THE NINTH CIRCUIT'S COPYRIGHT CRISIS OF 2020

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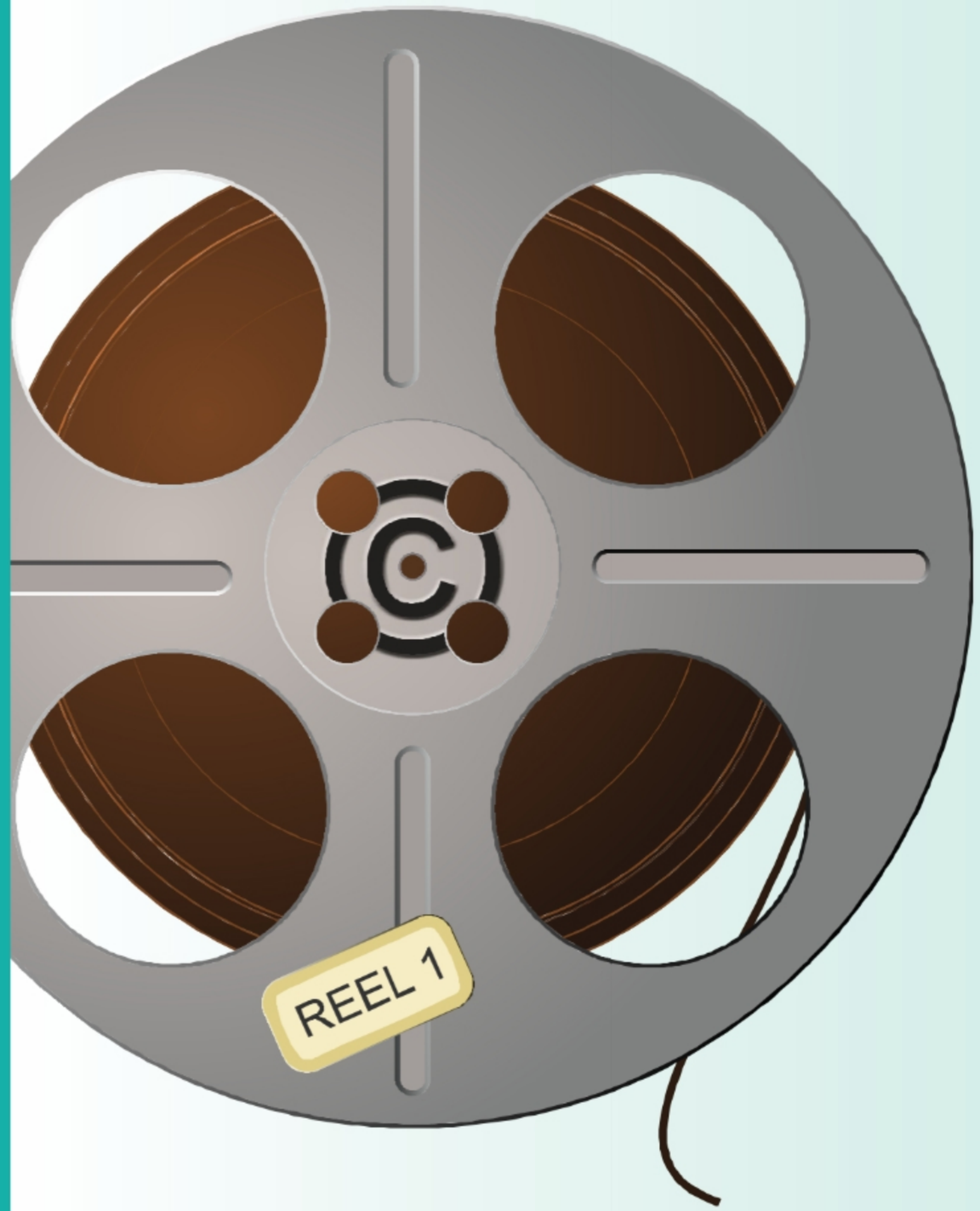

There may not have been blockbuster Hollywood movies in the summer of 2020 due to COVID-19, but there were four blockbuster Hollywood copyright decisions, demonstrating disarray among different Ninth Circuit judges on how to adjudicate claims of substantial similarity in Hollywood copyright infringement cases and whether they deserve discovery or, instead, can be resolved by judges calling the ball at Rule 12.

Arriving at a Problem in 2020

Since the 1976 Copyright Act's enactment, the Ninth Circuit has asked the same basic legal question for assessing copyright infringement: comparing two works' articulable, objective similarities between the plot, themes, dialogue, mood, setting, pace, characters, and sequence of events, focusing only on protectable elements. *Kouf v. Walt Disney Pictures & Television*, 16 F.3d 1042, 1045 (9th Cir. 1994). Before this comparison, the court filters out the unprotectable elements of the plaintiff's work—primarily ideas and concepts, material in the public domain, and scènes à faire (stock or standard features commonly associated with the treatment of a given subject), and the remaining protectable elements are then compared to corresponding elements of the defendant's work to assess similarities in the objective details of the works. *Rentmeester v. Nike, Inc.*, 883 F.3d 1111, 1118 (9th Cir. 2018).

> *Rentmeester* . . . immediately raised the question of Rule 12 dismissals of literary works, and this has quickly divided the district courts and several separate Ninth Circuit panels.

In the last four decades, the Ninth Circuit in this field of literary works—scripts, movies, treatments, episodic television, Hollywood works basically—has issued seven published opinions employing the substantial similarity test. All cases were at the summary judgment stage; none were dismissed at the Rule 12 stage. Three were sent to a jury and four allowed defense summary judgments. *Compare Twentieth Century-Fox Film Corp. v. MCA, Inc.*, 715 F.2d 1327 (9th Cir. 1983) (*Battlestar Galactica* infringes *Star Wars*; contrary defense summary judgment reversed and remanded for jury trial); *Shaw v. Lindheim*, 919 F.2d 1353 (9th Cir. 1990) (whether television show infringed script required a jury); *Metcalf v. Bochco*, 294 F.3d 1069, 1073-74 (9th Cir. 2002) (whether television's *City of Angels* infringed screenplay sent to jury); *with Berkic v. Crichton*, 761 F.2d 1289, 1294 (9th Cir. 1985) (movie *Coma* did not infringe book; defense summary judgment; noting, *"In Hollywood, as in the life of men generally, there is only rarely anything new under the sun."*) (emphasis added); *Kouf v. Walt Disney*, 16 F.3d 1042, 1045-46 (9th Cir. 1994) (defense summary judgment on screenplay's charge against *Honey I Shrunk the Kids*); *Funky Films v. Time Warner*, 462 F.3d 1072, 1077-79 (9th Cir. 2006) (screenplay *The Funk Parlor* did not infringe *Six Feet Under*); *Benay v. Warner Bros.*, 607 F.3d 620 (9th Cir. 2010) (*The Last Samurai* did not infringe screenplay).

Forty-Year Stasis

While the seven cases went either way at summary judgment, all recognized the matter as ripe at summary judgment at the earliest. This is not to say that there were never Rule 12 adjudications of literary works: there were, and those were sometimes appealed to the Ninth Circuit with varying rulings, all however unpublished. But a published Ninth Circuit no substantial similarity Rule 12 adjudication was a black swan. Indeed, for many decades, the last time the Ninth Circuit published a Rule 12 dismissal was in the closing days of World War II, comparing two functional two-dimensional maps. *Christianson v. West Pub. Co.*, 149 F.2d 202 (9th Cir. 1945). Until 2018.

Air Jordan Swoops In

In *Rentmeester*, a divided Ninth Circuit panel confronted a Rule 12 dismissal in the photography space. 883 F.3d 1111. It involved a famous photograph taken in 1984 for *Life*

Magazine of Michael Jordan flying through the air in a near ballet pose dunking the ball, and a similar photo that Nike commissioned of Michael Jordan doing a similar pose. *Id.* at 1114. The claim was dismissed at the Rule 12 stage based upon the district judge's visual comparison. *Id.* at 1125.

On appeal, Judges Berzon and Watford, on only a visual viewing of the photographs, held that, "Just as Rentmeester made a series of creative choices in the selection and arrangement of the elements in his photograph, so too Nike's photographer made his own distinct choices in that regard. Those choices produced an image that differs from Rentmeester's photo in more than just minor details." *Id.* at 1121. The court found that, despite the similarities (the unusual outdoor setting to the photo, the use of only three elements, the same angle and styling of the photo), the implementation differed. *Id.* at 1122.

Judge Owens dissented, highlighting the now-breaking division about the judge's role in calling these questions at Rule 12: "[W]e should not say that, as a matter of law, the Nike photo could never be substantially similar to the *Rentmeester* photo. This is an inherently factual question which is often reserved for the jury, and rarely for a court to decide at the motion to dismiss stage." *Id.* at 1127. Specifically, "in addition to the similarity of both photos capturing Michael Jordan doing a grand-jeté pose while holding a basketball, both photos are taken from a similar angle, have a silhouette aspect of Jordan against a contrasting solid background, and contain an outdoor setting with no indication of basketball apart from an isolated hoop and backboard." *Id.* at 1127-28. Thus, he noted that identifying differences in a vacuum is easy, but similarities must be fully assessed on a full record. His root complaint, then, was that the majority "substituted its own judgment—with no factual record development by the parties—as to why the photos are not substantially similar." *Id.* at 1128.

Rentmeester was a massive milestone in copyright jurisprudence—the first precedential case since 1945 to sanction such an approach—and its division garnered much attention. *Rentmeester* was the proverbial Pandora's Box. Now opened, it immediately raised the question of Rule 12 dismissals of literary works, and this has quickly divided the district courts and several separate Ninth Circuit panels.

From Nike to Hollywood

The first literary works Rule 12 dismissal that the Ninth Circuit adjudicated post-*Rentmeester* was *Astor-White v. Strong*, 733 F. App'x 407 (9th Cir. 2018) (*Astor-White I*). There, the issue involved plaintiff's treatment for television called *King Solomon* and defendants' *Empire*. At the Rule 12 stage, the court found the themes and characters too different or undeveloped, and dismissed. *Astor-White v. Strong*, 2016 WL 1254221 (C.D. Cal. Mar. 28, 2016).

On appeal, the court reversed in an unpublished ruling but did not answer the Rule 12-56 question. Remarkably, though, despite addressing that question as the central one at oral argument, the three-judge panel wrote three different opinions. The majority held that plaintiff should be allowed to re-plead a case identifying similarities in more detail and noting that the existence of a now-full television series should not allow the obviously significant number of differences that had emerged to control the similarity inquiry. 733 F. App'x at 408 ("Even if a copied portion [of a work] be relatively small in proportion to the entire work, if qualitatively important, the finder of fact may properly find substantial similarity.").

Judge Wardlaw concurred and wrote on the intersection of race and copyright and the vacuum in which trial courts can operate if they decide these cases too soon. Judge Wardlaw began by noting that "[n]ot many laypersons, much less judges, are trained in the process of developing a short treatment into a fully developed television show. What the district court did here illustrates that comparing a treatment to a completed work requires specialized knowledge of how treatments are developed into completed television shows." *Id.* at 409.

As to the race dimension, Judge Wardlaw expressly noted the revolutionary nature of Astor-White's treatment at the time it was written:

> While diversity in television still has a long way to go, a lot has changed on primetime television in the eleven years since Astor-White wrote the treatment for *King Solomon*. In the decades prior, black families were mostly represented, if at all, on sitcoms. Only six years ago, in 2012, did Kerry Washington debut as Olivia Pope in Scandal on the ABC network as the first black female lead in almost forty years. The rise of TV shows featuring complex, black lead characters is recent, and Astor-White created *King Solomon* on the revolution's precipice. Both *King Solomon* and *Empire* are about a black record business mogul with complex family dynamics and who competes with a rival record company owned by a white man involved in organized crime. *Empire* premiered in 2015 and is credited "as one of the clear and first runaway hits for representation of black people" and "represent[s] a dynamic, that for the most part, has not been seen."

Id. Judge Nguyen dissented, concluding a Rule 12 dismissal was appropriate. *Id.* at 410. Thus, *Astor-White I* with its three different opinions stood at the precipice of what was about to become a landslide of Hollywood Rule 12 cases.

The Blockbuster Summer of 2020

Four Hollywood literary works cases all came down within weeks in the summer of 2020, providing at least a lawyer's version of a blockbuster movie experience in the midst of the national cinema shutdown. All involved Rule 12 dismissals. All involved panels discussing the Rule 12-56 issue and what precedential rule should exist. All were unpublished. And all were divided.

The first is *Zindel v. Fox Searchlight Pictures, Inc.*, 815 F. App'x 158 (9th Cir. 2020), decided in June. There, the heirs to the author of the play *Let Me Hear You Whisper* (Play) sued Fox over the film *The Shape of Water* (Film). The complaint alleged that the Play and Film both tell a similar story sequence of a lonely cleaning woman working at a laboratory that performs animal experiments for military purposes during the height of the Cold War. The complaint lists sixty-one points of alleged similarity. The case was dismissed at the Rule 12 stage. *Zindel v. Fox Searchlight Pictures, Inc.*, 2018 WL 3601842 (C.D. Cal. July 23, 2018).

On appeal, at oral argument, Judge Wardlaw (reprising her role) discussed the propriety of a judge making a "substantial similarity" decision at Rule 12. "It's only recently that we have this situation with district court judges sitting in their chambers with no expertise or knowledge of the film industry whatsoever deciding things on a 12(b)(6) motion." As Judge Wardlaw acknowledged there must be some frivolous cases that can be dismissed at the Rule 12 stage, she noted the Rule 12 dismissals are, "troubling me but I don't know what rule is the right rule to have . . . I do not want to encourage district court judges to do this . . . ." Oral Argument of Judge Wardlaw at 12-14:00, *Zindel v. Fox Searchlight Pictures, Inc.*, 815 F. App'x 158 (9th Cir. 2020) (No. 18-56087), https://www.youtube.com/watch?v=Z6gs7xhvwOA.

The Panel reversed: "Though both works properly were presented to the district court, additional evidence, including expert testimony, would aid in the objective literary analysis needed to determine the extent and qualitative importance of the similarities that Zindel identified in the works' expressive elements, particularly the plausibly alleged shared plot sequence." *Zindel*, 815 F. App'x at 160. The court also suggested that experts would be needed to determine whether the alleged similarities were composed of unprotectable literary tropes or scènes à faire. *Id.*

Alfred v. Walt Disney Co., 821 F. App'x. 727 (9th Cir. 2020), arrived the following month, and there plaintiffs claimed that Disney's *Pirates of the Caribbean* film franchise infringed their screenplay for a movie based on Disneyland's Pirates of the Caribbean ride where each involved supernaturally cursed pirates, flying pirate ships, a lead pirate who is

funny with a "heart of gold" and not feared, an antagonist in a black outfit with a goatee and twisting mustache, and adventures that are set to a ten-year plot device. The district court dismissed. *Alfred v Walt Disney Co.*, 388 F. Supp. 3d 1174, 1183-85 (C.D. Cal. 2019).

As in *Zindel*, this Panel held that it was too early to determine whether the so-called "unprotected generic pirate-movie tropes" were unprotectable. Questions of substantial similarity would be assisted by "additional evidence" and "expert testimony." 821 F. App'x at 729.

The next two cases went the other way and affirmed a Rule 12 dismissal. The first, *Masterson v. Walt Disney Co.*, 821 F. App'x 779 (9th Cir. 2020), involved a plaintiff who claimed *Inside Out* infringed her copyrights in a poetry book and a movie script, both of which, like defendants' film, featured depictions of childhood emotions. The district court compared the works and dismissed. *Masterson v. Walt Disney Co.*, 2019 WL 2879877 (C.D. Cal. May 8, 2019).

The Panel affirmed, holding that the lower court could instead rely on its "judicial experience and common sense." 821 F. App'x at 781. This is a significant statement defining the now-emerging fault line.

As Hollywood movies require sequels, so do some cases, which brings us back to *Astor-White*. In *Astor-White v. Strong*, 817 F. App'x 502 (9th Cir., 2020) (*Astor-White II*), decided in August, the plaintiff on remand from *Astor-White I* filed an amended complaint and the district court again dismissed it at Rule 12. On appeal again, now the case went to a new panel. And this time the court affirmed the dismissal, holding that the works did not share similarities in protectable expression, as opposed to unprotectable "ideas and concepts, material in the public domain, and scènes à faire." 817 F. App'x at 504.

Judge Wardlaw's original race-oriented concurrence, painting the backdrop to what is stock or scènes à faire in this context was neither cited nor mentioned by the second Panel.

Thus, the Ninth Circuit has issued multiple different decisions, some allowing a case to advance past Rule 12, some denying, and one arguably both allowing and denying Rule 12 as the decisional point in the very same case (*Astor-White I* and *II*). Yet in none of the cases, despite grappling and debating with the clear problem, has the court issued a published decision that provides a clear rule of law.

The Hollywood Fault Line

Justice Holmes wrote:

> It would be a dangerous undertaking for persons trained only to the law to constitute themselves final judges of the worth of pictorial illustrations, outside of the narrowest and most obvious limits. At one extreme, some works of genius would be sure to miss appreciation . . . At the other end, copyright would be denied to pictures which appealed to a public less educated than the judge.

Bleistein v. Donaldson Lithographing Co., 188 U.S. 239, 251 (1903).

This fault line is whether, on the one hand, a court can simply call the ball within its realm of common sense and experience as a judge and consumer of literary works (movies, photos, or books), or, on the other, whether a court is exercising too much hubris and too little respect for the complexity of the art form by making determinations on pleadings. For example, in *Zindel* Judge Wardlaw raised concerns about whether a judge in chambers has the depth of experience to make the complex determinations, noting "[i]t's only recently that we have this situation with district court judges sitting in their chambers with no expertise or knowledge of the film industry whatsoever deciding things on a 12(b)(6) motion." But in *Masterson* a different panel of Ninth Circuit judges held the opposite, finding that the court's "judicial experience and common sense" can justify those Rule 12 conclusions. These two viewpoints define the Hollywood Fault Line.

We submit that the Ninth Circuit should hold the procedural line that existed for the last seventy-five years: Rule 12 is a black swan event for these types of cases, so the general rule should be that no case is appropriate at Rule 12 barring truly exceptional circumstances. None of this year's four cases would meet that standard. The reason Rule 12 is not appropriate for these types of cases picks up on Judge Owen's *Rentmeester* dissent and Judge Wardlaw's comments in *Zindel*: the matter is too complex for a judge to just decide at Rule 12, as if they are fluent in the underlying art form and capable of deciding what is original expression, what is stock, what is a general element from the backdrop of the literary field, all when comparing creative works across different media (*i.e.*, script:tv; screenplay:movie). The Wardlaw-Owens approach tangents the *Bleistein* foundational precept of copyright law also, for it hews to the idea that courts should carefully avoid deciding what is creative: what is art and what is not.

Indeed, patents, similar to copyrights, "promote the progress of science and useful arts." U.S. Const. art. I, § 8, cl. 8. We take the perspective of a hypothetical "person having ordinary skill in the art" ("PHOSITA") when determining whether an invention is patentworthy. 35 U.S.C § 103. The term PHOSITA says it all. What may be obvious to one skilled in the art may not be obvious to one skilled in the law. An admonition to consider substantial similarity from the perspective of a legal fiction with knowledge, training, and experience in the underlying art, rather than mere reliance on judicial experience and common sense, could help ensure creative fidelity and safeguard against bungling copyright cases.

In photography, for example, we are all now creators with our smart phones. So, it would be easy to conclude that we can make artistic determinations about what is protectible and what is standard to a photo by virtue of our lay fluency in using the technology. But, as Judge Owens noted in *Rentmeester* in dissent, the court, by deciding the matter at Rule 12, essentially substituted its judgment on creativity for that of the plaintiff-artist. That proves the very point: the art form is complex and just because we are all certainly consumers and users of cameras and photos does not mean we can innately just make determinations at Rule 12 about which aspects of photography are stock and which are expression worthy of protection. People earn advanced degrees in photography and camera techniques for a reason—it is a complex, nuanced artform and not something that can so readily be defined by non-experts in the categorization of what is generic, stock, or scènes à faire to photography.

And this complexity multiplies in all dimensions for complex literary works that are more conceptual in nature and that also involve medium shifts from the plaintiff's literary work (say a script) to defendants' alleged infringing work (say a movie or episodic TV), and so are not even limited to visual comparisons of two-dimensional works and involve necessary differences that exist due to the new medium. How, in reality, is a judge, by virtue of being a presumed consumer of television, movies, and literary works, able to know at Rule 12 that particular matter is part of the general trope or stock to the space or not? If, as *Masterson* said it can be based on common sense and a judge's experience, then every case is the subject of any judge's random consumption of the material of society.

Allowing discovery and experts respects the *Bleistein* line and insures we hew closely to the idea that it is indeed "a dangerous undertaking for persons trained only to the law to constitute themselves final judges of the worth of pictorial illustrations, outside of the narrowest and most obvious limits." 188 U.S. at 251. Those narrowest and most obvious limits are seen in the *Christensen* case from the 1940s, a two-dimensional map and functional reporting system that necessarily stands at the thinnest edge of copyright law; but the diverging views of jurists in the existing Rule 12 Hollywood cases, especially even six judges coming to different conclusions across the same case (*Astor-White*), only reinforces the point that the jurists dismissing cases at the pleading stage are no longer playing in the "narrowest and most obvious" sandbox.

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