

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

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JONATHAN TASINI, MARY KAY BLAKELY, :  
BARBARA GARSON, MARGOT MIFFLIN, :  
SONIA JAFFE ROBBINS and DAVID S. :  
WHITFORD, :

Plaintiffs, :

93 Civ. 8678 (SS)

- v. - :

THE NEW YORK TIMES COMPANY, NEWSDAY, :  
INC., TIME INC., THE MEAD CORPORATION :  
and UNIVERSITY MICROFILMS INC., :

Defendants. :

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MEMORANDUM OF LAW IN SUPPORT  
OF DEFENDANTS' MOTION FOR SUMMARY JUDGMENT

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### Preliminary Statement

This copyright infringement action involves six freelance writers who, between 1990 and 1993, sold various articles to the publishers of The New York Times, Newsday and Sports Illustrated. Plaintiffs claim that the rights sold included only the right to reproduce and distribute their articles in copies of those periodicals when printed on paper and that, absent an express agreement to the contrary, reproduction and distribution of copies in formats such as microfilm, the NEXIS computerized library of periodicals and CD-ROM ("non-paper editions") infringes their rights under the Copyright Act.<sup>1</sup>

Plaintiffs have it exactly backwards. Both the Copyright Act and, in analogous contract cases, well-established Second Circuit authority, impose the affirmative burden on plaintiffs expressly to have limited the media in which copies of periodicals containing their articles were to appear. Because it is undisputed that not one of the plaintiffs did so, each of the defendants is entitled to summary judgment dismissing plaintiffs' copyright claims.

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1. Although plaintiffs purport to limit their claims to what they term the infringement of their "electronic rights," they draw no distinction between the microfilm, NEXIS and CD-ROM formats, each of which, they claim, violates their unexpressed intention that editions of The New York Times, Newsday and Sports Illustrated containing these articles only be distributed in the printed paper medium. (Amended Complaint ("Complaint") ¶¶ 1, 32, 75, 247, 290, 368, 394, 420, 446).



The plain language of the Copyright Act controls this case in two ways. First, the Act contains a provision that directly anticipates and resolves the very allegations made by plaintiffs. It specifically provides that, in the absence of an express agreement between a freelance writer and a periodical publisher, the publisher is permitted to publish the freelance writer's article as part of (i) the original periodical, (ii) "any" revised version of the periodical or (iii) "any" subsequent edition of the periodical. 17 U.S.C. § 201(c). As explained below, depending upon the technology used, the non-paper editions challenged by plaintiffs qualify either as "that particular collective work" or as "revision[s] of that collective work," revised to permit their transformation from one medium (such as paper) to another (such as CD-ROM). Thus, this is not a case involving efforts by the defendants to use plaintiffs' articles other than as part of the periodicals to which they were submitted and does not involve any multimedia or other valuable subsidiary rights for which plaintiffs otherwise might be entitled to a fee. (See infra at 18-23).

Second, neither the language of Section 201(c) nor of any other provision of the Copyright Act restricts the particular medium in which a periodical, or "any" revised or subsequent edition thereof, may be published or distributed. To the contrary, the entire Act specifically was designed to be neutral in its treatment of media and technology. That is why there is no discussion of "computer rights," "electronic rights," "paper rights" or "microfilm rights" in the Act: the focus

throughout remains on the work, not the medium. Indeed, the Act emphasizes in its first substantive provision that copyright protection exists for any "original *work* of authorship . . . *in any . . . medium* of expression *now known or later developed. . . .*" 17 U.S.C. § 102(a) (emphasis added). Simply put, plaintiffs' claims represent an unprecedented challenge to the technology-neutral approach on which the entire Copyright Act is predicated and for that reason alone fail as a matter of law. (See infra at 16-23).

In addition to the clarity with which the plain language of the Copyright Act resolves these two points, a review of the legislative history of Section 201(c) demonstrates exactly why Congress granted periodical publishers -- absent an express limitation to the contrary negotiated in advance -- permission to publish freelance contributions in original, or even in revised or later editions of the collective works in any medium. One purpose of Section 201(c) was to reverse the presumption, applicable under prior copyright law, that copyright interests not expressly reserved by a freelance author automatically were acquired by the publisher of a periodical. The reversal of that presumption was a hotly debated change in the law, and, as an important quid pro quo, Congress created what it characterized as an "essential" counterpart to the new rule: a safe harbor, set forth in the second sentence of Section 201(c), consisting of a core group of periodical publishing rights automatically acquired by publishers by force of law, unless a freelance author took affirmative

steps expressly to reserve such rights. As a result, just as a freelance author no longer needs expressly to reserve the extremely valuable rights to exploit a freelance contribution apart from the periodical in which it appeared, such as through a book or screenplay or even another periodical, a newspaper or magazine publisher need not expressly reserve the right to publish a freelance contribution as part of its periodical in ways covered by Section 201(c). (See infra at 23-33).

Of course, any freelance author, including each of the plaintiffs, remains free to negotiate for express restrictions prohibiting a publisher from reproducing or distributing non-paper editions of a periodical containing an article sold by that author. Here, however, the undisputed fact is that none of the plaintiffs successfully did so. Even David Whitford, the one plaintiff who specifically negotiated the scope of certain copyright rights obtained by the publisher, failed to impose any such limitation, although he explicitly sought and obtained others. Under a line of cases which has been the law in this Circuit for sixty years, the burden was on Whitford expressly to impose the "non-paper" limitation he now seeks. His failure to have done so also requires summary judgment dismissing his claims. (See infra at 37-45).

In sum, defendants are entitled to summary judgment dismissing plaintiffs' claims in their entirety because: (i) defendants properly acquired the rights to publish plaintiffs' articles as part of original, revised and even subsequent editions

of their periodicals, whatever the medium, and (ii) plaintiffs did not, as required by Section 201(c) and Second Circuit authority, expressly restrict defendants' right to distribute those periodicals in non-paper editions when the articles were sold.

#### Statement of Facts

##### A. The Parties and the Periodicals.

The New York Times Company ("Times Co.") and Newsday, Inc. ("Newsday") publish, respectively, the well-known and widely-circulated daily newspapers The New York Times and Newsday. (Patterson Dec. ¶ 1; Keane Dec. ¶ 1).<sup>2</sup> Time Inc. ("Time") publishes the well-known and widely-circulated weekly magazine Sports Illustrated. (Hunt Dec. ¶ 1).

The Mead Corporation (now called LEXIS/NEXIS ("NEXIS")) owns and operates a computerized periodicals library containing over 5,800 different daily newspapers, and weekly and monthly magazines, including The New York Times, Newsday and Sports Illustrated. (Petrosino Dec. ¶ 1). University Microfilms Inc. (now called UMI Company ("UMI")) produces and distributes, among other products,

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2. References to " \_\_\_ Dec." are to the Declarations of James E. Patterson, Vice President of Information Services for Times Co., Dennis Stern, Associate Managing Editor of The New York Times, Robert Keane, Assistant Managing Editor of Newsday, Christopher Hunt, an Articles Editor of Sports Illustrated, Lany McDonald, the Director of the Time Library, Richard Petrosino, NEXIS Product Manager at LEXIS/NEXIS and John Riedel, Senior Vice President of Operations of UMI, all of which are annexed as Exhibits B-1-B-7 to the Declaration of Bruce P. Keller, dated March 15, 1996 ("Keller Dec."), which is submitted herewith. References to "Exhibit \_\_\_" are to the exhibits annexed to the Keller Declaration.

CD-ROMs containing daily issues of various newspapers, including The New York Times, and weekly and monthly issues of various magazines, including The New York Times Magazine and The New York Times Book Review, both of which are owned and published by defendant Times Co. (Riedel Dec. ¶ 1; Patterson Dec. ¶ 1).

At the time this action was commenced, plaintiffs Jonathan Tasini, Mary Kay Blakely, Barbara Garson, Margot Mifflin, Sonia Jaffe Robbins and David S. Whitford were freelance writers who sold articles to various publications on a pay-per-work basis. (Tasini Dep. at 4-5, 29; Blakely Dep. at 5; Garson Dep. at 6; Mifflin Dep. at 6; Robbins Dep. at 25; Whitford Dep. at 4-5).<sup>3</sup> At all times relevant to this action, plaintiffs also were members of the National Writers Union (the "NWU"), a New York-based trade and advocacy association which has, according to its president, plaintiff Jonathan Tasini, "a very, very broad mandate" to "promote better working conditions for freelance writers." (Tasini Dep. at 60-61).

B. Defendants' Publication Practices.

Defendants Times Co., Newsday and Time publish and distribute The New York Times, Newsday and Sports Illustrated, respectively, in a variety of formats, and have done so for many years. (Patterson Dec. ¶ 3; Keane Dec. ¶ 10; McDonald Dec. ¶ 3). Daily issues of The New York Times have been published and

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3. References to "\_\_\_ Dep." are to transcripts of depositions taken in connection with this case. Those transcripts are annexed to the Keller Declaration as Exhibits C-1-C-6.

distributed on paper since 1851. Since the 1940's, each daily issue of the newspaper, dating back to 1851, has been available on microfilm. (Patterson Dec. ¶¶ 3, 4). Newsday has published and distributed Newsday on paper since 1940, and the newspaper has been available on microfilm since the 1970's. (Keane Dec. ¶¶ 10, 11). Time has published and distributed Sports Illustrated on paper since 1954 and, since approximately 1961, has included every issue of the magazine dating back to 1954 on microfilm. (McDonald Dec. ¶¶ 3, 4).

In the 1980's, Times Co., Newsday and Time also began to make each edition of those periodicals available through the NEXIS computerized library of periodicals. (Patterson Dec. ¶ 5; Keane Dec. ¶ 12; McDonald Dec. ¶ 5; Petrosino Dec. ¶¶ 3, 4, 8). Since then, Times Co. and Newsday have provided the full text of all articles in each daily edition of The New York Times and Newsday, respectively, to NEXIS on a daily basis. They electronically transmit to NEXIS a complete copy of the same computer text-files their printers use to create that day's paper editions of The New York Times and Newsday. (Patterson Dec. ¶ 8; Keane Dec. ¶ 13; Petrosino Dec. ¶ 5). Time has followed precisely the same procedure with regard to Sports Illustrated, but has transferred its computer text files to NEXIS weekly rather than daily. (McDonald Dec. ¶ 7; Petrosino Dec. ¶ 9).

The computer text-files transmitted to NEXIS include the entire textual contents of each day's (or, in the case of Sports Illustrated, each week's) edition of

each publication, as well as headlines, photograph captions and by-lines, and page and section references. (Patterson Dec. ¶ 8; Keane Dec. ¶ 13; McDonald Dec. ¶ 7).

Once received by NEXIS, each periodical in its entirety, and without revision to its substantive content, is added to the NEXIS computerized library. (Petrosino Dec. ¶¶ 6, 10). As a result, the textual content of each edition of The New York Times, Newsday and Sports Illustrated in the NEXIS computerized library is substantively identical to that of the editions printed on paper and microfilm.<sup>4</sup> (Petrosino Dec. ¶¶ 6, 10).

Times Co. also has expanded its production formats to include CD-ROMs. From approximately April 1992 to the present, each daily issue of The New York Times has been available to readers on a UMI CD-ROM product known as "The New York Times OnDisc" ("Times OnDisc") which currently features daily issues from 1981 forward. (Riedel Dec. ¶ 3). Similarly, since August 1990, each weekly issue of The New York Times Magazine and The New York Times Book

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4. NEXIS adds codes that cannot be accessed or seen by the user/reader to all articles so that they can be located within the library. (Petrosino Dec. ¶¶ 6, 10).

As a result of technical limitations, and in order to reduce expense and maximize load capacity, NEXIS does not include photographs or certain other material in its library, and it presents each day's articles in a standard full page format, rather than in a columnar format. Each NEXIS library entry does, however, include, with respect to each daily issue of The New York Times and Newsday, and each weekly issue of Sports Illustrated, the page and section references of articles that appear in the paper editions. (Petrosino Dec. ¶ 12).

Review has been available on a UMI CD-ROM product known as "General Periodicals Ondisc" which currently includes weekly issues from 1988 forward. (Riedel Dec. ¶ 8).

UMI assembles the Times OnDisc product by receiving from NEXIS, on a monthly basis, a magnetic tape containing copies of the complete text files of each of the preceding month's daily editions of The New York Times. UMI then transfers these collective works in their entirety, and without revision to their substantive contents, to CD-ROM discs. (Riedel Dec. ¶ 5). The textual contents of the editions on UMI CD-ROM products thus are substantively identical to the textual contents of the paper, microfilm and NEXIS editions of the newspaper. (Riedel Dec. ¶ 5).

UMI's General Periodicals Ondisc product utilizes a different technology. UMI assembles this product by digitally scanning complete copies of each of the preceding week's paper editions of The New York Times Magazine and The New York Times Book Review. (Riedel Dec. ¶ 9). The digital scanning process captures the entire contents of each weekly edition of the magazines -- including photographs and layout -- in a form that is identical in appearance to the paper and microfilm editions of the magazines. (Riedel Dec. ¶ 9). What the expansion of publication formats -- and, in particular, the expansion into electronic editions -- has done is to make the process of periodicals research much more efficient. As reflected



in Exhibit G, the Readers' Guide to Periodicals (the "Readers' Guide") is an index of references to articles available in many periodicals including Sports Illustrated, The New York Times Magazine and The New York Times Book Review; Times Co. also has created its own publication, called The New York Times Index. (Exhibit I).

In the past, a person wishing to conduct research with back issues of these periodicals was required to go to a library, review the Readers' Guide or The New York Times Index and retrieve the paper editions (or microfilm spools) of the relevant periodicals from the library's "stacks." Now, the same person, sitting at home or in his or her office with a personal computer, is able to replicate on NEXIS the Reader's Guide research steps in a much more direct and efficient manner, retrieving directly from the "electronic stacks" of periodicals available the relevant information desired. Similarly, the advent of CD-ROM has enabled researchers to retrieve, instead of a microfilm spool, the appropriate CD-ROM disc which also is "searchable" because of codes embedded in the disc. In fact, even the old and venerable Readers' Guide has tried to keep pace with the way research is conducted today by publishing editions in on-line and CD-ROM formats that can be electronically searched. (Exhibit H). In short, the NEXIS computerized library and UMI CD-ROM products permit individuals to conduct traditional periodical research

with the efficiencies everyone, including Congress,<sup>5</sup> anticipated that computers would bring.

C. Publication Of The Articles Purchased From Plaintiffs.

Although the manner by which freelance articles are selected for publication in The New York Times, Newsday and Sports Illustrated can vary, the usual process, applicable to most freelance writers with respect to all three publications, has been well-established for many years. (Stern Dec. ¶ 3; Keane Dec. ¶ 3; Hunt Dec. ¶ 3). With rare exceptions, freelance assignments at The New York Times and Newsday have been undertaken and completed without any written agreement. (Stern Dec. ¶ 4; Keane Dec. ¶ 4). Generally speaking, there have been no express negotiations over rights (Stern Dec. ¶ 4), and Times Co. uniformly has accepted articles on the basis of its practice of distributing each edition of The New York Times on paper, microfilm and CD-ROM, and in the NEXIS computerized library of periodicals. (Stern Dec. ¶ 4).<sup>6</sup> Similarly, Newsday typically has not

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5. See, e.g., *infra* note 22.

6. In rare cases, usually involving either (i) freelance writers who agree to submit multiple articles over a particular period, such as regular or periodic columnists, or (ii) freelance writers of independent stature, Times Co. has entered into a written agreement with the writer. Even those express transfers, however, which, as such, do not trigger the operation of Section 201(c), make clear Times Co.'s practice of distributing The New York Times in various media, including electronic media. (Stern Dec. ¶ 5).

entered into written agreements with freelance writers. (Keane Dec. ¶ 4).<sup>7</sup> On those rare occasions in which it has, Newsday also has made explicit its right to publish its daily editions in a variety of formats. (Keane Dec. ¶ 6).<sup>8</sup>

At all times relevant to this action, virtually all freelance assignments for Sports Illustrated were, and for many years had been, awarded and completed pursuant to a standard written agreement between the freelance writer and Sports Illustrated. The standard agreement referred to, among other terms, the topic and

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7. Between 1990 and 1993, Newsday published four articles purchased from Tasini (only two of which are referred to in the Complaint), four articles purchased from Garson, one article purchased from Robbins and two articles purchased from Whitford. (Exhibit A). Freelance writers have, on occasion, negotiated and entered into written agreements with Newsday in connection with articles submitted for publication, but none of these plaintiffs did so. Freelance writers with written agreements most often are individuals who contribute to Newsday on a weekly, bi-weekly or some other regular basis. (Keane Dec. ¶ 5). When such express transfers are in place, Section 201(c) by its own terms is not implicated.
  8. Additionally, since 1989, Newsday has included on the backs of all checks used to pay its freelance writers a legend (the "Standard Newsday Check Legend" or the "Legend") that reads:

Signature required. Check void if this endorsement altered. This check accepted as full payment for first-time publication rights (or all rights, if agreement is for all rights) to material described on face of check in all editions published by Newsday and for the right to include such material in electronic library archives.

(Keane Dec. ¶ 7). The purpose of the Legend has been to expressly confirm that the rights Newsday automatically acquires from freelance writers are broad enough to cover NEXIS-type uses. (Keane Dec. ¶ 8). Each of the Newsday plaintiffs was paid with a check bearing the Legend. (See Exhibits E-1-E-4).

length of the article, as well as the date on which it was due and the price to be paid. (Hunt Dec. ¶ 4). It also granted Sports Illustrated the exclusive right "first to publish the Story in the Magazine," and had no provision expressly limiting the media in which the Magazine could appear. (See Exhibit C-7).

In each case described above, the publisher paid the freelance writer in full<sup>9</sup> and published the article in both paper and one or more non-paper editions of its periodical.<sup>10</sup> Although plaintiffs now claim that Times Co., Newsday and Time purchased only the right to publish the articles on paper, and not in any other media, each of the plaintiffs other than Whitford concedes that he or she had no express written or oral agreement concerning the transfer of his or her copyright interests in the articles.<sup>11</sup> Moreover, all of the plaintiffs, including Whitford, concede they did

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9. See Tasini Admissions 1(b), 2(b), 3(b), 4; Blakely Admissions 1(b), 2(b), 3(b); Garson Admissions 1(b), 2(b), 3(b), 4(b); Mifflin Admissions 1(b), 2(b), 3(b), 4(b), 5(b), 6(b), 7(b), 8(b); Robbins Admissions 1(b); Whitford Admissions 1(b), 2(b); Whitford Dep. at 91.

10. See, e.g., Complaint ¶¶ 38-41, 58-59, 81-84, 101-02, 253-56, 273-74, 296-99, 374-77, 400-03, 426-29, 452-55.

11. Tasini Admissions 1(c), 1(d); Blakely Admissions 1(c), 1(d), 2(c), 2(d), 3(c), 3(d); Mifflin Admissions 1(c), 1(d), 2(c), 2(d), 3(c), 3(d), 4(c), 4(d), 5(c), 5(d), 6(c), 6(d), 7(c), 7(d), 8(c), 8(d). References to "\_\_\_ Admissions" are to Plaintiffs' admissions, which are submitted herewith as Exhibits D-1-D-6 to the Keller Declaration.

The Titles and publication dates of each of the articles -- information that is not specifically relevant to the parties' summary judgment motions -- are set forth in Exhibit A.

not expressly reserve or attempt to reserve any electronic (or other media-based) publication rights in any of the articles<sup>12</sup> at issue.<sup>13</sup>

Whitford negotiated an express written agreement with Sports Illustrated with regard to the article entitled "Glory Amid Grief." (Hunt Dec. ¶¶ 4, 5; Whitford Admission 2(f)). This agreement granted Sports Illustrated the right first to publish "Glory Amid Grief" in Sports Illustrated, without any express limitation as to the media in which the magazine could be published. (Hunt Dec. ¶¶ 5, 6; Whitford Dep. Exhibit 123A (Exhibit C-7)). Although Whitford knew, at least as early as 1990, that some publications were "on-line" (Whitford Admission 13), and also had discussed Newsday's "electronic library archives" language with a Newsday editor in 1990, (Whitford Dep. at 29-30, 92; Whitford Supp. Dep. at 20-23), he did

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12. In the case of Newsday, for each of the articles it acquired it expressly confirmed its understanding of the scope of the rights it had obtained by including the Standard Newsday Check Legend on each of the checks used to pay plaintiffs for their articles. Of five checks Tasini received from Newsday containing the Legend, he endorsed and deposited each of the checks, altering the second, fourth and fifth checks by crossing out the reference to electronic library archives. (Tasini Dep. at 189, 202, 204-05, 219-20; Tasini Dep. Exs. 119, 120, 121, 122, 122A (Exhibit E-1 to the Keller Declaration)). Other than those three checks, and one received by Garson after the commencement of this action (Garson Dep. at 111-13), plaintiffs endorsed and cashed their respective checks without alteration. Newsday did not become aware of these alterations until long after they had occurred. (Keane Dec. ¶ 9).
  13. Tasini Admissions 1(c)-(e), 2(c)-(e), 3(c)-(e); Blakely Admissions 1(c)-(e), 2(c)-(e), 3(c)-(e); Garson Admissions 1(c)-(e), 2(c)-(e), 3(c)-(e), 4(c)-(e); Mifflin Admissions 1(c)-(e), 2(c)-(e), 3(c)-(e), 4(c)-(e), 5(c)-(e), 6(c)-(e), 7(c)-(e), 8(c)-(e); Robbins Admissions 1(c)-(e); Whitford Admissions 1(c)-(e), 2(f)-(g).

not expressly reserve, or attempt to expressly reserve, any form of so-called electronic publication rights in "Glory Amid Grief," in his 1991 agreement with Sports Illustrated or otherwise. (Hunt Dec. ¶¶ 5, 6; Whitford Admission 2(g); Whitford Dep. at 86-87).<sup>14</sup>

In fact, despite the vehemence with which each of the plaintiffs now testifies that he or she sold no rights other than the right to publish his or her articles on paper, prior to the commencement of this action not one of the plaintiffs objected to publication of issues of periodicals containing his or her articles in copies other than paper or took any affirmative steps whatsoever to communicate his or her non-paper limitation.<sup>15</sup>

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14. Even in 1992, when Whitford submitted a second article to Newsday entitled "Baseball, A Business, Is Striking Out" for publication (Whitford Admission 1(a); Whitford Dep. at 66-67, 68), he had no express written or oral agreement with Newsday. (Whitford Admissions 1(c), 1(d); Whitford Dep. at 62-63). Nor did he expressly limit, or attempt to expressly limit, the media in which the Newsday issue containing "Baseball, A Business, Is Striking Out" was to appear, or expressly reserve, or attempt to expressly reserve, any form of electronic publication rights in this article. (Whitford Admission 1(e); Whitford Dep. at 62). Instead, he signed his Newsday check and deposited it with the Standard Newsday Check Legend unaltered. (Exhibit E-4; Whitford Admission 1(o); Whitford Dep. at 94).
  15. See Tasini Admissions 1(h), 2(h), 3(h); Blakely Admissions 1(h), 2(h), 3(h); Garson Admissions 1(h), 2(h), 3(h), 4(h); Mifflin Admissions 1(h), 2(h), 3(h), 4(h), 5(h), 6(h), 7(h), 8(h); Robbins Admissions 1(h); Whitford Admissions 1(g), 1(h), 2(i), 2(j).

## Argument

### I.

#### AS A MATTER OF LAW,<sup>16</sup> THE COPYRIGHT ACT PERMITS PUBLISHERS OF PERIODICAL WORKS TO REPRODUCE AND DISTRIBUTE THOSE WORKS IN NON-PRINT EDITIONS.

##### A. Section 201(c) And The Rest Of The Copyright Act Preclude The Medium-Specific Approach Urged By Plaintiffs.

Section 201(c) of the Copyright Act controls this case. As noted above, (supra at 2-4), its first sentence reverses the prior presumption in copyright law that copyright interests not expressly reserved by a freelancer were lost:

*Copyright* in each separate contribution to a collective work is distinct from copyright in the collective work as a whole, and *rests initially in the author of the contribution.*

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16. Under Rule 56(c) of the Federal Rules of Civil Procedure, the court is permitted to grant summary judgment to a moving party where no genuine issue exists as to any material fact, and the moving party is entitled to judgment as a matter of law. See, e.g., Fed. R. Civ. P. 56(c); Lujan v. Nat'l Wildlife Federation, 497 U.S. 871, 884 (1990); Celotex Corp. v. Catrett, 477 U.S. 317, 322-23 (1986); Anderson v. Liberty Lobby, Inc., 477 U.S. 242, 250 (1986); Mills Music, Inc. v. Snyder, 469 U.S. 153 (1985). Courts in this District consistently have granted summary judgment in copyright infringement actions in which these requirements have been met. See, e.g., Peer Int'l Corp. v. Luna Records, Inc., 887 F. Supp. 560, 570 (S.D.N.Y. 1995); Muller v. Walt Disney Prods., 871 F. Supp. 678, 685 (S.D.N.Y. 1994); Kregos v. Associated Press, 795 F. Supp. 1325, 1334 (S.D.N.Y. 1992), aff'd, 3 F.3d 656 (2d Cir. 1993).

17 U.S.C. § 201(c) (emphasis added). It then goes on to provide however, that "[i]n the absence of an express transfer" from a freelancer to periodical publisher, the publisher will be "presumed to have acquired"

*the privilege of reproducing and distributing the contribution as part of that particular collective work, any revision of that collective work, and any later collective work in the same series.*

17 U.S.C. § 201(c) (emphasis added).<sup>17</sup>

This language covers precisely the circumstances alleged by plaintiffs. It says, quite clearly, that if a freelance author submits an article to a newspaper or a magazine publisher, but fails expressly to spell out any limits on the rights conveyed, the publisher is presumed to be able to include the contribution in the original, as well as in "any" revised or subsequent issue of that newspaper or magazine, without infringing the author's rights. Mills Music, Inc. v. Snyder, 469 U.S. 153, 164 (1985) ("[I]t is appropriate to assume that the ordinary meaning of the language" of the Copyright Act accurately expresses Congress' intent). See also Bethesda Hospital Assn. v. Bowen, 485 U.S. 399, 403 (1988) ("The plain meaning of the statute decides the issue presented."); Amoco Prod. Co. v. Village of Gambell, 480 U.S. 531, 552-53 (1987) (When a statute's language is plain, that is ordinarily "the end of the

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17. Section 101 of the Copyright Act defines a "collective work" as including, among other things, an issue of a "periodical." 17 U.S.C. § 101.



matter." (quoting Chevron U.S.A. Inc. v. Natural Resources Def. Council, Inc., 467 U.S. 837, 842 (1984)).

This congressionally-created presumption in favor of a publisher may be rebutted or, in fact, completely eliminated by some affirmative action by the freelance author, but, because it is triggered whenever there is no express transfer of the copyright or of any rights under it, the author must do so in advance, not retroactively.<sup>18</sup> None of the plaintiffs, however, ever imposed any restrictions, or took any other steps indicating that the publisher defendants did not acquire the full set of Section 201(c) rights. (See supra note 13). Each of the plaintiffs admits he or she had no express discussions (and took no other action) from which the publishers could have discerned their purported intent to limit the publishers to "paper only" editions. (See supra note 13). In fact, the only time such a limitation ever came up in any way (prior to this action, and in connection with articles not at issue here), The New York Times rejected it. (Tasini Dep. at 132-33, 239-40; Tasini Supp. Dep. at 24-31).<sup>19</sup>

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18. Because it is a presumption capable of being rebutted, Section 201(c) refers to the reproduction and distribution of freelance articles as a "privilege", as opposed to a statutory right. Regardless of how it is characterized, however, plaintiffs were obligated at the time they submitted their articles and accepted payment to do something to inform the publishers that their Section 201(c) rights were being curtailed. Having failed to do that, they cannot now claim infringement.

19. In April 1993, in connection with an article not at issue in this action, Tasini  
(continued...)

Notwithstanding the plain meaning of Section 201(c), plaintiffs persist in their view that periodical publishers are limited to distributing copies of their newspapers and magazines solely in copies printed on paper unless they expressly acquire rights to non-paper editions.<sup>20</sup> (Tasini Dep. at 69-74; Mifflin Dep. at 22; Blakely Dep. at 30-32; Garson Dep. at 85-86; Robbins Dep. at 34-36; Whitford Dep. at 11). Neither Section 201(c) nor any other provision of the Copyright Act, however, contains any limit whatsoever on the medium in which a periodical publisher may exercise its rights. To the contrary, Section 201(c) refers broadly to publishers being permitted to reproduce and distribute a periodical in "any" revised version. This right, which is not limited by medium, is consistent with the rest of the Copyright Act, which was drafted intentionally to avoid such limitations in order to remain flexible in light of developing technologies. Throughout the Act, Congress was clear that the exploitation of copyright interests does not turn on the medium in which a copy of a work is fixed. The Act's focus on a "work", as opposed to any particular medium, means that a work remains the same "work" whether fixed on paper,

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19. (...continued)  
submitted to Times Co. the NWU's standard journalism contract which limited the acquisition of rights by the publisher to print rights. Times Co. categorically refused to accept these terms. (See Tasini Supp. Dep. at 24-31).

20. See, e.g., Complaint ¶¶ 32-33, 75-76, 247-48, 368-69, 394-95, 420-21.

microfilm, CD-ROM or in a computer server. As the House Report accompanying the Act states:<sup>21</sup>

*Under the bill it makes no difference what the form, manner or medium of fixation may be . . . whether embodied in a physical object in written, printed . . . magnetic or any other stable form, and whether it is capable of perception directly or by means of any machine or device "now known or hereafter developed.*

H.R. Rep. No. 1476, 94th Cong., 2d Sess. 52 (1976) (emphasis added).<sup>22</sup>

Accordingly, whether a particular issue of The New York Times, Newsday, or Sports Illustrated objected to by plaintiffs is fixed in print, microfilm or electronic bytes "makes no difference" in determining its copyright status: each edition either is a copy of the same collective work or revised solely to permit format shifting, just as a vinyl LP edition of Sgt. Pepper's Lonely Hearts Club Band is a copy of exactly the same sound recording as are later reproductions of the album as a

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21. The legislative history of Section 201(c) is submitted herewith in a separate bound volume marked as Exhibit J.
  22. "[T]hat is the basis on which we drafted this bill. For example, you can read the bill from beginning to end and you won't find in it any reference to computers . . . [even though] these are one of the coming instruments of communication in the future. *We have tried to phrase the broad rights granted in such a way that they can be adapted as time goes on to each of the new advancing media.*" Copyright Law Revision: Hearings on H.R. 4347, 5680, 6831, 6835 Before Subcommittee No. 3 of the House Committee on the Judiciary, 89th Cong., 1st Sess. 57 (1965)(Testimony of George D. Cary, Deputy Register of Copyrights, May 26, 1965, on general revision bill which was enacted into law in 1976) (emphasis added).

CD copy, an analog cassette copy or a digital audio tape (DAT) copy.<sup>23</sup> (Petrosino Dec. ¶ 13; Riedel Dec. ¶ 10).

The definitions of the Act as applied to Section 201(c) reinforce that the printed paper limitation plaintiffs urge does not exist within the Act itself, but must be contractually imposed, which plaintiffs admit they did not do. (See supra note 13). Section 201(c) speaks of "reproducing and distributing" a freelancer's contribution. Under the Act, those rights are exercised by reproducing and distributing "copies." 17 U.S.C. § 106(1) and (3). The Copyright Act makes clear that "copies," consistent with the intent of Section 102(a), may be:

*fixed by any method now known or hereinafter developed and from which the work can be perceived, reproduced or otherwise communicated, either directly or with the aid of a machine or device.*

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23. That plaintiffs' medium-restrictive approach to the Copyright Act must be wrong is illustrated by the fact that each of plaintiffs' articles and the periodicals in which they appear already have undergone several media or format shifts: first when the freelancer submitted the article, whether on paper or on disc, to the publisher; next when the publisher converted it to its own digitized word processing system; and finally when it was shifted to the paper format at the printers. (Special Set of Time Admissions ¶¶ 1, 7; Special Set of Newsday Admissions ¶¶ 1, 4; Special Set of Times Co. Admissions ¶¶ 1, 6 (Exhibits F-1-F-3)). Plaintiffs' medium-specific approach, which ignores the technology-neutral structure of the Act, would require the acquisition of a whole variety of rights to the same article simply in order to prepare it for publication in print, a result completely inconsistent with the legislative history quoted above.

17 U.S.C. § 101 (emphasis added). In other words, both a CD-ROM and the computer file fixed in the NEXIS central database are "copies" made by exercising the reproduction right for purposes of Section 201(c).<sup>24</sup>

Similarly, the Act broadly defines a work as "fixed" whenever it is sufficiently

permanent or *stable to permit it to be perceived*, reproduced *or otherwise communicated* for a period of more than transitory duration[,]

id. (emphasis added) without regard to medium. It also defines literary works, such as newspapers and magazines (which also are collective works) as works

expressed in words . . . *regardless of the nature of the material objects* such as . . . *periodicals . . . film, tapes, disks or cards in which they are embodied.*

Id. (emphasis added).

Such broad definitions clearly encompass all media. They make it impossible to conclude, as plaintiffs argue, that a periodical publisher's rights are limited to printed, paper editions, which are but one of many forms in which a copy of the underlying work may be reproduced or distributed. Plaintiffs' medium-restrictive approach to Section 201(c), which incorporates media-neutral definitions

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24. See MAI Sys. Corp. v. Peak Computer, Inc., 991 F.2d 511, 517-19 (9th Cir. 1993) (the turning on of a computer, thereby causing the operating system to be copied into RAM, constitutes a reproduction of the copyrighted software); Advanced Computer Servs. v. MAI Sys. Corp., 845 F. Supp. 356, 362-64 (E.D. Va. 1994) (loading software into computer's random access memory constitutes reproduction).

and concepts used throughout the Act, cannot be reconciled with the mandate that no act of Congress should "be read as a series of unrelated and isolated provisions." Gustafson v. Alloyd Co., 115 S. Ct. 1061, 1067 (1995).<sup>25</sup> Moreover, under plaintiffs' medium-restrictive reading, the right to include the contribution in "any revision" of a periodical or "any later" periodical in the same series, never could mean publication in "any" medium other than the first one (be it paper, film or digital code) in which it was fixed. Such a construction eliminates a significant portion of the presumption in favor of publishers and renders the second sentence in Section 201(c) superfluous -- an impermissible statutory result. Gustafson, 115 S. Ct. at 1069 ("[T]he Court will avoid a reading which renders some words altogether redundant.") Because it is undisputed that none of the plaintiffs imposed any non-paper restriction on the periodical publishers, defendants are entitled to summary judgment.

B. The Legislative History Confirms That Authors Affirmatively Must Limit A Publisher's Otherwise Automatic Right To Revise And Republish Periodicals In All Media.

The meaning of Section 201(c), particularly when read in conjunction with the rest of the Copyright Act, is clear. There is, therefore, no need to consider the legislative history of that provision or the rest of the Act. "[W]hen a statute

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25. See also Beecham v. U.S., 114 S. Ct. 1669, 1671 (1994) ("The plain meaning that we seek to discern is the plain meaning of the whole statute, not of isolated sentences."); Crandon v. U.S., 494 U.S. 152, 158 (1990) ("In determining the meaning of the statute, we look not only to the particular statutory language, but to the design of the statute as a whole and to its object and policy.")

speaks with clarity to an issue, judicial inquiry into the statute's meaning, in all but the most extraordinary circumstance, is finished." Metropolitan Stevedore Co. v. Rambo, 115 S. Ct. 2144, 2147 (1995) (quoting Estate of Cowart v. Nicklos Drilling Co., 505 U.S. 469, 475 (1992)).

Should the Court elect to consider the legislative history of Section 201(c), however, such history both reinforces the natural reading of the Section's literal terms and makes clear exactly why Congress elected to impose on freelancers the affirmative burden of restricting a publisher's presumed right to distribute its newspapers or magazines in all available media.

Section 201(c) was intended to address through legislation a specific problem that had plagued freelance writers for decades. Under prior law, in the absence of any signed agreement, a freelance writer was presumed to have conveyed all copyright rights in an article submitted for publication in a periodical. See Dam v. Kirk La Shelle Co., 175 F. 902, 904 (2d Cir. 1910).<sup>26</sup>

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26. See also Alexander v. Irving Trust Co., 132 F. Supp. 364, 369 (S.D.N.Y. 1955) (where there was no contract between the publisher and the plaintiff and no reservation of rights, "it must be presumed" that the publisher acquired all rights), aff'd, 228 F.2d 221 (2d Cir. 1955), cert. denied, 350 U.S. 996 (1956); Geisel v. Poynter Prods., Inc., 295 F. Supp. 331, 344 (S.D.N.Y. 1968) ("Absent a reservation . . . the copyright and all other rights pass with an . . . unconditional sale."); Best Medium Publishing Co. v. National Insider, Inc., 259 F. Supp. 433, 434 (N.D. Ill. 1966) ("It would seem to be the law as established by the treatises that where an author sells an article to a periodical without specification of the rights he is conveying that he transfers his entire right to the publisher . . ."), aff'd, 385 F.2d 384 (7th Cir. 1967),  
(continued...)

By the 1960's, it was clear that such a result left many freelance authors with no recourse if they unintentionally had transferred to publishers valuable copyright rights to an article that could have been exploited separately, such as novelization or screenplay rights. By creating presumptions to be applied in the absence of express statements of intent, Section 201(c) was designed to preclude the very type of disputes over future, "unintended" transfers that plaintiffs have resurrected with this action.

The Register's initial proposal for what eventually became Section 201(c) began as follows:

When the component parts of a composite work are created by the publisher's employees, the publisher acquires the rights in each part as employer. But when the component parts are contributed by independent authors . . . the publisher must acquire his rights by assignment . . . And in some cases, there is no express agreement between them as to the assignment of rights. We propose that the rights not assigned should be held by the publisher in trust for the author. And in the absence of any express agreement, only the right to publish the contribution in a composite work like that of the publisher should be deemed to have been assigned.

Report of the Register of Copyrights on the General Revision of the U.S. Copyright Law, 87th Cong., 1st Sess., Copyright Law Revision, p. 87 (H. Judiciary Comm. Print 1961).

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26. (...continued)  
cert. denied, 390 U.S. 955 (1968).



Accordingly, the Register's specific recommendation was that the statute provide:

*In the case of a periodical, encyclopedia, or other composite work containing the contributions of a number of authors . . . the publisher should be deemed to hold in trust for the author all rights in the author's contribution, except the right to publish it in a similar composite work and any other rights expressly assigned.*

Id. at 88 (emphasis added).

Because it represented a major improvement over existing law, this proposal initially was hailed by pro-author representatives. Harriet Pilpel, a prominent literary-rights attorney with the firm of Greenbaum, Wolff & Ernst who represented the views of freelance authors throughout the process, expressed strong support for the recommendation. She summarized it as a:

recommendation that in the absence of any express agreement, only the right to publish the contribution in a composite work like that of the publisher should be deemed to have been assigned. *The adoption of this recommendation would eliminate great inequities in the magazine field, where writers and photographers frequently cede subsidiary rights to the publisher inadvertently . . . .*

Discussion and Comments on Report of the Register of Copyrights on the General Revision of the U.S. Copyright Law, 88th Cong., 1st Sess., Copyright Law Revision, Part 2, p. 385 (H. Judiciary Comm. Print 1963).

In January 1962, the Register convened a meeting at the Library of Congress to discuss the Report. Now, however, Ms. Pilpel expressed some concerns on behalf of freelance writers. She noted that, by including the right to publish in a "like" or "similar" composite (i.e., collective) work, the Register was asking authors to transfer more than he had intended. A literal reading of the language, she suggested, could be interpreted to give the publisher the right to include the contribution in any collective work, barring the author from ever again selling the same article to another collective work. By selling an article to Newsday, for instance, an author might have been deemed to have transferred to Newsday the right to sell the same article to Times Co. for use in The New York Times, which is a "similar composite work." See id. at 151-52. Noting that 201(c) "was originally designed to protect the author[,]" id. at 152, the Register agreed to a clarification, i.e., that "similar composite work" really meant "that particular composite work" and no other. Id. at 153.

At the same meeting, Horace S. Manges, a publishers' representative, questioned whether the language proposed by the Register would be broad enough to cover an edition of an original collective work if it were revised (as is the case with NEXIS and certain CD ROM copies here) to omit some of the selections. Irwin Karp, another strong pro-author advocate with the Authors League of America, took the position that the Register's language was not broad enough to cover such

revisions, but stated that publishers nevertheless could preserve such revision rights with a contract clause stating that "the publisher shall have the right to publish revised editions of this composite work, eliminating some of the contributions." *Id.*

Based on this exchange, the Register's revision of the section included the following language:

(d) *Contributions to collective works.* Copyright in each separate contribution to a collective work shall be distinct from copyright in the collective work as a whole, and shall vest initially in the author of the contribution. The owner of copyright in the collective work shall, *in the absence of an express transfer of the copyright* or of any exclusive rights under it, be presumed to have acquired only *the privilege of publishing the contribution in that particular collective work.*

Preliminary Draft for Revised U.S. Copyright Law and Discussions and Comments on the Draft, 88th Cong., 2d Sess., Copyright Law Revision, Part 3, p. 15 (H. Judiciary Comm. Print 1964) (footnote omitted).

Publishers subsequently objected to "that particular collective work" as too restrictive, specifically because it would prevent them from using a freelance contribution in anything but a single issue of their publication. At a later Library of Congress meeting, convened by the Register on June 11, 1963, Bella Linden, speaking for textbook publishers, again raised the question of whether publishers would have to acquire expressly the right to revise the collective work:

The addition of the word "particular" raises in my mind the question as to whether revisions of that collective work would be "that particular work" -- whether a volume containing only

half of the material in "that particular collective work" would therefore be excluded.

Id. at 261.

On reflection, the Register agreed that limiting the right to publish to "that particular work" was too restrictive. Accordingly, the next draft of Section 201(c) made clear that, in the absence of an agreement to the contrary, the core rights that a freelance author would transfer included the right "of reproducing and distributing the contribution as part of that collective work *and any revisions of it.*" 1964 Revision Bill with Discussions and Comments, 89th Cong., 1st Sess., Copyright Law Revision, Part 5, p. 9 (H. Judiciary Comm. Print 1965) (emphasis added). Significantly for purposes of this motion, the Irwin Karp approach, which would have required a publisher contractually to spell out its right to republish revised editions, "eliminating some of the original contributions," was rejected and never resurrected. Instead, that right expressly became part of the core bundle of presumptive rights automatically acquired by publishers unless a freelance writer specified to the contrary.

Freelance authors then became concerned with the breadth of the meaning of "revisions," not, however, because they had any objections to any revisions that might be made to the periodical as a whole, but solely because they perceived an ambiguity as to whether publishers would have the right to revise the individual contributions themselves, as opposed to the rest of collective work. As

Harriet Pilpel put it at a meeting in New York, on August 7, 1964, it "should not be the law" that a magazine publisher could revise the content of a freelancer's article without express permission. If, however, the reference to the right to make revisions

*means* "any revisions of the collective work" in terms of *changing the contributions, or their order, or including different contributions, obviously the magazine writers and photographers would not object . . .* consequently I suggest that the wording at the end of subsection (c) be changed or eliminated to make that absolutely clear.

Id. at 152 (emphasis added).<sup>27</sup>

The Register adopted that recommendation, and refashioned Section 201(c) by emphasizing that only "that particular collective work" could be revised. Supplementary Report of the Register of Copyrights on the General Revision of the U.S. Copyright Law: 1965 Revision Bill, 89th Cong., 1st Sess., Copyright Law Revision, Part 6, p. 69 (H. Judiciary Comm. Print 1965).

The 1966 House Report on the language of Section 201(c) summarized the extensive negotiations over this language and emphasized the fairness of a compromise under which authors are presumed to retain all rights to an article not ex-

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27. The extraordinary attention applied to the drafting of each word of what eventually became Section 201(c) is not surprising given the repeated comments of freelance and other author representatives that "[t]here is obviously no provision of this proposed act of more importance to magazine writers . . . ." Id. at 152 (Statement of Harriet Pilpel). See also infra note 29.

pressly transferred, but that in the absence of an express transfer, a publisher will be presumed to be able to "republish" an author's contribution in a number of ways:

[U]nless there has been an express transfer of more, the owner of the collective work acquires "only the privilege of reproducing and distributing the contribution as part of that particular collective work, any revision of that collective work, and any later collective work in the same series." *Although magazine publishers objected to this presumption as discriminatory, the committee believes that it is fully consistent with present law and practice and that it represents a fair balancing of the equities.*

*The magazine contributors, while strongly supporting the basic presumption in their favor, suggested that the last clause be deleted as unduly restrictive. However, the committee considers this clause, under which the privilege of republishing the contribution under certain limited circumstances would be presumed, as an essential counterpart of the basic presumption.* Under the language which has been retained a publisher could reprint a contribution from one issue in a later issue of his magazine, or could reprint an article from a 1970 edition of an encyclopedia in a 1980 revision of it; he could not revise the contribution itself or include it in a new anthology or an entirely different magazine or other collective work.

H.R. Rep. No. 2237, 89th Cong., 2d Sess. 117 (1966) (later summarized in the final report on the 1976 Act, H.R. Rep. No. 1476, 94th Cong., 2d Sess. 122-23 (1976) (emphasis added)). In other words, the format of editions of The New York Times, Newsday and Sports Illustrated may be revised so that such editions can be included on microfilm in a computerized library such as NEXIS, or on a CD-ROM series with

other periodicals,<sup>28</sup> but the individual freelance article itself may neither be individually revised nor separately included in any editions of other newspapers or magazines.

Although the National Writers Union, the lobbying group that selected the plaintiffs and funded this litigation, (Tasini Dep. at 87-88, 94-96; Mifflin Dep. at 94; Robbins Dep. at 74), has attempted to resurrect objections that "magazine contributors" and other representatives of freelance writers made almost thirty years ago, it is clear that whatever its limitations, the language of Section 201(c) provided such a significant advance over prior law that author representatives unanimously urged its passage.<sup>29</sup> That the NWU and its hand-picked plaintiffs now are unhappy

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28. Editions of The New York Times, Newsday and Sports Illustrated are the same collective works under the Act, even when reformatted to be made available in copies embodied in an electronic format for the reasons discussed supra at 19-23. Moreover, as a factual matter, it is undisputed that editions of the periodicals in dispute are added to NEXIS and CD-ROMs on an issue-by-issue basis, just as paper editions are added to a library's collection. (Patterson Dec. ¶¶ 8, 10, 12; Keane Dec. ¶ 13; McDonald Dec. ¶ 7; Petrosino Dec. ¶¶ 5, 9; Riedel Dec. ¶¶ 4, 5, 9).
29. The "regularity and clarity" of Section 201(c) is "particularly favorable for the individual scientific author." Copyright Law Revision: Hearings on H.R. 4347, 5680, 6831, 6835 Before Subcomm. No. 3 of the House Comm. on the Judiciary, 89th Cong., 1st Sess. 1917 (1965) (Statement of Prof. W. Albert Noyes, Jr., Chairman, National Academy of Sciences-National Research Council Ad Hoc Committee on Copyright Law Revision). Section 201(c) "clarifies and makes meaningful provision for the ownership of the contributions to collective works." With its passage, "[m]any of the confusions and ambiguities in the present law will disappear[.]" Copyright Law Revision: Hearings Before the Subcomm. on Patents, Trademarks, and  
(continued...)

that the legislative process did not end by limiting the scope of the 201(c) presumption to a single issue of a periodical, copied only in a particular medium such as paper, is irrelevant. Under Congress' view, a "fair balancing of the equities" permits a publisher, in the absence of any agreement to the contrary, to use and reuse a freelance contribution in the periodical to which it was submitted, by including it in subsequent editions and revisions of that periodical, in any medium. There is no other way to read Section 201(c) or the broad reference in the House Report to "republishing" the contribution. Plaintiffs' current dissatisfaction with Section 201(c) is an issue for Congress.

## II.

### BECAUSE ALL OF THE RIGHTS IN SECTION 106 ARE CUMULATIVE AND OVERLAP, PLAINTIFFS' PERFORMANCE AND DISPLAY RIGHTS CLAIMS ALSO FAIL AS A MATTER OF LAW.

Although the language of the House Report refers broadly to a publisher's right to "republish" a freelance contribution, Section 201(c) itself refers to "reproducing and distributing the contribution." In apparent recognition of this,

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29. (...continued)

Copyrights of the Senate Comm. on the Judiciary, 90th Cong., 1st Sess. 1136-37 (1967) (Statement of Harriet F. Pilpel on Behalf of the American Society of Magazine Photographers and the Society of Magazine Writers). The section represents "a major improvement over existing copyright law" because it clarifies "the rights of contributors to periodical literature -- a subject that has heretofore been surrounded by *much doubtful legal disputation.*" Id. at 1142 (Statement of Tom Mahoney on Behalf of the Society of Magazine Writers)(emphasis added).



plaintiffs allege that by publishing their freelance articles in CD-ROM and through NEXIS, the publishers have violated their performance and display rights, set forth in 17 U.S.C. § 106(4) and (5), in addition to the reproduction and distribution rights referred to in 17 U.S.C. § 106(1) and (2).<sup>30</sup>

This effort to erect walls between the various categories of rights created by the Copyright Act is plainly improper. It is inconsistent with the clear intent of Congress that, far from being separate and distinct,

[t]he five fundamental rights that the bill gives to copyright owners . . . *are cumulative and may overlap in some cases.*

H.R. Rep. No. 1476 at 61. In other words, Congress explicitly recognized that the same publishing activities could implicate more than one right.

That this overlap of Section 106 rights may occur is not new and is not created simply when "electronic publishing rights" are involved. For example, a paper copy of Newsday, including its front page, tabloid-size photo is both reproduced and distributed, see 17 U.S.C. § 106(5); 17 U.S.C. § 101, when it is printed and shipped by Newsday. See 17 U.S.C. § 106(1) and (3). The photograph on the front page also is displayed when that copy sits in a newsrack. That does not mean, however, as the logic of plaintiffs' argument would dictate, that Newsday cannot sell copies of Newsday at newsracks featuring the cover page unless it separately has acquired "display" rights from a freelance photographer whose work

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30. See, e.g., Complaint ¶¶ 1, 36-37, 79-80, 251-52, 372-73, 398-99, 424-25.

appears on the front page. Instead, as long as the rights exercised by Newsday fall squarely within the reproduction and distribution safe harbors, any "overlap" with other Section 106 rights is permitted. Indeed, plaintiffs' medium-restrictive interpretation of Section 201(c) would prevent the full exercise of Section 201(c) rights in any number of similar ways and cannot be reconciled with the concept of cumulative or overlapping rights.

Because the CD-ROM and NEXIS editions of the publications at issue plainly fall within the scope of the definition of "copies," and within the concepts of "reproduce" and "distribute," none of the defendants have exceeded the scope of the statutory safe harbor created by Section 201(c).<sup>31</sup> Indeed, any contrary interpretation would be particularly inappropriate in this case, given that plaintiffs' narrow approach to this issue is completely at odds with a line of cases in which the Supreme Court repeatedly has refused to read Section 106 rights in a cramped way when such a construction would conflict with the basic constitutional purpose underlying the Copyright Act:

To promote the progress of science and useful arts, by securing for limited times to authors . . . the exclusive right to their . . . writings.

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31. Plaintiffs' performance rights claims fail as a matter of law for an additional reason: Reproduction in microfilm, NEXIS and CD-ROM editions is not a performance because a work is neither recited, rendered, played, danced or acted when it appears in pure text form. See 17 U.S.C. § 101 (definition of "perform a work"). Plaintiffs' performance rights are not involved in this case.

U.S. Const. Art. I, § 8.

Because this constitutional expression of intent makes reward to copyright owners "a secondary consideration," United States v. Paramount Pictures, Inc., 334 U.S. 131, 158 (1948), the Court repeatedly has emphasized that the "ultimate aim" of the copyright law is "to stimulate artistic creativity for the general public good." Twentieth Century Music Corp. v. Aiken, 422 U.S. 151, 156 (1975). Accordingly, the Court has endorsed "[t]he judiciary's reluctance to expand the protections afforded by copyright without explicit legislative guidance. . . ." Sony Corp. of America v. Universal City Studios, Inc., 464 U.S. 417, 431 (1984).

This case, however, does not even present the problem of a lack of guidance. To the contrary, Congress explicitly acknowledged the possibility of overlapping Section 106 rights contemporaneously with its enactment of Section 201(c). Despite that recognition, Congress imposed no medium-by-medium limitation on Section 201(c) rights, but instead enacted it with language clearly broad enough to cover "copies" reproduced and distributed via CD-ROM and NEXIS. (See supra at 23-26). Moreover, the Supreme Court repeatedly has admonished that even in close copyright cases, doubts created by technological innovations should be left for Congress to resolve because of its

constitutional authority and . . . institutional ability to accommodate fully the varied permutations of competing interests . . . implicated by such new technology

Sony, 417 U.S. at 431. In light of this, plaintiffs' blatant efforts to rewrite the Copyright Act so that Section 106 rights are not cumulative and do not overlap must be rejected.<sup>32</sup> Plaintiffs' interpretation literally would require national publications to expunge freelance articles from electronic and microfilm copies, a result that would create gaps in history, impede effective research and limit the dissemination of information in a manner directly in conflict with the fundamental purposes of the Copyright Act. The practical impact of such a result would virtually paralyze the periodical publishing industry by requiring the express acquisition of additional rights in every freelance negotiation no matter how time sensitive or urgent, the deadline -- a result completely inconsistent with the Register's rejection of that approach when pro-author representatives urged its adoption back in 1962. (See supra at 29-31).<sup>33</sup>

### III.

#### WHITFORD'S CONTRACT DOES NOT PRECLUDE TIME FROM PUBLISHING SPORTS ILLUSTRATED IN THE NEXIS LIBRARY.

Unlike his co-plaintiffs, who had no express agreements of any kind with any of the defendants, Whitford's sale of his article "Glory Amid Grief" to Time

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32. See also Twentieth Century Music Corp. v. Aiken, 422 U.S. at 156 ("When technological change has rendered its literal terms ambiguous, the Copyright Act must be construed in light of" its basic purpose of conferring on the public the general benefits of the labors of authors.).

33. The transactions costs associated with such a result would be staggering and way out of proportion to the value of such freelance material.

for publication in Sports Illustrated occurred pursuant to a contract defining certain of the parties' rights. (Whitford Dep. Ex. 123A (Exhibit C-7)). His 1991 contract provided that Sports Illustrated had the "right first to publish the Story in the Magazine," and to "republish the Story . . . in connection with the Magazine or in other publications published by" Time. (Id.). The contract defined the "Magazine" as "Sports Illustrated", without referring to any specific publication format, and without referring to, much less prohibiting, "print," "nonprint" or "electronic" copies of the story or the Magazine. (Id.). In other words, the contract was silent as to publication rights Whitford claims to have retained under the terms of the contract. This contractual silence dooms Whitford's claim against Time as a matter of law.

A. The Contract's Broad Language Confers  
The Right To Publish In Multiple Media.

It is undisputed that Sports Illustrated acquired the exclusive right "first to publish" Whitford's article, and that the agreement nowhere expressly delineated or limited the media in which such publication would be permissible. The issue, then, is to determine how to interpret the contract's scope in light of its silence on the issue of format.

Whether against the backdrop of the current or prior Copyright Act, whenever the Second Circuit has confronted this issue, it has on each occasion, as a matter of law, come down squarely against a grantor seeking to find implicit, medium-based limitations on a grantee's rights. See Bourne v. Walt Disney Co., 68

F.3d 621 (2d Cir. 1995)(1976 Act); Bartsch v. Metro-Goldwyn-Mayer, Inc., 391 F.2d 150 (2d Cir.), cert. denied, 393 U.S. 826 (1968)(1909 Act); L.C. Page & Co. v. Fox Film Corp., 83 F.2d 196 (2d Cir. 1936)(1909 Act).

In L.C. Page, the issue was whether the language "exclusive moving picture rights" was broad enough to embrace not only silent films, but "talkies", "a species of the genus motion pictures" unknown and "not within the contemplation of the parties" at the time of the 1923 agreement in dispute. 83 F.2d at 198-99. The Second Circuit held that the language was broad enough, and, significantly, based its conclusion in large part on the Supreme Court's interpretation of the Copyright Act in Kalem Co. v. Harper Bros., 222 U.S. 55 (1911), which held that the words "exclusive right to dramatize" in the Copyright Act

though used when motion pictures were unknown, included the right to produce by motion pictures when that mechanism was later developed; that is to say, the genus embraced the later developed species . . . *The fact that there the words of a statute were being construed and here the words of a contract are involved does not make the case inapposite.*

83 F.2d at 199 (emphasis added).

In Bartsch, MGM obtained the "motion picture rights" to a copyrighted musical play in 1930 before television was available. The studio thereafter made, distributed and exhibited a highly successful film adaption of the play. Although the contractual grant to MGM was limited to the right to "copyright, vend, license and

exhibit . . . motion picture photoplays," 391 F.2d at 151, and made no reference to television rights, in 1958, after television had become widely available, MGM licensed its exhibition to television broadcasters.

The owner of the copyright in the underlying work sued on the copyright, claiming that MGM's television licensing of the film went beyond the contractual "motion picture" grant. The Second Circuit rejected this claim, concluding that the term "exhibit" was format-neutral and included the television technology which would become commercially available almost a decade later. The Court adopted an approach consistent with both the Copyright Act generally, and Section 201(c) in particular, holding that where the words of a contractual granting of rights

*are broad enough to cover the new use, it seems fairer that the burden of framing and negotiating an exception should fall on the grantor . . . . [F]avoring the broader view . . . provides a single person who can make the copyrighted work available to the public over the penumbral medium, whereas the narrower one involves the risk that a deadlock between the grantor and the grantee might prevent the work's being shown over the new medium at all.*

Bartsch, 391 F.2d at 155 (emphasis added).

Only last year, in Bourne v. Walt Disney Co., 68 F.3d 621, the Second Circuit affirmed Bartsch's mandate that a contractual grant of rights be broadly construed to encompass uses consistent with, even if not expressly mentioned in, the

contract. In Bourne, the successor to Irving Berlin, Inc. claimed copyright infringement against the Walt Disney Company on the basis of Disney's sale of videocassette recordings of "Snow White and the Seven Dwarfs" and "Pinocchio," which contained copyrighted songs written by Berlin. The plaintiff contended that Disney's contractual right to record the songs "in synchronism with any and all of the motion pictures which may be made by [Disney] . . . and the right to give public performances of such recordings," 68 F.3d at 625, did not include videotape rights, because videocassette technology did not exist when the contract was signed.

The Court disagreed, defining Disney's "motion picture" rights broadly to include videocassette rights: a motion picture is "a broad genus whose fundamental characteristic is a series of related images that impart an impression of motion when shown in succession, including any sounds integrally conjoined with the images." 68 F.3d at 630 (quoting S.Rep. No. 72, 92d Cong., 1st Sess. 5 (1971), U.S. Code Cong. & Admin. News 1971 at 1566 (providing Congress' understanding of "motion pictures" under the Copyright Act)). Under this view, the nature of the physical copy in which the motion picture was fixed was simply irrelevant, as long as the motion picture rights themselves had been lawfully obtained.<sup>34</sup>

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34. See, e.g., ABKCO Music, Inc. v. Westminster Music, Ltd., 838 F. Supp. 153, 157 (S.D.N.Y. 1993) (Sand, J.) (summarizing Bartsch rule as requiring grantor to be bound by "natural implications" of the contractual language unless (i) the parties "could not know" of the new use at issue and (ii) the new use "could not possibly have formed part of the bargain . . ." (quoting Rey v. (continued...))



Here, Whitford admits that he had "no discussion" with anyone at Time concerning "the medium in which the [M]agazine could appear," and made no attempt to reserve any such right. (Whitford Dep. at 73; Whitford Admission 2(g)).

Although he rejected Time's initial proposal that it be allowed to reprint copies of the article outside of future issues of Sports Illustrated, and negotiated an amendment to the contract under which he and Time shared the right to syndicate the article (Whitford Dep. at 44-45; Whitford Dep. Ex. 123A (Exhibit C-7)), he accepted

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34. (...continued)  
Lafferty, 990 F.2d 1379, 1388 (1st Cir.), cert. denied, 114 S. Ct. 94 (1993)), aff'd, 41 F.3d 1502 (2d Cir. 1994); Rooney v. Columbia Pictures Indus., 538 F. Supp. 211, 228 (S.D.N.Y.) (awarding summary judgment to defendants on actor's contention that right to "exhibit" movies did not cover television or videocassettes), aff'd, 714 F.2d 117 (2d Cir. 1982), cert. denied, 460 U.S. 1084 (1983); Landon v. Twentieth Century-Fox Film Corp., 384 F. Supp. 450, 456 (S.D.N.Y. 1974) (Lasker, J.) (awarding defendant summary judgment on ground that grant of right to "motion picture versions" was sufficiently broad to include television versions where television rights not expressly prohibited by contract); Brown v. Twentieth Century Fox Film Corp., 799 F. Supp. 166, 171 (D.D.C. 1992) (contract containing "broadly worded transfer" in one paragraph followed by limitations in subsequent paragraphs transferred "all other uses not specifically prohibited . . . consistent with the well-established rule placing the burden on the grantor to establish a pertinent reservation of rights").

In Landon, plaintiff attempted to create a factual dispute to avoid summary judgment by alleging, as Whitford does, that it was not her intention to grant any rights in the new medium. Judge Lasker rejected that argument solely on the basis of plaintiff's failure to have expressed her alleged intention in the contract at issue. 384 F. Supp. at 457 ("[I]t is axiomatic that evidence of plaintiff's intent is admissible only in so far as it was expressed. . .").

Time's offer to pay him if it republished the article in other Time publications and future issues of Sports Illustrated. (Whitford Dep. Ex. 123A (Exhibit C-7) ¶ 2(c)).

Additionally, Whitford did not object to the provision in his contract with Sports Illustrated granting Time the exclusive right "first to publish" the article as part of "the Magazine," despite that the provision imposed no limitation as to medium. (Whitford Dep. 44-45; Whitford Dep. Ex. 123A (Exhibit C-7) ¶ 2(a); Whitford Admission 2(g)). At the time of the 1991 contract, electronic databases were well known to both parties.<sup>35</sup> Moreover, as in Bartsch, the contractual language granting Sports Illustrated the "right first to publish the Story in the Magazine," and to "republish the Story . . . in connection with the Magazine or in other publications published by" Time was not only format-neutral, but, by granting a right to publish "in the Magazine," also was sufficiently broad to encompass the right first to include the article in non-print copies of "the Magazine."

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35. Whitford cannot claim that he "could not know" about NEXIS-like computerized libraries at the time of the agreement. At the time he negotiated and signed his agreement with Sports Illustrated in April 1991, electronic databases containing magazine articles not only were foreseeable, but were in existence and Whitford had actual knowledge of them. Whitford admitted he was aware by 1990 of the existence of "on-line services" and "that copies of at least some articles from some publications were available on them." (Whitford Admission 13). He also admitted that by the summer of 1991, he actually had access to and had used such online services. (Whitford Dep. at 23-25, 56). Those facts alone are sufficient, under Bartsch and its progeny, to require him expressly to have carved out any rights he wanted to reserve in addition to those he specifically negotiated.

Under these circumstances, which are undisputed, Bartsch and its progeny make clear that by failing to impose any explicit, media-based limitation on Time's right to publish the story as part of Sports Illustrated (as published on NEXIS), Whitford lost the right to impose such a limitation as a matter of law.

B. In The Absence Of A Valid Contract, Section 201(c) Governs Whitford's Article For Sports Illustrated.

Under the Bartsch rule, the language of Whitford's contract is broad enough to cover non-paper copies such as NEXIS. Moreover, by making the argument that he never intended that contract to permit such publication, the best Whitford can establish is that there was no meeting of the minds between him and Time and, therefore, no contract.

Under New York law, an agreement is not a contract if, at the time the agreement is entered into, one party reasonably means one thing by its language and the other party reasonably means another. Gupta v. University of Rochester, 395 N.Y.S.2d 566, 567 (4th Dept. 1977). Such a mutual and substantial mistake indicates the absence of the requisite "meeting of the minds," and provides grounds for relief in the form of rescission. Sunlight Funding Corp. v. Singer, 536 N.Y.S.2d 533, 534 (2d Dept. 1989). Whether the mistake is by one or both parties, such a mistake must be about a term that is so material that it goes to the foundation of the agreement. Da Silva v. Musso, 428 N.E.2d 382, 387 (N.Y. 1981).

In this case, accepting Whitford's allegations as true, Whitford and Time meant different things by the words "publish" and "the Magazine" in their contract of April 8, 1991. By "publish," Whitford claims to have meant print; by "the Magazine" he contends he meant the paper periodical. Time, however, which had been "publishing" "the Magazine" on-line for years, meant "publish" electronically as well as in print and "the Magazine" as all formats in which it can be copied, including the print and on-line editions. Nothing could be more basic to a contract to publish in a magazine than the terms "publish" and "the Magazine." Thus, even accepting Whitford's allegations, there clearly was no meeting of the minds about these two material terms and therefore the contract is void.

Moreover, it is black letter law that where, as here, a contract has been fully performed by both parties, rescission is not an available remedy. See, e.g., E. Allan Farnsworth, Farnsworth on Contracts § 4.24 (1990); Restatement (Second) Contracts § 283 (1979). Thus, in the absence of an express agreement between Whitford and Time Inc., and in light of the full performance by both parties, Section 201(c) governs with respect to Whitford's Sports Illustrated article, and the analysis set forth in Section I would apply.

Conclusion


For the foregoing reasons, defendants respectfully request that summary judgment be entered dismissing the Complaint in its entirety as against all defendants.

Respectfully submitted,

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