protected by copyright will enter the public domain any time soon.¹⁹⁰ Lobbying interests in copyrighted work are too strong, and the advocates of the public domain too poor to wage a successful fight against continued extensions of the copyright term which is, after all, not based on any natural right of the public to access creative work.¹⁹¹ As the promise of the public domain is pushed further to the future, the present public utility decreases; the longer the term of protection, the less good is created in the present.¹⁹² Like money, access to a creative work today is worth more than access to a creative work tomorrow.¹⁹³

Really, then, there is no economic justification to allow an author to hoard his works during the term of copyright. That is not to say that the right to hoard is an unreasonable extreme in copyright law generally. Indeed, the French *droit de repentir* is essentially a codified right to hoard

189. *Continental Paper Bag Co. v. E. Paper Bag Co.*, 210 U.S. 405, 424 (1908).

190. *See LESSIG*, *supra* note 161.

191. Justice Breyer's dissent in *Eldred v. Ashcroft*, 537 U.S. 186, 242 (2003) (Breyer J., dissenting), contained a compelling list of quotes from the legislative history of the Copyright Term Extension Act suggesting that the notion of perpetual copyright had strong Congressional and lobbying support as of 1998:

[T]he statute was named after a Member of Congress who, the legislative history records, "wanted the term of copyright protection to last forever." 144 Cong. Rec. H9952 (daily ed. Oct. 7, 1998) (statement of Rep. Mary Bono). *See also* Copyright Term, Film Labeling, and Film Preservation Legislation: Hearings on H.R. 989 et al. before the Subcommittee on Courts and Intellectual Property of the House Judiciary Committee, 104th Cong., 1st Sess., 94 (1995) (hereinafter House Hearings) (statement of Rep. Sonny Bono) (questioning why copyrights should ever expire); *ibid.* (statement of Rep. Berman) ("I guess we could ... just make a permanent moratorium on the expiration of copyrights"); *id.*, at 230 (statement of Rep. Hoke) ("Why 70 years? Why not forever? Why not 150 years?"); *cf. ibid.* (statement of the Register of Copyrights) (In Copyright Office proceedings, "[t]he Songwriters Guild suggested a perpetual term"); *id.*, at 234 (statement of Quincy Jones) ("I'm particularly fascinated with Representative Hoke's statement.... [W]hy not forever?"); *id.*, at 277 (statement of Quincy Jones) ("If we can start with 70, add 20, it would be a good start").

Id. at 256.

192. *See id.* at 254–55 (Breyer J., dissenting) ("Using assumptions about the time value of money provided us by a group of economists (including five Nobel prize winners), it seems fair to say that, for example, a 1% likelihood of earning \$100 annually for 20 years, starting 75 years into the future, is worth less than seven cents today.")

193. *Id.*

published works, granting an author the right to modify or even withdraw his work from publication through the transferee.¹⁹⁴ This right envisions publication as a continual process. At the point where a work requires some sort of modification to accurately express an author's current frame of mind, or the author wishes to remove it from public consumption entirely, the author simply withdraws permission and the distributor must similarly withdraw the work.¹⁹⁵ This article's objection to the right to hoard is not based on its infeasibility in *any* copyright system; rather, the French *droit de repentir* is strong evidence that the right to hoard is a moral one. Its normative bearings presume a work as an extension of an author's personality, and attach authorial control and the right to exclude not to a property theory (and certainly not to an economic justification), but rather to the idea that artistic works are personal works and should be protected as a form of bodily integrity and personal autonomy.¹⁹⁶ Moral rights and personality theory are entirely absent in U.S. copyright law, and it is the *sole* reliance on economic justification to the explicit exclusion of personality theories that prevents the right to hoard from gaining any foundational traction in U.S. copyright law.

Even though Lockean theory similarly does not comport with utilitarian theory in U.S. copyright law, here they share similar ideals. Both are interested in a robust public domain. Neither wishes to see creative work rot on the vine. Both believe in promoting the welfare of the individual creator contingent on the impact such promotion has on the public. Utilitarianism would protect the welfare of the individual only so far as the well-being of the public increases just as much or more, while Lockean theory would protect the welfare of the individual so long as such protection does not harm another, including through the misuse of resources. While these two theories are often incompatible on issues such as control of a work and term of protection, they both should, in theory, soundly reject the right of an author to prevent all use of a copyrighted work during its term of protection.

194. C. civ. art. 543, Code pénal [C. pén] art. 32 (Law of March 11, 1957 on literary and artistic property).

195. See Edward J. Damich, *The Right of Personality: A Common-Law Basis for the Protection of Moral Rights of Authors*, 23 GA. L. REV. 1, 23–25 (1988).

196. See generally *id.* Though personality theory in copyright is traditionally categorized as Hegelian, a handful of prominent German twentieth century philosophers, Karl Gareis and Otto Friedrich von Gierke, parsed and popularized the personality theory of artistic and literary works independent of Hegelian influence. See *id.* at 27–28.

E. Counterpoint: A Hohfeldian Analysis

The principal difficulty facing opponents of the right to hoard is the aggregate nature of the right. A Hohfeldian view of copyright highlights this problem. Hohfeld separates the traditionally vague legal use of “right” into eight distinct concepts: a right (and its opposite no-right), a privilege (and its opposite duty), a power (and its opposite disability) and an immunity (and its opposite liability).¹⁹⁷ Hohfeld goes on to separate rights into paucital rights—rights asserted against an individual—and “multital” rights—rights asserted against a large group in the aggregate.¹⁹⁸ In parsing this distinction, Hohfeld posits that multital rights are, in effect, simply a collection of paucital rights. Rather than a single right held against a group, a multital right is actually an accumulation of separate paucital rights owned by the author against each individual in the group.¹⁹⁹ Hohfeld’s support for this hypothesis is grounded in practicality; he quotes Professor Samuel Williston, who notes, “Though legal ownership is conceived fundamentally as *a* right good against all the world, actual instances of such ownership are often much more narrowly limited.”²⁰⁰

This construction provides the strongest support *for* the right to hoard. As an initial matter, a copyright embodies aspects of all of these classifications (a right to exclude others, the privilege to use, the power to license and sell, and the immunity from having the copyright taken away except under certain circumstances). The objection to the right to hoard, as established in this article, centers only on a blanket right asserted against the world (a multital right, to use the Hohfeldian term), not any individual refusal to license (which, after all, is already presumptively valid). By challenging the nature of the multital right to a collection of discrete paucital rights, which are each presumptively valid, the right to hoard is an illogical but justifiable result of a series of legitimate rights not enforced against the world, but rather enforced against each discrete member.

197. See generally Wesley Newcomb Hohfeld, *Fundamental Legal Conceptions As Applied in Judicial Reasoning*, 26 YALE L.J. 710 (1913) (exploring and defining the terms “right,” “privilege,” “power,” and “immunity” in detail).

198. See, *supra* note 197, at 718–20.

199. See *id.* at 742 (“[I]t is submitted that instead of there being a single right with a single correlative duty resting on all the persons against whom the right avails, there are many separate and distinct rights, actual and potential, each one of which has a correlative duty resting upon some one person.”).

200. *Id.* at 742 (citing Samuel Williston, *Is the Right of an Assignee of a Chose in Action Legal or Equitable?*, 30 HARV. L. REV. 97, 98 (1916)).

Parsing through this quandary is a challenge. Logically, Hohfeldian analysis justifies a blanket right to hoard.²⁰¹ Practically, Hohfeld's 1917 analysis evinces a Lochner-era classical, legal liberal view of rights and privileges, and his arguments are littered with strong individual and property rights arguments that are not wholly compatible with modern legal interactions.²⁰² For example, fair use and other statutory exemptions already provide exceptions to the pure rights classification, which prevent a perfect symmetry between Hohfeld's correlative legal concepts and the realities of copyright law.

More importantly, Hohfeld is wholly silent on the implications of a scenario in which a multital right is legally impermissible while the paucital rights making up the multital rights are not so limited. While supporters of the right to hoard may draw the conclusion that such a multital right cannot be declared impermissible under this conceptualization, this conclusion is a conjecture, nothing more. Hohfeld's work was not intended to make policy arguments; he was merely interested in defining a consistent vocabulary for judges, law students, and scholars to discuss legal issues. Under this interpretation, Hohfeldian analysis is useful in that it provides clear, consistent definitions of "right" and "privilege," but it is intentionally inconclusive on the normative values regarding the right to hoard.

IV. Implementing a Solution

A. Preventing the Right to Hoard in the United States

Copyright law does not normatively support an author's right to hoard. Preventing that sort of behavior under the current U.S. copyright system, however, is more problematic. Congress isn't likely to amend the Copyright Act anytime soon, and when they do it certainly won't be to

201. In fact, Hohfeld suggests as much in the field of real property, in contravention of Locke's use requirement:

Even though the land be entirely vacant and A have no intention whatever of personally using the land, his rights or claims that others shall not use it even temporarily in such ways as would not alter its physical character are, generally, of great economic significance as tending to make others compensate A in exchange for the extinguishment of his rights, or claims, or in other words, the creation of privileges of user and enjoyment.

Id. at 747.

202. *See id.*

remove rights from authors.²⁰³ Rather, protecting public access from hoarding by authors can most easily be effected by the courts through careful application of the *eBay* standard for issuing judicial relief following a finding of infringement. Such judicial decision-making, however, will require careful handling of *Stewart v. Abend* and its strong language permitting an author the unlimited right to exclude.

1. Using *eBay*

eBay v. MercExchange established a mode of analysis for determining when to issue injunctions as relief in patent infringement cases.²⁰⁴ Its four-step test has since been applied to copyright and trademark infringement as well.²⁰⁵ Rather than imposing injunctions at every instance of infringement, *eBay* mandates a case-by-case analysis, issuing an injunction only if: (1) the injury from infringement is irreparable; (2) remedies available at law (that is, monetary damages) are inadequate to compensate for the injury; (3) considering the balance of hardship between the infringer and the rightful owner, an injunction is warranted; and, (4) the public interest would not be disserved by a permanent injunction.²⁰⁶ In setting these factors, the Supreme Court moved away from the traditional practice of issuing injunctions in nearly every instance of patent infringement.²⁰⁷ The decision has since been used to justify a court's refusal to issue an injunction against an infringer and instead award monetary damages equal to what a fairly priced license for the patent would have been, effectively awarding a compulsory license to the infringer.²⁰⁸

203. See generally Jessica Litman, *The Copyright Revision Act of 2026*, 13 MARQ. INTELL. PROP. L. REV. 249, 255–57 (2009):

Instead of setting out the scope of individual audience interests in explicit terms, the basic architecture of the system respected the rights of readers, listeners, and viewers by limiting the reach of copyright rights. That's been changing, though Copyright owners have been advancing liberal constructions of the individual copyright rights in courts, in treaty negotiations, and in their copyright rhetoric. . . . Bottom line for consumers: their historic copyright liberties to read, view, and listen to works are shrinking fast

204. *eBay, Inc. v. MercExchange, L.L.C.*, 547 U.S. 388 (2006).

205. *E.g.*, *Salinger v. Colting*, 607 F.3d 68, 74–75 (2d Cir. 2010).

206. *eBay*, 547 U.S. at 391.

207. *E.g.*, *MercExchange, L.L.C. v. eBay, Inc.*, 401 F.3d 1323, 1339 (Fed. Cir. 2005), *rev'd*, 547 U.S. 388 (2006) (“We therefore see no reason to depart from the general rule that courts will issue permanent injunctions against patent infringement absent exceptional circumstances.”).

208. *E.g.*, *MercExchange, L.L.C. v. eBay, Inc.*, 550 F. Supp. 2d 556, 569–91 (E.D. Va. 2007).

The same analysis could be applied to cases of creative hoarding. Specifically, by following the reasoning in Part III above as part of the fourth *eBay* factor (public interest), a judge may easily conclude that an author's blanket refusal to license his creative work is injurious to the public interest, and that factor alone should (by the letter of the *eBay* rule) be enough to scuttle any possibility for an injunction to issue. In this way, an author may retain his statutory right to exclude and have that right protected judicially on a case-by-case basis. Evidence of a *blanket* right to exclude, however (perhaps via a class action suit or simply clear evidence that the author has refused to license the use of the work to anyone, despite an established market for the work), could overcome the presumptive validity of the author's exclusionary right.²⁰⁹ By awarding the author damages equivalent to a license, a judge would effectively limit an author's right to exclude the public while still guaranteeing appropriate compensation for the author's creative product.²¹⁰

209. *Cf. Data Gen. Corp. v. Grumman Sys. Support Corp.*, 36 F.3d 1147, 1186–87 (1st Cir. 1994) (holding that a copyright holder's unilateral right to exclude is considered presumptively valid, with the burden on the alleged infringer to establish anticompetitive conduct sufficient to overcome such a presumption).

210. Placing this sort of decision in the hands of judges would also prevent any unintended evils of the law, specifically as applied to unpublished works. An attempt to compel access to a private work or document (or an infringement suit brought by the owner of such a document) is far more likely to pass all four factors of the *eBay* test and yield an injunction, as the public has far less of a legitimate interest in a work not created for consumption. *See, e.g., Harper & Row Publishers, Inc. v. Nation Enters.*, 471 U.S. 539, 554–55 (1985). Justice O'Connor previewed her pro-exclusionary *Stewart* stance in *Harper & Row*, writing:

It is true that common-law copyright was often enlisted in the service of personal privacy. In its commercial guise, however, an author's right to choose when he will publish is no less deserving of protection. The period encompassing the work's initiation, its preparation, and its grooming for public dissemination is a crucial one for any literary endeavor. The Copyright Act, which accords the copyright owner the "right to control the first public distribution" of his work, echos the common law's concern that the author or copyright owner retain control throughout this critical stage. The obvious benefit to author and public alike of assuring authors the leisure to develop their ideas free from fear of expropriation outweighs any short-term "news value" to be gained from premature publication of the author's expression. The author's control of first public distribution implicates not only his personal interest in creative control but his property interest in exploitation of prepublication rights, which are valuable in themselves and serve as a valuable adjunct to publicity and marketing. Under ordinary circumstances, the author's right to control the first public appearance of his undissemated expression will outweigh a claim of fair use.

Id. (internal citations omitted).

This approach may in effect hoist on their own petard proponents of the right to hoard based solely on judicial precedent. The *Fox Film* Court was content to equate copyright law with patent law, and subsequent courts have been content to equate the language of that Court with the ubiquitous right to exclude.²¹¹ While this author does not agree with either legal conclusion, accepting the easy parallelism between the two forms of law would also require acceptance of the robust availability in copyright law of compulsory licensing as a judicial remedy for a patentee's anticompetitive refusal to deal.²¹² The right to exclude in patent law is checked by the possibility of a court imposing a compulsory license if a patentee abuses the government-granted right; surely the same right granted to copyright owners²¹³ should be checked by the same remedy.

2. *Deposing the Stewart Dynasty*

In order for a judge to apply the *eBay* factors to effectuate a limitation on an author's right to hoard, that judge must also cope with the fairly explicit language in *Stewart* asserting that an author does, indeed, have the right to hoard his work for the entire term of copyright protection.²¹⁴ Getting past this language can be accomplished in one of several ways.

First, like *Fox Film*, the hoarding language in *Stewart* is dictum incidental to the holding of the case. Further, as one commentator notes, because the case was specifically about an author's heirs retaining the ability to exercise their renewal right, Justice O'Connor's language can be interpreted to refer only to an author's (or the author's surviving heirs')

211. *E.g.*, *Stewart v. Abend*, 495 U.S. 207, 227 (1990).

212. *See, e.g.*, *Image Tech. Servs., Inc. v. Eastman Kodak Co.*, 125 F.3d 1195, 1219–20 (9th Cir. 1997). In *Kodak*, the Ninth Circuit affirmed the lower court's finding of an anticompetitive refusal to license their patents: Kodak photocopy and micrographics equipment requires thousands of parts, of which only sixty-five were patented. Unlike the other cases involving refusals to license patents, this case concerns a blanket refusal that included protected and unprotected products. From this evidence, it is more probable than not that the jury would have found Kodak's presumptively valid business justification rebutted on the grounds of pretext. *Id.* The court then reviewed the lower court's grant of an injunction compelling Kodak to license its patents to the plaintiff. *Id.* at 1224 ("Last, Kodak challenges the district court's ten year permanent injunction requiring Kodak to sell all parts to all ISOs at reasonable prices."). Although the district court affirmed the injunction, it modified it to allow Kodak to sell its products at normal monopoly prices. *Id.* at 1225–26 ("Kodak should be permitted to charge all of its customers, including end users (both self-servicers and those under service contracts with Kodak), service companies contracting with Kodak and ISOs, any nondiscriminatory price that the market will bear.").

213. *Continental Paper Bag Co. v. E. Paper Bag Co.*, 210 U.S. 405, 425 (1908) ("[W]henver this court has had occasion to speak, it has decided that an inventor receives from a patent the right to exclude others from its use for the time prescribed in the statute.").

214. *Stewart v. Abend*, 495 U.S. 207, 227 (1990).

right to hoard his *renewal* right for the full copyright term.²¹⁵ In other words, Justice O'Connor may have been protecting the initial purpose of the renewal right—to allow authors a way to remove themselves and their work from unremunerative transfers and renegotiate on more favorable terms after a work is successful—by signaling that an author's heirs may not be compelled to relicense a work's renewal term if the provisions of the deal are not favorable enough.²¹⁶ Even if the *Stewart* language was read more broadly to apply to all implicated rights, not just the renewal term, the only right at issue in the case was the renewal term of the derivative right. As established above, the right to hoard is most justified when it implicates the derivative right, but significantly less justified when it implicates any of the other rights, particularly those that cut to the heart of a given work (the display right for pictorial, graphic, or sculptural works, for example).²¹⁷ A future court could find an author's unwillingness to license derivative works based on their preexisting work (like J. D. Salinger) completely consistent with the *Stewart* holding and justified under a property rights analysis.²¹⁸ But the same court could find that same author's unwillingness to distribute the work to the public in any form (say, an author's own refusal to distribute the work accompanied by a refusal to license the distribution right to a willing publisher), where such a work had already been “published” in some way (possibly by an earlier but now out-of-print release), contrary to public policy. In this later scenario, a rogue publisher who violates the author's distribution right would still be infringing; the

215. Parrish, *supra* note 130, at 579–80. Parrish writes:

It is possible, since the question in *Stewart* concerned licensing for the renewal term, that Justice O'Connor meant that an author could hoard the right of renewal. This narrow interpretation would be more in keeping with constitutional goals, because the work would already have been published and any further progress during the renewal period would be minimal. If authors were allowed to hoard their works at any time, however, progress certainly would not be promoted. It is difficult to promote progress if a work is not disseminated to the public. Justice O'Connor indicated that the statutory term limit is adequate to promote progress. Yet, as copyright terms increase this provides rather flaccid protection.

Id. (footnotes omitted).

216. *See id.*

217. *See Gervais, supra* note 165, at 805–10 (offering six principles and a mode of analysis to distinguish between the derivative right and the reproduction right); *supra* Part III.C.

218. *See Salinger v. Colting*, 607 F.3d 68, 81 (2010) (“The plaintiff's interest is, principally, a property interest in the copyrighted material.”); *see also Salinger v. Colting*, 641 F. Supp. 2d 250, 268 (S.D.N.Y. 2009), *vacated on other grounds*, (“Just as licensing of derivatives is an important economic incentive to the creation of originals, so too will the right *not* to license derivatives sometimes act as an incentive to the creation of originals.”).

court would merely assign damages in the form of a reasonable royalty with no injunctive relief, effectively sanctioning infringement in limited circumstances such as this one for the price of a fair license.

Second, the *Stewart* Court's treatment of *Rohauer* is instructive. Although the two cases reached opposite conclusions regarding the same issue (whether legally withdrawing the underlying rights from a derivative work can prevent the derivative work author from continuing to distribute the work), *Stewart* declined to overrule the earlier Second Circuit case.²¹⁹ Instead, the Court noted that "the *Rohauer* rule is considered to be an interest-balancing approach" and that it "ma[de] little sense when applied across the derivative-works spectrum."²²⁰ By explicitly noting that, "[w]hile the result in *Rohauer* might make some sense in some contexts, it makes no sense in others," the *Stewart* court was implicitly approving such a balancing-of-the-interests approach.²²¹ In this way, *Stewart* would implicitly support the policy-balancing approach of *eBay* detailed above in determining the necessary remedy in a right-to-hoard infringement case and would, in fact, have very little to say about the remedy itself—the *Stewart* language applies only to whether or not infringement occurred at all.²²²

Finally, though nearly sixty years more recent than *Fox Film*, the *Stewart* precedent faces the same issue as the *Lochner*-era case: it is too old. Times have changed. The Court argues, "[I]t is not our role to alter the delicate balance Congress has labored to achieve." Yet since that 1990 decision the balance *has* been altered: Congress extended all copyright terms by twenty years in 1998,²²³ greatly reducing the present "public benefit" (i.e., value) of a work that will be unavailable to the public until it enters the public domain at the end of its copyright term. Where the

219. See *Stewart v. Abend*, 495 U.S. 207, 227 (1990). Though Justice O'Connor is far from convinced that *Rohauer* was decided correctly ("[N]either the 1909 Act nor the 1976 Act provides support for the theory set forth in *Rohau*."; "[T]he approach set forth in *Rohauer* is problematic"), she declines to overrule it, and instead minimizes its effect on the current law, ("While the result in *Rohauer* might make some sense in some context it makes no sense in others"; "*Rohauer* did not announce a 'rule,' but rather an 'interest-balancing approach'" (citing Peter Jaszi, *When Works Collide: Derivative Motion Pictures, Underlying Rights, and the Public Interest*, 28 UCLA L. REV. 715, 758–61 (1981))). Ultimately, rather than overruling it, she refers to the *Rohauer* holding as "modest." *Id.* at 230.

220. *Stewart*, 495 U.S. at 227.

221. The *Rohauer* court ruled based on the fact-specific policy interests of that case, but those same interests were different (because the facts were necessarily different) in *Stewart*, necessitating a different result. *Id.* at 227.

222. *Id.* at 216 ("The Court of Appeals also addressed at length the proper remedy, an issue not relevant to the issue on which we granted certiorari.")

223. Sonny Bono Copyright Term Extension Act, Pub. L. No. 105-298, 112 Stat. 2827 (1998) (codified in 17 U.S.C. §§ 302–304).

balancing of the interests has changed so explicitly, and where an author is not holding out for better negotiating terms (as in *Stewart*), but instead simply issuing a blanket refusal to make their works available under any circumstances, the *Stewart* reasoning does not withstand the test of time. *Stewart* should not prove an obstacle to a court's ability to award a reasonable royalty for the continued use of a previously hoarded work by an infringer.

B. Preventing the Right to Hoard Internationally

Although protection against hoarding would be difficult to achieve statutorily in the United States, model language for such a provision already exists internationally. Article III of the Appendix to the Berne Convention outlines an opt-in system by which developing countries may require that any work by a national of that country that is published, but not made available to the public, for five years following the date of first publication (or seven years in the case of fiction, poetry, music, drama, or art books), be made available via a nonexclusive license to the public at large of that country "at a price reasonably related to that normally charged in the country for comparable works."²²⁴ This provision was designed as a means by which authors of developing countries may derive some income where they lack the means to reproduce and distribute their work (and where large-scale creative distributors are scarce), but such a provision could apply with equal force to a non-developing country as well. Countries with a strong moral rights basis for their copyright laws are less likely to adopt such a provision, as it could be viewed as taking a right away from authors (the unequivocal right to exclude), which moral rights countries (and, truthfully, utilitarian countries as well) are disinclined to do.

Nevertheless, the fact that such language already exists in an international agreement lays the groundwork for a broader limitation on an author's right to hoard that could be implemented in the future. As currently written, Appendix Article III of Berne is protective of authors who lack the means or understanding to monetize their work. If such a scheme can be considered helpful to authors and to a national creative economy in one country, it can hardly be considered injurious to authors and users in another country (even one with a more established creative economy). After all, an author need only make his work available on his own terms within a generous seven-year time frame in order to render the

224. Berne Convention for the Protection of Artistic and Literary Works app. art. 3, Sept. 9, 1886, revised by Paris Act on July 24, 1971 (amended July 24, 1979), 25 U.S.T. 1341, 828 U.N.T.S. 221, [hereinafter Berne Convention] (emphasis added), available at www.wipo.int/treaties/en/ip/berne/pdf/trtdocs_wo001.pdf.

provision moot.²²⁵ This provision, if expanded to all Berne member countries, would only go into effect (once a country were to adopt the Berne language into its own legislation) on the rare occasion that an author publishes a work but does not release it to the public. Such an experiment should lead to increased access and, most importantly for the United States' utilitarian copyright scheme, an additional incentive for an author to affirmatively monetize his work.

V. Conclusion

Blanket hoarding of creative work does not occur very often. Copyright authors and owners are generally motivated by a desire to profit from the release of copyrighted work to the public in some form. But authors and copyright owners *do* remove public access to creative works from time to time, whether to increase demand for the work, respond to market forces, or simply to reflect the creative dissatisfaction of the author. Regardless of the motivation, however, the removal of public access to a creative work is undoubtedly injurious to the public, and the ever-receding moment in time where such a work will enter into the public domain offers a virtually nonexistent chance that the public will ever be able to recapture the work.

An author or copyright owner should not be permitted to prevent public access to a creative work, once published. Such behavior is contrary to a proper analysis of copyright as property and is similarly contrary to the utilitarian justifications for the U.S. copyright scheme. The Supreme Court language ostensibly espousing an authorial right to hoard has been misinterpreted for decades and in any event has long passed the point of relevance under the current U.S. copyright system. Judges faced with infringement suits in these circumstances should use the flexibility afforded to them in *eBay* to award a reasonable royalty for the distribution of a previously hoarded work, rather than preventing public distribution via an injunction. In the long term, the United States (along with its fellow Berne member countries) should consider adopting statutory language similar to the provision in Appendix Article III of the Berne Convention permitting statutory licensing of published, but unavailable, creative works in developing countries. Without some affirmative steps to protect the public, the increasing scope of author protection combined with the increasing term of copyright protection endangers all public access to creative work—the very premise on which U.S. copyright law is based.

225. *Id.*