Summary Judgement Practice in Intellectual Property Cases Part One: Copyright

Arthur Stanley Katz
SUMMARY JUDGMENT PRACTICE IN INTELLECTUAL PROPERTY CASES
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By
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The beginning of wisdom is: Get wisdom;
But with all thy getting, get understanding
Proverbs 4:7

I. INTRODUCTION

This article treats of temptation, of time and money lost, of time and money saved, of trials avoided and trials delayed, of remedies and of rights—and, most importantly of all, of equal justice under law. In short, this article deals with the use and misuse of the motion for summary judgment in copyright, patent, trademark and related unfair competition matters.**

These matters, often jointly subsumed under the rubric of "intellectual property", and so denominated here, encompass perhaps, the most evanescent and metaphysical areas of the law.1 Their underlying substantive principles are often esoteric, if not sui generis, when compared with those in other fields of civil law. Intellectual property cases are, nevertheless, generally litigated (whether in federal or state courts) under the same rules of practice and procedure which govern all other classes of civil cases. Accordingly, an understanding of the use and misuse of the motion for summary judgment in intellectual property

** This article will appear in two parts. Part One, which is here published, concerns itself with the general principles of summary judgment law and their application to copyright cases. Part Two, to be published in a later issue of this Journal, will apply these general summary judgment principles to patent, trademark and unfair competition cases.

1. "Patents and copyrights approach, nearer than any other class of cases belonging to forensic discussions, to what may be called the metaphysics of the law, where the distinctions are, or at the least may be, very subtle and refined, and, sometimes, almost evanescent." Folsom v. Marsh, 9 F. Cas. 342, 344, Fed. Case 4901, 2 Story 100 (C.C.D. Mass. 1841).
cases can best be accomplished by first examining the general principles controlling the granting or denial of summary judgment.

II. GENERAL PRINCIPLES CONCERNING SUMMARY JUDGMENT

A motion for summary judgment is a procedural device used for the purpose of obtaining a speedy disposition of a civil case by showing there are no material issues of fact to be tried, so that, as a matter of law, the complaint or the defense is without merit. So much for a succinct statement of the black letter law. The translation of this simple principle into practice is not without its perils, as the discussion below will demonstrate. Two statutes will be referred to in this article to illustrate the workings of a motion for summary judgment, namely, Rule 56 Federal Rules of Civil Procedure (hereinafter “Rule 56”), and § 437c California Code of Civil Procedure (hereinafter “§ 437c”).

Each is closely akin to the other, and each is substantially similar to


The statement set forth in the text refers to a "total summary judgment." Where the motion does not dispose of the entire case, but does establish that certain "material facts exist without substantial controversy . . ." as in FED. R. CIV. P. 56(c) or that certain "issues are without substantial controversy . . ." as in the CAL. CIV. PROC. CODE § 437c (West 1981) (see note 3 infra), or where "summary judgment, interlocutory in character, may be rendered on the issue of liability alone although there is a genuine issue as to the amount of damages," as in Rule 56(c), then such a disposition is referred to as "partial summary judgment."

3. The text of Rule 56 is set forth in Appendix A, with that of § 437c set forth in Appendix B.

4. Rule 56(c) provides for a summary judgment where there is a showing "that there is no genuine issue as to any material fact and that the moving party is entitled to a judgment as a matter of law." FED. R. CIV. P. 56(c). Section 437c provides for a summary judgment where there is a showing "that there is no triable issue as to any material fact and that the moving party is entitled to a judgment as a matter of law." CAL. CIV. PROC. CODE § 437c (West 1981). It is questioned whether there is any practical difference between a "genuine issue" and a "triable issue." An issue which is non-genuine, is, of necessity, non-relevant, and hence, inadmissible, and thus, non-triable. See, e.g., FED. R. EVID. 401, 402. See also FED. R. EVID. 403. These Rules are hereinafter referred to as "Rule — FRE."

There are, however, two areas in which § 437c and Rule 56 are dissimilar in matters of procedure.

Rule 56(a) states that the claimant party may "move with or without supporting affidavits for a summary judgment. . . ." Rule 56(b) states that the defending party may "move with or without supporting affidavits for a summary judgment. . . ." Rule 56(c) states that "[t]he adverse party . . . may serve opposing affidavits . . . ." Contrarily, § 437c declares that the motion shall be supported or opposed by affidavits (and other forms of evidentiary materials). Coyne v. Krémples, 36 Cal.2d 257, 262-263, 223 P.2d 17, 20 (1950) indicates that the allegations or denials in a verified pleading, unsupported by an affidavit, are insufficient to withstand a motion for summary judgment supported by affidavits. This is the same principle
summary judgment statutes in other United States jurisdictions, as well as in Canada and England.\textsuperscript{5}

The temptation to use a motion for summary judgment to dispose of a case speedily has an obvious attraction to lawyer, litigant and judge—particularly where the case is complicated, the estimated time long, the costs heavy, and the court's calendar crowded. This temptation is not a recent phenomenon. Its existence was duly noted some two decades ago by a California District Court of Appeal:

In these days of congestion of the courts, the granting of summary judgments, although a drastic procedure, should be encouraged, for, in a meritless action, such procedure saves the court and counsel a great deal of time and unnecessary work. . . .\textsuperscript{6}

This view, in common with all forms of temptation, has a certain facial appeal; after all, no less a judicial scholar than Judge Cardozo of

found in Rule 56(e). However, the law in California does not appear to have squarely answered the question whether a motion for summary judgment may be successfully argued or defended against in California where no affidavits are filed and, instead, only admissions, deposition testimony, or answers to interrogatories are used in the summary judgment proceedings.

Rule 56(e) requires that: "Supporting and opposing affidavits shall be made on personal knowledge, shall set forth such facts as would be admissible in evidence, and shall show affirmatively that the affiant is competent to testify to the matters stated therein." This means, of course, that only relevant evidence (see Rule 401 FRE) can be used to support or oppose a motion, and that the affiant or declarant must be qualified as a witness with personal knowledge. Fed. R. Evid. 602. Rule 56(c) permits the motion to be made or opposed by "the pleadings, depositions, answers to interrogatories, and admissions on file, together with the affidavits, if any . . ." (Incidentally, pursuant to 28 U.S.C. § 1746, (1976), the federal courts, in common with the courts of California, now accept declarations under penalty of perjury in lieu of affidavits).

Effective January 1, 1981 the second paragraph of § 437c was amended to read as follows: "The motion shall be supported or opposed by affidavits, declarations, admissions, answers to interrogatories, depositions and matters of which judicial notice shall or may be taken. Evidentiary objections, not raised here in writing or orally at the hearing, shall be deemed waived." (new matter is in italics). The third paragraph was amended by deleting the words "admissible" before the word "evidence" in determining what would be considered in ruling on the motion, and by adding "except that [evidence] to which objections have been made and sustained by the court . . ." (See Appendix B for the full text). It is questioned whether these amendments will make it easier to support or oppose a motion for summary judgment in California, in that the fourth paragraph of § 437c remains unchanged. That paragraph mirrors the requirements of Rule 56(e) that supporting and opposing affidavits or declarations shall set forth admissible evidence.


\textsuperscript{6} Martens v. Winder, 191 Cal. App. 2d 143, 149, 12 Cal. Rptr. 413, 416 (1961).
the New York Court of Appeals (later a Justice of the United States Supreme Court) had noted in *Richard v. Crédit Suisse*:

The very object of a motion for summary judgment is to separate what is formal or pretended in denial or averment from what is genuine and substantial, so that only the latter may subject a suitor to the burden of a trial.  

Clearly, a motion for summary judgment is an attractive procedural device. In one fell swipe of the judicial axe a case is lopped, in whole or in part, from a crowded docket. A space is cleared in the thicket of litigation, a glint of sunlight flashes through the cloistered confines of the court, and the hearts of jurist, clerk, bailiff, and successful litigant and lawyer are gladdened.

This salutary result presupposes that the motion was properly used, that the action summarily disposed of, was, indeed, without merit, that pleadings fair in form were false in fact, that issues real were really issues feigned.

But what of the case where the substantive issues are many, where doubts as to the facts are grave, and where the trial court fails to heed the teachings of the United States Supreme Court in *Associated Press v. United States*, to use caution in invoking Rule 56? The motion is misused. The judgment is appealed. The decision is reversed. The case remanded and often retried. The end result is to clog still further, to the detriment of all concerned, the crammed channels of justice. This same caution would apply equally to California's § 437c and the summary judgment statutes of other jurisdictions as a policy statement of the United States Supreme Court.

The Ninth Circuit Court of Appeals pinpointed the problems arising from the misuse of the motion for summary judgment when, in *Cox v. American Fidelity & Casualty Co.*, it quoted with approval the statement of Judge Jerome Frank of the Second Circuit, who, in admonishing a trial judge, declared:

We take this occasion to suggest that trial judges should exercise great care in granting motions for summary judgment. A litigant has a right to a trial where there is the slightest doubt as to the facts, and a denial of that right is reviewable; but refusal to grant a summary judgment is not reviewable. Such a judgment, wisely used, is a praiseworthy

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8. 326 U.S. 1, 6 (1944).
9. 249 F.2d 616, 618 (9th Cir. 1957).
time-saving device. But, although prompt dispatch of judicial business is a virtue, it is neither the sole nor the primary purpose for which courts have been established. Denial of a trial on disputed facts is worse than delay. [Citing authority]  

**The district courts would do well to note that time has often been lost by reversals of summary judgments improperly entered. [Citing authority].**

When, then, should a summary judgment be entered? The United States Supreme Court has set down the controlling principles in *Poller v. Columbia Broadcasting System Inc.*:

Summary judgment should be entered only when the pleadings, affidavits, and admissions filed in the case “show that there is no genuine issue as to any material fact and that the moving party is entitled to a judgment as a matter of law.” Rule 56(c), Fed. Rules Civ. Proc. This rule authorizes summary judgment “only where the moving party is entitled to judgment as a matter of law, where it is quite clear what the truth is, . . . [and where] no genuine issue remains for trial . . . [for] the purpose of the rule is not to cut litigants off from their right of trial by jury if they really have issues to try.” *Sartor v. Arkansas Natural Gas Corp.* 321 U.S. 620, 627, 88 L. Ed. 967, 64 S. Ct. 724 (1944). (emphasis supplied)

The Supreme Court was speaking of a “total summary judgment” in *Poller*. However, the same principles apply to a “partial summary judgment.”

In applying these principles the Ninth Circuit has enunciated certain controlling criteria for determining the propriety of a summary judgment, to wit:

To obtain a summary judgment, the movant must demonstrate the absence of any genuine issue of material fact,

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10. For three recent Ninth Circuit examples of time (and money) lost by reversals of summary judgments improperly entered, see *May v. Morganelli-Heumann & Assoc.* 618 F.2d 1363 (9th Cir. 1980); *Pfizer, Inc. v. International Rectifier Corp.* 538 F.2d 180 (9th Cir. 1976), cert. denied, 429 U.S. 1040 (1976); *Saxony Products, Inc. v. Guerlain, Inc.* 513 F.2d 716 (9th Cir. 1975).


12. *See* note 2 *supra*. *See also*, *Harms, Inc. v. F. W. Woolworth Co.* 163 F. Supp. 484 (S.D. Cal. 1958); *Harms, Inc. v. Tops Music Enterprises, Inc. of California* 160 F. Supp. 77 (S.D. Cal. 1958); *Herman Frankel Organization v. Tegman* 367 F. Supp. 1051 (E.D. Mich. 1973). In these cases an interlocutory summary judgment was rendered, pursuant to Rule 56(c), in favor of the claimant on the issue of liability, leaving only the issue of the amount of damages for trial.
and the evidence submitted to the court ‘must be viewed in the light most favorable to the opposing party.’ (Citing authority). Movant must show “his right to a judgment with such clarity as to leave no room for controversy and that the other party is not entitled to recover under any discernible circumstances.” (Citing authority). In determining whether a genuine issue of material fact exists, the court must give the nonmoving party the benefit of all reasonable factual inferences, (Citing authority) and must do so without assessing credibility. (Citing authority). Summary judgment is to be used not as a substitute for trial, but only when “it is quite clear what the truth is [and] that no genuine issue remains for trial.” (Citing authority).

When confronted with a motion for summary judgment, the trial judge must determine if there are any material factual issues that should be resolved before the trier of the fact. It is not the trial judge’s function, under Rule 56, to resolve those issues or to weigh the evidence. . . .

The presence of a single genuine issue as to a material fact precludes disposition of a case by summary judgment.

Summary judgment is notoriously inappropriate for determination of claims in which issues of intent, good faith and other subjective feelings play dominant roles. . . .

It is clear then, that the function of a motion for summary judgment under Rule 56 is issue finding and not issue determination. It is equally clear that this is the same function under § 437c and similar statutes in other states, as the Supreme Court of California has noted in *Walsh v. Walsh*:

[I]n passing upon a motion for summary judgment, the primary duty of the trial court is to decide whether there is an issue of fact to be tried. If it finds one, it is then powerless to proceed further, but must allow such issue to be tried by a

15. Cee-Bee Chemical Co., Inc. v. Delco Chemicals, Inc., 263 F.2d 150, 153 (9th Cir. 1959).
jury unless a jury trial is waived. By an unbroken line of decision in this state since the date of the original enactment of section 437c, the principle has become well established that issue finding rather than issue determination is the pivot upon which the summary judgment law turns. . . [citing authority] 17

III. THE USE AND MISUSE OF SUMMARY JUDGMENT PROCEDURES

A. In a Motion for Summary Judgment Issue Finding and Not Issue Determination is the Whole Story

Everything else is prologue, epilogue and footnotes. It follows, therefore, that it is the trial court's role on a motion for summary judgment solely to ascertain whether there is a genuine issue, or if you will, a triable issue as to any material fact. If the trial court so finds it must deny the motion. The court's role has then been fully performed. The case will now proceed to trial in the customary manner—and yet another piece of litigation will be added to the turgid stream of pending trials.

Perched just above flood stage the harried trial court dourly contemplates the deluge of trials awaiting its decision. All too often this sorry scene causes a trial court to succumb to the temptation to pad its part. The motion for summary judgment, that wonderful device for the speedy disposition of cases, is seized upon to remove at least one bit of legal flotsam bobbing before the red-rimmed eyes of the court. The trial court not only finds the genuine/triable issue of material fact—it also proceeds to resolve the issue by weighing the evidence. In short, the court tries the issue, and turns the summary judgment motion into a substitute for a full blown trial on the merits. This, of course, is reversible error 18—whether the trial denied was one to be heard by the court, or tried to a jury.

Now it must be emphasized that the trial court, in determining whether there is an issue of material fact to be tried, is not precluded

17. 18 Cal.2d 439, 441-42, 16 P.2d 62, 64 (1941).
from making findings on the evidence. But these findings must be restricted solely to a determination whether there is a genuine/triable issue as to any material fact. If the admissible evidence clearly shows that there is no genuine/triable issue as to any material fact, then the moving party (and any non-moving party who is a beneficiary of such motion) is entitled to a summary judgment as a matter of law.19

If, contrarily, the evidence demonstrates that there is even one material factual issue in conflict, then it is not the trial court's function on a motion for summary judgment to resolve such an issue or to weigh the evidence.20 Once such a factual conflict is found the trial court must deny the motion.21 Succinctly stated: unless the admissible evidence absolves all the material issues of fact as a matter of law, no summary judgment can be granted.22

B. Illustrations

1. General Hypothetical Case

Several examples should suffice to illustrate the problems which might arise in absolving material fact issues as a matter of law. A case not timely filed is barred by the applicable statute of limitations. This is a matter of law, pure and simple. Pure and simple? Well, pure perhaps, but not always simple. Assume a jurisdiction where the statute of limitations for the breach of a written contract is four years and that the plaintiff pleads a breach occurring six years before the action is filed. This would appear to be a classic case for granting a motion for summary judgment. And it often is. Absent any conflict as to the material facts the party raising the statute of limitations is entitled to a summary judgment as a matter of law.

Now the facts are altered. In opposing the motion for summary judgment, suppose that plaintiff admits there is no dispute on the applicability of the statute in question, on the time the breach took place, and when the case was filed. However, plaintiff alleges in a declaration that defendant is estopped to assert the bar of the statute of limitations23 in that three years before the case was filed the defendant told

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20. See cases at notes 14-15 supra.
21. See, e.g., Walsh v. Walsh, 18 Cal.2d 439, 441, 116 P.2d 62; 64 (1941).
22. Lane Bryant v. Maternity Lane, Ltd. of California, 173 F.2d 559, 565 (9th Cir. 1949). See also notes 40-42 infra.
23. See Carruth v. Fritch, 36 Cal.2d 426, 224 P.2d 702 (1950). The California Supreme Court cites numerous decisions from other states demonstrating those situations in which a defendant is estopped from asserting the statute of limitations as a defense to a suit not filed within the period of limitations.
plaintiff, "Look, I'm broke now. I know I breached the agreement—but if you wait three years I'll pay you 100 cents on the dollar. Trust me." Plaintiff further alleges in his declaration that in reliance upon this promise plaintiff waited the three years and sued only after defendant refused to pay upon demand.

Defendant admits, in a counter declaration, to the conversation, but states the parties talked only of the weather. Both parties file third party declarations backing up their respective positions. The trial court is inclined to believe defendant; indeed, he thinks plaintiff's position is incredible. What is the court to do? It can do only one thing correctly, and that is to deny the motion.

The genuine/triable issue of material fact is whether defendant had made the promise which plaintiff said he relied upon in delaying the filing of suit. Conflicting declarations, each containing admissible evidence, have been filed. As previously noted, the trial court is restricted to finding issues of fact; it cannot determine these issues. As taught by the Ninth Circuit in Pfizer, Inc. v. International Rectifier Corp., "In determining whether a genuine issue of material fact exists, the court must give the nonmoving party the benefit of all reasonable factual inferences and must do so without assessing credibility."

2. Use of Inferences

Rule 56 does not speak of inferences. However, judge-made law, as demonstrated by the Pfizer case, has engrafted inferences, and their treatment, onto the federal statute. Section 437c refers specifically to inferences and permits all inferences reasonably deducible from the evidence, to be considered in support of a motion for summary judgment, except that "summary judgment shall not be granted by the court based on inferences reasonably deducible from such evidence, if contradicted by other inferences or evidence, which raise a triable issue as to any material fact." It would appear that the use of inferences in summary

The basic principle upon which these cases rest is succinctly stated in Howard v. West Jersey & Southern Railroad Co., 102 N.J. Eq. 517 [141 A. 755], as follows: "One cannot justly or equitably lull his adversary into a false sense of security, and thereby cause his adversary to subject his claim to the bar of the statute of limitations, and then be permitted to plead the very delay caused by his course of conduct as a defense to the action when brought."

Id. at 433, 224 P.2d at 706.

24. See note 14 supra, and text accompanying notes 18-22 supra.

25. 538 F.2d 180, 184 (9th Cir. 1976), cert. denied, 429 U.S. 1040 (1976). See also note 13 supra.

judgment motions is identical under federal and California practice notwithstanding that the former was created by judicial fiat and the latter by legislative action.

Before leaving the matter of inferences it is important to note that:

A summary judgment may be improper even though the basic facts are undisputed if the parties disagree regarding the material factual inferences that properly may be drawn from these facts.\(^{27}\)

The application of this principle can be seen from the following fact-pattern: An architect is retained to design a structure. After the design development drawings are delivered to the client, but before the architect is fully paid for his services or given the opportunity to make the working drawings, he is discharged by the client. The drawings bear the architect's copyright notice. The contract between the architect and his client states that the drawings are to be returned to the architect at his request at the completion of the work. The architect makes no such request when discharged. Subsequently, the client employs another architect who uses the drawings of the discharged architect in building the client's structure. The discharged architect learns of this fact and sues the former client and other architect for copyright infringement.

As their defense the defendants allege that the ownership in the discharged architect's drawings was vested in the former client.\(^{28}\) They raise as an inference in their favor the fact that the discharged architect had not requested the return of his drawings after he was discharged—the inference being that the plaintiff did not do so because he recognized he had no ownership rights in the drawings.

Defendants move for summary judgment on the ground that the former client owned the drawings as a matter of law. In his opposing affidavit plaintiff makes clear that he was lulled into doing nothing about seeking the return of his drawings because he had no fear that his former client would use them since the client, at the time he discharged plaintiff, wrote plaintiff that the drawings were essentially non-usable and that he (the former client) would now have to start from scratch in

\(^{27}\) Winters \textit{v.} Highlands Ins. Co., 569 F.2d 297, 299 (5th Cir. 1978) (quoting \textit{Lighting Fixture and Electric Supply Company v. Continental Insurance Co.}, 420 F.2d 1211, 1213 (5th Cir. 1969)).

designing his structure. In short, plaintiff inferred that his former client would never use plaintiff's drawings, hence he did not seek their return.

The basic facts are undisputed: plaintiff never requested the defendant client to return the drawings after plaintiff was terminated—and the letter from the client roundly denigrated the plaintiff's work. But because the parties disagreed regarding the material factual inferences that might properly be drawn from the undisputed facts, the motion for summary judgment cannot be granted.

In sum, the office of a motion for summary judgment is issue finding and not issue determination, so that unless the admissible evidence absolves all the material issues of fact as a matter of law, no summary judgment can be granted.

3. Use of Oral Testimony

As noted earlier, a motion for summary judgment is a procedural device for the speedy disposition of a civil case by showing that as a matter of law there are no material fact issues to be tried. Because the motion is intended to be, as its name indicates, a summary proceeding in lawful avoidance of a full-blown trial, replete with its parade of witnesses giving oral testimony in response to lengthy, if not lively, direct examination and cross-examination, the motion is generally restricted to non-oral evidence, inclusive of the pleadings, depositions, admissions on file, answers to interrogatories, affidavits/declarations, and matters of which the court shall or may take judicial notice.

The court may also use stipulations and presumptions.

29. See discussion and cases at text accompanying notes 13-17 supra.
30. See discussion and cases at text accompanying notes 23-28 supra.
31. See note 2 supra.
32. See Rule 56(c) and second paragraph § 437c. See also 6 MOORE'S FEDERAL PRACTICE §§ 56.11, et seq. and specifically regarding judicial notice, see §§56.11(9) (2d ed. 1980).
33. Further, a summary judgment can be based upon the stipulation of the parties, provided the stipulation using admissible evidence, establishes, as a matter of law, that there are no genuine issues of material fact. Compare Demella v. Interstate Commerce Commission, 219 F.2d 619 (1st Cir. 1955), cert. denied, 350 U.S. 824 (1955); Commercial Credit Corp. v. California Shipbuilding Corp., 71 F. Supp. 936 (S.D. Cal. 1947); Blum v. Schuyler Packing Co., 508 F.2d 881 (8th Cir. 1974).
34. There are two classes of presumptions: conclusive and procedural. Neither is "evidence". In fact, the conclusive presumption is really a rule of substantive law couched in procedural form. It is not rebuttable. The procedural presumption is rebuttable. Conclusive and procedural presumptions can be used in motions for summary judgment to the same extent that they can be used at a formal trial.
Neither Rule 56(c) nor § 437c speaks of the use of oral testimony at a summary judgment hearing. California restricts the motion to the “papers submitted” (as noted in the third paragraph of § 437c). Rule 43(e) of the Federal Rules of Civil Procedure permits the use of oral testimony at summary judgment hearings. Accordingly, in federal practice the use of oral or non-oral testimony at such a hearing is wholly discretionary with the trial court.

As Professor Moore has noted, the use of oral testimony at a summary judgment hearing can be both beneficial and burdensome:

A few observations about the use of oral testimony may be useful. Since the witness is subject to cross-examination and his demeanor is observable by the court, oral testimony has certain advantages over affidavits and depositions. On the other hand, receiving evidence at the hearing, as distinguished from supporting affidavits or depositions normally required to be filed at least 10 days before, may not give the other party a fair opportunity to rebut; and this is particularly important in the case of the party opposing the motion for summary judgment.

Also the summary judgment procedure is apt to be wasteful and burdensome if the summary judgment hearing is a protracted hearing, in effect a trial, to determine that a trial

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those in which the rule of decision is determined by state law. Under the law of California, for example, “estoppel by contract” per § 622 CALIFORNIA EVIDENCE CODE, and “estoppel by statement or conduct” per § 623 CALIFORNIA EVIDENCE CODE, are substantive principles of law which create conclusive presumptions. With reference to the former, see Estate of Watkins, 16 Cal.2d 793, 108 P.2d 417 (1940) and Estate of Wilson, 64 Cal. App. 3d 786, 134 Cal. Rptr. 749 (1976); with reference to the latter, see Ham v. Grapeland Irrigation Dist., 172 Cal. 611, 158 P. 207 (1916). See also, 1 WEINSTEIN’S EVIDENCE ¶¶302[01]-302[03].

The application of Rule 302 FRE is important in a summary judgment proceeding where the federal court has jurisdiction by reason of diversity of citizenship, or where the claim or issue has its origin in state law, regardless of the basis of federal jurisdiction. See in this regard, Erie Railroad Co. v. Tompkins, 304 U.S. 64 (1938); Cities Service Oil Co. v. Dunlap, 308 U.S. 208 (1939); Dick v. New York Life Ins. Co., 359 U.S. 437 (1959). Thus, a federal court, in compliance with Rule 302 FRE would apply § 622 or § 623 to a diversity case concerning a non-federal contract issue where the contract was made in California, or performed (or breached) there, or where the contract itself stated that the law of California was to be applied in the case of a dispute, and, also where the federal court had original and exclusive jurisdiction under a federal statute, such as the Copyright Act (17 U.S.C. § 101, et seq. 1976) and where the suit is for infringement of copyright but the defense is based upon the interpretation of a contract.

35. Compare the following cases: McGuire v. Columbia Broadcasting System, Inc., 399 F.2d 902 (9th Cir. 1968); Burnham Chemical Co. v. Borax Consolidated, 170 F.2d 569 (9th Cir. 1948), cert. denied, 336 U.S. 924 (1949); Chan Wing Cheung v. Hamilton, 298 F.2d 459 (1st Cir. 1962).
must be held. . . . [citations omitted]

Whether permitted or not, it is submitted that it is better practice not to use oral testimony at a summary judgment hearing. To hold otherwise is to allow a highly disciplined summary proceeding to turn into a mini-trial, replete with all the opportunities for the court to commit reversible error by the denial of procedural due process or by the improper admission or exclusion of evidence. 37

Indeed, it is precisely because a motion for summary judgment is a summary proceeding—with the determination of whether there are any genuine/triable issues as to any material facts generally restricted to written forms of evidence—that the motion is made vulnerable to misuse. As will be seen from the discussion which follows, the vulnerability arises when the trial court fails to weight properly the trustworthiness of the various types of written evidence proffered, and when it violates the rules of evidence either by the admission of inadmissible evidence, or by the exclusion of admissible evidence.

Of all the forms of testimony available at the hearing of a motion for summary judgment the most trustworthy would, of course, be oral testimony. The deponent would be present in the courtroom, his demeanor in testifying would be observable by the court and he would, most importantly of all, be subject to cross-examination by opposing counsel and to inquiry by the court. A consummate cross-examiner, in concert with an alert court, can wrest the truth, more often than not, from even the most practiced purveyor of perjury. But should oral testimony not be permitted at a hearing for summary judgment motion—and as noted above, this is generally the case, either by practice or statute—which of the forms of written testimony are the most trustworthy?

4. Use of Written Testimony

Clearly, admissions are the most probative. If a party admits a material fact, either in a request for admissions, or in an admissible exchange of correspondence which preceded the litigation, or in an answer to an interrogatory, or in a deposition, taken in accordance with the applicable rules of procedure, such admissions establish that there can be no genuine/triable issue as to that material fact.

Affidavits/declarations are the least trustworthy of all the forms of written testimony used in summary judgment proceedings. They lack 36. 6 MOORE'S FEDERAL PRACTICE ¶56.11[8] (2d ed. 1980).
the spontaneity of response engendered by live confrontation and the cross-examination of opposing counsel. Human nature being what it is, the spontaneous response is more likely to reveal the truth than the considered, carefully structured statement often found in affidavits (and in guarded or ambiguous answers to interrogatories).

Despite its unilateral nature an affidavit can be extremely trustworthy if it is carefully confined to a recital of clear-cut material facts which are supported by admissible evidence, to wit:

1. Pursuant to Article 1 of the contract of X date (a photocopy of which is attached, marked "Exhibit 1," and incorporated by reference), plaintiff was required to pay defendant Y dollars, on or before Z date.

2. Affiant signed the contract upon plaintiff's behalf, in his capacity as Chief Executive Officer, and declares that the attached photocopy is a true copy of the original contract.

3. Plaintiff paid Y dollars to defendant prior to Z date, as evidenced by the attached photocopy of the cancelled check showing deposit and clearance of said check prior to Z date. (A photocopy of the cancelled check, marked "Exhibit 2" and incorporated by reference, is here attached.)

4. Affiant caused the cancelled check to be drawn on plaintiff's bank account, and declares that the attached photocopy is a true copy of the original cancelled check.

5. Pursuant to Article 2 of the contract, defendant agreed to deliver Q amounts of R items to the plaintiff within S days of clearance of plaintiff's check.

6. More than S days have passed since plaintiff's check cleared and defendant has failed to deliver any of the items it agreed to deliver.

Such an affidavit would be highly probative since it contains wholly admissible evidence, is totally devoid of argument, and includes facts showing that the affiant made the affidavit on personal knowledge and that he was competent to testify to the matters stated therein. 38

Deposition testimony is more trustworthy than that derived from affidavits/declarations in that the deponent has ostensibly been subject to cross-examination by counsel for all opposing parties. A deposition is trustworthy, i.e., probative, against a party only if it is admissible in

38. See Rule 56(e) and 437c (fourth paragraph). Paragraphs 1 and 5 of this affidavit are the beneficiaries of the conclusive presumption of estoppel by contract, see discussion in note 34 supra.
evidence against such a party. Thus, in a multi-party case the circumstances under which the deposition was taken may make it admissible in evidence against certain of the parties, and inadmissible against others. This important point is fully discussed below.

5. Use of Hearsay

Rule 801(c) FRE defines "Hearsay" as "a statement, other than one made by the declarant while testifying at the trial or hearing, offered in evidence to prove the truth of the matter asserted." Rule 802 FRE makes hearsay inadmissible except as provided by the Rules of Evidence or by other rules of the Supreme Court. Section 1200(a) of the California Evidence Code declares that "'Hearsay evidence' is evidence of a statement that was made other than by a witness while testifying at the hearing and that is offered to prove the truth of the matter stated." Section 1200(b) makes hearsay evidence inadmissible, except as provided by law.

Affidavits/Declarations and depositions are used in a summary judgment proceeding to prove the truth of the matter stated. They are, of course, hearsay. However, the Advisory Committee's Notes to Rule 802 FRE names such affidavits/declarations and depositions as exceptions to the Hearsay Rule. In California such materials are also exceptions to the Hearsay Rule. But here, again, the opportunity arises for misuse of the motion for summary judgment. A court commits reversible error when it fails to recognize that the hearsay exception applies solely to the affidavits/declarations and depositions as documents. The statements in these documents must be admissible in evidence in order to be used in supporting or opposing a motion for summary judgment.40

Admissions by a party, either in his individual or representative capacity, adoptive and authorized admissions, the admissions of a co-conspirator, declarations against interest, inconsistent statements, prior consistent statements, and past recollection recorded, are all examples of exceptions to the Hearsay Rule in both federal and California civil practice in accordance with the principles laid down in the respective evidence statutes.41

39. Rule 801(a) FRE states: "A 'statement' is (1) an oral or written assertion or (2) nonverbal conduct of a person, if it is intended by him as an assertion."


41. See Rules 801(d)(1)(2), 802, 803 and 804 FRE and Advisory Committee Notes with respect thereto, and §§ 1220-1227, 1230-1237 CALIFORNIA EVIDENCE CODE and Legislative Analysis with respect thereto.
It cannot be overemphasized that a court may not properly grant a summary judgment, or, indeed, deny one, on the basis of hearsay or other inadmissible evidence. Thus, it is not sufficient that a particular piece of proffered evidence falls within an exception to the Hearsay Rule. The proffered evidence must itself not be inadmissible hearsay or other inadmissible evidence. Several examples are posed to illustrate the operation of this vital principle, and the reversible error which results from its misuse.

Assume the following hypothetical case: An Air Force pilot bails out of his disabled craft. He lands unhurt in the ocean. An Air Force helicopter is sent to rescue him. The helicopter lowers a safety line. The pilot hooks onto the line, and when he is approximately 50 feet in the air the line parts and pilot and line fall into the sea. The fall severely injures the pilot. He sues the Air Force, the manufacturer of the line, and the manufacturer of the line's locking mechanism. The line itself is not recovered. The locking mechanism is examined by the Air Force during its investigation. The mechanism is purportedly photographed, in its assembled and disassembled forms and then for unknown reasons, the mechanism is lost.

The plaintiff takes discovery, by deposition, of the Air Force personnel who examined the mechanism. One deponent examines the photographs and states he took the photographs. He further states that he did not personally remove the mechanism from the helicopter, but was told it was the part involved in the lawsuit. Another Air Force deponent testifies he was an expert in handling such mechanisms as the one in question, that he had examined the mechanism which, he understood, was the one involved in the accident. He then identifies the photographs as being that of the subject mechanism—although he was not present when the photography was made. He testifies, pointing to one photograph, that in his opinion the accident resulted from a defective locking cylinder.

The defendant manufacturer of the locking mechanism did not manufacture the entire mechanism. In fact, it assembled the mechanism from parts made by its subcontractors. Two of these subcontractors could have made the locking cylinder which the Air Force deponent said was defective. Checking its records the defendant manufacturer infers from its bookkeeping data that Company X made the

43. See cases, statutes and discussion in notes 40-42 supra.
part. It so advises plaintiff. Plaintiff now sues Company X and the defendant manufacturer cross-complains against Company X. Company X seeks to depose the Air Force personnel who were deposed before it became a party. This is impossible since the deponents have been discharged and cannot be located.

The defendant manufacturer files a motion for summary judgment against Company X. It introduces the photographs and deposition testimony as evidence that there can be no triable issue as a matter of law of (1) the material facts that Company X made the locking cylinder, (2) that this cylinder was defective, and (3) that this defect caused the accident. Plaintiff joins in the motion for summary judgment. The moving party acknowledges that there is a possibility the depositions might be hearsay insofar as Company X is concerned. However, it says to the Court, inasmuch as affidavits can be used in motions for summary judgments, treat the depositions as affidavits, and admit them into evidence. Company X argues that none of the "evidence" proffered is admissible, that the motion is facially defective, and it files no opposition affidavits.

The trial court grants the motion. Company X appeals. Should the summary judgment be reversed? Most assuredly.

A summary judgment cannot be based upon hearsay or other inadmissible evidence. As such, the summary judgment against Company X must be reversed since the only "evidence" offered by the moving party consisted solely of inadmissible hearsay depositions.

The depositions relied upon by the defendant manufacturer cannot be used against appellant. Company X, as a hearsay exception under Rule 804(b)(1) FRE. There is nothing in the hypothetical record to controvert the fact that appellant was not a party to the litigation at the time the depositions of the Air Force deponents were taken. As such, appellant was not present at their depositions and, of necessity, could not cross-examine any of them. Under such circumstances can these hearsay depositions be offered as admissible evidence against appellant? The answer is a resounding "No!" The cases and text-writers are wholly in accord.

Perhaps the best analysis in any one case is found in Brown v. Tanner, 164 So.2d 848 (Fla. App. 1964), 4 A.L.R.3d 1063. The Florida District Court of Appeals is quoted as follows:

Surprisingly, this subject has not received extensive treatment by the modern authorities. In our extensive research we have located fragments of statements in opinions which generally sustain the position that a deposition [1066] taken in the absence of the opposing party is not admissible in that it violates the hearsay rule.

In his treatise on evidence Professor Wigmore concludes that the deposition would be excluded where the opposing party has not been afforded the opportunity of cross-examination and submits that the principle is precisely the same as for testimony obtained in any other manner and states: 'The mere speaking under oath is not sufficient; the essential condition is that the person against whom the
and of unauthenticated, and hence irrelevant, and inadmissible photo-

sworn statement is offered should have had an opportunity to cross-examine the deponent.' (court's emphasis).

4 A.L.R. 3d at 1065-66. Justice Jones in his treatise on Evidence, Fifth Edition, states the rule as follows:

Depositions are not to be rejected for the reason that, subsequent to their taking, the pleadings have been materially amended, if the issues remain substantially the same. But if new parties are joined, depositions which have been taken before their joinder may not be read against such new parties.

Id. 164 So. 2d at 849-50. The court in Brown v. Tanner then cites and quotes a number of supporting state and federal cases and textbooks. One of the federal cases cited and quoted is Hoffler v. Wheeler, 179 A.2d 909 (D.C. Mun. App. 1962). The Municipal Court of Appeals for the District of Columbia declared that with reference to the propriety of using a deposition against a person newly made a party, where such deposition had been taken before such person had been made a party:

No case squarely in point has been cited to us and we have found none; but in our opinion it is unthinkable that a person can be bound by a proceeding in an action against him when that proceeding occurs before he has been served with process or has entered an appearance. . . .

Id. at 910. It is submitted that it is equally unthinkable that the hearsay depositions relied upon by the defendant manufacturer can be used against Company X in support of the manufacturer’s motion for summary judgment.

Rule 804(b)(1) FRE permits the hearsay deposition testimony of an unavailable witness to be used against a party only “if the party against whom the testimony is now offered . . . had an opportunity and similar motive to develop the testimony by direct, cross or redirect examination.” FED. R. EVID. 804(b)(1).

In 4 WEINSTEIN’S EVIDENCE ¶804(b)(1)[021 (1975), District Judge Weinstein unequivocally declares:

If the opportunity to cross-examine was lacking the prior testimony must be excluded.

In support of this cornerstone principle of Rule 804(b)(1) FRE, District Judge Weinstein cites and analyzes, inter alia, several recent federal court cases, among them, Matter of Sterling Navigation Co., Ltd., 444 F. Supp. 1043, 1046 (S.D.N.Y. 1977); First National Bank In Greenwich v. National Airlines, 22 F.R.D. 46, 48 (S.D.N.Y. 1958). The First National Bank case concerned an airplane crash wherein plaintiff had joined National Airlines and Douglas Aircraft. In three previous cases depositions had been taken against National when Douglas was not a party. Plaintiff now sought to use those depositions against Douglas in the First National Bank case. The court refused to permit the prior depositions to be used against Douglas. Approving of the court’s decision, District Judge Weinstein, in his treatise, made the following cogent observations:

Pursuant to Rule 804(b)(1), the deposition could not be used against Douglas not only because it was not a party to the previous proceedings, but because National’s motive in examining witnesses in those proceedings were not the same as Douglas’. National may have sought to avoid liability by showing that the crash was caused by structural deficiencies rather than bad weather. Such evidence should not be usable against Douglas. The danger of prejudice to Douglas if the depositions are introduced against National remains the same under Rule 804(b)(1) as under prior practice. If the trial judge concludes that this danger outweighs the probative value of evidence, the depositions should be excluded pursuant to Rule 403. It should be noted however, that in reaching his determination, the judge in the First National Bank In Greenwich case assumed that the same witnesses could be deposed in the present case. Rule 804(b)(1) is based on the premise that the witness is unavailable. When probative value is weighed against prejudice in such a case, a different balance may be struck. (emphasis supplied).
graphic and other secondary documentary evidence.\footnote{4} The trial court cannot cure the inadmissible nature of the "evidence" offered by treating the hearsay depositions as affidavits,\footnote{47} and

See also Hewitt v. Hutter, 432 F. Supp. 795 (W.D. Va. 1977), aff’d, 568 F.2d 773 (4th Cir. 1978) (California deposition of witness not admissible against plaintiff where plaintiff was not party to that action and cross-examination of witness at deposition was conducted by party who is adverse to plaintiff in present litigation); Taylor v. Redari A/S Volvo, 249 F. Supp. 326, 328 (E.D. Pa. 1966); 6 Moore’s Federal Practice §56.11[4] n.6 (2d ed. 1980); Blum v. Campbell, 355 F. Supp. 1220 (D. Md. 1972); Pikle-Rite Co. v. Bonduel Pickling Co., 282 F. Supp. 551 (E.D. Wis. 1968).

The same situation prevails in the instant hypothetical case. Clearly, the depositions upon which the defendant manufacturer relied in its motion for summary judgment cannot be used against appellant as an hearsay exception under Rule 804(b)(1) FRE.\footnote{46} Hamilton v. Keystone Tankship Corporation, 539 F.2d 684, 686 (9th Cir. 1976); United States v. Dibble, 429 F.2d 598 (9th Cir. 1970); see also, Rules 104, 401, 402, 901, 1001 and 1008 FRE, and §§350, 351, 400-06, 1400, 1401 California Evidence Code. In Hamilton, the Ninth Circuit noted: "Exhibits which have not had a proper foundation laid to authenticate them cannot support a motion for summary judgment." 539 F.2d at 686.

The trial court cannot transform hearsay depositions into admissible evidence for use against appellant simply by treating them as affidavits. The court reasoned in the hypothetical case that since depositions are "at least as good as affidavits . . ." (United States v. Fox, 211 F. Supp. 25, 30 (E.D. Pa. 1962), aff’d 334 F.2d 449 (5th Cir. 1964) and since affidavits can be used to support a motion for summary judgment, then let’s call these hearsay depositions affidavits and admit them as such. Neat, but wholly erroneous. One can no more turn a sow’s ear into a silk purse, than one can turn an inadmissible deposition into admissible evidence through the simple expedient of transforming the faulty deposition into an affidavit.

The point the trial court failed to note was this: that if a deposition is at least as good as an affidavit, that a bad deposition makes a bad affidavit. In short, changing the nomenclature does not change the nature of the evidence. Hearsay remains hearsay. Inadmissible evidence remains inadmissible. Nonauthenticated exhibits remain nonauthenticated and, hence, not relevant. The same situation obtains in the instant hypothetical case.

Tormo v. Yormark, 398 F. Supp. 1159 (D.C.N.J. 1975) is the leading case concerning turning depositions into affidavits to support a motion for summary judgment. In Tormo the court permitted depositions taken before a party was joined to be treated as affidavits and used against such party. In so doing the court made the critical distinction which the trial court failed to make in the hypothetical instant case. That distinction is: where the deponent deposition cannot be available as a witness at the trial, then such deposition, if taken before a party was joined, cannot be used against such party to support a motion for summary judgment. In short, such a deposition remains inadmissible hearsay.

The following excerpts from Tormo make this distinction clear:

[Devlin objects] to use of Wendel’s and Tormo’s deposition testimony on the present motion. Devlin argues that it may not be considered against him because it was taken prior to the time he was brought into the case and therefore he was not represented at, nor given reasonable notice of, its taking.


He rests his objection on Taylor v. Redari A/S Volvo, 249 F. Supp. 326 (E.D. Pa. 1966). The issue in Taylor was whether a third-party defendant was entitled to summary judgment where the only evidence against him was contained in the deposition of plaintiff’s decedent which had been taken prior to the time he was brought into the action. The court held that the third-party defendant’s motion must be granted
by construing all factual inferences in favor of the moving party. Further, "a party against whom a motion for summary judgment is directed need not file any contravening affidavits or other material but is entitled to a denial of the motion for summary judgment where the movant's papers are insufficient on their face or themselves demonstrate the existence of a material issue of fact."

This hypothetical case illustrates the close interrelationship between the law of evidence and the substantive principles upon which a motion for summary judgment is bottomed. In the case stated the trial court misapplied, in an egregiously erroneous manner, the law of evidence. The result was reversible error, and a case remanded for a full

situated (1) only admissible evidence may be considered on summary judgment, and (2) the decedent's deposition, being unable to meet the requirements of Rule 26(d) (now 32(a)), Fed.R.Civ.P., would not be admissible as evidence against him at the trial.

Rule 32(a), the successor provision to Rule 26(d), requires, inter alia, that in order that deposition testimony may be admissible against any party, that party must have been "present or represented at the taking of the deposition" or must have had "reasonable notice thereof." By its terms, the rule applies "at the trial or upon the hearing of a motion or an interlocutory proceeding. . . ." Despite this language, however, courts and commentators have rejected the notion that the rule governs the use of deposition testimony at a hearing or a proceeding at which evidence in affidavit form is admissible. See United States v. Fox, 211 F. Supp. 25 (E.D. La. 1962), aff'd 334 F.2d 449 (5th Cir. 1964); Wright & Miller, FEDERAL PRACTICE & PROCEDURE: CIVIL § 2142 (1970). The reasoning behind this rejection is that deposition testimony taken under oath, even if failing to satisfy Rule 32(a)'s requirements, is "at least as good as affidavits." United States v. Fox, 211 F. Supp. at 30.

This proposition is both supported by obvious good sense, and, according to this Court's reading, not contradicted by the Taylor opinion. Taylor cannot be read to hold that a deposition must satisfy Rule 32(a) in order to be considered on a motion for summary judgment, but rather that a deposition, like an affidavit, must satisfy Rule 56(e)'s requirement that it "set forth such facts as would be admissible in evidence. . . ." Fed.R.Civ.P. 56(e). The court held that it could not consider the decedent's deposition, not because Rule 32(a)'s predecessor barred its use on summary judgment, but because that provision would bar its use at trial. In the present case Rule 32(a) will not bar the admissibility of the facts set forth in the depositions of Wendel and Tormo because those facts will be offered, not in the form of prior deposition testimony, but in the form of testimony of presently available witnesses. So Devlin's reliance on Taylor is misplaced; the Court will consider the question of his liability to plaintiffs in light of all available deposition testimony." (emphasis supplied). Id. at 1168-69.

It is patently manifest in our hypothetical case that since none of the deponents would have appeared at the trial as witnesses, that their depositions are hearsay insofar as appellant is concerned. Such deposition testimony does not become admissible merely because it is called an affidavit. Hearsay depositions cannot be used at a trial. Accordingly, however named, they cannot be used to support a motion for summary judgment. Hamilton v. Keystone Tankship Corporation, 539 F.2d 684, 686 (9th Cir. 1976).


trial on the merits—with a considerable loss of time, money and effort—suffered by the parties, court and counsel.

The general principles controlling the granting or denial of a motion for summary judgment having been examined, and the use and misuse of summary judgment procedures having been reviewed, attention is now turned to the application of these principles and procedures in intellectual property cases.

IV. SUMMARY JUDGMENT IN COPYRIGHT CASES

A. When the Case Turns on Contract Issues

The general summary judgment principles enunciated and explored in previous portions of this article are wholly applicable to copyright cases. Thus, if there is no genuine triable issue as to any material fact, the moving party is entitled to a summary judgment as a matter of law. Conversely, if such an issue exists, the motion for summary judgment must be denied.

Copyright litigation tends to fall into two major areas, one deals with infringement questions, the other, with contract issues. Sometimes, these two areas are involved in the same case, as where the issue of copyright infringement is addressed only after the contractual rights of the parties in the subject work have been resolved. Accordingly, it is profitable to review first the impact of contract issues in the granting or denial of summary judgments in copyright cases before turning to the subject of summary judgment where alleged copyright infringement is the only issue.

Copyright cases sometimes concern themselves with such general contract issues as those of construction and interpretation, custom and usage and accord and satisfaction. They further concern themselves with such sui generis contract issues as whether a particular work was a "work for hire." Each of these contract issues, whether of a general or sui generis nature, presents an issue of fact, and if such fact issue "may affect the outcome of the litigation" it is "[a] material isp..."

50. Piantadosi v. Loew's Inc., 137 F.2d 534 (9th Cir. 1943).
52. See, e.g., May v. Morganelli-Heumann & Assoc., 618 F.2d 1363 (9th Cir. 1980).
53. Id. at 1364-67.
54. Id. at 1367-68.
55. Id. at 1366.
56. Id. at 1368-69.
As illustrated by the recent Ninth Circuit case of *May v. Morganelli-Heumann & Assoc.*, contract issues are generally raised by parties defending against a claim of copyright infringement. And this is often sound strategy. If a defendant in a copyright infringement action can establish by his motion for summary judgment that he had a right under contract, or contract principles, to copy and use a substantial portion of the plaintiff's work, then, of course, the trial court never reaches the issue of copyright infringement. This was the strategy chosen by defendants in the *May* case. Initially, the strategy worked. The trial court granted the defendant's motion with alacrity. The case was disposed of without the issue of copyright infringement being reached. The trial court's calendar was relieved of a four week jury trial. And defendants thought they were home free. However, this was not to be. The case was reversed on appeal and remanded for trial "because defendants' right to use May's work depends on issues of contract interpretation not properly resolved on summary judgment."

The *May* case is an example of the misuse of summary judgment procedures in a copyright case. The contract related issues, all of them factual, were so convoluted (even the question of election of remedies was raised), that defendants were unable to establish as a matter of law that the contract as interpreted and construed by defendants, gave them the right to copy and use plaintiff's architectural drawings after plaintiff's services were terminated. The *May* case should be contrasted with that of *Piantadosi v. Loews, Inc.*

In *Piantadosi* the Ninth Circuit affirmed, on contractual grounds, a summary judgment dismissing a copyright infringement suit. The court held that defendants' affidavits showed they had obtained a license to use the musical composition in issue, and that plaintiff, by merely denying the existence of the license, raised no genuine issue of material fact. Accordingly, the license was found to be proved.

The contractual fact problems were highly convoluted in both the *May* and *Piantadosi* cases. Yet summary judgment was properly denied in the former and affirmed in the latter. Thus, facts as maze-like as the famed tunnels of ancient Minoa need not preclude the granting

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57. Mutual Fund Investors v. Putnam Management Co., 553 F.2d 620, 624 (9th Cir. 1977).
58. 618 F.2d 1363 (9th Cir. 1980).
59. Id. at 1364.
60. Id. at 1366-67.
61. 137 F.2d 534 (9th Cir. 1943).
or denial of summary judgment in copyright cases on contract or contract related principles. Successful use of contract doctrines in copyright cases will turn less on how complex the facts are, and more on whether court and counsel understand the uses and misuses of summary judgment procedures in resolving or raising material issues of fact.

Before turning to an examination of summary judgment practice in copyright infringement cases, it is important to note that Rule 56(c) authorizes an interlocutory summary judgment in favor of the claimant on the issue of liability, when he is entitled thereto as a matter of law, although there is a genuine issue of fact as to the amount of damages. In such a case, only the issue of the measure of damages remains for trial.\textsuperscript{62}

\section*{B. Where the Case Is One of Alleged Infringement}

\subsection*{1. Copying and Improper Appropriation}

The best starting point for any discussion of summary judgment practice in copyright infringement cases is the decision of the Second Circuit in \textit{Arnstein v. Porter}.\textsuperscript{63} In \textit{Arnstein} the defendant was the highly regarded songwriter, Cole Porter. The plaintiff Arnstein was a songwriter of lesser repute, yet one whose works were widely sold and publicly performed. (At the time he sued Porter plaintiff was already a "five-time loser" insofar as his trial record as a plaintiff in copyright infringement cases was concerned.) Arnstein contended that his compositions had been stolen from his rooms and had ended up as compositions released as written by Porter. In his deposition Porter denied any knowledge of any of Arnstein's compositions, and of any person who might have stolen them. Porter further submitted comparisons of the music tending to show that they were dissimilar. Arnstein submitted no counter evidence on the issue of Porter's honesty. Porter's motion for summary judgment was granted.

On appeal, Judge Jerome Frank, writing for the majority, reversed the summary judgment and laid down the two separate elements which had to be proven to establish an infringement of copyright:

\begin{itemize}
\item[(a)] that defendant copied from plaintiff's copyrighted
\end{itemize}


\textsuperscript{63} 154 F.2d 464 (2d Cir. 1946).
work and (b) that the copying (assuming it to be proved) went so far as to constitute improper appropriation.

As to the first—copying—the evidence may consist (a) of defendant's admission that he copied or (b) of circumstantial evidence—usually evidence of access—from which the trier of the facts may reasonably infer copying. Of course, if there are no similarities, no amount of evidence of access will suffice to prove copying. If there is evidence of access and similarities exist, then the trier of the facts must determine whether the similarities are sufficient to prove copying. On this issue, analysis ('dissection') is relevant, and the testimony of experts may be received to aid the trier of the facts. If evidence of access is absent, the similarities must be so striking as to preclude the possibility that plaintiff and defendant independently arrived at the same result.

If copying is established, then only does there arise the second issue, that of illicit copying (unlawful appropriation). On that issue . . . the test is the response of the ordinary lay hearer; accordingly, on that issue, 'dissection' and expert testimony are irrelevant.

In some cases, the similarities between the plaintiff's and defendant's work are so extensive and striking as, without more, both to justify an inference of copying and to prove improper appropriation. But such double-purpose evidence is not required; that is, if copying is otherwise shown, proof of improper appropriation need not consist of similarities which, standing alone, would support an inference of copying.

Each of these two issues—copying and improper appropriation—is an issue of fact. . . .

Judge Frank then applied the general principles of summary judgment to the record before him:

We turn first to the issue of copying. After listening to the composition as played in the phonograph recording submitted by defendant, we find similarities; but we hold that unquestionably, standing alone, they do not compel the conclusion, or permit the inference, that defendant copied. The similarities, however, are sufficient so that, if there is enough evidence of access to permit the case to go to the jury,
the jury may properly infer that the similarities did not result from coincidence.

Summary judgment was, then, proper if indubitably defendant did not have access to plaintiff's compositions. Plainly that presents an issue of fact. On that issue, the district judge, who heard no oral testimony, had before him the depositions of plaintiff and defendant. The judge characterized plaintiff's story as 'fantastic'; and . . . the judge obviously accepted defendant's denial of access and copying. Although part of plaintiff's testimony on deposition . . . does seem 'fantastic', yet plaintiff's credibility, even as to those improbabilities, should be left to the jury . . . We should not overlook the shrewd proverbial admonitions that sometimes truth is stranger than fiction.65

Judge Frank then concluded that plaintiff's credibility was itself a genuine issue of material fact that should not be disposed of in a summary judgment proceeding:

But even if we were to disregard the improbable aspects of plaintiff's story, there remain parts by no means 'fantastic.' On the record now before us, more than a million copies of one of his compositions were sold; copies of others were sold in smaller quantities or distributed to radio stations or band leaders or publishers, or the pieces were publicly performed. If, after hearing both parties testify, the jury disbelieves defendant's denials, it can, from such facts, reasonably infer access. It follows that, as credibility is unavoidably involved, a genuine issue of material fact presents itself. With credibility a vital factor, plaintiff is entitled to a trial where the jury can observe the witnesses while testifying. Plaintiff must not be deprived of the invaluable privilege of cross-examining the defendant—the 'crucial test of credibility'—in the presence of the jury. . . .66 (emphasis supplied)

As a consequence of Arnstein v. Porter "district courts have treated motions for summary judgment in plagiarism suits with caution. . . ."67 And this is to be commended. But caution should not give way to awe and inaction. Copyright is an evanescent field of law,

65. Id. at 469.
66. Id. at 469-70. See also the discussion of credibility at text accompanying note 25 supra.
But its principles are not so esoteric that they cannot be mastered for proper use in seeking or opposing motions for summary judgment.

2. Originality

Neither the 1909 Copyright Act, as amended,68 nor the current Act,69 define the terms "author" or "writings." However, the United States Supreme Court has done so succinctly in Goldstein v. California.70

By Art. I, § 8, cl. 8, of the Constitution, the States granted to Congress the power to protect the 'Writings' of 'Authors.' These terms have not been construed in their narrow literal sense but, rather, with the reach necessary to reflect the broad scope of constitutional principles. While an 'author' may be viewed as an individual who writes an original composition, the term, in its constitutional sense, has been construed to mean an 'originator,' 'he to whom anything owes its origin.' Burrow-Giles Lithographic Co. v. Sarony, 111 U.S. 53, 58, 28 L. Ed. 349, 4 S. Ct. 279 (1884). Similarly, although the word "writings" might be limited to script or printed material, it may be interpreted to include any physical rendering of the fruits of creative intellectual or aesthetic labor.71

To be copyrightable, i.e., protectible, the work must be original,72 that is, it must be the result of independent labor and not of copying.73 However, the work need not be the first of its kind.74 Although the

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69. 17 USC §§ 101 et seq. (1976), as amended by Pub. L. No. 94-553, 90 Stat. 2541. Before passage the Bill was called S.22. Per Section 102 of Pub. L. No. 94-553, 90 Stat. 2598, the Act became effective on January 1, 1978, except as otherwise expressly provided by the Act, including provisions of the first section of the Act. The provisions of sections 118, 304(b), and chapter 8 of title 17, as amended by the first section of the Act, took effect upon the Act's enactment on October 19, 1976.
71. Id. at 560.
73. DRONE ON COPYRIGHT 208 (1879).
74. "No one doubts that two directories, independently made, are each entitled to copy-
concept of "newness" or novelty is a prerequisite in the law of patents, it has no place in the law of statutory copyright. As this writer has noted previously:

To require an author, who has created something original, to warrant and prove that it is also novel, that it has never been done before anywhere at any time, is to confront him with an obstacle too difficult to overcome. History has recorded numerous incidents where two gifted men, working unaware of the other's efforts, have arrived, almost simultaneously, at the same results or discoveries. Yet if absolute novelty must be proven before either could restrain the unauthorized publication of his work, neither would receive protection. It should be sufficient that the work of each author is new to him, that is, that it is original with him, and not copied from the work of another.

3. What Is Protectible is Copyrightable

The writings of an author are infringed when a substantial part of the protectible material has been copied. What is protectible, i.e., what is copyrightable, is a mixed question of law and fact, in that the determination of whether certain subject matter is copyrightable requires the trial court to make a legal conclusion based upon an analysis of facts. The existence of mixed questions of law and fact precludes summary judgment, regardless of their similarity, even though it amount to identity. Each being the result of original work, the second will be protected, quite regardless of its lack of novelty." Fisher v. Dillingham, 298 F. 145, 150-51 (S.D.N.Y. 1924) (Hand, J.).


76. "Unlike the subject matter of a patent, material need not be new, but only original." Clark, C.J., in Ricker v. General Electric Co., 162 F.2d 141 (2d Cir. 1947); Chamberlin v. Ursis Sales Corp., 150 F.2d 512 (2d Cir. 1945); Fisher v. Dillingham, 198 Fed. 145 (S.D.N.Y. 1924).


78. Melville B. Nimmer, Esq., in his ground-breaking article, Nimmer, The Law of Ideas, 27 S. CAL. L. REV. 119 (1954), points up the confusion engendered by many courts by their misuse of the terms originality and novelty. (Reference must be made to his monumental treatise, NIMMER ON COPYRIGHT 1980, for a full knowledge of this field of law).

Confusion must result as to the true nature of copyright where the courts interject the element of novelty as an aid to establishing the originality of a work in those cases where both the plaintiff's and defendant's works use similar stock incidents and characters. It is submitted that when courts speak of the requirement of "a new conception or novel arrangement" they mean only that an author's work must be sufficiently different in expression or development as to indicate that it is original and not copied from the protected work of another or from public domain material to which the plaintiff had access. A case in point is Simonton v. Gordon, 297 F. 625 (S.D.N.Y. 1924).
Accordingly, those cases of copyright infringement are not suitable for adjudication by summary judgment which turn on such nice questions as whether the material which defendant is alleged to have copied is merely historical or geographical fact, or original or in the public domain, or permitted as a “fair use,” or outside the scope of the Copyright Act. These issues, if in the slightest degree they involve credibility, or complex factual analysis, should be tried only in a full dress trial. They do not fairly lend themselves to disposition in the speedy manner contemplated by the summary judgment statutes.

It is not intended by the foregoing observation to suggest that summary judgment motions in copyright infringement cases must be restricted solely to “easy cases.” Summary judgment motions are properly used in copyright infringement cases only when they deal with purely factual issues, no matter how complex these issues may be.

4. Access

The two major material issues of fact in a copyright infringement

81. Cf., Hoehling v. Universal City Studios, Inc., 618 F.2d 972 (2d Cir. 1980). In this case the plaintiff, an author of a non-fiction account of the Hindenburg zeppelin tragedy sued the author of a later fictional work on the subject, and the studio which produced the second work as a photoplay. The author of the fictional work acknowledged referring to plaintiff's work. Summary judgment for defendants was affirmed. The Second Circuit approves the practice of granting summary judgments to defendants “when all alleged similarity related to non-copyrightable elements of the plaintiff's work” [court's emphasis]. Id. at 977. However, the Second Circuit is not unmindful of the risks implicit in this practice:

All of Hoehling's allegations of copying, therefore, encompass material that is non-copyrightable as a matter of law, rendering summary judgment entirely inappropriate. We are aware, however, that in distinguishing between themes, facts, and scenes a faire on the one hand, and copyrightable expression on the other, courts may lose sight of the forest for the trees. By factoring out similarities based on non-copyrightable elements, a court runs the risk of overlooking wholesale usurpation of a prior author's expression. A verbatim reproduction of another work, of course, even in the realm of nonfiction, is actionable as copyright infringement, [citing authority] Thus, in granting or reviewing a grant of summary judgment for defendants, courts should assure themselves that the works before them are not virtually identical. In this case, it is clear that all three authors relate the story of the Hindenburg differently.

Id. at 979-80.

Naturally, where the factual side of a mixed question of law and fact concerning copyrightability is resolved by stipulation or admission, then the caveat against resolving issues of copyrightability in summary judgment motions is no longer applicable. The sole issue remaining is the legal question of copyrightability/protectibility and this can properly be resolved in a motion for summary judgment. See Kieselstein-Cord v. Accessories By Pearl, Inc., 632 F.2d 989, 991 (2d Cir. 1980).
action are those of copying and improper appropriation. However, the mere existence of numerous similarities between an earlier work and a later one does not permit the automatic conclusion that the second work copied the first.

One may infringe a patent by the innocent reproduction of the machine patented, but the law imposes no prohibition upon those who, without copying, independently arrive at the precise combination of words or notes which have been copyrighted.

Accordingly, in every case concerning infringement by copying, the courts look for some evidence of access, i.e., for some indication that the defendant had some direct or inferred contact or familiarity with, knowledge or awareness of, the plaintiff's work. In short, whether the defendant had any chance to copy the plaintiff's work.

There is direct evidence of access (i) where defendant, or those acting for defendant, are found in possession of plaintiff's work, or of portions thereof; or (ii) where there is clear evidence that plaintiff delivered his work to defendant (or his agents) before defendant (or his agents) commenced or completed defendant's work; or (iii) where there is clear evidence that defendant (or his agents) saw and/or examined plaintiff's work before defendant (or his agents) commenced or completed defendant's work.

Proof of physical access, i.e., that the defendant had actual possession of plaintiff's work, is not necessary to establish infringement by copying. Despite sworn testimony by defendant that he got his material from sources other than plaintiff's work, access may be inferred or found circumstantially, from the fact that plaintiff's work was written and disseminated prior to the time that defendant's work appeared, or from the fact that striking similarities (inclusive of the repetition of common errors) revealed upon the comparison of the plaintiff's and the defendant's works cannot rationally be explained away as mere coincidence or accident.

Clearly, the determination of the factual issue of access, whether

82. Arnstein v. Porter, 154 F.2d 464, 468-469 (2d Cir. 1946), and see text accompanying notes 63-66, supra.
85. Id.
direct or inferred, is a proper subject of a motion for summary judgment. If the opportunity to copy is established, then the trial court, in a motion for summary judgment, may properly examine the similarities, or note their absence, in making a determination of the factual issue of copying. 87

Should the trial court find that copying exists he then turns to the factual issue of improper appropriation. The court must determine whether there was a substantial or material copying of protectible material from plaintiff's work. Assuming there is no issue as to protectibility, i.e., copyrightability, facing the court concerning the material allegedly copied, he is free to inquire into the issue of substantial copying during a motion for summary judgment. 88

An early American literary property scholar has noted:

The true test of piracy . . . is not whether a composition is copied in the same language or the exact words of the original, but whether in substance it is reproduced; not whether the whole, but whether a material part, is taken. 89

5. Material or Substantial Copying

What, then, is a material or substantial copying? This is more a question of quality than quantity. The test appears to be: if that portion of a work is taken upon which its commercial or artistic success depends, the taking will be deemed substantial, regardless of the small volume which the misappropriated portion bears to the total mass of the work. 90

The issue of originality is a crucial one in copyright infringement cases, since originality is the sole test of the validity of a copyright. 91


88. See the discussion at text accompanying note 81 supra.

89. See the discussion at text accompanying note 81 supra.


91. Fisher v. Dillingham, 298 F. 145 (S.D.N.Y. 1924). In Fisher, Judge Learned Hand remarked:
a full trial on the merits it should be the first issue to be approached. However, since the determination of the issue of originality raises a mixed question of law and fact, it cannot properly be considered in a motion for summary judgment for copyright infringement.  

V. CONCLUSION CONCERNING COPYRIGHT CASES

In concluding this portion of the article, it is submitted that the proper use of the motion for summary judgment in intellectual property cases in general, and in copyright cases in particular, will be enhanced, and its erroneous use diminished, if each trial court, before ruling on a motion for summary judgment, would review the evidence before him and ask, “could I, at the end of the trial, with this evidence admitted, take the case from the jury and properly direct a verdict?” If the answer is “yes”, the court should grant the motion for summary judgment. If the answer is “no”, the motion should be denied.  

[Part Two, concerning the use of summary judgment practice in patent, trademark and unfair competition cases, will appear in a forthcoming issue of this Journal.]

[The work in question] . . . must be deemed to be original, if by original one means that it was the spontaneous, unsuggested result of the author’s imagination. . . . this . . . squarely raises the question whether it be a defense to a copyright that the precise work has independently appeared before it and is in the public domain.

Section 7 [now Section 8] . . . provides that ‘no copyright shall subsist in the original text of any work which is in the public domain.’ This is not new law, and means no more than that by taking such a text you may not get a copyright upon it. . . . It has no application whatever to a work which is of original composition, because such a work is not the ‘original’ text of any work in the public domain, but a second and equally ‘original’ text of a work never published before its copyright.

Id. at 149. And see discussion at text accompanying notes 69-72, supra.


93. This question is based upon an acute observation by Judge Frank in Arnstein v. Porter, 154 F.2d 464, 470 (2d Cir. 1946).
(a) **FOR CLAIMANT.** A party seeking to recover upon a claim, counterclaim, or cross-claim or to obtain a declaratory judgment may, at any time after the expiration of 20 days from the commencement of the action or after service of a motion for summary judgment by the adverse party, move with or without supporting affidavits for a summary judgment in his favor upon all or any part thereof.

(b) **FOR DEFENDING PARTY.** A party against whom a claim, counterclaim, or cross-claim is asserted or a declaratory judgment is sought may, at any time, move with or without supporting affidavits for a summary judgment in his favor as to all or any part thereof.

(c) **MOTION AND PROCEEDINGS THEREON.** The motion shall be served at least 10 days before the time fixed for the hearing. The adverse party prior to the day of hearing may serve opposing affidavits. The judgment sought shall be rendered forthwith if the pleadings, depositions, answers to interrogatories, and admissions on file, together with the affidavits, if any, show that there is no genuine issue as to any material fact and that the moving party is entitled to a judgment as a matter of law. A summary judgment, interlocutory in character, may be rendered on the issue of liability alone although there is a genuine issue as to the amount of damages.

(d) **CASE NOT FULLY ADJUDICATED ON MOTION.** If on motion under this rule judgment is not rendered upon the whole case or for all the relief asked and a trial is necessary, the court at the hearing of the motion, by examining the pleadings and the evidence before it and by interrogating counsel, shall if practicable ascertain what material facts exist without substantial controversy and what material facts are actually and in good faith controverted. It shall thereupon make an order specifying the facts that appear without substantial controversy, including the extent to which the amount of damages or other relief is not in controversy, and directing such further proceedings in the action as are just. Upon the trial of the action the facts so specified shall be deemed established, and the trial shall be conducted accordingly.

(e) **FORM OF AFFIDAVITS; FURTHER TESTIMONY; DEFENSE REQUIRED.** Supporting and opposing affidavits shall be made on personal knowledge, shall set forth such facts as would be admissible in evi-
dence, and shall show affirmatively that the affiant is competent to testify to the matters stated therein. Sworn or certified copies of all papers or parts thereof referred to in an affidavit shall be attached thereto or served therewith. The court may permit affidavits to be supplemented or opposed by depositions, answers to interrogatories, or further affidavits. When a motion for summary judgment is made and supported as provided in this rule, an adverse party may not rest upon the mere allegations or denials of his pleading, but his response, by affidavits or as otherwise provided in this rule, must set forth specific facts showing that there is a genuine issue for trial. If he does not so respond, summary judgment, if appropriate, shall be entered against him.

(f) WHEN AFFIDAVITS ARE UNAVAILABLE. Should it appear from the affidavits of a party opposing the motion that he cannot for reasons stated present by affidavit facts essential to justify his opposition, the court may refuse the application for judgment or may order a continuance to permit affidavits to be obtained or depositions to be taken or discovery to be had or may make such other order as is just.

(g) AFFIDAVITS MADE IN BAD FAITH. Should it appear to the satisfaction of the court at any time that any of the affidavits presented pursuant to this rule are presented in bad faith or solely for the purpose of delay, the court shall forthwith order the party employing them to pay to the other party the amount of the reasonable expenses which the filing of affidavits caused him to incur, including reasonable attorney’s fees, and any offending party or attorney may be adjusted guilty of contempt.
§ 437c. Summary judgment; claim of no merit to action or no defense; affidavits; partial establishment of claim; appealable judgment

Any party may move for summary judgment in any action or proceeding if it is contended that the action has no merit or that there is no defense thereto. The motion may be made at any time after 60 days have elapsed since the general appearance in the action or proceeding of each party against whom the motion is directed or at such earlier time after such general appearance as the court, with or without notice and upon good cause shown, may direct. Notice of the motion and supporting papers shall be served on the other party to the action at least 10 days before the time fixed for the hearing. The motion shall be heard no later than 45 days before the date of trial, unless the court for good cause orders otherwise. The filing of such motion shall not extend the time within which a party must otherwise file a responsive pleading.

The motion shall be supported or opposed by affidavits, declarations, admissions, answers to interrogatories, depositions and matters of which judicial notice shall or may be taken. Evidentiary objections, not raised here or orally at the hearing, shall be deemed waived.

Such motion shall be granted if all the papers submitted show that there is no triable issue as to any material fact and that the moving party is entitled to a judgment as a matter of law. In determining whether the papers show that there is no triable issue as to any material fact the court shall consider all of the evidence set forth in the papers, except that to which objections have been made and sustained by the court, and all inferences reasonably deducible from such evidence, except summary judgment shall not be granted by the court based on inferences reasonably deducible from such evidence, if contradicted by other inferences or evidence, which raise a triable issue as to any material fact.

Supporting and opposing affidavits or declarations shall be made by any person on personal knowledge, shall set forth admissible evidence, and shall show affirmatively that the affiant is competent to testify to the matters stated therein.

If a party is otherwise entitled to a summary judgment pursuant to the provisions of this section, summary judgment shall not be denied on grounds of credibility or for want of cross-examination of witnesses.
furnishing affidavits or declarations in support of the summary judgment, except that summary judgment may be denied in the discretion of the court, where the only proof of a material fact offered in support of the summary judgment is an affidavit or declaration made by an individual who was the sole witness to such fact; or where a material fact is an individual's state of mind, or lack thereof, and such fact is sought to be established solely by the individual's affirmation thereof.

If it appears that the proof supports the granting of such motion as to some but not all the issues involved in the action, or that one or more of the issues raised by a claim is admitted, or that one or more of the issues raised by a defense is conceded, the court shall, by order, specify that such issues are without substantial controversy. At the trial of the action the issue so specified shall be deemed established and the action shall proceed as to the issues remaining.

If it appears from the affidavits submitted in opposition to the motion that facts essential to justify opposition may exist but cannot, for reasons stated, then be presented, the court shall deny the motion, or order a continuance to permit affidavits to be obtained or discovery to be had or may make such other order as may be just.

If the court determines at any time that any of the affidavits are presented in bad faith or solely for purposes of delay, the court shall order the party presenting such affidavits to pay the other party the amount of the reasonable expenses which the filing of the affidavits caused such other party to incur.

Except where a separate judgment may properly be awarded in the action, no final judgment shall be entered on a motion for summary judgment prior to the termination of such action, but the final judgment in such action shall, in addition to any matters determined in such action, award judgment as established by the summary proceeding herein provided for.

A summary judgment entered under this section is an appealable judgment as in other cases.