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P R E E M P T I V E

BY STEVEN T. LOWE

STRIKE

To avoid federal copyright law
preemption, state causes of action must
survive a demanding two-part test



COPYRIGHT LAW protects a “bundle of rights” given to those engaged in creative expression. Owners of a copyrighted work can prevent the reproduction, distribution, performance, publication, and display of their work without their consent. For a work to be protected by copyright, the only requirements are that the work 1) is one of authorship as contemplated by 17 USC Section 102(a), 2) has a minimal amount of originality, and 3) is “fixed” in a tangible medium of expression.¹

The Copyright Act controls the field of copyright claims; thus, there are no state law claims for copyright infringement. There are, however, numerous state law claims that may relate to a work of authorship. These claims raise significant preemption issues. Copyright preemption forces the immediate dismissal of defective state law claims, whether they are brought in state or federal court.

Prior to 1976, federal copyright law coexisted with state copyright law.² The technicalities of federal copyright law—for example, rigorous notice and registration requirements—would often drive expressive works into the public domain but for state copyright law.³ Congress recognized the need for uniform national copyright laws, and in 1976 it accomplished this by adopting the 1976 Copyright Act and creating a single federal system.⁴

The 1976 act expressly preempts all state copyright law, including common law causes of action. The scope of this preemption, however, is limited because it does not require the dismissal of all claims that involve the subject matter of copyright.⁵ Instead, only state law claims that assert rights *equivalent* to those rights protected by Section 106 of the 1976 act, (including reproduction, distribution, performance, publication, and display) are pre-

empted; other state law claims—even if the subject matter of the claim is an artistic work eligible for copyright protection—survive.⁶

State and federal courts have addressed the issue of copyright preemption in various ways. For example, California state courts and federal courts have held that interference claims are preempted, while fraud claims are never preempted. Central District courts have further found unfair competition, conversion, and unjust enrichment causes of action preempted. Breach of contract claims usually are not preempted in state and federal

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courts, although two different theories have led to that result. However, the implied contract cause of action, a particularly important claim for artists, creates significant dissent between state courts—where implied contract claims will usually survive—and the Central District, which has begun a questionable trend towards preemption.

TWO-PART PREEMPTION TEST

State and federal courts have developed a two-part test to determine whether a state law claim is preempted by the 1976 act. The first part queries whether the plaintiff's claim concerns copyrightable subject matter.⁷ If the answer to that is yes, the second part then asks whether the right asserted in the state law claim is equivalent to any of the exclusive rights given to the owner of a copyright as enumerated in Section 106 of the 1976 act.

Determining what is copyrightable subject matter—the first part of the test—requires an analysis of applicable copyright law. The 1976 act protects “original works of authorship fixed in any tangible medium of expression, now known or later developed, from which they can be perceived, reproduced, or otherwise communicated, either directly or with the aid of a machine or device,” including literature, musical compositions and sound recordings, drama, pantomime and choreography, pictures, graphics, sculpture, film, architecture, and computer programs.⁸ When the subject matter of the state law claim falls outside these parameters, copyright preemption will not apply.

Ideas are not protected by copyright⁹—as opposed to the expression of the idea¹⁰—but ideas may be protected under certain state law causes of action.¹¹ For example, in a 1986 California case, a claim for breach of implied contract based upon the defendant's utilization of the idea for a television “movie of the week” survived a preemption defense.¹² However, a series of recent cases in the U.S. District Court for the Central District of California appear to signal a trend in favor of preemption of claims based on implied contract if the ideas are embodied in a copyrightable work; that is, preemption will be found if the ultimate product is copyrightable, even though the ideas embodied in the copyrighted work are not.

The second part of the test for preemption of state law claims requires an analysis to determine whether the claim contains an “extra element.” If the subject of the state law claim comes within the scope of copyright protection, then the rights asserted via the state law claim must be examined to evaluate whether they are equivalent to the exclusive rights given to the owner of a copyright,

as defined in Section 106 of the 1976 act. This requires essentially an element-by-element comparison.

If the state law claim has an extra element—for example, the wrongful act upon which the claim is based consists of something other than the reproduction, distribution, performance, publication, or display of a copyrightable work—then the claim is not preempted.¹³ A technical extra element, however, is insufficient. To survive copyright preemption, a state law claim must not only have an extra element; that extra element must transform the state law claim so that it is *qualitatively* different from a copyright infringement claim.¹⁴ This extra element test¹⁵ was adopted recently in California by the California Court of Appeal in *Kabehie v. Zoland*¹⁶ and has been the test for the Ninth Circuit for some time.¹⁷

The difficulty that has plagued the courts is not, however, whether the extra element test is applicable but whether an extra element is contained within a particular state cause of action. Indeed, courts have reached significantly varied results in their application of the test. Contract claims especially have resulted in divergent and inconsistent decisions. Some causes of action, however, are never preempted.

Claims for breach of contract usually survive preemption defenses.¹⁸ Copyright owners frequently license their artistic works to third parties in exchange for the payment of royalties. Preemption is not a defense to a claim for breach of contract based upon the failure to pay royalties required by a written agreement.¹⁹ Two very different theories, however, lead to this result.

The majority of federal and state courts that have addressed preemption defenses to breach of contract claims have required a fact-specific analysis that inquires whether the promise underlying the contract is essentially nothing more than a promise not to violate federal copyright law.²⁰ If so, the breach of the promise is copyright infringement, and the breach of contract claim is preempted.²¹ For example, in *Kabehie*, the court of appeal affirmed the dismissal of 10 out of 14 state law claims based upon copyright preemption.²² The plaintiff had alleged that music copyrights were assigned to him by contract and that the contract was breached by the defendants' continued exploitation of the music. The *Kabehie* court adopted the majority view and held that five of the plaintiff's breach of contract causes of action were preempted because they were in essence disguised claims for copyright infringement.²³

Under the majority view, the breach of contract cause of action should be examined for an extra element, such as a covenant “inde-

pendent” of copyright rights.²⁴ In *Kabehie*, for example, two causes of action for breach of contract survived preemption attacks because the plaintiff alleged the existence of an independent covenant and its breach: the defendant failed to deliver master recordings.²⁵

The minority viewpoint states that breach of contract causes of action are *never* preempted.²⁶ The rationale is that every contract inherently has a promise to perform that contract. Thus, under the minority view, the contractual promise is always an extra element.²⁷

The Central District has adopted the majority view.²⁸ In *Kabehie*, the California Court of Appeal did so as well, explicitly rejecting the minority viewpoint.²⁹

BREACH OF IMPLIED CONTRACT

California has long recognized that an implied contract may be created when one party submits his or her creative ideas to another party.³⁰ Disclosure of a valuable idea is considered a conferred benefit that is sufficient to constitute consideration for an implied in fact contract.³¹

This is an important right for artists, because copyright law does not protect ideas.³² Especially in California, where people commonly pitch their concepts for films and television programs to others in the entertainment industry, protection against misappropriation of ideas is necessary—and it appears to be available under California common law.³³

In recent cases from the Central District, however, courts have held that implied contract claims based upon idea submissions that are embodied in written form are preempted.³⁴ This is troubling because ideas are frequently submitted in the form of a writing, and without a writing there is an absence of important evidence. The most common example in the entertainment industry occurs when an idea is communicated in the form of a “treatment.”³⁵

Since ideas are not protected by copyright law, although they are protected by California common law,³⁶ it would seem that the first part of the two-part preemption test is not met. Several Central District courts, however, have held that while the ideas embodied in written form may not be protected by copyright law, they nonetheless fall under the subject matter of copyright law for preemption purposes.³⁷

The Ninth Circuit has not resolved whether ideas communicated in writing are within the subject matter of copyright law and thus satisfy part one of the two-part preemption test. The Central District decisions that have resolved that issue in the affirmative have relied upon *United States ex rel. Berge v. Board of Trustees of University of Alabama*, a

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Stanislaus County Superior Court
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Tuolumne Superior Court

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Twelfth Judicial Circuit
Thirteenth Judicial Circuit (Tampa)
Fifteenth Judicial Circuit (W. Palm
Beach)
Nineteenth Judicial Circuit

GEORGIA

Atlanta Superior Court

INDIANA

Marion County Superior Court
(Indianapolis)

LOUISIANA

Fourth Judicial Dist. (Monroe)
Twenty-Sixth Judicial Dist. (Benton,
Minden)

MARYLAND

Second Circuit Court (Centreville)
Talbot County Circuit Court

MICHIGAN

36th District Court (Detroit)*
Washtenaw County Trial Court
18th Judicial Circuit

NEW JERSEY

Bergen
Burlington
Cumberland
Essex
Gloucester
Hudson
Hunterdon
Mercer
Middlesex
Monmouth
Morris/Sussex
Passaic
Somerset
Warren

NEW MEXICO

Dona Ana County (Las Cruces)

TEXAS

22nd District Court (San Marcos)
33rd District Court (Burnet)
75th District Court (Liberty)
105th District Court (Corpus Christi)
133rd District Court (Houston)
219th District Court (McKinney)
238th District Court (Midland)

286th District Court (Levelland)
325th District Court (Ft. Worth)
360th District Court (Ft. Worth)
400th District Court
County Courts
Midland
San Angelo
Tom Green

UTAH

4th District Court (Provo)

WASHINGTON

Spokane County Superior Court

WEST VIRGINIA

Fourth Judicial Circuit

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Northern District of California
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Santa Clara
Southern District of California
San Diego

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Santa Ana
Eastern District of California
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Modesto
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Northern District of California
Oakland
San Francisco
San Jose

HAWAII

ILLINOIS

Northern District of Illinois
Chicago

NEW YORK

Southern District of New York

OREGON

District of Oregon
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Fourth Circuit decision, in holding that ideas submitted in writing are within the subject matter of copyright.³⁸

Section 102 of the Copyright Act defines the subject matter of copyright and excludes ideas from the purview of its protection. Copyright law protects the expression of ideas, not the ideas themselves. Based on the reference to ideas in Section 102, the *Berge* court concluded that ideas expressed in a writing are within the subject matter of copyright, even though not within its protection. Thus the *Berge* court held that federal preemption may apply to ideas embodied in written form.³⁹

As a practical matter in the entertainment industry, the disclosure of an idea can be valuable consideration, even if the idea itself cannot be independently protected by copyright. A breach of an implied contract is about a breach of an agreement between parties, not the wrongful plagiarism of ideas.

In applying the second part of the preemption test, most courts have found an extra element in implied contract cases involving written submission of an idea. Indeed, most courts have held that claims for breach of implied in fact contract actions are not preempted.⁴⁰ The rationale for these holdings is obvious: implied in fact contracts necessarily contain a promise to pay, which constitutes an extra element, not unlike the promise to pay royalties.⁴¹ *Kabehie v. Zoland*, in dicta, appears to affirm this conclusion,⁴² as does *Firoozye v. Earthlink Network*, a case from the U.S. District Court of the Northern District of California.⁴³

Beginning in 1997, however, with *Worth v. Universal Pictures, Inc.*, the Central District took a different path that may have the effect of depriving creative persons of this important state law cause of action.⁴⁴ *Worth* concerned a typical Hollywood scenario: the plaintiff submitted a screenplay to a film studio, and the screenplay was rejected. The plaintiff claimed that a later-produced film incorporated ideas from his screenplay. The court in *Worth* held that implied contracts were a species of quasi contract and, based on a passage in *Nimmer on Copyright*, held that because quasi contracts are always preempted, so too was the plaintiff's cause of action for implied contract.⁴⁵ *Worth* has been followed in two recent Central District cases: *Endemol Entertainment B.V. v. Twentieth Television, Inc.*⁴⁶ and *Selby v. New Line Cinema Corporation*.⁴⁷

These decisions, however, misunderstand the crucial distinction between quasi contracts and contracts implied in fact, a difficult distinction which *Nimmer*, in fact, discusses in a later passage:

Unfortunately, many courts in dealing

with idea cases fail to distinguish between a contract implied in law and a contract implied in fact. An action in quasi contract is not a true contract since "quasi contracts, unlike true contracts, are not based upon the apparent intention of the parties to undertake the performances in question, nor are they promises. They are obligations created by law for reasons of justice"....An implied in fact contract on the other hand is a consensual agreement presenting the same elements as are found in an express contract except that in an implied in fact contract the promise is not expressed in words but is rather implied from the promisor's conduct.⁴⁸

Selby involved the same Hollywood scenario as *Worth*—a claim that a film studio misappropriated a screenplay. The *Selby* court held that the alleged extra element was only a promise not to use the material, and therefore the claim was simply a copyright infringement claim.⁴⁹ However, *Selby* relied in part on a Michigan district court decision, later overturned by a Sixth Circuit decision that explicitly recognized the error in *Worth's* misidentification of implied contract as quasi contract and held instead that the promise to pay in fact constitutes the extra element.⁵⁰

These Central District decisions would appear to be erroneous: A contract implied in fact clearly requires the extra element of the implied promise to pay for use (and provide appropriate credit, if applicable), which is a promise implied from conduct.⁵¹ An implied promise to use only if the defendant pays the plaintiff and/or credits the plaintiff confers the extra element,⁵² not unlike cases concerning the failure to pay royalties—and those cases are never preempted.

Artists and others with ideas, after all, do not usually wish to prevent the use of their ideas. Quite the contrary, they desire the realization and expression of their ideas in the marketplace. They simply want to be compensated and credited for the use of their ideas pursuant to an implied understanding commensurate with what is customary in the entertainment industry.

A breach of a promise in the context of implied contract would appear to be virtually identical to breach of written contract cases in which the defendant has failed to pay contractual royalties.⁵³ Granting a license in return for royalties and credit replaces the right of the grantor to sue the licensee for copyright infringement.⁵⁴ An implied contract is exactly such a license, only one whose terms are implied by conduct. Parties are not seeking copyright remedies, such as injunctions, but contract remedies, such as the

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1. Prior to 1976, federal copyright law coexisted with state copyright law.
True.
False.
2. Copyright preemption is only an issue in state court.
True.
False.
3. Copyright preemption is only an issue in federal court.
True.
False.
4. A state law cause of action that concerns copyrightable subject matter is always preempted.
True.
False.
5. Claims for breach of contract generally survive copyright preemption defenses.
True.
False.
6. A claim for the breach of a promise to pay royalties is:
A. Always preempted because there is no extra element.
B. Never preempted because there is always an extra element.
C. Reviewed according to a fact-specific analysis.
D. No court has ruled on the preemption of this claim.



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3. True False
4. True False
5. True False
6. A B C D
7. A B C D
8. True False
9. True False
10. A B C D
11. True False
12. True False
13. True False
14. True False
15. True False
16. True False
17. A B C D
18. A B C D
19. A B C D
20. A B C

7. The California Court of Appeal has ruled that a breach of contract cause of action is:
 - A. Always preempted because there is no extra element.
 - B. Never preempted because there is always an extra element.
 - C. Reviewed according to a fact-specific analysis.
 - D. The California Court of Appeal has not ruled on the copyright preemption of claims for breach of contract.
8. Ideas are protected by Section 102(b) of the Copyright Act of 1976.
 - True.
 - False.
9. Implied contract claims may be preempted in the U.S. District Court for the Central District of California.
 - True.
 - False.
10. The Ninth Circuit has ruled that a breach of implied contract cause of action is
 - A. Always preempted because there is no extra element.
 - B. Never preempted because there is always an extra element.
 - C. Reviewed according to a fact-specific analysis.
 - D. The Ninth Circuit has not ruled on copyright preemption of claims for breach of implied contract.
11. Claims for fraud are never preempted by copyright law.
 - True.
 - False.
12. When the interference alleged in an interference claim only involves the reproduction or distribution of a copyrighted work, the interference claim will be preempted.
 - True.
 - False.
13. Interference claims are always preempted by copyright law.
 - True.
 - False.
14. Unjust enrichment claims regarding the copying of copyrighted material usually are preempted.
 - True.
 - False.
15. An unfair competition cause of action under the Lanham Act is susceptible to a copyright preemption defense.
 - True.
 - False.

16. Declaratory relief causes of action are never preempted by copyright law.
 - True.
 - False.
17. An artist sues a moving company that has stolen one of his paintings for conversion and fraud.
 - A. Both the fraud and conversion claims will be preempted.
 - B. The fraud claim will be preempted, but not the conversion claim.
 - C. The fraud claim will not be preempted, but the conversion claim will be.
 - D. Both the fraud and conversion claims will not be preempted.
18. An artist sues a moving company that is selling photocopies of the artist's paintings for conversion and fraud.
 - A. Both the fraud and conversion claims will be preempted.
 - B. The fraud claim will be preempted, but not the conversion claim.
 - C. The fraud claim will not be preempted, but the conversion claim will be.
 - D. Both the fraud and conversion claims will not be preempted.
19. A recent case involving the issue of copyright preemption, *Kabehie v. Zoland*, was decided by:
 - A. The California Court of Appeal.
 - B. The U.S. District Court for the Central District of California.
 - C. The Ninth Circuit.
 - D. The Fourth Circuit.
20. *United States ex. rel. Berge v. Board of Trustees of University of Alabama*, a preemption decision relied on by the Central District, was decided by:
 - A. The California Court of Appeal.
 - B. The Ninth Circuit.
 - C. The Fourth Circuit.

benefit of the bargain.

Central District courts that look for explicit promises to pay will of course be disappointed. If such a promise were explicit, the contract would not be implied from conduct but simply an oral agreement. As *Nimmer* states:

Occasionally...some courts will find that because the precise compensation to be paid...was not agreed upon, no implied contract will lie. There appears to be no reason why courts should not apply a standard of reasonableness...Indeed, were the courts to consistently require an agreed upon compensation...very few implied contract actions could succeed.⁵⁵

The reasoning of the Central District thus seems questionable.

While the Central District decisions claim to limit their holdings to the facts, one author has concluded that virtually every reported decision in California dealing with the protection of ideas on an implied contract theory would be preempted if the cases were decided today.⁵⁶ With the Ninth Circuit still silent on this issue, practitioners seeking to raise a claim of breach of implied contract might prefer to file their actions in state court or the Northern District of California. However, state court may prove insufficient if defendants successfully remove the case to a Central District federal court.⁵⁷

Because the Central District sits in the heart of the entertainment industry, these cases pose a danger for future plaintiffs and possibly provide an unfair advantage to more powerful studios and production companies. Moreover, they appear to bring state law—which has recognized implied contract claims for almost 50 years⁵⁸—into direct conflict with federal law.

OTHER CAUSES OF ACTION

Courts have applied the two-part preemption test in the context of other claims, and preemption is frequently the result. This is not so in fraud claims, which are never preempted by federal copyright law since fraud inherently involves the extra element of misrepresentation.⁵⁹ Consequently, the second part of the test for copyright preemption is not met. This is the law in the Ninth Circuit and California.⁶⁰ In *Kabehie*, for example, the court found that the fraud cause of action included “allegations that [the defendant] misrepresented its ownership of the rights to the music compositions and falsely promised to deliver master recordings.”⁶¹

However, claims of intentional interference with obligation of contract, intentional interference with economic relations, and negligent interference with prospective economic advantage involving copyrightable sub-

While the Central District decisions claim to limit their holdings to the facts, one author has concluded that virtually every reported decision in California dealing with the protection of ideas on an implied contract theory would be preempted if the cases were decided today.

ject matter are often found to be preempted by federal copyright law.⁶² When the claimed interference involves the reproduction or distribution of a copyrighted work, the interference claim is preempted.⁶³ However, in one case in which a defendant’s alleged interference caused the plaintiff to lose a pending deal, the interference claim survived.⁶⁴

Thus the exact identification of the interference becomes essential to determining whether the claim is preempted. As with breach of contract causes of action, the court looks at the wrongful act or the act of breach to determine whether the claim is preempted.⁶⁵ If the wrongful act constitutes a violation of one of the rights given to the owner of a copyright, such as reproduction or performance, the claim will be preempted. In *Kabehie*, for example, the court dismissed all three of the plaintiff’s interference claims because the interfering conduct was merely the reproduction of the music.⁶⁶ Courts in the Central District have reached the same conclusion.⁶⁷

Unfair competition causes of action are often found to be preempted.⁶⁸ This is, in part, based on considerations of policy. The Ninth Circuit has specifically stated that states might encroach on copyright rights through the guise of unfair competition.⁶⁹ Thus, several courts have emphasized that not only must the elements of an unfair competition claim be different from a copyright infringement cause of action—as they are likely to be in an unfair competition cause of action—but they must be qualitatively different.⁷⁰ A Central District court, for example, preempted

an unfair competition claim based on a song parody because the “essence” of the plaintiff’s complaint was the unauthorized reproduction of a copyrighted work.⁷¹

However, unfair competition claims based on a “passing off” theory—the practice of selling goods or services using a mark that is likely to cause confusion as to source, sponsorship, or approval of those goods or services—generally are found to be qualitatively different and thus not preempted by federal copyright law.⁷² Thus, litigants retain their federal unfair competition causes of action under the Lanham Act free of the preemption defense.⁷³

Most courts, including the Ninth Circuit, have concluded that the claim of unjust enrichment protects rights that are essentially equivalent to rights protected by the Copyright Act.⁷⁴ Accordingly, unjust enrichment claims involving the copying of copyrighted material usually are preempted.⁷⁵

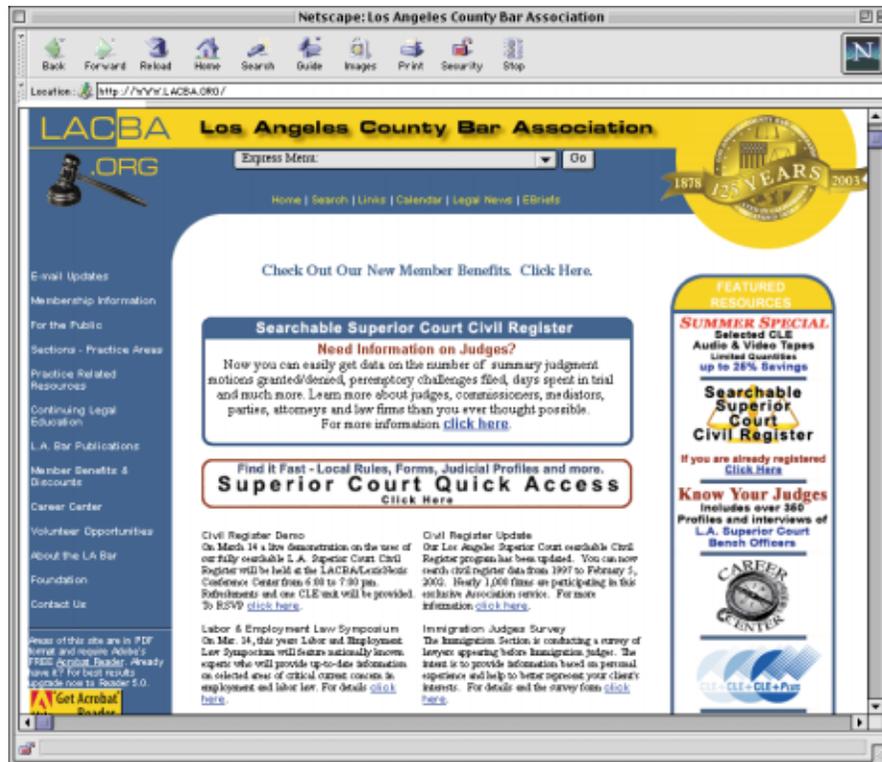
Conversion claims deal with tangible property. To the extent that a conversion claim alleges the misappropriation of only tangible property and not the underlying copyrighted work, it is not preempted.⁷⁶ Conversion of a copyrighted work clearly is copyright infringement and is therefore preempted.⁷⁷

Since the determination of the ownership of copyrights typically requires the application of state contract law, and a declaratory relief claim is not equivalent to the assertion of any exclusive right provided by the Copyright Act, declaratory relief causes of action are never preempted.⁷⁸

Copyright preemption requires the dis-

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missal of improper state law claims, whether they are brought in state or federal court. Thus, preemption trends have serious consequences in intellectual property litigation. The disconcerting line of cases in the Central District finding preemption of implied contract claims may have a drastic effect on the entertainment industry. Whether an implied contract cause of action still exists for any practical purpose remains uncertain under the current climate of copyright preemption.⁷⁹ Indeed, preemption in implied contract cases may leave plaintiffs without a remedy for misappropriation. Until further guidance is given

by the Ninth Circuit, copyright preemption poses a continuing and serious challenge to these claims. ■

¹ 17 U.S.C. §102(a).

² 1-1 NIMMER ON COPYRIGHT §1.01[B] (2002).

³ *Kabehie v. Zoland*, 102 Cal. App. 4th 513, 522 (2002).

⁴ H.R. REP. No. 94-1476, 94th Cong., 2d Sess., at 129.

⁵ 17 U.S.C. §301.

⁶ H.R. REP. No. 94-1476, 94th Cong., 2d Sess., at 132.

⁷ *Del Madera Props. v. Rhodes & Gardner, Inc.*, 820 F.2d 973, 976 (9th Cir. 1987); *Fleet v. CBS, Inc.*, 50 Cal. App. 4th 1911, 1918-19 (1996); *KNG Enters. v. Matthews*, 78 Cal. App. 4th 362, 369 (2000).

⁸ 17 U.S.C. §102(a).

⁹ 17 U.S.C. §102(b).

¹⁰ When an idea crosses the line into protected idea expression has generated a significant amount of case law. *See, e.g.*, 1-1 NIMMER ON COPYRIGHT §1.10 [B][2] (2002); 1-6 NIMMER ON COPYRIGHT §6.07 (2002) (“[I]f authors A and B work in collaboration, but A’s contribution is limited to plot ideas that standing alone would not be copyrightable, and B weaves the ideas into a completed literary expression, it would seem that A and B are joint authors of the resulting work.”).

¹¹ *Desny v. Wilder*, 46 Cal. 2d 715, 729 (1956); 1 WITKIN, SUMMARY OF CALIFORNIA LAW, *Contracts* §12. *See also* Pierce O’Donnell and William Lockard, *You Have No Idea*, LOS ANGELES LAWYER, Apr. 2000, at 32.

¹² *See, e.g.*, *Rokos v. Peck*, 182 Cal. App. 3d 604, 614-17 (1986).

¹³ 1-1 NIMMER ON COPYRIGHT §1.01[B][1] (2002).

¹⁴ *Id.*

¹⁵ *Balboa Ins. Co v. Trans Global Equities*, 218 Cal. App. 3d 1327, 1340 (1990).

¹⁶ *Kabehie v. Zoland*, 102 Cal. App. 4th 513 (2002).

¹⁷ *Del Madera Props. v. Rhodes & Gardner, Inc.*, 820 F.2d 973, 976 (9th Cir. 1987).

¹⁸ 1-1 NIMMER ON COPYRIGHT §1.01[B][1][a] (2002).

¹⁹ *See, e.g.*, *Graham v. James*, 144 F. 3d 229, 235-37 (2d Cir. 1998); *Effects Assocs., Inc. v. Cohen*, 908 F. 2d 555, 559 (9th Cir. 1990); *U.S. Naval Inst. v. Charter Communications*, 936 F. 2d 692, 695 (2d Cir. 1991).

²⁰ *See, e.g.*, *National Car Rental v. Computer Assocs.*, 991 F. 2d 426, 429-30 (8th Cir. 1993) (breach of promise not to use computer program to process third party’s data); *Lennon v. Seaman*, 63 F. Supp. 2d 428, 438 (S.D. N.Y. 1999) (right under employee confidentiality agreement to prevent disclosure of information); *Chesler/Perlmutter Prods. v. Fireworks Entm’t*, 177 F. Supp. 2d 1050, 1058 (C.D. Cal. 2001) (promises to pay specific amounts and hire particular employees); *Brignoli v. Balch Hardy and Scheinman, Inc.*, 645 F. Supp. 1201, 1205 (S.D. N.Y. 1986) (promise to pay).

²¹ *Kabehie*, 102 Cal. App. 4th 513, 528 (citing *American Movie Classics v. Turner Entm’t Co.*, 922 F. Supp. 926, 931-32 (S.D. N.Y. 1996) (exclusive exhibition rights violated)); *Berkla v. Corel Corp.*, 66 F. Supp. 2d 1129, 1150 (E.D. Cal. 1999) (release of protected images to the public); *Smith v. Weinstein*, 578 F. Supp. 1297, 1307 (E.D. Cal. 1999) (copying of plaintiff’s script); *Wolff v. Institute of Elec. & Elecs. Eng’rs, Inc.*, 768 F. Supp. 66, 69 (S.D. N.Y. 1991) (violation of one-time use of photo on magazine cover).

²² *Kabehie*, 102 Cal. App. 4th at 528.

²³ *Id.* at 529.

²⁴ For example, the failure to pay royalties yields only a breach of contract action. *See, e.g.*, *Graham*, 144 F. 3d at 235-37; *Effects Assocs., Inc.*, 908 F. 2d at 559; *U.S. Naval Inst.*, 936 F. 2d at 695.

²⁵ *Kabehie*, 102 Cal. App. 4th at 529.

²⁶ *Taquino v. Teledyne Monarch Rubber*, 893 F. 2d 1488, 1501 (5th Cir. 1990); *Architectronics, Inc. v. Control Sys., Inc.*, 935 F. Supp. 425, 438-39 (S.D. N.Y. 1996).

²⁷ *Id.*

²⁸ *Chesler/Perlmutter Prods. v. Fireworks Entm’t*, 177 F. Supp. 2d 1050, 1058 (C.D. Cal. 2001).

²⁹ *Kabehie*, 102 Cal. App. 4th at 528.

³⁰ *Desny v. Wilder*, 46 Cal. 2d 715, 729 (1956); 1 WITKIN, SUMMARY OF CALIFORNIA LAW, *Contracts* §12.

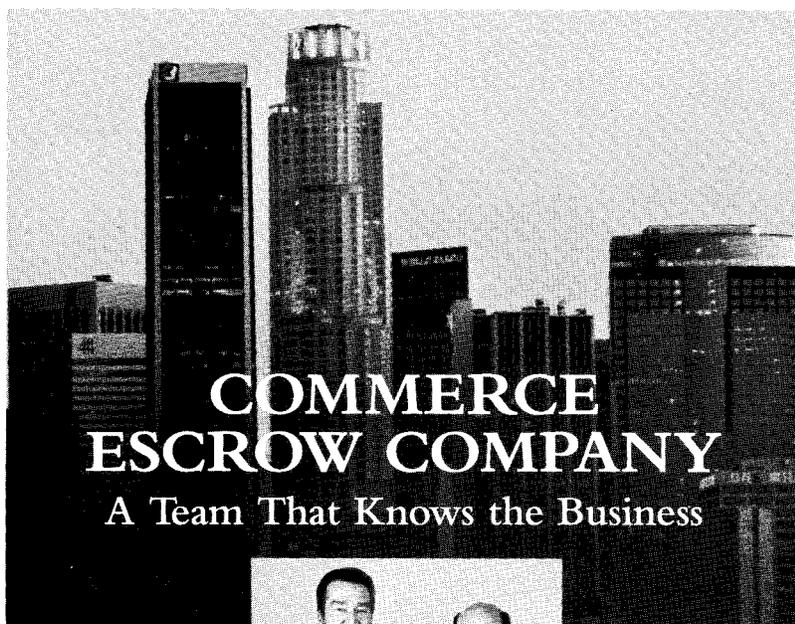
³¹ *Id.*

³² 17 U.S.C. §102(b).

³³ *Rokos v. Peck*, 182 Cal. App. 3d 604, 614-17 (1986).

³⁴ *See* *Worth v. Universal Pictures, Inc.*, 5 F. Supp. 2d 816 (C.D. Cal. 1997); *Endemol Entm’t B.V. v. Twentieth Television, Inc.*, 48 U.S.P.Q. 2d (BNA) 1524 (C.D. Cal. 1998); *Selby v. New Line Cinema Corp.*, 96 F. Supp. 2d 1053 (C.D. Cal. 2000).

³⁵ *See, e.g.*, *Metrano v. Fox Broad. Co., Inc.*, 2000 U.S. Dist. LEXIS 7662 (C.D. Cal. 2000) (preemption of



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implied contract claim for ideas that were embodied in a treatment given to defendants).

³⁶ Desny, 46 Cal. 2d at 729; 1 WITKIN, SUMMARY OF CALIFORNIA LAW, *Contracts* §12.

³⁷ United States ex rel. Berge v. Board of Trs. of Univ. of Ala., 104 F. 3d 1453, 1463 (4th Cir. 1997) (explained by Selby, 96 F. Supp. 2d at 1058); *see also* Endemol Entm't B.V., 48 U.S.P.Q. 2d (BNA) at 1526; Entous v. Viacom Int'l. Inc., 151 F. Supp. 2d 1150, 1159 (C.D. Cal. 2001); Firoozye v. Earthlink Network, 153 F. Supp. 2d 1115, 1125 (N.D. Cal. 2001); Idema v. Dreamworks, Inc., 162 F. Supp. 2d 1129, 1189 (C.D. Cal. 2001); Chesler/Perlmutter Prods. v. Fireworks Entm't, 177 F. Supp. 2d 1050, 1058 (C.D. Cal. 2001).

³⁸ Berge, 104 F. 3d 1453, 1463.

³⁹ *Id.*

⁴⁰ Wrench LLC v. Taco Bell Corp., 256 F. 3d 446, 456 (6th Cir. 2001) ("The extra element is the promise to pay."); Firoozye, 153 F. Supp. 2d at 1127; Acorn Structures, Inc. v. Swantz, 846 F. 2d 923 (4th Cir. 1988); Rokos v. Peck, 182 Cal. App. 3d 604, 614 (1986).

⁴¹ *Id.*

⁴² Kabehie v. Zoland, 102 Cal. App. 4th 513, 528 n.9 (2002).

⁴³ Firoozye, 153 F. Supp. 2d at 1127.

⁴⁴ Worth v. Universal Pictures, Inc., 5 F. Supp. 2d 816, 820 (C.D. Cal. 1997).

⁴⁵ *Id.* at 822 (citing 1-1 NIMMER ON COPYRIGHT §1.01[B][1][g] (1997)).

⁴⁶ Endemol Entm't B.V. v. Twentieth Television, Inc., 48 U.S.P.Q. 2d (BNA) 1524 (C.D. Cal. 1998).

⁴⁷ Selby v. New Line Cinema Corp., 96 F. Supp. 2d 1053 (C.D. Cal. 2000).

⁴⁸ 4-16 NIMMER ON COPYRIGHT §16.03 (2002) (quoting Weitzenkorn v. Lesser, 40 Cal. 2d 778, 794 (1953) (quoting RESTATEMENT OF CONTRACTS §5, cmt. a)).

⁴⁹ Selby, 96 F. Supp. 2d at 1061-62.

⁵⁰ *Id.* at 1059 n.4 (citing Wrench LLC v. Taco Bell Corp., 51 F. Supp. 2d 840 (W.D. Mich. 1999), *subsequently reversed by* Wrench LLC v. Taco Bell Corp., 256 F. 3d 446 (6th Cir. 2001)).

⁵¹ Wrench LLC, 256 F. 3d at 458.

⁵² *Id.* at 459.

⁵³ Graham v. James, 144 F. 3d 229, 235-37 (2d Cir. 1998); Effects Assocs., Inc. v. Cohen, 908 F. 2d 555, 559 (9th Cir. 1990); U.S. Naval Inst. v. Charter Communications, 936 F. 2d 692, 695 (2d Cir. 1991).

⁵⁴ *Id.*

⁵⁵ 4-16 NIMMER ON COPYRIGHT §16.05[E] (2002).

⁵⁶ Glen L. Kulik, *Copyright Preemption: Is This the End of Desny v. Wilder*, 21 LOY. L.A. ENT. L. REV. 1 (2000).

⁵⁷ *See, e.g.*, Chesler/Perlmutter Prods. v. Fireworks Entm't, 177 F. Supp. 2d 1050 (C.D. Cal. 2001). Other Central District courts may not follow this trend, however.

⁵⁸ Desny v. Wilder, 46 Cal. 2d 715, 729 (1956).

⁵⁹ Valente-Kritzer Video v. Pinckney, 881 F. 2d 772, 776 (9th Cir. 1989); Gladstone v. Hillel, 203 Cal. App. 3d 977, 987 (1988).

⁶⁰ *Id.*

⁶¹ Kabehie v. Zoland, 102 Cal. App. 4th 513, 530 (2002).

⁶² *See, e.g.*, Motown Record Corp. v. George A. Hormel & Co., 657 F. Supp. 1236, 1240 (C.D. Cal. 1987); Harper & Row Publishers, Inc. v. Nation Enters., 723 F. 2d 195 (2d Cir. 1983), *rev'd on other grounds*, 471 U.S. 539 (1985); Chesler/Perlmutter Prods., Inc., 177 F. Supp. 2d at 1050.

⁶³ *Id.*

⁶⁴ PMC, Inc. v. Saban Entm't, Inc., 45 Cal. App. 4th 579, 594 n.8 (1996) (dismissed on other grounds).

⁶⁵ *See, e.g.*, Chesler/Perlmutter Prods., Inc., 177 F. Supp. 2d at 1050.

⁶⁶ Kabehie, 102 Cal. App. 4th at 530.

⁶⁷ Chesler/Perlmutter Prods., Inc., 177 F. Supp. 2d at 1050.

⁶⁸ Del Madera Props. v. Rhodes & Gardner, Inc., 820 F. 2d 973, 977 (9th Cir. 1987); Fisher v. Dees, 794 F. 2d 432 (9th Cir. 1986); Motown Record Corp., 657 F. Supp. at 1240.

⁶⁹ Fisher, 794 F. 2d at 440.

⁷⁰ Motown Record Corp., 657 F. Supp. at 1240 (citing Mayer v. Josiah Wedgewood & Sons Ltd., 601 F. Supp. 1523 (S.D. N.Y. 1985)).

⁷¹ *Id.*

⁷² Video Pipeline, Inc. v. Buena Vista Home Entm't, Inc., 210 F. Supp. 2d 552, 565 (D. N.J. 2002) (citing Wilson v. Mr. Tee's, 855 F. Supp. 679, 684 (D. N.J. 1994)) (passing off claim not preempted by federal copyright law); Warner Bros., Inc. v. American Broad. Cos., Inc., 720 F. 2d 231, 247 (2d Cir. 1983); Orth-O-Vision v. Home Box Office, 474 F. Supp. 672, 684 n.12 (S.D. N.Y. 1979) ("Because the element of deception inherent in 'palming off' is not an element of copyright infringement claim, the 'passing off' cause of action is not preempted by federal law.").

⁷³ *See* Motown Record Corp., 657 F. Supp. at 1241.

⁷⁴ Del Madera Props. v. Rhodes & Gardner, Inc., 820 F. 2d 973, 977 (9th Cir. 1987).

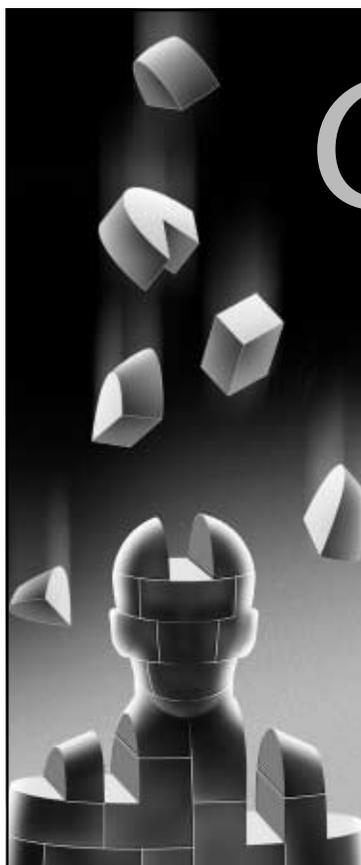
⁷⁵ *Id.*

⁷⁶ Video Pipeline, Inc., 210 F. Supp. 2d at 568-69 (citing 1 NIMMER ON COPYRIGHT §1.01[B][1][i] (2001)); Lennon v. Seaman, 63 F. Supp. 2d 428, 436 (S.D. N.Y. 1999); Ronald Litoff, Ltd. v. American Express Co., 621 F. Supp. 981, 986 (S.D. N.Y. 1985).

⁷⁷ United States ex rel. Berge v. Board of Trs. of Univ. of Ala., 104 F. 3d 1453, 1465 (4th Cir. 1997).

⁷⁸ T. B. Harms v. Eliscu, 339 F. 2d 823, 827 (1964).

⁷⁹ *See* Kulik, *supra* note 56.



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