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UCLA Entertainment Law Review

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The Law of Ideas, Revisited

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Journal

UCLA Entertainment Law Review, 1(1)

ISSN

1073-2896

Author

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Publication Date

1994

DOI

10.5070/LR811026302

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The Law of Ideas, Revisited

Lionel S. Sobel*

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I. NIMMER ON IDEAS

Forty years ago, a then-recent graduate of the Harvard Law School wrote an article entitled *The Law of Ideas* and published it in the *Southern California Law Review*.¹ The law of ideas was a hot topic at the time. Several other articles covering the same ground appeared

1. Melville B. Nimmer, *The Law of Ideas*, 27 S. CAL. L. REV. 119 (1954) [hereinafter Nimmer Article].

shortly before and after his did,² some in the very same review.³

The article's author was Melville B. Nimmer—the same Melville Nimmer who eventually earned an international reputation as “Professor Nimmer” of the UCLA School of Law and as the author of the bible of American copyright law, *Nimmer on Copyright*. At the time the *Law of Ideas* was written, Professor Nimmer was just a young lawyer working in the legal department of Paramount Pictures Corporation.⁴ His employment gave him a professional as well as academic interest in his topic, because from time to time Paramount was (and still is) accused of using others' ideas without permission or compensation. To Professor Nimmer's credit, the article he wrote was evenhanded and scholarly. Readers would not have guessed from the article's analysis or conclusions that its author worked for a studio that was at that very time defending itself against allegations that director Billy Wilder had stolen a writer's idea for the movie, *Ace in the Hole*.⁵ When that case reached the California Supreme Court, Professor Nimmer was among the counsel of record for Paramount and Wilder. What mixed emotions he must have felt when the Supreme Court rendered its opinion. The court cited his article with approval twice⁶—but it ruled against his clients.

Law review articles generally have a short shelf life, even when they are cited by courts. Laws change; cases multiply; new issues emerge; and more articles are published. *The Law of Ideas* endured because it was an excellent article to begin with and because it was reborn as a book chapter in *Nimmer on Copyright* when that masterful

2. Harry P. Warner, *Legal Protection of Program Ideas*, 36 VA. L. REV. 289 (1950); James W. Falk, *Originality or Novelty in Cases of Misappropriation of Ideas*, 33 J. PAT. OFF. SOC'Y 888 (1951); Joseph D. Pannone, Note, *Property Rights in an Idea and the Requirement of Concreteness*, 33 B.U. L. REV. 396 (1953); Harold C. Havighurst, *The Right to Compensation for an Idea*, 49 NW. U. L. REV. 295 (1954); Benjamin Kaplan, *Implied Contract and the Law of Literary Property*, 42 CAL. L. REV. 28 (1954).

3. John A. Tretheway, Case Note, *Literary Property: Idea Protection by Contract-Requirement of Novelty*, 26 S. CAL. L. REV. 459 (1953) [hereinafter *Idea Protection*]; Harry L. Gershon, *Contractual Protection for Literary or Dramatic Material: When, Where and How Much?*, 27 S. CAL. L. REV. 290 (1954).

4. See Nimmer Article, *supra* note 1, at n. *.

5. *Desny v. Wilder*, 46 Cal. 2d 715, 299 P.2d 257 (1956).

6. *Id.* at 728, 732.

treatise was first published in 1963.⁷ Professor Nimmer regularly updated the chapter with newly decided cases, and his son David Nimmer continues to do so now. Despite the updates, the chapter retains both the organization and emphasis of the original law review article. And the consequences of that organization and emphasis are what prompt this Article.

When Professor Nimmer first wrote about the law of ideas, the issue then of importance was whether people who submit ideas to others could claim legal protection *at all* if their ideas were used without their consent. The general rule in the late 1940s and early '50s was that "ideas are 'free as air.'"⁸ But this rule could produce results that courts thought unfair in the idea-submission context. As a result, in the early '50s, courts were searching for a legal theory that would permit them to protect idea disclosers in appropriate circumstances.

That search was what Professor Nimmer focused on in *The Law of Ideas*, and in his opening paragraph he explained that his article would "attempt to delineate and evaluate the several legal theories under which ideas may be rendered legally protectible."⁹ When the article became a chapter in the Treatise, it retained precisely the same focus.¹⁰

The search for a legal theory to protect ideas was an important issue in the 1950s.¹¹ Subsequent developments, however, have signi-

7. Now in 3 MELVILLE B. NIMMER & DAVID NIMMER, *NIMMER ON COPYRIGHT* § 16 (1993) [hereinafter the *NIMMER TREATISE* or the *Treatise*].

8. Nimmer Article, *supra* note 1, at 119.

9. *Id.* (citation omitted).

10. "This chapter will attempt to delineate and evaluate the several legal theories under which ideas may be rendered legally protectible." 3 *NIMMER TREATISE*, *supra* note 7, § 16.01, at 16-3 (citations omitted).

11. Its importance was reflected in the number of articles devoted to it. In addition to the Nimmer Article, *supra* note 1, and those cited *supra* in notes 2 and 3, see Hugh Evans, Jr., Case Note, *Literary Property: Contractual Recovery for Unauthorized Use of Ideas*, 4 *UCLA L. REV.* 296 (1957); Stanley Rubinstein, *Copyright Protection for "Elaborated Ideas,"* 224 *LAW TIMES* 296 (1957); George J. Kuehnl, *Liability for the Use of Submitted Ideas*, 13 *BUS. LAW.* 90 (1957); Leon R. Yankwich, *Legal Protection of Ideas - A Judge's Approach*, 43 *VA. L. REV.* 375 (1957); Benjamin Kaplan, *Further Remarks on Compensation for Ideas in California*, 46 *CAL. L. REV.* 699 (1958); Harry R. Olsson, Jr., *Dreams for Sale*, 23 *LAW & CONTEMP. PROBS.* 34 (1958).

ificantly diminished the importance of finding a legal theory for protecting ideas. By now, it is quite well settled that if an idea is disclosed and thereafter used, the person who disclosed it may be entitled to compensation.¹² In cases being litigated today, the contested issues do not concern *whether* a right to compensation exists as a theoretical matter. Instead, the issues raised in today's idea-submission cases involve the manner in which the general principle (that a right to compensation may exist) should be applied to the particular facts of the submission being litigated. These issues concern (1) the conditions under which the law imposes a potential obligation on idea recipients to compensate those who submit ideas, and (2) the kinds of idea uses that actually trigger an obligation to pay.¹³

These issues are remarkably unsettled today, and they receive inadequate attention in the Nimmer Treatise. Instead, the Treatise continues to emphasize the apparent importance of evaluating legal theories,¹⁴ and in doing so, it underemphasizes these still unsettled issues. Moreover, the Treatise's focus on theory evaluation has caused it to consider certain questions only as they bear on the evaluation of theories for protecting ideas, and not as they bear on issues of current importance.¹⁵ As a result, the Treatise answers those questions in ways it might not have, had greater emphasis been placed on the issues of importance for today. The purpose, then, of this Article is to revisit the law of ideas in order to consider issues that are important today, and to respond to a number of arguments made in the Treatise that seem to be the product of its original orientation of delineating and evaluating theories.

12. See discussion *infra* part II.B.1.

13. See discussion *infra* parts III.A., III.B.

14. The Treatise's emphasis on theory evaluation appears to have influenced even recent scholarship on idea protection. See, e.g., Margreth Barrett, *The "Law of Ideas" Reconsidered*, 71 J. PAT. & TRADEMARK OFF. SOC'Y 691 (1989) (exhaustively reviewing most if not all reported idea submission decisions, evaluating the legal theories advanced in each, and concluding that ideas should be protected pursuant to contract and trade secret law rather than by a separately recognized field of intellectual property law).

15. See discussion *infra* parts III.A.2.a., III.A.2.b., regarding whether ideas must be concrete and novel in order to be protected.

II. THE SEARCH FOR AN IDEA-PROTECTION LEGAL THEORY

The reason that finding a legal theory for the protection of ideas once was important, but no longer is, lies in the history of the law of ideas. That history is divided into three periods, particularly in California where so much of that law has been made. The first period was an era when ideas were not protected at all, under any theory; the second was a period when ideas were treated as protectible property; and the third and current period is one in which ideas are not considered property, but may be protected on other grounds.

A. *Historic Reasons for the Search*

Throughout its history, the law of ideas has been linked to the law of copyright. Together, these two areas complement one another and constitute the law of plagiarism.¹⁶ The law of ideas owes its origins to the fact that copyright law has never protected mere ideas.¹⁷ Early copyright laws did not even prohibit what today would constitute infringing adaptations and dramatizations, because early copyright law granted only the exclusive right to *print* and *sell* the copyrighted work itself, in the very same medium and language. Because of the very narrow scope of protection once given to copyrighted works, a United States Circuit Court held in 1853 that the copyright to Harriet Beecher Stowe's novel *Uncle Tom's Cabin* had not been infringed by an unauthorized translation that had been published by a German-language newspaper in Philadelphia,¹⁸ even though Stowe herself had arranged

16. J. THOMAS MCCARTHY, MCCARTHY'S DESK ENCYCLOPEDIA OF INTELLECTUAL PROPERTY 249 (1991) (defining plagiarism as "[t]he copying of *ideas or expression* of another author and using them as one's own work") (emphasis added). The law of ideas concerns the protection of ideas. Copyright law protects expression. 3 NIMMER TREATISE, *supra* note 7, § 16.01, at 16-2.

17. Copyright Act of 1976 § 102(b), 17 U.S.C. § 102(b) (1988) ("In no case does copyright protection . . . extend to any idea . . ."); *Mazer v. Stein*, 347 U.S. 201, 217 (1954) ("[P]rotection is given [by copyright] only to the expression of the idea—not the idea itself."); *Baker v. Selden*, 101 U.S. 99, 104, 107 (1880).

18. *Stowe v. Thomas*, 23 F. Cas. 201, 208 (C.C.E.D. Pa. 1853) (No. 13,514).

for her book to be translated into German so it could be sold in German-speaking communities in Pennsylvania.¹⁹ In so ruling, the court specifically stated that Uncle Tom and all of the book's "conceptions and inventions" could be "used and abused" by "imitators and playwrights"—a statement which has since been interpreted to mean that back in 1853, an unauthorized dramatization of a novel was not an infringement of any of the rights given by law to the book's author.²⁰ During this early period, when the right to make translations and dramatizations was not protected, the law gave no consideration whatsoever to the protection of mere ideas.

It was not until 1891 that the law explicitly gave authors the exclusive right to dramatize their works.²¹ This late nineteenth-century expansion of authors' rights has been attributed, like countless other developments, to the Industrial Revolution. The number of theaters presenting stage plays increased from a half-dozen at the beginning of the century to several hundred by its end, and with that increase came a corresponding demand for new dramas, many of which were based on existing novels. At the same time, the status and reputation of novelists such as Charles Dickens and Mark Twain gave them the power to highlight the unfairness of then-existing legal doctrines that enabled others to adapt their books to the stage without so much as a by-your-leave.²²

The 1891 amendment to the Copyright Act, which gave authors the exclusive right to dramatize their works, plugged what by then was recognized as an unacceptable hole in the law. The difficulty courts would have in trying to distinguish between infringing dramatizations on the one hand and non-infringing works on the other was recognized

19. Jessica Litman, *The Public Domain*, 39 EMORY L.J. 965, 979 (1990); Paul Goldstein, *Derivative Rights and Derivative Works in Copyright*, 30 J. COPYRIGHT SOC'Y 209, 213 (1983).

20. *Stewart v. Abend*, 495 U.S. 207, 246 n.9 (1990) (Stevens, J., dissenting).

21. *Id.* at 245-46; Goldstein, *supra* note 19, at 211-15.

22. Robert Yale Libbot, *Round the Prickly Pear: The Idea-Expression Fallacy in a Mass Communications World*, 14 UCLA L. REV. 735, 744 (1967).

from the start.²³ That difficulty arose whenever defendants claimed that they had not created infringing dramatizations but had merely used unprotected ideas.²⁴

While copyright law has never protected ideas, protection for ideas arose from another source closely affiliated with copyright. Until 1978, unpublished works were protected by a body of state law usually referred to as "common law copyright,"²⁵ and published works were protected by federal statutory copyright law.²⁶ Insofar as the right to dramatize and adapt were concerned, it appears that common law and statutory copyright principles were the same in all states except California. That is, outside of California, plagiarism claims were analyzed in the same way, whether the allegedly plagiarized work was unpublished and thus protected by state common law or was published and thus protected by federal statutory law.²⁷

In California, "common law copyright" actually was statutory. It was found at section 980 of the Civil Code; and until 1947, this statute granted protection that was significantly broader than federal statutory copyright and broader than that provided by common law copyright in other states. This was so because Civil Code section 980 gave the author of "any product of the mind" the "exclusive ownership" of that "product"—in addition to ownership of the copyright-protected "expression" of that product.²⁸ As a result, in California cases involving pre-1947 claims and unpublished works, some California decisions granted

23. See AUGUSTINE BIRRELL, SEVEN LECTURES ON THE LAW AND HISTORY OF COPYRIGHT IN BOOKS 157 (1899), quoted in Libbot, *supra* note 22, at 745; Kenneth B. Umbreit, *A Consideration of Copyright*, 87 U. PA. L. REV. 932, 948 (1939).

24. See, e.g., *Kalem Co. v. Harper Bros.*, 222 U.S. 55 (1911) (rejecting argument by producer of movie *Ben Hur* that movie did not infringe copyright to novel *Ben Hur* because the movie had used only the novel's "ideas"; agreeing that ideas are not protected by copyright, but disagreeing that the movie had copied only the book's ideas).

25. 1 NIMMER TREATISE, *supra* note 7, Overview, at OV-3.

26. *Id.*

27. *Fendler v. Morosco*, 253 N.Y. 281, 171 N.E. 56 (1930); *Hewitt v. Coward*, 41 N.Y.S.2d 498 (Sup. Ct.), *aff'd*, 266 A.D. 992, 45 N.Y.S.2d 118 (1943); *Columbia Pictures v. Krasna*, 65 N.Y.S.2d 67 (Sup. Ct. 1946), *aff'd*, 271 A.D. 1008, 69 N.Y.S.2d 796, and *appeal denied*, 272 A.D. 794, 73 N.Y.S.2d 486 (1947); *Heywood v. Jericho Co.*, 85 N.Y.S.2d 464 (Sup. Ct. 1948).

28. CAL. CIV. CODE § 980 (West 1982). See Historical Note in the West Annotated Civil Code (1982) for the language of the statute as it appeared in 1872.

authors protection for plot ideas and radio program formats that would not have been protected by federal copyright law or common law copyright outside of California.²⁹ During this period, ideas were treated as protectible property in California as a matter of statute (and once, in the District of Columbia, apparently as a matter of common law³⁰).

In 1947 the California legislature amended Civil Code section 980 by eliminating protection for "any product of the mind." As a consequence of that amendment, the Civil Code provided legal protection only for expression, not for mere ideas or formats. And for a short time thereafter, California plagiarism claims, like those in other states, had to satisfy common law copyright standards.³¹ The District

29. See, e.g., *Golding v. R.K.O. Pictures*, 35 Cal. 2d 690, 221 P.2d 95 (1950) (holding plot idea dramatized in play *The Man and His Shadow* protectible under the California Civil Code § 980, as it read pre-1947; and holding that the movie *The Ghost Ship* infringed plaintiffs' rights in that idea); *Kovacs v. Mutual Broadcasting Sys.*, 99 Cal. App. 2d 56, 221 P.2d 108 (1950) (holding format for radio give-away program, involving audience letters stating their desires, protectible as a "product of the mind" under the California Civil Code § 980, as it read pre-1947). See also *Burtis v. Universal Pictures*, 40 Cal. 2d 823, 256 P.2d 933 (1953). In that pre-1947 case, plaintiff alleged that the movie *She Wrote the Book* was plagiarized from plaintiff's unpublished story "Manhattan Masquerade." In response to Universal's argument that themes or ideas are not protectible, and that common law copyright extended only to expression, the court explained that "under the earlier [pre-1947] form of the statute, a 'theme' or 'idea' was protectible, although at common law and under the 1947 amendment to the statute protection is extended only to 'the representation or expression' of a composition." The court nevertheless reversed a judgment in favor of the plaintiff on the grounds that the movie and the story were not substantially similar to one another.

30. "The law now gives effect to a property right in an idea even though the idea may be neither patentable nor subject to copyright." *Belt v. Hamilton Nat'l Bank*, 108 F. Supp. 689, 691 (D.D.C. 1952) (protecting radio program format as property), *aff'd*, 210 F.2d 706 (D.C. Cir. 1953).

31. See, e.g., *Weitzenkorn v. Lesser*, 40 Cal. 2d 778, 788-89, 256 P.2d 947 (1953). The court stated:

Section 980 of the Civil Code was amended materially in 1947 In . . . [pre-1947] cases, protection was extended to an "idea" rather than to the form and manner of its expression Such extension of protection to an idea transcends the normal bounds of common law copyright . . . in which ideas "are free as air" However, in its earlier form, the statute expressly protected both the idea, the "product of the mind," and the "representation or expression thereof." The 1947 amendment to section 980 has eliminated the protection formerly given to "any product of the mind." The statute as it now exists . . . provides protection only "in the representation or expression" of a composition. The Legislature has abrogated

of Columbia also eventually abandoned the notion that ideas and formats are protectible property.³²

The consequences of this change in California law were soon seen in a case that alleged that the movie *Take Me Out to the Ball Game* had been plagiarized from a story entitled "Base Hits and Bloomers."³³ The case was dismissed without a trial because "[t]he only similarity between the [story and the movie] lies in the fact that both involve baseball teams playing in the 1900's, and both are concerned with amorous difficulties of a baseball player and the girl he loves."³⁴ The court explained that "these similarities are similarities only of abstract ideas which no one can monopolize." Earlier California cases that had provided protection for plot ideas³⁵ were distinguished on the grounds that those cases had been decided under the pre-1947 wording of Civil Code section 980, which had extended protection to mere ideas and to the "basic dramatic core" of a story—"matters which," the court ruled, "are not subject to protection under the amended phraseology."³⁶

In the years following California's amendment of its Civil Code, writers argued "that they must have some form of protection for their ideas," because in the movie and television industry "it ha[d] become necessary to submit ideas to . . . producers, and not develop them into complete works until and unless they [were] approved."³⁷ This, then, was the reason that in the 1950s, the important issue in idea-protection

the rule of protectibility of an idea and California now accepts the traditional theory of protectible property under common law copyright.

32. See *Curtis v. Time, Inc.*, 147 F. Supp. 505, 506 (D.D.C. 1957) ("[T]here is no property right in the general idea of depicting the lives of [Medal of Honor winners]."), *aff'd*, 251 F.2d 389 (D.C. Cir. 1958); *Noble v. Columbia Broadcasting Sys.*, 270 F.2d 938 (D.C. Cir. 1959) (denying protection for television program format). In both cases, however, *Belt v. Hamilton Nat'l Bank*, 108 F. Supp. 689 (D.D.C. 1952), *aff'd*, 210 F.2d 706 (D.C. Cir. 1953), was purportedly distinguished rather than disapproved.

33. *Palmer v. Metro-Goldwyn-Mayer Pictures*, 119 Cal. App. 2d 456, 259 P.2d 740 (1953).

34. *Id.* at 461.

35. *Stanley v. Columbia Broadcasting Sys.*, 35 Cal. 2d 653, 221 P.2d 73 (1950); *Golding v. R.K.O. Pictures*, 35 Cal. 2d 690, 221 P.2d 95 (1950).

36. *Palmer*, 119 Cal. App. 2d at 460.

37. *Idea Protection*, *supra* note 3, at 459-61, *quoted in Rokos v. Peck*, 182 Cal. App. 3d 604, 613, 227 Cal. Rptr. 480 (1986).

law was whether some legal theory could be found to protect ideas, after Civil Code section 980 no longer did. While it appears that the California legislature enacted the 1947 amendment for the specific purpose of eliminating legal protection for ideas, courts nevertheless “[r]ecogniz[ed] the problem faced by many writers,” and then spent several years “trying to work out a protection that does not run afoul of the historical concept that there is no property right in an idea.”³⁸ The California Supreme Court succeeded in doing so in a series of four cases decided between 1950 and 1956.³⁹ The legal theory that emerged as the basis for such protection was contract law.⁴⁰

At the same time California courts were looking for a legal theory for the protection of ideas to take the place of the amended Civil Code section 980, courts in other states that had never protected “products of the mind” also were searching for a legal theory to protect ideas. And they, too, found that contract principles could be used to do so.⁴¹

As a consequence of the California Supreme Court’s decisions between 1950 and 1956, and similar decisions in other states, it became clear that state law would provide protection to those who disclose their ideas. The only legal development that might have reopened this question since the 1950s was Congress’ enactment of a new federal copyright statute in 1976.

The Copyright Act of 1976⁴² made fundamental changes in a number of long-standing copyright principles. One of the most significant of these changes concerned the types of works federal law

38. *Rokos*, 182 Cal. App. 3d at 613.

39. *Stanley v. Columbia Broadcasting Sys.*, 35 Cal. 2d 653, 221 P.2d 73 (1950); *Weitzenkorn v. Lesser*, 40 Cal. 2d 778, 256 P.2d 947 (1953); *Kurlan v. Columbia Broadcasting Sys.*, 40 Cal. 2d 799, 256 P.2d 962 (1953); and *Desny v. Wilder*, 46 Cal. 2d 715, 299 P.2d 257 (1956).

40. See discussion *infra* part II.B.1.a.

41. See, e.g., *Carneval v. William Morris Agency*, 124 N.Y.S.2d 319 (Sup. Ct. 1953) (action for protected idea based on implied contract theory), *aff’d to extent appealed*, 284 A.D. 1041, 137 N.Y.S.2d 612 (1954), *appeal denied*, 285 A.D. 871, 137 N.Y.S.2d 828 (1955), *appeal denied*, 308 N.Y. 1052 (1955).

42. 17 U.S.C. §§ 101-810 (1976) (current version is at 17 U.S.C. §§ 101-1010 (1988 & Supp. IV 1992)).

would protect. Previously, federal law protected *published* works only.⁴³ Unpublished works were protected, if at all, by state law.⁴⁴ This dichotomy between federal and state protection was brought to an end in the Copyright Act of 1976, because that Act gives federal statutory protection to unpublished as well as published works.⁴⁵ Moreover, the Copyright Act of 1976 expressly eliminated state "common law" copyright for published works.⁴⁶

Congress, however, did not eliminate state law protection for ideas, because the Copyright Act of 1976 eliminates state law protection only for the types of works that are protected by that Act.⁴⁷ Since the Copyright Act does *not* provide protection for *ideas*,⁴⁸ the Copyright Act has not eliminated all state law protection for ideas,⁴⁹ though it has eliminated certain state law theories for providing such protection.⁵⁰

It therefore remains settled that state law principles are available to protect those who disclose their ideas. Moreover, there no longer should be any controversy over which state law principles perform this function, and which do not.

43. Copyright Act of 1909, 17 U.S.C. § 10 (repealed 1976) ("Any person entitled thereto by this title may secure copyright for his work by publication thereof with the notice of copyright required by this title . . ."); 1 NIMMER TREATISE, *supra* note 7, § 4.01[B], at 4-5.

44. Copyright Act of 1909, 17 U.S.C. § 2 (repealed 1976) ("Nothing in this title shall be construed to annul or limit the right of the author or proprietor of an unpublished work, at common law or in equity, to prevent the copying, publication, or use of such unpublished work without his consent, and to obtain damages therefor."); 1 NIMMER TREATISE, *supra* note 7, § 4.01[B], at 4-5.

45. 17 U.S.C. §§ 102, 301 (1988 & Supp. IV 1992).

46. 17 U.S.C. § 301(a) (1988); *Klekas v. EMI Films*, 150 Cal. App. 3d 1102, 1110, 198 Cal. Rptr. 296 (1984) ("[T]he federal statute applies so as to preempt any claim plaintiff may have based upon a common law copyright theory.").

47. 17 U.S.C. § 301(a), (b) (1988 & Supp. IV 1992).

48. 17 U.S.C. § 102(b) (1988).

49. 17 U.S.C. § 301(b)(1) (1988).

50. See discussion *infra* part II.B.2.

B. *Current Status of State Law Theories Providing Idea Protection*

The Nimmer Treatise evaluates five legal theories for the protection of ideas: property; quasi contract; express contract; implied contract; and confidential relationship.⁵¹ It is now clear, however, that in virtually all cases, idea protection will be available as a matter of express or implied contract law, though in rare cases a plaintiff may have to resort to a confidential relationship theory. Property and quasi-contract theories do not provide useful protection for ideas because they have been preempted either as a practical or legal matter.

1. Theories That Continue to be Useful

a. *Contract Law*

The use of contract law to protect ideas was first suggested by the California Supreme Court in *Stanley v. Columbia Broadcasting System*.⁵² The plaintiff in that case had created a format for a radio program which he had submitted to CBS, and which, he alleged, CBS had copied by producing a similar radio program of its own. The plaintiff contended that he had an implied agreement with CBS that required the network to pay him if it used his program. The jury agreed and awarded him \$35,000, and the judgment was affirmed by the supreme court. Because of a quirk of timing, however, *Stanley* did not settle the question of whether ideas could be protected after the 1947 amendment to the Civil Code. Though the supreme court decided the case three years after the amendment, the plaintiff's claim actually arose two years before the amendment when CBS first broadcast its program in 1945. As a result, the court did not have to—and did not—consider the consequences of the 1947 amendment.

Stanley became significant only because Justice Traynor dissented. Traynor thought CBS should have won the case, and thus would have

51. 3 NIMMER TREATISE, *supra* note 7, §§ 16.02-16.06.

52. 35 Cal. 2d 653, 221 P.2d 73 (1950).

reversed the judgment. In his dissenting opinion, Traynor wrote a superb exposition on the law of ideas in which he explained why “[t]he policy that precludes protection of an abstract idea by copyright does not prevent its protection by contract”⁵³ and in which he explained how contract law principles ought to be applied in protecting ideas.⁵⁴ Several years later, Justice Traynor’s dissent in *Stanley* was “accepted as the law of California” by a majority of the California Supreme Court.⁵⁵

Before Traynor’s views were fully accepted as the law of California, the California Supreme Court took smaller though still significant steps towards granting legal protection to those who disclose ideas. The court did so in a pair of cases decided on the same day in 1953: *Weitzenkorn v. Lesser*,⁵⁶ where the movie *Tarzan’s Magic Fountain* was allegedly plagiarized from plaintiff’s story “Tarzan in the Land of Eternal Youth,” and *Kurlan v. Columbia Broadcasting System*,⁵⁷ where a radio program entitled *My Friend Irma* was allegedly plagiarized from stories, a play and a movie all entitled *My Sister Eileen*. In both cases, lower courts had dismissed the plaintiffs’ claims without trial; and in both cases, the California Supreme Court reversed, holding that the plaintiffs were entitled to prove, if they could, that the defendants had expressly or impliedly promised to pay for the use of plaintiffs’ material, even if the material used did not amount to protectible property. While these two cases permitted plaintiffs to use contract law principles to make plagiarism claims involving unprotectible ideas, neither case delved into the circumstances that would have to be proved for an idea-protecting contract to exist.

A few years later, the California Supreme Court took up that task in *Desny v. Wilder*,⁵⁸ the case in which an aspiring writer named Victor Desny sued Billy Wilder and Paramount Pictures, alleging that in producing their movie *Ace in the Hole*, they had used a story he had submitted to Wilder’s office by phone and in writing. *Desny v. Wilder*

53. *Id.* at 672-89.

54. See discussion *infra* parts III.A.2.a., III.A.2.b.

55. *Desny v. Wilder*, 46 Cal. 2d 715, 733, 299 P.2d 257 (1956).

56. 40 Cal. 2d 778, 256 P.2d 947 (1953).

57. 40 Cal. 2d 799, 256 P.2d 962 (1953).

58. 46 Cal. 2d 715, 299 P.2d 257 (1956).

became, and remains to this day, one of the leading landmarks in the law of idea protection. *Desny* put to rest any doubts that may have remained about the applicability of contract law principles for the protection of ideas. Indeed, it spelled out in some detail how those principles are to be applied in particular cases.⁵⁹

At the time Professor Nimmer wrote his original article, and even when his Treatise was first published, it appeared that plaintiffs who relied on contract law theory for the protection of their ideas would have to deal with certain "somewhat troublesome problems."⁶⁰ The Treatise now covers three issues which it characterizes as "problems": consideration, the statute of frauds, and federal preemption.⁶¹ In practice, however, these issues have not proved to be problems at all, in the sense that no case has denied *contract* protection to an idea for lack of consideration, on account of the statute of frauds, or due to federal preemption.⁶²

b. *Confidential Relationship Law*

Courts also have granted protection to ideas using the law of confidential relationships⁶³ (and its close kin, the law of trade secrets⁶⁴).

59. See discussion *infra* part III.A.1.a.

60. 3 NIMMER TREATISE, *supra* note 7, § 16.04, at 16-17.

61. *Id.* § 16.04[C], at 16-24.

62. *But see* discussion *infra* part II.B.2., regarding federal preemption of claims based on other theories.

63. See discussion *infra* part III.A.1.b.

64. 3 NIMMER TREATISE, *supra* note 7, § 16.06, at 16-45 ("Such protection [i.e., protection for an idea on a breach of confidential relationship theory] is akin to the traditional protection which equity will afford to a trade secret."). In *Thompson v. California Brewing*, 150 Cal. App. 2d 469, 475, 310 P.2d 436 (1957), the court noted that:

If the evidence should show [defendants] were looking for 'ideas' and that plaintiff undertook to supply several such upon the condition that they be not disclosed or used without his consent, why should there not ensue a duty to that effect?

This is, we think, a good deal like some aspects of the law relating to trade secrets as expressed in the Restatement of the Law of Torts, section 757

In *Ralph Andrews Prods. v. Paramount Pictures*, 222 Cal. App. 3d 676, 271 Cal. Rptr. 797, *review denied*, No. B040944, 1990 Cal. LEXIS 4664 (Oct. 10, 1990), a suit, brought under a California trade secret statute by a game show developer, alleged that a former employee stole an idea for a game show and sold it to Paramount Pictures under circumstances where

Though the Treatise devotes significant attention to this theory,⁶⁵ confidential relationship law does not play as significant a role as contract law in the protection of ideas for three reasons. First, confidential relationship law requires the same proof as breach of contract actions or more, but rarely provides additional benefits. Second, “confidential relationships” of the kind that would provide greater protection for ideas than contract law are quite rare. Third, there are no more than a few circumstances when the greater protection provided by confidential relationship law would be necessary or useful to a plaintiff.

In idea-submission cases, courts have used the phrase “confidential relationship” to refer to two quite different things; only one provides (in certain cases) more protection than contract law would provide. “Confidential relationship” is sometimes used to refer to the relationship that exists between two people when one discloses an idea to the other “in confidence.” This is not a true “confidential relationship,” or at least is not the type that results in greater protection for ideas than contract law.⁶⁶

A true “confidential relation exists between two persons when one has gained the confidence of the other and purports to act or advise with the other’s interest in mind.”⁶⁷ The “essence of a confidential relationship” between a plaintiff and a defendant is “an acceptance [by the defendant] of [the plaintiff’s] trust.”⁶⁸ Where such a relationship exists, the law imposes fiduciary-like duties on the defendant, and these fiduciary-like duties may prove useful to a plaintiff in an idea-submission case.

In the absence of a true confidential relationship, the law does not impose fiduciary-like duties on the defendant. The plaintiff may have disclosed an idea to the defendant “in confidence,” and the defendant’s unauthorized use or disclosure of that idea may have breached that

Paramount should have known that the former employee did not own the idea. The court reversed summary judgment for Paramount on the grounds that a question of fact existed as to whether Paramount should have had such knowledge.

65. 3 NIMMER TREATISE, *supra* note 7, § 16.06, at 16-45 to 16-49.

66. See discussion *infra* part III.A.1.b.

67. *Davies v. Krasna*, 14 Cal. 3d 502, 510, 535 P.2d 1161, 121 Cal. Rptr. 705 (1975).

68. *Id.*

confidence; but breach of confidence does not amount to constructive fraud and thus does not result in lengthier statutes of limitations or in more favorable remedies.⁶⁹ In short, there is a difference between a cause of action for breach of confidence and one for violation of a duty arising from a confidential relationship.

The evidence necessary to prove a breach of confidence cause of action is identical to that necessary to prove a breach of contract cause of action.⁷⁰ Thus, breach of confidence adds little to the law of idea protection not already available as a matter of contract law.

Breach of confidence theory may, however, provide protection where contract law would not in cases in which the plaintiff submitted an idea to a person who did not use it himself but who did disclose it to a third person and the idea was used by that third person. Where the person who originally disclosed the idea had no contact with the third person who eventually used it, there is (in the language of contract law) no "privity of contract"⁷¹ between them. In such cases, courts have properly held that no contract exists between them, not even an *implied* contract.⁷² On the other hand, if a confidential relationship existed between the plaintiff and the person to whom the plaintiff submitted the idea, the third person who eventually used the idea could be liable for having done so if he knew of that confidential relationship and that it was breached by the disclosure of the idea to him.⁷³

69. *Id.* at 511.

70. *See* discussion *infra* part III.A.1.b.(1).

71. 3 NIMMER TREATISE, *supra* note 7, §16.07, at 16-50.

72. *Donahue v. Ziv Television Programs*, 245 Cal. App. 2d 593, 607-08, 54 Cal. Rptr. 130 (1966).

73. 3 NIMMER TREATISE, *supra* note 7, §16.07, at 16-51; *Ralph Andrews Prods. v. Paramount Pictures*, 222 Cal. App. 3d 676, 271 Cal. Rptr. 797 (1990) (holding that purchaser of idea from former employee of another company may be liable to that company if purchaser knew or should have known that employee stole the idea from former employer), *review denied*, No. B 040944, 1990 Cal. LEXIS 4664 (Oct. 10, 1990); *Davies v. Krasna*, 245 Cal. App. 2d 535, 549-50, 54 Cal. Rptr. 37 (1966) (finding that confidential submission to a corporation would be binding on its officers and employees of corporation, so that violation of the duty of confidence by them would constitute breach of confidence); *Vantage Point, Inc. v. Parker Bros.*, 529 F. Supp. 1204, 1214-15 (E.D.N.Y. 1981) (holding that even if former employee of Parker Brothers misappropriated idea plaintiff had submitted to that company and then sold it to Milton Bradley, Milton Bradley was not liable because it had no notice of any

Moreover, even if a true confidential relationship exists, reliance on confidential relationship law for the protection of ideas—rather than on contract law—appears useful only in two circumstances. The first are cases in which a contract action is barred by the statute of limitations. The second is where the remedies for breach of contract may be inadequate. As a result of the fiduciary-like duties imposed by law where there is a true confidential relationship, the statute of limitations and remedies available to the plaintiff in an idea-submission case brought on a confidential relationship theory may be more favorable than those available under a breach of contract theory, because the breach of such a relationship is considered “constructive fraud.”⁷⁴

The Nimmer Treatise asserts that an additional benefit beyond those available under a breach of contract theory is available to plaintiffs who are able to prove the breach of a confidential relationship: protection for a completely abstract idea.⁷⁵ However, the case cited by the Treatise for that proposition does not go so far; it merely holds that an idea may be protected in an action for breach of confidence even if the idea is not protected by copyright.⁷⁶ The cited case does not state that breach of confidence principles will protect completely abstract ideas, and other cases have held that it will not.⁷⁷

2. Theories That Have Become Superfluous

a. *Property Law*

Until the 1947 amendment to California Civil Code section 980, ideas were property, because in those years the law treated ideas as “product[s] of the mind” and gave “exclusive ownership” of ideas to

misconduct by Parker Brothers’ former employee until after it had incurred costs in bringing the game to market), *aff’d without op.*, 697 F.2d 301 (2d Cir. 1982).

74. *Davies v. Krasna*, 14 Cal. 3d 502, 535 P.2d 1161, 121 Cal. Rptr. 705 (1975).

75. 3 NIMMER TREATISE, *supra* note 7, § 16.06, at 16-48.1.

76. *Faris v. Enberg*, 97 Cal. App. 3d 309, 321-23, 158 Cal. Rptr. 704 (1979).

77. *See* discussion *infra* part III.A.2.a.

their “author[s].”⁷⁸ Eventually, it became clear that ideas lost their status as property as a consequence of the 1947 amendment. Shortly after the amendment, however, uncertainty still remained, and when the article version of *The Law of Ideas* was first published, it reflected this uncertainty.⁷⁹ The California Supreme Court eliminated any lingering uncertainty on this point with its decision in *Desny v. Wilder* when it said, “it is clear that California does not now accord individual property type protection to abstract ideas.”⁸⁰ The Nimmer Treatise also now concludes that ideas are not property (though in doing so, it uses language that is more tentative than necessary).⁸¹

Because ideas are no longer property, causes of action that are based on the existence of property are not available for the protection of ideas. Moreover, state law claims based on the theory that ideas are property would be preempted by federal copyright law.⁸² For these reasons, courts have properly dismissed conversion of idea claims⁸³

78. See discussion *supra* part II.A.

79. Nimmer Article, *supra* note 1, at 124 (citations omitted). The article states: [W]hatever the judicial trend may prove to be, the practitioner representing a plaintiff in a case involving ideas will do well before embarking on a property theory to consider the factual and legal limitations imposed by the few cases granting recovery on a property theory for misappropriation of an idea. Likewise, the practitioner representing a defendant in an idea case ignores at his client’s peril the possibility of liability under a property theory.

80. *Desny v. Wilder*, 46 Cal. 2d 715, 732, 299 P.2d 257 (1956).

81. 3 NIMMER TREATISE, *supra* note 7, § 16.02, at 16-8 to 16-9 (citations omitted).

The foregoing suggests that ideas in most cases will not be protected on a property theory, and when they are, it is generally subject to the requirements of novelty and concreteness. These requirements would seem to render such protection illusory since if they can be proved then ordinarily (at least when dealing with literary ideas) copyright protection will be available in any event.

See discussion *infra* parts III.A.2.a and III.A.2.b for a discussion of the concreteness and novelty requirements.

82. See generally 3 NIMMER TREATISE, *supra* note 7, § 16.04[C], at 16-24 (preemption of contract claims), and § 1.01[B], at 1-22 (preemption of misappropriation claims).

83. See, e.g., *Minnear v. Tors*, 266 Cal. App. 2d 495, 72 Cal. Rptr. 287, 292 (1968). In *Minnear*, the creator of a television series format entitled “Sea Divers” brought a suit for breach of implied contract, fraud and conversion against the producers of the series *Sea Hunt*. On the conversion claim, the court ruled, “[i]n the absence of a protectible property there can be no conversion of an idea.” *Id.* at 502.

and misappropriation of idea claims.⁸⁴

b. *Quasi-Contract Law*

At one time, some courts relied on quasi-contract theory to protect ideas.⁸⁵ “Quasi contracts” are also known as implied-in-law contracts, but should not be confused with implied-in-fact contracts. (Implied-in-fact contracts are often referred to as simply “implied contracts.”) Implied-in-fact contracts result from actual agreements proved by the parties’ conduct rather than by their words. (Agreements reached in words are “express contracts.”) Implied-in-law contracts are not actual agreements; they are obligations imposed by law in order to prevent unjust enrichment.⁸⁶

The Nimmer Treatise devotes significant attention to quasi contracts,⁸⁷ but appears ambivalent about the current or proper role for quasi-contract law in the protection of ideas.

On the one hand, the Treatise devotes an entire subsection to criticizing cases that (according to the subsection heading) resulted in an

84. *Whitfield v. Lear*, 751 F.2d 90 (2d Cir. 1984) (citations omitted). *Whitfield* was a suit by the author of a treatment for a television series entitled “Boomerang” against producers of a series entitled *The Righteous Apples* (relying on diversity for federal court jurisdiction). Summary judgment for defendants was reversed by the Court of Appeals because questions of fact existed with respect to the existence of an implied-in-fact contract and substantial similarity. As to other causes of action, the court said: “Under California law, the fraud, misappropriation, unfair competition, and quasi-contract claims are actionable only to vindicate legally protected property interests, and an idea is not recognized as a property right. Recovery for the appropriation of an idea, therefore, may be had only on a contractual theory.” *Id.* at 92.

In *Nash v. CBS, Inc.*, 704 F. Supp. 823, 833-35 (N.D. Ill. 1989), *aff’d*, 899 F.2d 1537 (7th Cir. 1990), the court ruled that the plaintiff’s misappropriation claim, based on the allegedly unauthorized use of plaintiff’s book *THE DILLINGER PRINT* in producing an episode of *Simon and Simon*, was preempted by the Copyright Act.

85. 3 NIMMER TREATISE, *supra* note 7, § 16.03, at 16-10.

86. For a more complete analysis of the distinction between quasi (implied-in-law) contracts and implied-in-fact contracts, see 3 NIMMER TREATISE, *supra* note 7, §16.03, at 16-10 to 16-11; *Desny v. Wilder*, 46 Cal. 2d 715, 734-37, 299 P.2d 257 (1956); and *Stanley v. Columbia Broadcasting Sys.*, 35 Cal. 2d 653, 675-77, 221 P.2d 73 (1950) (Traynor, J., dissenting).

87. 3 NIMMER TREATISE, *supra* note 7, § 16.03, at 16-10 to 16-16.

“Unwarranted Diminution of the Quasi Contract Theory.”⁸⁸ The unmistakable implication of this subsection is that quasi-contract law does and should protect ideas.

On the other hand, the very next subsection of the Treatise criticizes a number of cases that (according to its heading) resulted in an “Unwarranted Extension of the Quasi Contract Theory.”⁸⁹ This subsection, however, is not merely a critique of particular cases; it makes a persuasive argument for the outright rejection of quasi-contract law as an independent theory for protecting ideas:

[I]n order to avoid a monopoly in ideas and a consequent restraint on progress in the literary arts, courts will generally not accord protection to ideas under a property theory. These same policy considerations call for rejection of the quasi contract theory as a means of protecting ideas since the scope of quasi contract, like that of the property theory, reaches and renders liable persons other than the limited number who may have consented to a contractual relationship. Assuming a fact pattern where defendant has used plaintiff's idea without either an express or an implied agreement to pay for such use, there would seem to be no legal or logical justification for permitting plaintiff to recover on quasi contract theory when he would be denied recovery under a property theory.⁹⁰

Consistent with this argument, courts have repeatedly dismissed quasi-contract claims complaining about the unauthorized use of ideas. In doing so, they have explained that quasi-contract law protects only protectible property, namely expression of the sort protected by copyright law. And they have held that the proof necessary to prevail on a quasi-contract theory is the same as that necessary to prevail in a copyright infringement action.⁹¹

88. 3 NIMMER TREATISE, *supra* note 7, § 16.03[A], at 16-12.

89. 3 NIMMER TREATISE, *supra* note 7, § 16.03[B], at 16-14.

90. *Id.*

91. In *Stanley v. Columbia Broadcasting Sys.*, 35 Cal. 2d 653, 675, 221 P.2d 73 (1950) (Traynor, J., dissenting) (citations omitted), Justice Traynor observed:

It has been consistently held that an action in quasi contract for the use of an idea is governed by the same principles that control a tort action for copyright infringement: the idea must be embodied in a concrete form attributable to plaintiff's own ingenuity, and the form as distinguished from the abstract idea must be used by the defendant.

In *Weitzenkorn v. Lesser*, 40 Cal. 2d 778, 795, 256 P.2d 947 (1953) (citations omitted), a claim based on an implied-in-fact theory was allowed to proceed, but the court affirmed

The Treatise nevertheless seeks to preserve a role, however small, for quasi-contract theory by suggesting that a plaintiff who is able to prove infringement of copyrightable material may prefer to rely on quasi-contract law, because “[i]t may be that a quasi contract action offers a plaintiff a more favorable measure of recovery than does an infringement action.”⁹² Even this tiny role for quasi-contract theory—a role in which it is used to protect copyrightable expression, not mere ideas—was eliminated by the Copyright Act of 1976, because that Act preempts all state laws equivalent to federal copyright.⁹³ The Treatise acknowledges copyright’s preemption of quasi-contract law, but only in a footnote and in language more tentative than it should be.⁹⁴ Quasi-contract claims are not common, but when asserted, they are regularly dismissed on preemption grounds.⁹⁵

dismissal of the quasi-contract claim, because:

The material which is used must constitute protectible property if recovery is to be had upon quasi contract. Therefore, the proof necessary to recover upon the theory of a contract implied in law is the same as that required by the tort action for plagiarism [i.e., common law copyright]. There is no similarity between these productions as to form and manner of expression, the portion which may be protectible property. Thus, because the defendants have used no property belonging to Weitzenkorn, she cannot recover upon a quasi-contractual theory.

In *Kurlan v. Columbia Broadcasting Sys.*, 40 Cal. 2d 799, 811, 256 P.2d 962 (1953), the court stated that “if Kurlan relies upon a contract implied in law, the proof necessary for a recovery is the same as that required by the tort action for plagiarism [i.e., common law copyright infringement].” See also *Mann v. Columbia Pictures*, 128 Cal. App. 3d 628, 634, 180 Cal. Rptr. 522, 526 (1982) (quoting *Weitzenkorn*); *Klekas v. EMI Films*, 150 Cal. App. 3d 1102, 1111, 198 Cal. Rptr. 296 (1984) (quoting *Weitzenkorn*).

92. 3 NIMMER TREATISE, *supra* note 7, § 16.03[B], at 16-15.

93. Copyright Act of 1976 § 301(a), 17 U.S.C. § 301(a) (1988).

94. 3 NIMMER TREATISE, *supra* note 7, § 16.03[B], at 16-16 n.26 (“A state law quasi contract theory may be the subject of federal preemption for the same reason that a property right theory would be preempted.”).

95. *Del Madera Properties v. Rhodes & Gardner, Inc.*, 820 F.2d 973, 976-77 (9th Cir. 1987) (finding that unjust enrichment claim was preempted where defendant was alleged to have used for its own benefit a map created by plaintiff); *Wolff v. Institute of Elec. & Elec. Eng’rs*, 768 F. Supp. 66, 70 n.3 (S.D.N.Y. 1991) (finding that pendent state law claim for unjust enrichment was preempted by the Copyright Act in suit alleging infringement of copyright to a photograph); *Strauss v. Hearst Corp.*, 8 U.S.P.Q.2d (BNA) 1832, 1839 (S.D.N.Y. 1988) (stating that where unjust enrichment is alleged, the person injured may assert a quasi-contract claim against the person unjustly enriched; but in suit alleging infringement of copyright to a photograph, the plaintiff’s unjust enrichment claim was preempted by the Copyright Act); *Ronald Litoff, Ltd. v. American Express*, 621 F. Supp. 981, 986 (S.D.N.Y.

c. *Other Legal Theories*

A number of legal theories, in addition to those evaluated in the Treatise, have been advanced by plaintiffs seeking to protect their ideas or expressions. All such attempts have failed, either because the theories in question did not protect ideas or because they were preempted by federal copyright law. Courts have rejected claims alleging misrepresentation (of the "true" author's identity) under Lanham Act § 43(a),⁹⁶ misrepresentation under state law,⁹⁷ unfair competition

1985); *Universal City Studios v. Nintendo Co.*, 615 F. Supp. 838, 856-57 (S.D.N.Y. 1985), *aff'd*, 797 F.2d 70 (2d Cir.), *cert. denied*, 479 U.S. 987 (1986).

96. *Kienzle v. Capital Cities/Am. Broadcasting Co.*, 774 F. Supp. 432 (E.D. Mich. 1991) (holding that Lanham Act does not apply to misappropriation of ideas in suit by novelist William X. Kienzle against ABC and 20th Century Fox alleging misappropriation of his idea for a television series situation comedy about occurrences at an inner-city Catholic rectory staffed by a team of priests). In *Vantage Point, Inc. v. Parker Bros.*, 529 F. Supp. 1204, 1219 (E.D.N.Y. 1981), *aff'd without op.*, 697 F.2d 301 (2d Cir. 1982), the creator of the game "Wildcat" alleged that the defendant's game "King Oil" was developed from an idea submitted by the plaintiff. The court held that the Lanham Act

is concerned with affirmative misrepresentations about the nature or source of the goods a defendant has sold . . . Plaintiff has not pointed to any such misrepresentation, even assuming that defendant copied plaintiff's ideas. Nor can the Court accept plaintiff's attempt to emulate Procrustes and force its true injury, the alleged misappropriation of its ideas, into a claim for "reverse palming off" within § 43(a). There is simply no proof of any sort that defendant has ever used plaintiff's prototype or finished game to represent anything about King Oil.

But see *Stillman v. Leo Burnett Co.*, 720 F. Supp. 1353, 1361-63 (N.D. Ill. 1989) (finding that claim alleging false representation by defendants regarding the source of their idea for a silent television commercial is not preempted by copyright). *Kienzle* and *Vantage Point* are consistent, and *Stillman* inconsistent, with appellate court rulings rejecting Lanham Act claims based on the alleged misuse of copyright-protected expression. *See* *Litchfield v. Spielberg*, 736 F.2d 1352, 1358 (9th Cir. 1984) ("Without substantial similarity, there can be no claim for reverse passing off under section 43(a) [of the Lanham Act]."), *cert. denied*, 470 U.S. 1052 (1985); *Berkic v. Crichton*, 761 F.2d 1289, 1291 n.1 (9th Cir.) (quoting *Litchfield's* discussion of § 43(a) claims), *cert. denied*, 474 U.S. 826 (1985). *See also* *Shaw v. Lindheim*, 919 F.2d 1353, 1364-65 (9th Cir. 1990), where the court stated that despite the possible existence of substantial similarity,

We are reluctant to expand the scope of § 43(a) to cover the situation presented here. Shaw's claim is not consistent with the Lanham Act's purpose of preventing individuals from misleading the public by placing their competitors' work forward as their own. In spite of the similarities between Shaw's script and defendants' pilot, the likelihood that the two works will be confused is minimal. We decline to expand the scope of the Lanham Act to cover cases in which the Federal Copyright Act

under state law,⁹⁸ and interference with contract or prospective business advantage.⁹⁹

3. Conclusions on the Current Status of State Law Theories

Two conclusions follow from the preceding discussion of state law theories.¹⁰⁰ First, it is now well settled that state law protection is available to those who submit ideas to others. Second, when provided, such protection will be based on principles of contract law or in rare instances on principles of confidential relationship law. Other legal theories no longer play a role in idea-submission cases.

While courts no longer have to grapple with *whether* ideas may be protected by law or by *what legal theories*, courts still must deal with other issues involving the application of contract and confidential

provides an adequate remedy.

97. *Litchfield v. Spielberg*, 736 F.2d 1352, 1358 (9th Cir. 1984) (affirming dismissal of state law claim for misrepresentation on the grounds that it was "preempted by federal copyright law" in case alleging that the movie *E.T.: The Extra-Terrestrial* was copied from a play written by the plaintiff), *cert. denied*, 470 U.S. 1052 (1985).

98. *Smith v. Weinstein*, 578 F. Supp. 1297, 1306-07 (S.D.N.Y.) (finding that federal copyright law preempts state unfair competition claim arising from defendants' alleged use of plaintiff's ideas for a prison rodeo movie in defendants' production of the movie *Stir Crazy*), *aff'd without op.*, 738 F.2d 419 (2d Cir. 1984); *Vantage Point, Inc. v. Parker Bros.*, 529 F. Supp. 1204 (E.D.N.Y. 1981), *aff'd without op.*, 697 F.2d 301 (2d Cir. 1982).

99. *Motown Record v. George A. Hormel & Co.*, 657 F. Supp. 1236, 1240 (C.D. Cal. 1987) (holding that claims for interference with prospective business advantage were preempted by federal copyright law, where defendant allegedly used plaintiffs' song without permission and thereby interfered with plaintiffs' own exploitation of that song); *Harper & Row Publishers v. Nation Enters.*, 723 F.2d 195, 201 (2d Cir. 1983) (holding that a claim for interference with contractual relations was preempted by federal copyright law, where defendant magazine published excerpts from plaintiff's forthcoming book and thereby caused another magazine publisher to cancel its excerpt-publication contract with plaintiff), *rev'd on other grounds*, 471 U.S. 539 (1985); *Acuff-Rose Music v. Campbell*, 754 F. Supp. 1150, 1159-60 (M.D. Tenn.) (claims under state law for interference with business relations and prospective business advantage are preempted, where defendant allegedly made unauthorized use of plaintiff's song), *appeal dismissed*, 929 F.2d 700 (6th Cir. 1991), *and rev'd on other grounds*, 972 F.2d 1429 (6th Cir. 1992), *rev'd*, No. 92-1292, 1994 U.S. LEXIS 2052 (March 7, 1994); *Gemcraft Homes v. Sumurdy*, 688 F. Supp. 289, 295 (E.D. Tex. 1988) (plaintiff's claim for tortious interference with contractual relations is preempted).

100. See discussion *supra* parts II.B.1., II.B.2.

relationship principles to particular submissions.

III. ISSUES OF CURRENT IMPORTANCE

The issues of importance today concern the conditions under which idea recipients may become legally obligated to compensate those who submit ideas, and if such an obligation has been imposed, the kinds of idea uses that actually require payment. In all, there are four such issues. The first and second relate to the conditions that must exist in order for the law to obligate idea recipients to pay for ideas they have received: (1) What circumstances must exist in connection with the disclosure of an idea in order for the recipient to become legally obligated to pay if the idea is used? (2) What characteristics must an idea have in order for its disclosure to give rise to an obligation to pay if the idea is used?

The third and fourth issues relate to the kinds of idea uses from which the law has imposed an obligation to pay: (3) Does the person to whom the idea is disclosed become obligated to pay the person who disclosed it, even if the idea actually used was independently developed or acquired from someone else? If independent development or acquisition from elsewhere is a defense to an idea-submission claim, what evidence may be used to prove that the recipient actually used the idea disclosed by the claimant rather than one that was independently developed or acquired from elsewhere? (4) How similar must the recipient's use be to the idea disclosed by the claimant in order for the recipient to be obligated to pay?

A. Conditions Creating an Obligation to Pay

While it is now settled that the law provides protection to those who submit their ideas to others, not every submission of any idea will create a legal obligation. To be protected by law, an idea must be submitted under certain circumstances and must have certain characteristics.

1. Circumstances Surrounding the Submission of the Idea

The first issue of current importance involves identifying the circumstances under which an idea must be disclosed in order for the recipient to become legally obligated to pay if the idea is used. Two types of circumstances may give rise to such an obligation: those that result in an actual agreement and those that establish a confidential relationship.

a. *Obligations Resulting From Agreements*

A legal obligation to pay for an idea may arise from either an express agreement or an implied-in-fact agreement. While both are *actual* agreements (rather than “quasi” agreements implied by law),¹⁰¹ the circumstances resulting in each are somewhat different.

(1) Express Agreements

The key characteristic that makes agreements “express” (rather than implied) is that their terms have been agreed to in *words*,¹⁰² orally or in writing.¹⁰³ Thus the circumstances necessary to create an express agreement for the protection of an idea are: (1) an offer, made in words, to disclose an idea in return for payment, and (2) a promise, made in words, to pay for it.¹⁰⁴

Express contracts are capable of providing the broadest protection to those who submit ideas to others, because express contracts have been used to require compensation for ideas whose unauthorized use

101. See discussion *supra* part II.B.2.b.

102. CAL. CIV. CODE § 1620 (West 1994) (“An express contract is one, the terms of which are stated in words.”).

103. *Treadwell v. Nickel*, 194 Cal. 243, 260, 228 P. 25 (1924).

104. Consideration is necessary as well. Since consideration is supplied either by the idea itself or by the service of disclosing the idea, it is discussed *infra* part III.A.2., which addresses the characteristics an idea must have in order to be protected.

would not result in liability as a matter of copyright law.¹⁰⁵ Express contracts have been so used in cases where the material submitted was not eligible for copyright protection and in cases where the submitted material was protected by copyright, but the only thing copied from the material was not protected.

Formats for television and radio programs are examples of material that is not protected by copyright.¹⁰⁶ Nevertheless, in cases where the right to use such formats was sold by express contract, courts have recognized the seller's right to be paid when the buyer uses the format.¹⁰⁷

105. Express contracts also are capable of providing protection against idea-submission claims to those who receive idea submissions, because express contracts are able to specify particular and limited types of submissions for which compensation is promised or may even be used as complete releases from all liability. See discussion *infra* part III.C.

106. *E.g.*, Dick Clark Co. v. Alan Landsburg Prods., No. CV 83-3665-JMI (C.D. Cal. 1985) (LEXIS, Genfed library, Dist file) (format for television "bloopers" show not protected by copyright), *aff'd without op.*, 800 F.2d 1145 (9th Cir. 1986); Herwitz v. National Broadcasting, 210 F. Supp. 231, 235 (S.D.N.Y. 1962) (format for television game show not protectible by copyright); Richards v. Columbia Broadcasting Sys., 161 F. Supp. 516 (D.D.C. 1958) (format for television quiz program not protected by copyright); Television Adventure Films v. KCOP Television, 249 Cal. App. 2d 268, 57 Cal. Rptr. 526 (1967) (producer of travel and adventure television programs consisting of films shot on location plus narration and interviews did not have a common law copyright to the idea or format of such programs); Borden v. Andrews, 139 U.S.P.Q. (BNA) 557 (Cal. Super. Ct. 1963) (format for television game show involving cryptography and an electronic game board is not protected by common law copyright). See generally Robin Meadow, Comment, *Television Formats—The Search for Protection*, 58 CAL. L. REV. 1169 (1970); Libott, *supra* note 22, at 755-61.

107. In *Stone v. Goodson*, 8 N.Y.2d 8, 167 N.E.2d 328, 200 N.Y.S.2d 627 (1960), plaintiff sued for breach of written contract providing that "in the event that we [defendants] should at any time broadcast programs based upon the ideas, format and other literary material heretofore submitted and sold by you to us . . . , we agree to make payments to you in accordance with the terms and conditions of said prior written agreement." *Id.* at 12. The court reversed summary judgment for the plaintiff, but only because the issue of whether *The Price Is Right* actually was "based upon" plaintiff's material was an issue of fact requiring trial.

In *Colvig v. KSFO*, 224 Cal. App. 2d 357, 36 Cal. Rptr. 701 (1964), plaintiff brought a suit for breach of oral contract by the defendants' use of the plaintiff's format for a radio program involving traffic reports and traffic safety information, in which listeners were encouraged to report traffic problems to the disc jockey, and membership cards were given out to listeners to promote the program. Summary judgment for the defendants was reversed by the Court of Appeal on the grounds that the plaintiff's complaint had alleged that the defendants expressly agreed, orally, to pay plaintiff \$100 per week for the use of her format, and defendants' affidavits, submitted in support of their summary judgment motion, had not negated the existence of the alleged express agreement.

The most newsworthy of all express contract idea cases is one in which the submitted material was protected by copyright but the thing allegedly copied from it was not. The case was filed by columnist Art Buchwald against Paramount Pictures and involved the Eddie Murphy movie *Coming to America*.¹⁰⁸ Buchwald had written a two-and-a-half-page treatment entitled *King for a Day*, to which he registered his copyright. Then, by written contract, Buchwald granted Paramount an option on the movie rights to the treatment. The option contract provided that if Paramount produced a movie "based upon" Buchwald's treatment, he would be entitled to additional compensation, beyond what he was paid when the contract was signed. Paramount eventually shelved the Buchwald project; but when *Coming to America* was released, Buchwald contended that the movie was "based upon" his treatment. In a book about the case written by Buchwald's lawyer, the lawyer admits that "*Coming to America* is not Buchwald's *King for a Day* in the way that courts interpret the federal copyright laws."¹⁰⁹ In fact, the lawyer admitted advising his client—before the lawsuit was filed—that "the copyright approach is a dead-bang loser. You'll get tossed out of federal court so fast that you won't know that you were ever there."¹¹⁰ Therefore, Buchwald ignored his copyright in the

In *Regional Reps v. WOLI Broadcasting*, 166 U.S.P.Q. (BNA) 299 (N.D. Ill. 1970), plaintiff entered into a written contract with the defendant licensing the defendant to broadcast a radio program entitled *Auction Man* pursuant to a format created by the plaintiff. The contract provided that the defendant "would not carry any radio or television program substantially similar" to *Auction Man* during the term of the license or within a year thereafter. Shortly after the license was terminated, the defendant began broadcasting two substantially similar radio programs entitled *The WOLI Auctioneer* and *Make an Offer*. The defendant was enjoined from continuing its broadcasts, and the court entered judgment against the defendant for the amount of the license fee it would have paid to plaintiff had the license remained in effect.

108. Paramount Pictures 1988.

109. PIERCE O'DONNELL AND DENNIS MCDUGAL, *FATAL SUBTRACTION: THE INSIDE STORY OF BUCHWALD V. PARAMOUNT* 24 (1992) [hereinafter *FATAL SUBTRACTION*].

110. *Id.* at 25. Buchwald's lawyer was certainly correct in this assessment. In *Beal v. Paramount Pictures*, 806 F. Supp. 963 (N.D. Ga. 1992), plaintiff alleged that *Coming to America* infringed the copyright to her novel *The Arab Heart*, which recounts the adventures of an Arabian prince who attends college in the United States, marries an American woman, and then returns to his country. The court granted summary judgment to Paramount on the grounds that the two works were not substantially similar. The court noted that there was a general similarity between the two works in their theme, and that other similarities naturally

treatment and instead sued Paramount for breach of contract, claiming he was entitled to the additional compensation called for in that contract. The trial court agreed.¹¹¹ Paramount denied that it had breached Buchwald's contract, because it disputed his assertion that *Coming to America* had been "based upon" his treatment. However, Paramount did not contest the validity of Buchwald's contract.

(2) Implied Agreements

An implied-in-fact contract is one whose existence and terms are shown by *conduct* rather than by words.¹¹² When a customer orders a meal in a restaurant, for example, an implied-in-fact contract is created between the customer and the restaurant, and the customer is obligated by that contract to pay for the meal even though the waiter did not require the customer to sign an agreement to pay and even though the customer did not orally promise to pay for the meal before it was served.

(a) Circumstances Creating Implied Agreements

There appears to be a common misconception—among those who believe their ideas have been stolen—that the mere submission of an idea is sufficient conduct, by itself, to create an implied-in-fact contract for its protection. The source of this misconception is difficult to locate, but it may have been *Desny v. Wilder*.¹¹³ In that case the California Supreme Court ruled that Victor Desny was entitled to a trial on his allegation that Billy Wilder and Paramount Pictures entered into an implied-in-fact contract with him as a result of circumstances that *began* when Desny simply telephoned Wilder's offices and pitched

arose from the theme of a foreign prince coming to the United States. However, the court held that neither that theme nor the similarities that arose from it were copyrightable.

111. *Buchwald v. Paramount Pictures*, 13 U.S.P.Q.2d (BNA) 1497, No. C 706083, 1990 Cal. App. LEXIS 634 (Cal. App. Dep't Super. Ct. Jan. 31, 1990) (appeal pending).

112. CAL. CIV. CODE § 1621 (West 1994).

113. 46 Cal. 2d 715, 299 P.2d 257 (1956).

an idea to Wilder's secretary.¹¹⁴ If *Desny v. Wilder* is the source of the misconception, it would be ironic indeed, because that very decision makes it clear that far more than mere submission of an idea is required to create an implied-in-fact contract.

Desny v. Wilder actually held that in order for an idea submission to give rise to an implied-in-fact contract, two circumstances must exist at the time the idea is disclosed:¹¹⁵ (1) the "idea purveyor" must have "clearly conditioned his offer to convey the idea upon an obligation to pay for it if it is used" by the person to whom it was conveyed; and (2) the idea recipient must "know[] the condition before he knows the idea" and must "voluntarily accept[] its disclosure (necessarily on the specified basis)."¹¹⁶ The court then emphasized that an "implied promise" to pay for an idea, "if it is to be found at all, must be based on circumstances which were known to the producer at and preceding the time of disclosure of the idea to him and he must voluntarily accept the disclosure, knowing the conditions on which it is tendered."¹¹⁷

The requirement that these conditions be satisfied in order for an implied-in-fact contract to arise necessarily means that if the conditions are not satisfied, the "idea purveyor" does not have a right to recover. *Desny* makes this clear. It explains that "[t]he idea man who blurts out his idea without having first made his bargain has no one but himself to blame for the loss of his bargaining power."¹¹⁸ This consequence, however, is not simply the result of assigning "blame." Quite apart from who is to blame, *Desny* explains that "[t]he law will not in any event, from demands stated subsequent to the unconditioned disclosure of an abstract idea, imply a promise to pay for the idea, for its use, or for its previous disclosure."¹¹⁹ Then, apparently to be certain its meaning would not be misunderstood, the court added:

114. *Id.* at 726.

115. Two additional circumstances—that the person to whom the idea is disclosed find it valuable and use it—are discussed *infra* parts III.A.2., III.B.

116. 46 Cal. 2d at 739.

117. *Id.*

118. *Id.*

119. *Id.*

The law will not imply a promise to pay for an idea from the mere facts that the idea has been conveyed, is valuable, and has been used for profit; this is true even though the conveyance has been made with the hope or expectation that some obligation will ensue.¹²⁰

Victor Desny was not entitled to a trial on his implied-in-fact contract claim simply because he pitched his idea by phone to Billy Wilder's secretary. He was entitled to a trial only because of what happened next, so the distinction between the two events is important to note.

Desny initially called Wilder's office with the hope of seeing Wilder in person. Wilder's secretary answered the phone and insisted that Desny explain his purpose. Desny then told her the story of Floyd Collins who some years before had been trapped in a cave and eventually died, after making two weeks of "sensational news." Desny told the secretary that he had written a sixty-five-page story about the incident and that he wanted to send it to Wilder. The secretary responded that Wilder would not read anything that long, "that he wanted stories in synopsis form," so the story would be sent to the script department which would condense it to three or four pages. Desny said that he preferred to abbreviate the story himself, "and the secretary suggested that he do so."¹²¹ The court ruled that this conversation did *not* give rise to an implied-in-fact contract; and the court ruled that if this conversation had been all that occurred, Wilder and Paramount could have used Desny's idea to base a movie on the Floyd Collins incident, had they done their own research into that incident, without any liability to Desny.¹²²

But that first conversation was not all that occurred. Two days

120. *Id.*

121. *Id.* at 726.

122. [I]t does not appear that a contract to pay for conveyance of the abstract photoplay idea had been made, or that the basis for inferring such a contract from subsequent related acts of the defendants had been established, at the time plaintiff disclosed his basic idea to the secretary. Defendants, consequently, were at that time and from then on free to use the abstract idea if they saw fit to engage in the necessary research and develop it to the point of a usable script.

Id. at 740.

later, Desny called Wilder's office a second time and told the secretary his synopsis was ready. The secretary asked Desny to read the synopsis to her over the phone so she could take it down in shorthand, and Desny did so. Desny also told the secretary that Wilder and Paramount could use the story only if they paid him "the reasonable value of it." In his deposition, Desny testified,

I made it clear to her that I wrote the story and that I wanted to sell it I naturally mentioned again that this story was my story which has taken me so much effort and research and time, and therefore if anybody used it they will have to pay for it She said that if Billy Wilder or Paramount uses the story, 'naturally we will pay you for it.'¹²³

This was the event that entitled Desny to a trial on his implied-in-fact contract claim. To prevail, said the court, Desny would have to show: that he "prepare[d] a literary composition on the Floyd Collins tragedy"; that "he submit[ted] the composition to the defendants for sale"; and that "the defendants, knowing that it was offered to them for sale, accept[ed] and use[d] that composition or any part thereof."¹²⁴

Desny v. Wilder has been consistently followed in the almost forty years that have passed since it was decided. In fact, in a 1982 case in which Columbia Pictures, Warren Beatty, and Robert Towne were accused of using the plaintiff's idea in making the movie *Shampoo*, the appellate court approved jury instructions consisting of *Desny's* requirements for an implied-in-fact contract.¹²⁵

123. *Id.* at 727.

124. *Id.* at 744.

125. In *Mann v. Columbia Pictures*, 128 Cal. App. 3d 628, 646-47 n.6, 180 Cal. Rptr. 522 (1982), the court ruled that the jury had been "properly instructed" as to the elements of an implied-in-fact contract, where the instruction read, in part, as follows:

In her action against the defendants for breach of an implied contract, plaintiff Bernice Mann has the burden of establishing, by a preponderance of the evidence, all of the facts necessary to prove each of the following issues:

1. That plaintiff submitted her ideas to the defendants and that the defendants received them.
2. That before plaintiff submitted her ideas to the defendants, she clearly conditioned her disclosure upon defendants' agreement to pay for those ideas of plaintiff's which the defendants used, if any.
3. That defendants knew, or should have known, the condition upon which the disclosure was being made before the disclosure was made.
4. That the defendants voluntarily accepted the submission on plaintiff's terms

In cases decided since *Desny*, courts have ruled that implied-in-fact contracts also could be found under certain circumstances. In *Chandler v. Roach*,¹²⁶ an implied-in-fact contract was found where the plaintiff (a professional writer) was represented by a literary agent who met with the defendant (a television producer) and submitted the plaintiff's idea for a television program. The defendant expressed interest in the idea and then met several times with the plaintiff and his agent. At these meetings the plaintiff "sold" the defendant on the plaintiff's idea for a television series. The terms of a contract were then negotiated, and drafts of a written contract were prepared (though never signed). The plaintiff wrote a sample script at the defendant's request, and revised it in accordance with suggestions made by the defendant, so the defendant could attempt to sell the proposed series to advertisers.

An implied contract was also found in *Donahue v. Ziv Television Programs*,¹²⁷ where the first meeting between the plaintiffs (television writers and producers) and one of the defendants (a television producer) was pursuant to an appointment made by the plaintiffs' agent. The plaintiffs self-produced a pilot episode of their proposed series, which was exhibited to at least one of the defendants. One defendant discussed compensation with the plaintiffs on several occasions and once told them that if the other defendant approved, the proposed series would be produced and the plaintiffs' compensation would be pursuant to "a regular package deal" that the other defendant "made with independent producers."

The plaintiff in *Minnear v. Tors*¹²⁸ exhibited a self-produced

and thereby impliedly agreed to pay plaintiff for any of her ideas which they might use.

....

In order to find for the plaintiff, you must find that she has established, by a preponderance of the evidence, each and every one of the foregoing described issues; otherwise, you must find for the defendants.

126. 156 Cal. App. 2d 435, 319 P.2d 776 (1957).

127. 245 Cal. App. 2d 593, 54 Cal. Rptr. 130 (1966) (suit by the creators of a television series format entitled "The Underwater Legion" against the producers of the program *Sea Hunt*).

128. 266 Cal. App. 2d 495, 72 Cal. Rptr. 287 (1968) (suit by the creator of television series format entitled "Sea Divers" against producers of the program *Sea Hunt*).

pilot episode of his proposed program to the defendants (television producers) and then submitted a copy of the pilot, a written format, twelve story outlines, one screenplay and a proposed budget for the program to the defendants in response to their request. The defendants admitted that television pilots were produced for the purpose of showing them to prospective purchasers who may be interested in buying them to make into a series. In this situation, the court found that an implied contract existed.

Similarly, in *Blaustein v. Burton*,¹²⁹ an implied contract was found where the plaintiff (an accomplished movie producer) met with the defendants—actors Richard Burton and Elizabeth Taylor and director Franco Zeffirelli—after contacting them through their agents. The plaintiff discussed with the defendants his idea to produce a movie version of Shakespeare's *The Taming of the Shrew* with Burton and Taylor in the starring roles and Zeffirelli directing. The plaintiff persuaded Zeffirelli to direct the movie. At the end of the plaintiff's meeting with Burton and Taylor, Burton told the plaintiff to "plan to go ahead," that "Elizabeth and I would like to do this," that "Zeffirelli is a good idea," and that the plaintiff should work out appropriate arrangements with the Burtons' New York lawyer. The plaintiff then telephoned his own lawyer, whose firm also represented the Burtons in Los Angeles, and told him to "do whatever you think is right about structuring a deal" When the plaintiff was told that his position as producer was in jeopardy, he was also told (by a partner in the firm that represented him and the Burtons) that "there would be a reward for your contribution to the project."

Finally, in *Landsberg v. Scrabble Crossword Game Players*,¹³⁰ an implied contract was found where the plaintiff (the author of a book manuscript on Scrabble strategy) disclosed his manuscript to the defendant (the makers of Scrabble) in confidence for the limited purpose of obtaining approval for the use of the Scrabble trademark on the cover of his book which he told the defendant he intended to exploit. Thereafter, the defendant engaged in prolonged negotiations with the plaintiff regarding the possible publication of the book by the

129. 9 Cal. App. 3d 161, 88 Cal. Rptr. 319 (1970).

130. 802 F.2d 1193 (9th Cir. 1986).

defendant.

Not all circumstances, however, support the inferences that are necessary to give rise to implied-in-fact contracts. In *Faris v. Enberg*,¹³¹ no implied-in-fact contract arose where the plaintiff submitted an idea for a sports-themed television quiz show to the defendant, hoping he would agree to appear in the show as master of ceremonies. After talking with the plaintiff about his idea and considering his written proposal, the defendant declined the plaintiff's offer but thereafter became the master of ceremonies of another quite similar sports quiz show. The court ruled there was "no evidence to support an implied-in-fact contract";¹³² rather "[a]ll the evidence [was] to the contrary."¹³³ This was so because the plaintiff had submitted his format to the defendant so he could decide whether he wanted to enter into a business relationship with the plaintiff, not for the purpose of selling the format. The plaintiff never thought of selling his idea to anyone, including the defendant. The plaintiff never told the defendant he was submitting his format for sale. There was no evidence that the plaintiff expected to be paid for revealing his format to the defendant, or that the plaintiff had ever indicated he had any such expectation. Under these circumstances, the court held, there was "no reason to think that [the defendant], or anyone else with whom [the defendant] spoke, would have believed that [the plaintiff's] submission was an offer to sell something, which if used would oblige the user to pay."¹³⁴ Moreover, said the court, "[b]ased on the clear holding of *Desny* an obligation to pay could not be inferred from the mere fact of submission on a theory that everyone knows that the idea man expects to be paid."¹³⁵

Similarly, no implied-in-fact contract arose in *Klekas v. EMI Films*¹³⁶ from the plaintiff's unsolicited submission of a synopsis or portions of his book manuscript "The Fields of Discontent" to the publisher of the paperback book version of the movie *The Deer*

131. 97 Cal. App. 3d 309, 158 Cal. Rptr. 704 (1979).

132. *Id.* at 318.

133. *Id.*

134. *Id.* at 319.

135. *Id.*

136. 150 Cal. App. 3d 1102, 1114-15, 198 Cal. Rptr. 296 (1984).

Hunter.

Finally, in *Aliotti v. R. Dakin & Co.*,¹³⁷ no implied-in-fact contract was found where the plaintiff (a designer of pillows, stuffed animals and other items for children) showed items she had designed to the defendant, hoping the defendant would hire her in order to acquire her designs. There was no discussion about the defendant purchasing any particular design or about possible employment until after the designs had been displayed.

These cases demonstrate that while some have argued that a contract should be implied whenever a writer submits ideas to a producer, perhaps "on the theory that such an agreement may reasonably be inferred from the nature of such relationships,"¹³⁸ California courts "as yet have never done so without an allegation that the party receiving the ideas had said something to indicate an agreement to pay"¹³⁹—or at least done something to unmistakably indicate an awareness that the person submitting the idea expected to be paid.

(b) The Role of Industry Custom

It is sometimes alleged that there is an entertainment "industry custom" of paying for submitted ideas if they are used.¹⁴⁰ Such an allegation raises two questions. The first is purely factual: is there actually any such "custom"? The second is legal: if there is such a custom, what role does it play in creating implied contracts?

The Nimmer Treatise reports the existence of such a custom as though it is beyond doubt.¹⁴¹ No authority is cited to support its

137. 831 F.2d 898, 902-03, (9th Cir. 1987).

138. *Smith v. Weinstein*, 578 F. Supp. 1297, 1305 (S.D.N.Y. 1984), *aff'd without op.*, 738 F.2d 419 (2d Cir. 1984).

139. *Id.*, *quoted with approval in Lehman v. Dow Jones & Co.*, 783 F.2d 285, 300 (2d Cir. 1986).

140. *See, e.g., Kurlan v. Columbia Broadcasting Sys.*, 40 Cal. 2d 799, 802, 256 P.2d 962 (1953); *Whitfield v. Lear*, 751 F.2d 90, 93 (2d Cir. 1984).

141. 3 NIMMER TREATISE, *supra* note 7, § 16.05[B] at 16-33 ("[An implied solicitation of an idea] occurs where the recipient is engaged in a trade or industry (such as the entertainment industry) which by custom purchases ideas of the type submitted.").

existence, but one court took “judicial notice” of the custom, citing only the Treatise itself.¹⁴² The existence of the supposed custom appears to have been the subject of actual testimony in only two reported cases, *Stanley v. Columbia Broadcasting System*¹⁴³ and *Grombach Productions v. Waring*.¹⁴⁴ The industry involved in both of those cases was the *radio* industry of the 1940s, and that says nothing reliable about the existence of any such custom in the entertainment industry (or any other) in the 1990s.

Today, it is highly doubtful that there actually exists any industry custom to pay for *ideas*. In one recent case, there was testimony (extracted by deposition from the plaintiff’s own expert) that “it is trade practice *not* to incorporate . . . customer-originated suggestions in advertising campaigns.”¹⁴⁵ Moreover, the widespread use of releases and limited liability agreements (which the Treatise acknowledges¹⁴⁶)—absolving idea recipients from any obligation to pay for mere ideas—seems itself to be proof that no such custom exists in today’s entertainment industry, if ever it did.¹⁴⁷

It is of course industry custom to pay for movie and television rights to copyright-protected *expression*, because federal copyright law requires that permission be obtained to film, distribute and perform such expression.¹⁴⁸ But the existence of an industry custom to pay for copyright-protected *expression* does not amount to a custom to pay for mere ideas; and thus evidence of one does not prove the existence of the other.

Even if ideas were customarily paid for in the entertainment indus-

142. *Bevan v. Columbia Broadcasting Sys.*, 329 F. Supp. 601, 608 (S.D.N.Y. 1971) (citing MELVILLE B. NIMMER, *NIMMER ON COPYRIGHT* § 170.2, at 736-37 (1971) for the existence of the custom).

143. 35 Cal. 2d 653, 221 P.2d 73 (1950).

144. 293 N.Y. 609, 59 N.E.2d 425 (1944).

145. *Takeall v. Pepsico, Inc.*, 809 F. Supp. 19, 23 (D. Md. 1992) (summary judgment granted to defendant in case alleging that defendant’s advertising slogan “You got the right one, Baby, uh-huh!” infringed plaintiff’s copyright to same slogan), *aff’d*, 14 F.3d 596 (4th Cir. 1993).

146. 3 NIMMER TREATISE, *supra* note 7, § 16.05[D], at 16-38 n.30 (“[R]elease forms [are] commonly used by firms which receive submissions of literary ideas.”).

147. Releases and limited liability agreements are discussed *infra* part III.C.

148. Copyright Act § 106(1)-(4), 17 U.S.C. § 106(1)-(4) (1988).

try, the role of such a custom in creating an implied contract has never been explained persuasively. Several cases have ruled, without any explanation whatsoever, that agreements may be implied from industry custom.¹⁴⁹ The Treatise suggests that the submission of an idea may result in an implied contract in industries that customarily pay for ideas, because in such industries the custom constitutes a “continuing offer” by the idea *recipient* “to pay for any submitted ideas which it elects to use”; and this would make the plaintiff’s submission of an idea an acceptance of the *recipient’s* offer.¹⁵⁰ By making the recipient the offeror (rather than the offeree), this approach apparently intends to avoid *Desny v. Wilder’s* two requirements that the “idea purveyor” “clearly condition[] his offer to convey the idea upon an obligation to pay for it if it is used,” and that the idea recipient “know[] the condition before he knows the idea,” “voluntarily accept[ing] its disclosure (necessarily on the specified basis).”¹⁵¹ The Treatise appears to sanction this result and argues that if idea recipients wish to avoid it, it is their burden to notify those from whom they typically receive submissions that they have revoked any outstanding “offers” created by the custom.¹⁵² This argument is consistent with the Treatise’s search for *theories* to protect ideas; but it says nothing whatsoever about *why* the law ought to permit a *departure* from industry custom to be bootstrapped into the *breach* of an implied-in-fact contract.

Bootstrapping of just this sort was rejected by the New York Court of Appeals in *Grombach Productions v. Waring*.¹⁵³ The jury in that radio program idea case found that the parties had not entered into an implied-in-*fact* contract but nevertheless returned a verdict for the plaintiff on his implied-in-*law* claim, based on testimony concerning

149. *Kurlan v. Columbia Broadcasting Sys.*, 40 Cal. 2d 799, 811, 256 P.2d 962 (1953); *Bevan v. Columbia Broadcasting Sys.*, 329 F. Supp. 601, 608 (S.D.N.Y. 1971) (citing MELVILLE B. NIMMER, NIMMER ON COPYRIGHT § 170.2, at 736-37 (1971)); *Vantage Point, Inc. v. Parker Bros.*, 529 F. Supp. 1204 (E.D.N.Y. 1981) (citing *Bevan* and 3 NIMMER TREATISE, *supra* note 7, §16), *aff’d without op.*, 697 F.2d 301 (2d Cir. 1982); *McGhan v. Ebersol*, 608 F. Supp. 277, 285 (S.D.N.Y. 1985) (dicta) (citing *Bevan* and *Vantage Point*).

150. 3 NIMMER TREATISE, *supra* note 7, § 16.05[B], at 16-33 to 16-34.

151. *Desny v. Wilder*, 46 Cal. 2d 715, 739, 299 P.2d 257 (1956).

152. 3 NIMMER TREATISE, *supra* note 7, § 16.05[B], at 16-34.

153. 293 N.Y. 609, 59 N.E.2d 425 (1944).

industry custom to pay for submitted ideas or not use them. The Court of Appeals held that since the jury had found “that there was no evidence of the defendant’s assent to the plaintiff’s unsolicited disclosure of its idea,” the jury could not “substitute for such assent evidence of an alleged custom in the field of radio program production Such a custom ‘. . . cannot create a contract where there has been no agreement by the parties’”¹⁵⁴

This, it is submitted, is the better view, and is the only view consistent with *Desny v. Wilder*.

b. *Obligations Resulting From Confidential Relationships*

A legal obligation to pay for an idea also may arise because of the confidential nature of the relationship between the person who submitted the idea and the person to whom it was submitted. As previously noted,¹⁵⁵ courts have used the phrase “confidential relationship” to describe two quite different things. Sometimes, the phrase is used to refer to the relationship that exists between two people when one discloses an idea to the other “in confidence.” At other times, it is used to describe the relationship that exists between two people when one has gained the confidence of the other and purports to act or advise with the other’s interest in mind.

(1) Disclosures in Confidence

*Thompson v. California Brewing*¹⁵⁶ appears to be the first case in which protection was sought for an idea on the grounds it had been disclosed in confidence. The plaintiff alleged that the defendants had used his idea for a beer advertising campaign. The plaintiff had submitted his idea to the defendants in a letter that suggested they should advertise and sell two kinds of beer under two different labels,

154. *Id.* at 615.

155. See discussion *supra* part II.B.1.b.

156. 150 Cal. App. 2d 469, 310 P.2d 436 (1957).

one being a "man's beer" and the other a beer "for the feminine and home consumption trade." The letter did not create a fiduciary relationship between the plaintiff and the defendants (such as the relationship that exists between partners or between employers and employees); but the court held that a fiduciary relationship is not necessary for a breach of confidence claim. "Other circumstances may create a duty not to disclose or use [an idea] without the consent of the originator of the 'idea.'"¹⁵⁷

Among the examples of such circumstances given by the court was one involving the disclosure of an idea by someone who wishes to sell it to another who may be interested in buying it, for the purpose of enabling the potential buyer to appraise its value. Even in such cases, however, the court emphasized that the idea seller cannot impose a duty of confidence on the potential buyer without the buyer's consent. If the seller discloses the idea to the buyer despite the buyer's "protest that he does not wish to hold it in confidence and will not so hold it if it is disclosed, the confidence requisite for liability . . . does not arise."¹⁵⁸ Moreover, a duty of confidence does not arise unless the buyer has notice of the confidential character of the disclosure. While no particular form of notice is required, it is necessary to show that under the circumstances the buyer knew that the idea was being disclosed in confidence.¹⁵⁹

Thompson and subsequent cases establish that an idea has been used in breach of confidence if, but only if, two conditions exist: (1) the idea has been disclosed in confidence under circumstances showing that the idea recipient actually knew,¹⁶⁰ before the idea was dis-

157. *Id.* at 475.

158. *Id.* at 476.

159. *Id.*

160. *Tele-Count Eng'rs v. Pacific Tel. & Tel.*, 168 Cal. App. 3d 455, 464-65, 214 Cal. Rptr. 276 (1985). The court noted:

We do not read *Thompson* as permitting liability to be imposed for mere constructive notice of confidentiality

. . . .

. . . Actual notice of confidentiality is necessary to establish such knowledge. Mere constructive notice—or a showing that the defendant should have known of the confidential nature of the information imparted—would, in our view, improperly subject a defendant to liability without the requisite understanding or voluntary

closed,¹⁶¹ that the person submitting the idea expected it to be kept in confidence; and (2) the recipient has accepted the idea's disclosure on that basis and has consented to keep the idea confidential.¹⁶²

An example of the circumstances under which the California Court of Appeal has held a breach of confidence could be found may be seen in *Davies v. Krasna*.¹⁶³ The case was brought on behalf of Valentine Davies, the author of an apparently unpublished story entitled "Love Must Go On," against Norman Krasna, the playwright who wrote the Broadway play *Who Was that Lady I Saw You With?* Davies' story had been submitted by Davies' agent, several years before Krasna's play was produced, to Jerry Wald, with whom Krasna was associated in a movie production company. The agent's submission was accompanied by a cover letter that read, "Dear Jerry: Here's Val Davies' story, as promised, for your *confidential* consideration, at this time."¹⁶⁴ The story was never returned to the agency. Under these

acceptance of the confidential disclosure.

161. *Id.* at 465 ("It is also settled that knowledge of the confidential nature of information must precede its disclosure.")

162. In *Faris v. Enberg*, 97 Cal. App. 3d 309, 323, 158 Cal. Rptr. 704 (1979), the court observed:

An actionable breach of confidence will arise when an idea . . . is offered to another in confidence, and is voluntarily received by the offeree in confidence with the understanding that it is not to be disclosed to others, and is not to be used by the offeree for purposes beyond the limits of the confidence without the offeror's permission There must exist evidence of the communication of the confidentiality of the submission

In *Tele-Count Eng'rs v. Pacific Tel. & Tel.*, 168 Cal. App. 3d at 461, the court approved jury instructions requiring plaintiff to prove that before information was disclosed by the plaintiff, the defendant had an opportunity to reject receipt of the information on a confidential basis, and that the defendant voluntarily accepted the information agreeing to keep it confidential. *Aliotti v. R. Dakin & Co.*, 831 F.2d 898, 903 (9th Cir. 1987) involved a plaintiff who showed her stuffed toy designs to the defendant in order to help persuade the defendant to buy the company for which the plaintiff had created designs. The court ruled that to prevail on the claim for breach of confidence, the plaintiff must show that the defendant knew that the information was being disclosed in confidence and that there was an understanding between the defendant and the plaintiff that the confidence be maintained.

A plaintiff also must show that the idea itself was confidential (not only that it was revealed in confidence); see discussion *infra* part III.A.2.c.

163. 245 Cal. App. 2d 535, 54 Cal. Rptr. 37 (1966) (reversing nonsuit and remanding case for trial).

164. *Id.* at 540 n.2 (emphasis added).

circumstances, the court held that the evidence was sufficient to support an inference that Wald had accepted the agent's submission of Davies' story fully aware of the condition under which the submission was made, and that Davies had impliedly agreed to that condition, so that Wald's disclosure of Davies' story to Krasna, and Krasna's subsequent use of it in writing his play, would have constituted a breach of confidence.¹⁶⁵

*Blaustein v. Burton*¹⁶⁶ is another, although weaker, example of a case in which the court found there may have been a breach of confidence. There, movie producer Julian Blaustein sued actor Richard Burton, actress Elizabeth Taylor, and director Franco Zeffirelli on account of their use of his idea to make a movie of Shakespeare's *Taming of the Shrew*.¹⁶⁷ The court reversed a summary judgment that had been granted to the defendants, holding that Blaustein's deposition testimony was sufficient to create a triable issue of fact concerning whether he had disclosed his idea to the defendants in confidence, and whether they accepted it understanding that they would not use it without his consent.¹⁶⁸

On the other hand, the mere submission of an idea does not make the submission confidential.¹⁶⁹ Thus, when idea submissions have

165. *Id.* at 549-50.

166. 9 Cal. App. 3d 161, 88 Cal. Rptr. 319 (1970).

167. *See supra* note 129 and accompanying text.

168. The testimony was:

Because I knew Mr. French [Burton's agent] to be a highly reputable agent, had had prior dealings with him, had the same firm of attorneys as the Burtons and had been the recipient of an invitation, constantly renewed, to disclose my ideas and render services on the project, I reposed trust and confidence in the Burtons and their representatives and expected that my ideas would be kept in confidence by them. I did not expect or intend that defendants would go forward with production of "SHREW" and make use of my ideas without my participation.

9 Cal. App. 3d at 186-87.

169. *Faris v. Enberg*, 97 Cal. App. 3d 309, 323, 158 Cal. Rptr. 704 (1979) ("In order to prevent the unwarranted creation or extension of a monopoly and restraint on progress in art, a confidential relationship will not be created from the mere submission of an idea to another."); *Vantage Point, Inc. v. Parker Bros.*, 529 F. Supp. 1204, 1218 (E.D.N.Y. 1981) ("[I]mposition of . . . a [confidential] relationship is unduly burdensome and unwarranted in policy where the sole contact between the parties has been the arms-length submission of an idea."), *aff'd without op.*, 697 F.2d 301 (2d Cir. 1982).

failed to satisfy both conditions for a confidential submission, courts have readily ruled that the recipients' subsequent use of the idea was not a breach of confidence.¹⁷⁰

(2) Confidential Relationships

Submission of an idea "in confidence" does not, by itself, create a "confidential relationship"—at least not the kind whose breach is considered constructive fraud. Since constructive fraud has a longer statute of limitations¹⁷¹ and may have a more generous measure of damages,¹⁷² the difference between the two could be significant in some cases. The distinction between a claim of "breach of confidence" and one for "breach of a confidential relationship" was first made (in the idea-submission context) in *Davies v. Krasna*,¹⁷³ the case in which

170. In *Heckenkamp v. Ziv Television Programs*, 157 Cal. App. 2d 293, 321 P.2d 137 (1958), no cause of action for breach of confidence was stated where a writer disclosed to a Highway Patrol information officer the writer's idea to produce a television series based on files of the Highway Patrol. Although the officer later became a technical advisor for the television series *Highway Patrol*, "[t]here [was] no allegation that [the Highway Patrol officer] accepted, in confidence, the disclosure of the idea." *Id.* at 300. *Faris v. Enberg*, 97 Cal. App. 3d at 323-24, involved a suit for breach of confidence by the creator of a format for a sports television quiz show against a sports announcer who later became the master of ceremonies of a similar program. The court ruled:

We do not believe that the unsolicited submission of an idea to a potential employee or potential business partner . . . presents a triable issue of fact for confidentiality. Here, no rational receiver of the communications from [the plaintiff] could be bound to an understanding that a secret was being imparted To allow the disclosure which took place in this case to result in a confidential relationship, without something more, would greatly expand the creation of monopolies and bear the concomitant danger to the free communication of ideas.

See also Vantage Point, Inc. v. Parker Bros., 529 F. Supp. 1204 (E.D.N.Y. 1981) (granting summary judgment dismissing case in suit brought by creator of game "Wildcat" alleging that defendant's game "King Oil" was developed from idea submitted by plaintiff, where submission was arms-length), *aff'd without op.*, 697 F.2d 301 (2d Cir. 1982).

171. *Davies v. Krasna*, 14 Cal. 3d 502, 508-09, 535 P.2d 1161, 121 Cal. Rptr. 705 (1975) (statute of limitations for breach of confidence is two years, while statute of limitations for breach of a confidential relationship amounting to constructive fraud is three years).

172. 3 NIMMER TREATISE, *supra* note 7, § 16.03[B], at 16-15 n.22, citing *Robbins v. Frank Cooper Assocs.*, 19 A.D.2d 242, 241 N.Y.S.2d 259 (1963), *rev'd*, 14 N.Y.2d 913, 200 N.E.2d 860, 252 N.Y.S.2d 318 (1964).

173. 14 Cal. 3d 502, 535 P.2d 1161, 121 Cal. Rptr. 705 (1975).

Valentine Davies alleged that Norman Krasna's play *Who Was that Lady I Saw You With?* had been based on his story entitled "Love Must Go On." After the Court of Appeal remanded the case for trial on Davies' breach of confidence claim,¹⁷⁴ the trial court granted summary judgment to Krasna on the grounds that Davies' complaint had been filed more than two years after Davies had learned that his confidence allegedly had been breached. The trial court rejected Davies' argument that the three-year statute of limitations for constructive fraud was applicable, and the California Supreme Court affirmed. The supreme court explained that constructive fraud is committed only when there has been the breach of a "confidential relation." While "[a] confidential relation may exist although there is no fiduciary relation," not every submission "in confidence" creates such a confidential relationship.

A confidential relation exists between two persons when one has gained the confidence of the other and purports to act or advise with the other's interest in mind . . . ; it is particularly likely to exist where there is a family relationship or one of friendship or such a relation of confidence as that which arises between physician and patient or priest and penitent.

. . . [I]n the absence of an acceptance of trust, which is the essence of a confidential relationship, a violation of confidence does not create a cause of action in constructive fraud.¹⁷⁵

In this case, nothing in the record supported the existence of a confidential relationship, not even the letter from Davies' agent saying the story was being submitted "in confidence."

Defendant was not Valentine Davies' trusted friend or advisor; he was a prospective purchaser or exploiter of Davies' idea, and the transaction took place between men engaged in the business of selling and exploiting ideas for movies. The circumstances of that transaction may impose upon defendant a duty to refrain from unauthorized disclosure of the idea, but they are insufficient to impose upon him the fiduciary-like duties that arise from a confidential relationship.¹⁷⁶

174. *Davies v. Krasna*, 245 Cal. App. 2d 535, 54 Cal. Rptr. 37 (1966). *See also* *Davies v. Krasna*, 12 Cal. App. 3d 1049, 91 Cal. Rptr. 250 (1970) (reversing and remanding for trial again, following summary judgment for defendants following the prior remand), *cert. denied*, 403 U.S. 931 (1971).

175. 14 Cal. 3d at 510 (citations omitted).

176. *Id.* at 511.

Thus, a confidential relationship whose breach is considered constructive fraud—thus giving rise to a longer statute of limitations and the possibility of greater damages—requires: (1) a fiduciary relationship, such as attorney/client or employer/employee; or (2) a relationship in which one person has gained the trust and confidence of the other, has accepted that trust, and has purported to act or advise with the other's interest in mind.

2. Characteristics of the Idea Submitted

The second issue of current importance involves identifying the characteristics—if any—a submitted idea must have in order for the recipient to become legally obligated to pay if the idea is used. In idea-submission cases, three characteristics have potential significance: concreteness, novelty and confidentiality. The question is whether an idea recipient becomes obligated to pay only if the idea is concrete, novel or confidential, or whether the recipient may be liable even if the submitted idea is vague, common and public.

a. *Concreteness*

The word “concrete” has been used in idea-submission cases in a variety of ways.¹⁷⁷ Some of these meanings were related to the once-prevailing notion that protectible ideas were “property.”¹⁷⁸ Since ideas are no longer treated as “property,”¹⁷⁹ those definitions are of no current interest. One meaning of “concreteness” suggests “specific” as contrasted with “abstract.”¹⁸⁰ As used in this sense,

177. 3 NIMMER TREATISE, *supra* note 7, § 16.08[A], at 16-52 to 16-56; Barrett, *supra* note 14, at 691, 712-16.

178. In addition to the authorities cited *supra* part II.A., see Pannone, *supra* note 2.

179. See discussion *supra* parts II.A., II.B.2.a.

180. See, e.g., Chandler v. Roach, 156 Cal. App. 2d 435, 439, 319 P.2d 776 (1957), where the trial court's jury instruction defined “concreteness” as follows:

By concreteness is meant sufficient development of the idea to give it identifying characteristics. That is to say the bare skeleton of an idea must have enough flesh and blood to come to life. The development of an idea into concrete form involves

“concreteness” is a relevant consideration in idea-submission cases based on breach of contract and breach of confidence theories.

“Concreteness” is not necessary where there has been an express promise to pay for its use.¹⁸¹ In the absence of an express agreement, the “traditional view” is that concreteness is a necessary characteristic of ideas that are to be protected by implied contract.¹⁸² However, in *Chandler v. Roach*,¹⁸³ the California Court of Appeal held that concreteness is not a necessary element in implied-in-fact contract cases,¹⁸⁴ and subsequent California cases have uncritically followed suit.¹⁸⁵

Chandler was a departure from prior California law, and a careless or disingenuous departure at that. Previously, in *Stanley v. Columbia Broadcasting System*, a majority of the California Supreme Court had observed that “the right of the originator of an idea to recover from one who uses . . . it seems to depend upon whether or not the idea was . . . reduced to concrete form prior to its appropriation by the

a combination of characters, locale and myth. Only after such development has taken place does the idea assume sufficient outline and clarity to become capable of recognition and acquire characteristics of its own.

181. *Vantage Point, Inc. v. Parker Bros.*, 529 F. Supp. 1204, 1216 (E.D.N.Y. 1981) (quoting *Krisel v. Duran*, 258 F. Supp. 845, 860 n.59 (S.D.N.Y. 1966)), *aff'd without op.*, 697 F.2d 301 (2d Cir. 1982); ALEXANDER LINDEY, *PLAGIARISM AND ORIGINALITY* 214 (1952) (“Generally speaking, the originator of an idea can get a court award for its use where there has been an express contract—written or verbal—embodying the understanding of the parties; and if such a contract can be proved, it doesn’t matter whether the idea is . . . abstract.”)

182. 3 NIMMER TREATISE, *supra* note 7, § 16.08, at 16-52; *Sellers v. American Broadcasting Co.*, 668 F.2d 1207, 1210 (11th Cir. 1982) (an idea must be specific to be the basis of a contract, because the law will not enforce a vague contract); LINDEY, *supra* note 181, at 214 (“In the absence of an express contract, however, the originator can recover only if he can show that the idea . . . was reduced to concrete form before disclosure . . .”).

183. 156 Cal. App. 2d 435, 319 P.2d 776 (1957).

184. *Id.* at 439, 441-44 (disapproving the jury instruction quoted *supra* in note 180).

185. *Donahue v. Ziv Television Programs*, 245 Cal. App. 2d 593, 600, 54 Cal. Rptr. 130 (1966) (citing *Chandler v. Roach*, 156 Cal. App. 2d 435, 319 P.2d 776 (1957)); *Minniear v. Tors*, 266 Cal. App. 2d 495, 502, 72 Cal. Rptr. 287 (1968); *Blaustein v. Burton*, 9 Cal. App. 3d 161, 183, 88 Cal. Rptr. 319 (1970) (citing *Chandler*, *Donahue*, and *Minniear*). *But cf.* *Fink v. Goodson-Todman Enters.*, 9 Cal. App. 3d 996, 1013-14, 88 Cal. Rptr. 679 (1970) (“Clearly protection is not afforded to a mere abstract idea. . . . [T]he protectible portion of a work encompasses ‘the development [and] treatment . . . of such elements as theme, . . . situations, . . . bare basic plots and . . . characters.’”).

defendant,” and if so, “recovery may be had upon a theory of contract implied in fact.”¹⁸⁶ In *Chandler*, the Court of Appeal ignored the majority opinion in *Stanley* altogether, and instead quoted and relied upon Justice Traynor’s dissent in which he wrote that “[t]he policy that precludes protection of an abstract idea by copyright does not prevent its protection by contract.”¹⁸⁷ Moreover, the quotation was taken out of context, for it is apparent from the context that Justice Traynor was referring to the protection of abstract ideas by *express* contract, not by implied-in-law contract.¹⁸⁸

Chandler treated “concreteness” as a form of contract *consideration*, and therefore held that it was not required because the *service* of disclosing an idea also could constitute consideration for the recipient’s promise to pay.¹⁸⁹ The Nimmer Treatise too explains the “concreteness” requirement by saying that it is the courts’ way of requiring “property” as consideration for the idea recipient’s promise to pay.¹⁹⁰ Since the Treatise also considers the service of disclosing of ideas to be adequate consideration, it too argues that ideas need not be concrete to be protected by implied-in-fact contract theory.¹⁹¹

Because *Chandler* and the Treatise consider concreteness only as the consideration element of the implied contract legal theory, they ignore the other important role concreteness plays in the trial of an idea-submission dispute—namely, the role of helping the finder of fact determine whether the defendant used the plaintiff’s idea in particular, or someone else’s idea, or even another idea altogether.¹⁹² In fact, when the jury was instructed in *Chandler*, the trial court explained that concreteness was necessary because,

“Only after [the development of an idea into concrete form] has taken place does the idea assume sufficient outline and clarity to become capable of recognition and acquire characteristics of its own.

“A contract to pay for a general idea cannot be created by implication

186. 35 Cal. 2d 653, 656-57, 221 P.2d 73 (1950) (emphasis added).

187. *Id.* at 674 (Traynor, J., dissenting).

188. *Id.* See discussion *infra* part II.A.2.b.

189. *Chandler v. Roach*, 156 Cal. App. 2d 435, 441-42, 319 P.2d 776 (1957).

190. 3 NIMMER TREATISE, *supra* note 7, § 16.08[A], at 16-57.

191. *Id.*

192. See discussion *infra* part III.B.1.

unless there is sufficient concreteness to particularize and identify the idea as a unique production of plaintiff's effort rather than a general idea possessed by many."¹⁹³

The Treatise also argues that concreteness should not be required in cases where protection for ideas is sought on a confidential relationship theory, again on the grounds that in such cases "ideas should be protected regardless of whether or not they have achieved a 'property' status."¹⁹⁴ Here too the Treatise overlooks the role that concreteness plays in determining whether the defendant used the plaintiff's idea. In confidential relationship cases, courts do require concreteness,¹⁹⁵ even in California.¹⁹⁶

b. *Novelty*

Patent protection requires "novelty." Therefore, patent protection is available only if the invention is "new" in the sense that it was not previously "known" and was not "obvious" to others at the time it was invented.¹⁹⁷ Copyright protection, on the other hand, does not require novelty. It merely requires that the work be "original" in the sense that it was not copied from something else (and in the sense that it reflect some degree of creativity).¹⁹⁸

In idea-submission cases, novelty is not required where there has been an *express* promise to pay for the idea's use.¹⁹⁹ Where, how-

193. 156 Cal. App. 2d 435, 439, 319 P.2d 776 (1957).

194. 3 NIMMER TREATISE, *supra* note 7, § 16.08[A], at 16-58.

195. 3 NIMMER TREATISE, *supra* note 7, §16.08[A], at 16-57; *Vantage Point, Inc. v. Parker Bros.*, 529 F. Supp. 1204 (E.D.N.Y. 1981), *aff'd without op.*, 697 F.2d 301 (2d Cir. 1982); *McGhan v. Ebersol*, 608 F. Supp. 277, 285 (S.D.N.Y. 1985).

196. *See, e.g.*, *Fink v. Goodson-Todman Enters.*, 9 Cal. App. 3d 996, 1009, 88 Cal. Rptr. 679 (1970) ("The right of plaintiff's work to protection by reason of sufficient . . . *elaboration* of the accessible idea is a prerequisite, of course . . . in the . . . breach of confidence count.") (emphasis added).

197. 35 U.S.C. §§ 101-103 (1988); DONALD CHISUM, PATENTS §3.01 *et seq.* (1993).

198. 1 NIMMER TREATISE, *supra* note 7, § 2.01[A].

199. *Apfel v. Prudential-Bache Sec.*, 81 N.Y.2d 470, 616 N.E.2d 1095, 600 N.Y.S.2d 433 (1993) (novelty not required when express contract was entered into after disclosure of idea); *Krisel v. Duran*, 258 F. Supp. 845, 860 n.59 (S.D.N.Y. 1966), *aff'd*, 386 F.2d 179 (2d Cir. 1967), *cert. denied*, 390 U.S. 1042 (1968); *Vantage Point, Inc. v. Parker Bros.*, 529 F. Supp.

ever, protection for an idea is sought by *implied* contract, there is a split of authority about whether the idea must be novel. The “more traditional view” is that novelty is required.²⁰⁰ This is the law in most states whose courts have considered the issue,²⁰¹ including New York, where a significant number of movies and television programs are produced.²⁰²

The most newsworthy of the New York cases so holding has been *Murray v. National Broadcasting Co.*²⁰³ The plaintiff in that case submitted an idea to NBC for a television series entitled “Father’s Day” that would have featured actor Bill Cosby as the father in a closely-knit black family with a working wife and five children. According to the plaintiff’s two-page written proposal, the show would have “combine[d] humor with serious situations in a manner similar to

1204, 1216 (E.D.N.Y. 1981), *aff’d without op.*, 697 F.2d 301 (2d Cir. 1982); LINDEY, *supra* note 181, at 214 (“Generally speaking, the originator of an idea can get a court award for its use where there has been an express agreement—written or verbal—embodying the understanding of the parties; and if such a contract can be proved, it doesn’t matter whether the idea is old . . .”); *but see* Soule v. Bon Ami Co., 201 A.D. 794, 195 N.Y.S. 574 (1922) (holding unenforceable an express contract entered into prior to disclosure of idea for increasing profits where idea was simply to raise prices), *aff’d on other grounds*, 235 N.Y. 609, 139 N.E. 754 (1923).

200. 3 NIMMER TREATISE, *supra* note 7, § 16.08[B], at 16-60. *See also* LINDEY, *supra* note 181, at 214 (1952) (“In the absence of an express contract, however, the originator can recover only if he can show that the idea is novel . . .”).

201. *See, e.g.*, Kienzle v. Capital Cities/Am. Broadcasting Co., 774 F. Supp. 432 (E.D. Mich. 1991) (dismissing suit alleging breach of implied contract regarding idea for television series *Have Faith*, because the plaintiff’s idea was not novel, and novelty is required by New York law for recovery on a breach of implied contract theory); Garrido v. Burger King, 558 So. 2d 79 (Fla. Dist. Ct. App. 1990) (finding that to succeed, advertising agency’s allegation of breach of implied contract regarding idea for Burger King television commercial requires agency to establish that its idea was novel, because novelty is required by Florida law for recovery on a breach of implied contract theory). In Jones v. Turner Broadcasting Sys., 193 Ga. App. 768, 389 S.E.2d 9 (1989), *cert. denied*, 498 U.S. 815 (1990), the court dismissed a suit for misappropriation of an idea for a television program to be entitled *Good News*, because novelty is required by Georgia law for recovery on a misappropriation theory. The plaintiff did not raise an implied contract theory at the trial court level, but the appellate court nevertheless noted that “the question of novelty may even in that instance be controlling.”

202. *See* Hudson Hotels v. Choice Hotels Int’l, 995 F.2d 1173, 1178 (2d Cir. 1993) (“New York law dictates that an idea . . . must demonstrate novelty . . . to be protectible . . . under [a]ny cause of action for [its] unauthorized use.”), and cases cited therein.

203. 844 F.2d 988, 994 (2d Cir. 1988), *cert. denied*, 488 U.S. 955 (1988).

that of the old Dick Van Dyke Show” but with “a Black perspective” and “a contemporary, urban setting.”²⁰⁴ NBC informed the plaintiff it was not interested in pursuing his proposal. But when *The Cosby Show* premiered four years later—starring Bill Cosby as Dr. Cliff Huxtable who lived in a contemporary urban setting with his lawyer-wife Clair and their five children—the plaintiff was convinced it had been developed from his idea. He tenaciously²⁰⁵ clung to that belief despite uncontroverted evidence that almost twenty years before the plaintiff had made his proposal to NBC, Bill Cosby himself was quoted in a published newspaper article as saying that it was his “dream” to appear in a situation comedy in the genre made popular by the *Dick Van Dyke Show*, with one radical difference: “Everyone in it will be a Negro.”²⁰⁶ Without reaching the issue of Bill Cosby’s independent creation of the idea for *The Cosby Show*,²⁰⁷ the court dismissed the case on summary judgment, because the plaintiff’s idea was not novel and novelty is required by New York law for recovery on a breach of implied contract theory.²⁰⁸

The exception to the “traditional view” arose in California in 1957.²⁰⁹ Prior to that year, an idea had to be novel to be protected by implied contract, even in California. In *Stanley v. Columbia Broadcasting System*,²¹⁰ the California Supreme Court said, “As a general observation from the cases, it may be stated that the right of the originator of an idea to recover from one who uses or infringes it

204. *Id.* at 990.

205. Case history to date is as follows: *Murray v. National Broadcasting Co.*, 671 F. Supp. 236 (S.D.N.Y. 1987) (summary judgment granted for defendant), *aff’d*, 844 F.2d 988 (2d Cir.), *cert. denied*, 488 U.S. 955 (1988), *later proceeding*, 718 F. Supp. 249 (S.D.N.Y. 1989); *later proceeding*, 1990 N.Y. Misc. LEXIS 676 (Sup. Ct. July 23, 1990), *later proceeding*, 178 A.D.2d 157, 576 N.Y.S.2d 578 (1991), *appeal dismissed*, 79 N.Y.2d 1036, 594 N.E.2d 936, 584 N.Y.S.2d 578 (1992), *reconsideration denied*, 1993 U.S. Dist. LEXIS 16745 (S.D.N.Y. Nov. 22, 1993).

206. 844 F.2d at 989.

207. See discussion *infra* part III.B.1. regarding the significance of independent creation.

208. 844 F.2d at 992-93.

209. See generally Peter Swarth, *The Law of Ideas: New York and California are More than 3,000 Miles Apart*, 13 HASTINGS COMM/ENT L.J. 115 (1990); Ronald Caswell, Comment, *A Comparison and Critique of Idea Protection in California, New York, and Great Britain*, 14 LOY. L.A. INT’L & COMP. L.J. 717 (1992).

210. 35 Cal. 2d 653, 221 P.2d 73 (1950).

seems to depend upon whether or not the idea was novel” Where novelty exists, “recovery may be had upon a theory of contract implied in fact”²¹¹ The court’s majority affirmed a judgment for the plaintiff, because the jury had found that the plaintiff’s idea was novel.²¹²

Justice Traynor dissented in *Stanley*, because in his view the plaintiff’s idea, as a matter of law, was not novel. In his dissenting opinion, Traynor explained then-existing California law concerning the protection of non-novel ideas by contract. First he dealt with *express* contracts: “Even though the idea disclosed may be ‘widely known and generally understood’, it may be protected by an express contract providing that it will be paid for regardless of its lack of novelty.”²¹³ Then he dealt with *implied* contracts:

An implied-in-fact contract differs from an express contract only in that the promise is not expressed in language but implied from the promisor’s conduct. It is not a reasonable assumption, however, in the absence of an *express* promise, or *unequivocal conduct* from which one can be implied, that one would obligate himself to pay for an idea that he would otherwise be free to use. Even an express contract to pay for “valuable information” to be submitted by the plaintiff does not carry the implication of a promise to pay if it is found upon disclosure to be common knowledge. If the idea is not novel, the evidence must establish that the promisor agreed expressly or impliedly to pay for the idea *whether or not it was novel*.²¹⁴

Thus, both the majority and the dissent in *Stanley* agreed that novelty is required in implied-contract cases, unless it can be inferred from “unequivocal conduct” that the recipient of the idea agreed to pay for it even if the idea was not novel.

In the 1957 case of *Chandler v. Roach*, however, the California Court of Appeal held that novelty is not a necessary element in implied-in-fact contract cases.²¹⁵ Once again, *Chandler* was a departure from prior California law, and again was a careless or disingenuous departure—just as it was with respect to the need for concreteness

211. *Id.* at 656 (citing New York cases).

212. *Id.* at 663-65.

213. *Id.* at 674 (citation omitted).

214. *Id.* at 674-75 (citations omitted) (emphasis added).

215. 156 Cal. App. 2d 435, 439, 441-44, 319 P.2d 776 (1957).

in implied-contract cases.²¹⁶ In support of its conclusion that novelty is not required, *Chandler* quoted Justice Traynor's dissent in *Stanley*, but only the language that Justice Traynor used to explain that non-novel ideas may be protected by *express* contracts. *Chandler* ends its quotation from Justice Traynor's opinion immediately prior to the sentence which states that it would not be reasonable to assume an idea recipient would obligate himself to pay for a non-novel idea, "in the absence of an *express* promise, or *unequivocal conduct* from which one can be implied."²¹⁷ Instead, *Chandler* blithely reached the opposite conclusion that "[t]here is nothing unreasonable in the assumption that a producer would obligate himself to pay for the disclosure of an idea which he would otherwise be legally free to use, but which in fact, he would be unable to use but for the disclosure."²¹⁸

Chandler's conclusion contradicted not only *Stanley* but *Weitzenkorn v. Lesser* as well. In *Weitzenkorn*, the California Supreme Court had previously noted that it was "conceivable, *even though improbable*," that the plaintiff might have been able to prove that she and the defendants had entered into an express contract by which the defendants had agreed to pay for the plaintiff's submission "no matter how slight or commonplace the portion which they used."²¹⁹

Chandler's cavalier treatment of prior California Supreme Court decisions was especially unfortunate because the Court of Appeal could have reached the same result even if it had faithfully adhered to then-existing precedent. *Chandler* involved a suit by a writer against a producer alleging the producer had failed to pay the writer for his idea to do a television series about the public defenders' office. The facts of the case showed that the writer had met with and sold the producer on the idea, that terms of a contract between them had been negotiated, that drafts of a written contract had been prepared (though never signed), and that the writer had written a sample script at the producer's request so the producer could attempt to sell the series to advertisers. In other words, this case appears to have involved an

216. See discussion *supra* part III.A.2.a.

217. *Stanley*, 35 Cal. 2d at 674 (Traynor, J., dissenting).

218. 156 Cal. App. 2d at 441-42.

219. 40 Cal. 2d 778, 792, 256 P.2d 947 (1953) (emphasis added).

express contract (not merely an implied one); and it always has been the law in California, as elsewhere, that non-novel ideas may be protected by express contracts.²²⁰ Alternatively, since the producer had asked the writer to write a script and had negotiated contracts after the producer knew what the writer's idea was, this case may illustrate what Justice Traynor had in mind when he referred to "unequivocal conduct" from which it could be inferred that the recipient of an idea had agreed to pay for it even if the idea was not novel.

Though *Chandler* departed from precedent in holding that ideas do not need to be novel to be protected by implied contract, subsequent decisions by California Courts of Appeal have consistently cited and followed it, as though *Chandler* itself were a California Supreme Court decision or as though *Stanley* never existed.²²¹ In doing so, *Chandler* and its progeny have erred. With respect to whether novelty should be required, there is an important distinction between express contracts on the one hand and implied contracts on the other.

Novelty is not required in *express* contract cases because parties "are free to make their bargain."²²² Thus, if the recipient of an idea expressly agrees to pay for an idea regardless of its novelty—especially if the recipient does so after the idea has been disclosed and thus after

220. See discussion *supra* part III.A.2.b.

221. See, e.g., *Donahue v. Ziv Television Programs*, 245 Cal. App. 2d 593, 612-13, 54 Cal. Rptr. 130 (1966) (citation omitted) ("Defendants requested an instruction to the effect that defendants were liable only if they used 'novel' portions of plaintiffs' submission. That such an instruction is erroneous was established in *Chandler v. Roach*."); *Minnear v. Tors*, 266 Cal. App. 2d 495, 502, 72 Cal. Rptr. 287 (1968) ("An idea which can be the subject of a contract need not be novel or concrete."); *Blaustein v. Burton*, 9 Cal. App. 3d 161, 183, 88 Cal. Rptr. 319 (1970) (novelty not required to recover on implied-contract theory); *Fink v. Goodson-Todman Enters.*, 9 Cal. App. 3d 996, 1008-09, 88 Cal. Rptr. 679 (1970). See also *Land v. Jerry Lewis Prods.*, 140 U.S.P.Q. (BNA) 351, 352-53 (Cal. Super. Ct. 1964), where the court stated:

Producers may become obliged to pay for commonplace ideas, no matter how tired, threadbare, faded, and shopworn the ideas, if they have conducted themselves in such a manner that a promise to pay can be inferred In this State producers who discuss plots with would-be script writers, even at cocktail parties or in soda fountains, do so at their peril.

222. *Apfel v. Prudential-Bache Sec.*, 81 N.Y.2d 470, 616 N.E.2d 1095, 600 N.Y.S.2d 433 (1993).

the recipient knows what the idea is²²³—there is no reason not to enforce the deal that the idea recipient knowingly made. *Implied-contract* cases are different from express contract cases because implied contracts arise from “blind deals” in which those who submit ideas know what they are offering to disclose but idea recipients are “in the dark” about what is being offered.²²⁴

The Nimmer Treatise fails to take this distinction into account. Instead, it argues that novelty should not be required in implied-contract cases, on the grounds that the consideration in such cases is the disclosure of the idea rather than the idea itself.²²⁵ This argument is the direct result of the Treatise’s original focus on identifying legal theories that protect ideas. Implied contracts, like express contracts, require consideration; and thus, if the disclosure of the idea is the consideration, the Treatise sees no need for the idea itself to have any particular characteristics. What the Treatise fails to consider is that in idea-submission cases, the “novelty” requirement performs an important function that is unrelated to supplying consideration for the agreement. Novelty performs a function in connection with proving whether the idea actually used by the defendant was the idea submitted by the plaintiff rather than an independently conceived idea or one obtained from another source. This is an important function, because if the defendant independently conceived the idea it used, or obtained it from another source, the defendant will not be held liable.²²⁶

The role that novelty plays in determining whether the defendant actually used the plaintiff’s idea—rather than another idea—was explained by the New York Court of Appeals in *Apfel v. Prudential-Bache Securities*.²²⁷ The court explained that in each case where

223. *Id.* (holding enforceable an express written contract by which an investment bank agreed to pay for non-novel idea for issuing and selling municipal bonds, entered into after idea had been disclosed).

224. *Educational Sales Programs v. Dreyfus Corp.*, 317 N.Y.S.2d 840, 844 (Sup. Ct. 1970) (“An agreement premised on the disclosure of a secret is a blind deal. When the purveyor of that secret exacts a promise of confidentiality, he knows what he is dealing with, but the recipient is in the dark.”).

225. 3 NIMMER TREATISE, *supra* note 7, § 16.08[B], at 16-61 to 16-62.

226. See discussion *infra* part III.B.1.

227. 81 N.Y.2d 470, 616 N.E.2d 1095, 600 N.Y.S.2d 433 (1993).

novelty was required, the contract was made before the idea was disclosed and “no separate post-disclosure contract for use of the idea [was] made.” Thus, those cases “present[ed] the issue of whether the idea the buyer was using was, in fact, the seller’s.” The court observed that “there is no equity in enforcing a seemingly valid contract when, in fact, it turns out upon disclosure that the buyer already possessed the idea. In such instances, the disclosure, though freely bargained for, is manifestly without value.” Where a post-disclosure agreement is entered into, there is no question that the idea had value to the recipient, and thus novelty is not required. However, where no post-disclosure agreement has been entered into, novelty is required to establish “the value of the consideration—the disclosure—necessary for contract-based claims.”²²⁸ Novelty, in other words, serves as evidence that the idea used by the defendant was actually obtained from the plaintiff, and it serves as evidence that the disclosure of the idea had the proverbial peppercorn’s worth of value.

This is what the law should be in California as well. California’s deviation from the “traditional view” in implied contract cases is an aberration not only by comparison with the law of other states, but even by comparison with other aspects of the law of California. Though novelty is no longer required for protection of ideas by implied contract in California, novelty always has been and continues to be a necessary element of a confidential relationship claim even in California,²²⁹ just as it is elsewhere.²³⁰

228. *Id.* at 436. See also *Murray v. National Broadcasting Co.*, 1993 U.S. Dist. LEXIS 16745 (S.D.N.Y. 1993) (distinguishing *Apfel* on the grounds that in this case, there had been no post-disclosure contract for the use of the plaintiff’s idea; motion for reconsideration of summary judgment dismissing case was therefore denied, because plaintiff’s idea for television series starring Bill Cosby was not novel).

229. *Faris v. Enberg*, 97 Cal. App. 3d 309, 322-23, 158 Cal. Rptr. 704 (1979) (dismissing claim for breach of confidential relationship regarding idea for *Sports Challenge* television series because the idea was not novel, and novelty is required by California law for recovery on a confidential relationship theory); *Tele-Count Eng’rs v. Pacific Tel. & Tel.*, 168 Cal. App. 3d 455, 462, 214 Cal. Rptr. 276 (1985) (affirming judgment for defendants in suit alleging unlawful disclosure of confidential information concerning phone company processes, holding that jury instruction requiring information to be novel was proper, because novelty is required by California law for recovery on confidential relationship theory); *Aliotti v. R. Dakin & Co.*, 831 F.2d 898, 903 (9th Cir. 1987) (affirming summary judgment for defendants in suit alleging breach of confidential relationship arising out of defendant’s manufacture and sale of stuffed

c. *Confidentiality*

In order for an idea to be submitted “in confidence,” the idea itself must be a confidential one in the sense that the idea had not already been made public.²³¹

No case has given serious consideration to whether an idea must be disclosed in confidence in order to be the basis for a contract requiring payment for its use.²³² Confidentiality should not be necessary in *express-contract* cases for the same reason novelty is not required in *express-contract* cases.²³³ On the other hand, a contract requiring payment for the use of an idea should not be *implied* from the submission of an idea that was already made public prior to its submission, especially if the recipient was aware of the idea prior to its submission precisely because it already had been made public. In such cases, there would be no true “disclosure,” and thus there would be no consideration for an implied contract even in the eyes of those who would count “disclosure” of an idea to be adequate consideration.

B. *Uses Triggering an Obligation to Pay*

Even in cases where the law imposes an obligation on an idea recipient, two additional issues must be considered to determine whether the recipient’s activities are the kind that require payment—whether, in other words, the recipient’s activities actually amount to a

dinosaur toys similar to those made by plaintiffs; noting that novelty is required by California law for recovery on confidential relationship theory, and affirming on grounds that toy designs were not confidential nor revealed in confidence).

230. *See, e.g., Murray v. National Broadcasting Co.*, 844 F.2d 988, 993 (2d Cir.), *cert. denied*, 488 U.S. 955 (1988).

231. *Aliotti v. R. Dakin & Co.*, 831 F.2d 898 (9th Cir. 1987) (affirming summary judgment for defendant on plaintiff’s breach of confidence claim, because designs allegedly copied by defendant were already on the market at time plaintiff showed them to defendant, and thus plaintiff did not disclose confidential information).

232. *But see John W. Shaw Advertising v. Ford Motor*, 112 F. Supp. 121, 123 (N.D. Ill. 1953) (stating that to claim protection for an idea, “the creator of the idea must not have revealed its content to other persons prior to its disclosure to a prospective purchaser”).

233. *See discussion supra* part III.A.2.b.

breach of a contract or a confidential relationship. First, does the person to whom the idea is disclosed become obligated to pay the person who disclosed it, even if the idea actually used was independently developed or acquired from someone else; or does the idea recipient become obligated to pay only if the idea used was the one actually received from the plaintiff? Second, if independent development or acquisition from elsewhere is a defense to an idea-submission claim, what evidence may be used to prove that the recipient actually used the idea disclosed by the claimant rather than one that was independently developed or acquired from elsewhere?

1. Actual Use of the Submitted Idea

Regardless of the legal theory relied upon to impose an obligation on the idea recipient, courts agree that the recipient is legally obligated to pay only if the idea was the one actually received from the plaintiff. If the idea used by the defendant was independently developed or acquired from someone else, the defendant is not obligated to pay the plaintiff for it—even if the idea used by the defendant was identical to the one submitted by the plaintiff.²³⁴

234. Actual use of a plaintiff's idea is necessary to incur liability; independent creation, or acquisition from another source, does not result in liability. *Stanley v. Columbia Broadcasting Sys.*, 35 Cal. 2d 653, 671, 221 P.2d 73 (1950) (Schauer, J., concurring) (approving jury instruction).

In *Desny v. Wilder*, 46 Cal. 2d 715, 299 P.2d 257 (1956), the defendants "had an unassailable right to have their own employes [sic] conduct the research into the Floyd Collins tragedy—an historical event in the public domain—and prepare a story based on those facts and to translate it into a script for the play." *Id.* at 743. The issue that required a trial was "whether defendants used plaintiff's synopsis or developed their production independently thereof." *Id.* at 749.

In *Teich v. General Mills, Inc.*, 170 Cal. App. 2d 791, 339 P.2d 627 (1959), the court ruled that proof that there was no copying of the plaintiff's idea is a complete defense, even though the idea actually used by the defendant was closely similar to the one the plaintiff had presented.

Desny v. Twentieth Century-Fox Film, 38 C.O. Bull. 226 (Cal. Ct. App. 1972), *cert. denied*, 407 U.S. 915 (1972), involved a suit for breach of implied contract by Victor Desny, author of a 19-page treatment entitled "The Three Decker Widow", against the producers of the movie *What a Way to Go*. The jury returned a verdict of \$50,000 for plaintiff. The trial court, however, granted the defense's motion for a new trial, and the appellate court affirmed,

Actual use may be proved either by direct evidence or by circumstantial evidence.

a. *Direct Evidence of Actual Use*

In some cases, direct evidence exists of the defendant's actual use

because the evidence showed that the movie was developed independently of plaintiff's idea.

A jury verdict for the defendants was affirmed on a common law copyright claim in *Szczesny v. W. G. N. Continental Broadcasting*, 54 Ill. App. 3d 619, 370 N.E.2d 11 (1977), where the evidence showed that defendants acquired a horse racing television game show from the company that created it independently of plaintiff's similar show.

In *Mann v. Columbia Pictures*, 128 Cal. App. 3d 628, 635, 649, 180 Cal. Rptr. 522 (1982), the plaintiff, who authored a 29-page written format entitled "Women Plus," alleged that the defendant used her format in making the movie *Shampoo*. Following a \$185,000 jury verdict for the plaintiff, the trial court entered a judgment notwithstanding the verdict for the defendants. It was affirmed by the appellate court, which ruled:

There is a total absence of evidence that defendants Towne and Beatty had any contact with any individual possessing "Women Plus" until the time of this action The trial record shows only that Towne and Beatty independently wrote the "Shampoo" screenplay and script changes.

. . . .
 . . . If the two defendants did not use her ideas in the "shooting script," the fact that the motion picture may strongly resemble "Women Plus" does not afford plaintiff a cause of action against Columbia for breach of an implied contract.

In addition, in *Klekas v. EMI Films*, 150 Cal. App. 3d 1102, 198 Cal. Rptr. 296 (1984), a California appellate court affirmed summary judgment for the defendants where the evidence showed that the plaintiff submitted his unpublished novel manuscript entitled "The Fields of Discontent" only to defendant Harcourt Brace, which "had nothing to do with the writing of the screenplay or the production of the film [*The Deer Hunter*]." *Id.* at 1115.

Brady v. Orion TV Prods., 15 U.S.P.Q.2d (BNA) 1389 (S.D.N.Y. 1990), involved a suit against the producers of the television series *Cagney and Lacey*, alleging that one episode of the series was copied from plaintiff's three-page story line. The court granted summary judgment on the copyright claim, due to similarity of ideas only, but denied summary judgment as to breach of implied and quasi-contract. In a footnote, the court said: "Brady cannot ultimately recover, of course, unless he can show that his ideas were actually used by defendants. Thus, if defendants can show at trial that the ideas . . . were arrived at independently, then Brady will be unable to recover." *Id.* at 1397 n.3 (citation omitted).

Finally, in *Kienzle v. Capital Cities/Am. Broadcasting Co.*, 774 F. Supp. 432 (E.D. Mich. 1991), the court granted summary judgment for the defendants in a suit by novelist William X. Kienzle against ABC and 20th Century Fox alleging misappropriation of his idea for a television series situation comedy about an inner-city Catholic rectory staffed by a team of priests. The court found that defendants had independently created their series.

of the plaintiff's material. This was so, for example, in *Musto v. Meyer*,²³⁵ in which Dr. David Musto, the author of a published article entitled "A Study in Cocaine: Sherlock Holmes and Sigmund Freud," sued those involved in writing, publishing and producing the novel and movie *The Seven Per Cent Solution*. Dr. Musto's article and *The Seven Per Cent Solution* both dramatized the idea that Sherlock Holmes may have sought treatment for cocaine addiction from Sigmund Freud. The novel's author—writer and film director Nicholas Meyer—made no effort to obscure the sources of his inspiration. Instead, in an "Acknowledgments" section of his novel, he candidly credited Dr. Musto's article as a source of inspiration and even described it as a "brilliant essay."²³⁶

While direct evidence of use has been available in some cases, it is unusual. Therefore, the law also permits plaintiffs to use circumstantial evidence to prove their ideas have been used.

b. *Circumstantial Evidence of Actual Use*

The law permits actual use of a plaintiff's idea to be inferred from evidence of access and similarity. Such an inference, however, is not binding; it may be rebutted.

(1) Access Plus Similarity

Access and similarity are of course two entirely different elements, and thus evidence of one is not usually evidence of the other.

235. 434 F. Supp. 32 (S.D.N.Y. 1977), *aff'd without op.*, 598 F.2d 609 (2d Cir. 1979).

236. *Id.* at 34. The defendants incurred no liability in this case, because no contract or confidential relationship existed between them and the plaintiff. The plaintiff's article had been published in the Journal of the American Medical Association, and his suit alleged that the copyright to his article had been infringed. Ideas, however, are not protected by copyright; see discussion *supra* part II.A.

(a) *Access*

To prove access, a plaintiff must show there was a “reasonable possibility” the defendant saw or heard the plaintiff’s idea. If there was only a “bare possibility” the defendant did so, or where the plaintiff relies on conjecture and speculation, access has not been proved. Thus, in *Mann v. Columbia Pictures*,²³⁷ it was held that the plaintiff had not proved that Columbia Pictures, Warren Beatty, or Robert Towne had access to her idea where all she could show was that she gave her script to a friend who gave it to a neighbor who knew a production manager for a company then based on the Columbia Pictures lot. The neighbor gave the script to the production manager, who gave it to a reader who worked for the same production company. The plaintiff had not shown that either the production manager or the reader had given her script to any of the defendants. The plaintiff’s argument that it was possible they had, or that her script had found its way to the Columbia Pictures story department, was mere speculation and conjecture. Judgment for the defendants, notwithstanding a jury verdict for the plaintiff, was therefore upheld.²³⁸

(b) *Similarity*

Access by itself does not give rise to an inference of actual use. There also must be some similarity between the plaintiff’s idea and the defendant’s. The degree of similarity that is necessary to permit an inference of actual use is not great. The question is simply whether the similarities would lead a reasonable person to conclude that actual use may have occurred.²³⁹

237. 128 Cal. App. 3d 628, 650-51, 180 Cal. Rptr. 522 (1982).

238. *Id.*

239. *Cf. Barsha v. Metro-Goldwyn-Mayer*, 32 Cal. App. 2d 556, 90 P.2d 371 (1939), a common law copyright action by the authors of a “motion picture scenario” entitled “High Fever” which the jury found was infringed by the Marx brothers movie *A Day at the Races*. In that case, the court permitted an inference of copying to be drawn if “such similarities be shown as to justify [such] an inference” *Id.* at 561.

The degree of similarity necessary to permit an inference of actual use should not be confused with the degree of similarity necessary to trigger an idea recipient's obligation to pay for the idea, because use of an idea does not always trigger such an obligation. The degree of similarity necessary to require payment is a separate issue,²⁴⁰ though this has not always been recognized even in copyright infringement cases.

In copyright cases, terminology has caused confusion about the difference between the similarity that is necessary to support an inference of *copying* and the similarity that is necessary to find *infringement*. In federal copyright infringement actions, courts frequently say that "copying"—as contrasted with independent creation—may be inferred from evidence of access plus "substantial similarity." This is a confusing use of the words "substantial similarity," because copyright infringement occurs only when there is "substantial similarity" *as a result of*—that is, *plus*—copying. Thus, "substantial similarity" has been given two separate meanings. This dual and confusing usage of the phrase "substantial similarity" was noted by the late Professor Alan Latman in his posthumously published article "*Probative Similarity*" *as Proof of Copying: Toward Dispelling Some Myths in Copyright Infringement*.²⁴¹ Some courts have wisely adopted Professor's Latman's suggestion that for the purpose of using circumstantial evidence to determine whether there has been copying, the phrase "probative similarity" should be used.²⁴² Professor Latman explained that "probative similarities" are those types of similarities "which, under all the circumstances, make independent creation unlikely. Such similarities may or may not be substantial."²⁴³

The phrase "probative similarities" also should be used in idea-submission cases where actual use must be proved by circumstantial evidence. It should be said, in other words, that actual use may be inferred from: (1) evidence that there was a reasonable possibility the

240. See discussion *infra* part III.B.2.

241. Alan Latman, "*Probative Similarity*" *as Proof of Copying: Toward Dispelling Some Myths in Copyright Infringement*, 90 COLUM. L. REV. 1187 (1990).

242. See, e.g., *Laureyssens v. Idea Group*, 964 F.2d 131, 140 (2d Cir. 1992).

243. Latman, *supra* note 241, at 1214; *quoted with approval in Laureyssens v. Idea Group*, 964 F.2d at 140.

defendant saw or heard the plaintiff's idea, plus (2) probative similarities between the plaintiff's and defendant's ideas, that is, similarities that make independent creation of the defendant's idea unlikely.

(c) *The Inverse Ratio Rule*

While access and similarity are different elements of the "actual use" equation, they are linked to one another whenever they constitute the evidence from which an inference of actual use may be drawn. The law recognizes that a great deal of evidence of one of these elements could compensate for a shortage of evidence of the other, in the minds of most reasonable people who are asked whether they would infer actual use from the evidence presented. Thus, in cases in which plaintiffs must rely on circumstantial evidence of actual use, the law requires less similarity when the evidence of access is great, and less evidence of access when the similarity is great.²⁴⁴ This principle is known as the "Inverse Ratio Rule."²⁴⁵

Note, however, that the Inverse Ratio Rule does not indicate whether liability should be imposed, because it only plays a role in determining whether actual use or copying occurred, and actual use or copying *by itself* does *not* give rise to liability. In copyright cases, liability also requires substantial similarity, and not all copying results

244. In *Golding v. R.K.O. Pictures*, the court, in a common law copyright action for infringement of a play, stated:

An inference of copying may arise when there is proof of access coupled with a showing of similarity. Where there is strong evidence of access, less proof of similarity may suffice. Conversely, if the evidence of access is uncertain, strong proof of similarity should be shown before the inference of copying may be indulged.

35 Cal. 2d 690, 695, 221 P.2d 95 (1950) (citations omitted). In addition, in *Fink v. Goodson-Todman Enters.*, the creator of a "presentation" for a proposed television series to be entitled "The Coward" brought a suit for breach of express and implied contract (and on other legal theories) against the producer of the television series *Branded*. The court stated that in deciding whether defendant's work was copied or independently created, similarities may be considered, and "[l]ess similarity is required where access is strong." 9 Cal. App. 3d 996, 1007 n.14, 88 Cal. Rptr. 679 (1970).

245. See, e.g., *Arc Music v. Lee*, 296 F.2d 186 (2d Cir. 1961).

in “substantial” similarity.²⁴⁶ In idea-submission cases, substantial similarity also is necessary for liability, and thus actual use is not sufficient to give rise to liability in such cases either.²⁴⁷

The Inverse Ratio Rule was used incorrectly in *Buchwald v. Paramount Pictures*.²⁴⁸ The trial court in that case found “overwhelming” evidence of access,²⁴⁹ and it applied the Inverse Ratio Rule to reduce the degree of similarity which it otherwise may have required.²⁵⁰ The trial court erred, however, because it incorrectly held that the Inverse Ratio Rule reduced the degree of similarity necessary to find ultimate liability.²⁵¹ Properly used, the Inverse Ratio Rule was relevant only with respect to whether Art Buchwald’s treatment had actually been used in some fashion in the creation of *Coming to America*. Even though the trial court found that the Inverse Ratio Rule gave rise to an inference that Buchwald’s treatment had been used in creating *Coming to America*, there nevertheless remained the entirely separate issue of whether such use constituted a breach of the Buchwald/Paramount contract. Since use by itself does not constitute a breach of contract, the trial court should have found that Paramount breached its contract with Buchwald if, but only if, *Coming to America* was *substantially* similar to the Buchwald treatment (which it was not).²⁵²

246. See, e.g., *Selle v. Gibb*, 741 F.2d 896, 901 (7th Cir. 1984) (“If . . . copying is . . . proved . . . the . . . element [of] substantial similarity still requires proof that the defendant copied a substantial amount of the complaining work.”). See also *Barsha v. Metro-Goldwyn-Mayer*, in which a common law copyright action was brought by the authors of a “motion picture scenario” entitled “High Fever.” The jury found the scenario was infringed by the Marx brothers movie *A Day at the Races*. The court ruled: “If such similarities be shown as to justify an inference of copying of protectible material it is necessary to prove only that a substantial part of plaintiffs’ manuscript was copied to sustain liability” 32 Cal. App. 2d 556, 561, 90 P.2d 371 (1939).

247. See discussion *infra* part III.B.2.

248. 13 U.S.P.Q.2d (BNA) 1497, No. C 706083, 1990 Cal. App. LEXIS 634 (Cal. App. Dep’t Super. Ct. Jan. 31, 1990) (appeal pending).

249. 13 U.S.P.Q.2d at 1504, 1990 Cal. App. LEXIS 634, at *31.

250. 13 U.S.P.Q.2d at 1502, 1504, 1990 Cal. App. LEXIS 634, at *23 and *31.

251. U.S.P.Q.2d at 1504, 1990 Cal. App. LEXIS 634, at *31. See discussion *infra* part III.B.2.

252. See discussion *infra* part III.B.2.

(d) *Striking Similarity*

On rare occasions, similarities between a plaintiff's and defendant's material are so striking that actual use may be inferred from those similarities alone, without any evidence of access being offered. "Striking" similarities from which such an inference may be drawn are similarities of the kind that cannot be explained, as a practical matter, by the possibility of independent creation, coincidence or prior common source.²⁵³

Some cases have said that evidence of striking similarity between the plaintiff's material and the defendant's work is sufficient to give rise to an inference of *access*.²⁵⁴ Other cases have said that striking similarity gives rise to an inference of *actual use* or *copying*.²⁵⁵ And still other cases have said that striking similarity gives rise to an inference of access from which actual use or copying may simultaneously be presumed.²⁵⁶ Since by definition, "striking" similarities will always be "probative," it makes better sense to say that evidence of striking similarities gives rise to an inference of actual use or copying.

253. *Selle v. Gibb*, 741 F.2d 896 (7th Cir. 1984) (striking similarity defined, but not found, because evidence failed to show that similarities between plaintiff's song and defendant's song could not be explained by independent creation, coincidence or prior common source). There appears to be a split among the circuits as to whether evidence of the possibility of access is necessary where striking similarity is proved. Given that "striking similarity" is defined as the sort that precludes explanations other than copying, it would seem that where striking similarity is proved, evidence of the possibility of access should not be necessary. Second Circuit cases have so held. *See, e.g., Gaste v. Kaiserman*, 863 F.2d 1061 (2d Cir. 1988). In the Seventh Circuit, however, *Selle v. Gibb*, 741 F.2d at 901, suggested that even with evidence of striking similarity, some evidence of access must be provided.

254. *E.g., Mann v. Columbia Pictures*, 128 Cal. App. 3d 628, 648, 180 Cal. Rptr. 522 (1982).

255. *Baxter v. MCA*, 812 F.2d 421, 424 (9th Cir.) ("Proof of striking similarity is an alternative means of proving 'copying' where proof of access is absent."), *cert. denied*, 484 U.S. 954 (1987).

256. In *Selle v. Gibb*, 741 F.2d at 901, the court stated:

If . . . the plaintiff does not have direct evidence of access, then an inference of access may still be established circumstantially by proof of similarity which is so striking that the possibilities of independent creation, coincidence and prior common source are, as a practical matter, precluded. If the plaintiff presents evidence of striking similarity sufficient to raise an inference of access, then copying is presumably proved simultaneously

It bears repeating, however, that actual use or copying by itself may not give rise to liability. In copyright cases, liability also requires substantial similarity, and striking similarities may not be “substantial.”²⁵⁷ In idea-submission cases, substantial similarity is necessary for liability as well, and thus “striking similarity” is not sufficient by itself.²⁵⁸

Moreover, as useful to plaintiffs as the “striking similarity” doctrine seems to be, few similarities are “striking” in the legal sense. This was made apparent in a case brought by novelist William X. Kienzle against ABC and 20th Century Fox alleging misappropriation of his idea for a television series situation comedy about occurrences at an inner-city Catholic rectory staffed by a team of priests, due to the defendants’ production and broadcast of a short-lived television series entitled *Have Faith*.²⁵⁹ Summary judgment was granted to ABC and Fox, because the evidence showed that they had independently created *Have Faith*. Kienzle had argued that “striking” similarities between his idea and *Have Faith* precluded the possibility of independent creation. The court disagreed, however, and found that the similarities on which Kienzle relied were not striking. The court acknowledged that

“Have Faith” . . . shared certain features with Kienzle’s proposed series. Specifically, both “Have Faith” and Kienzle’s proposed series: (1) were “Barney Miller” style situation comedies, (2) involved a group of priests who lived together in an inner-city rectory, (3) had story lines that revolved around local residents or parishioners with whom the priests come into contact, (4) featured a Polish priest, (5) featured an unorthodox priest who occasionally shunned some of the priesthood’s traditional conventions, and (6) featured a priest with a commanding physical presence.²⁶⁰

Apart from these similarities, *Have Faith* and Kienzle’s proposed series were readily distinguishable from each other. Kienzle nevertheless argued that the following specific similarities between his idea and *Have Faith* were so great they precluded the possibility of independent

257. *Id.* (“If the plaintiff presents evidence of striking similarity sufficient to raise an inference of access, then *copying* is presumably proved simultaneously, although the . . . element [of] (*substantial similarity*) still requires proof that the defendant copied a substantial amount of the complaining work.”) (emphasis added); see also *supra* note 246.

258. See discussion *infra* part III.B.2.

259. Kienzle v. Capital Cities/Am. Broadcasting Co., 774 F. Supp. 432 (E.D. Mich. 1991).

260. *Id.* at 435.

creation:

(1) the title of "Have Faith" and the title of Kienzle's proposed series, "All Things", both contain two one-syllable words, (2) in promoting their series, both ABC and Kienzle referred to "Barney Miller", (3) both series have a character who is a Polish priest, (4) Kienzle's treatment and an ABC's [sic] advance press release describe a priest who is well built, (5) both series accentuate the "interaction of priests and people" rather than the "interplay between priests," (6) both series are situation comedies set in an inner-city rectory.²⁶¹

The court ruled that these similarities would not support the conclusion that "the possibility of independent creation is precluded" because:

—The title of many television shows contain only two one-syllable words. For instance, the following television series have titles containing only two one-syllable words: CBS' "Frank's Place", ABC's "That Girl", HBO's "Dream On", NBC's "Joe Bash", CBS' "Good Times", NBC's "Night Court", NBC's "Star Trek", and CBS's "All's Fair", and CBS' and NBC's "Get Smart."

—The writer and co-creator of "Have Faith", Mauldin, wrote 160-170 episodes of "Barney Miller" and thus it is not surprising that, when promoting the series, ABC compared it to "Barney Miller".

—The fact that both "Have Faith" and Kienzle's treatment feature a Polish priest is plausibly explained by Mauldin who stated he patterned the character of Fr. Gabriel Padninski in "Have Faith" after a character in "Barney Miller", Wojohoweizc, a Polish detective.

—"Barney Miller" and other popular, long-running situation comedies, e.g., NBC's "Night Court" and CBS' "Alice", have featured the interaction between a core of regular characters and the public. Thus, instead of misappropriating Kienzle's idea, defendants' emphasis on the priests' interaction with the public appears to have been the application of a successful format in a different context.

—Kienzle developed his idea for a situation comedy set in an inner-city rectory in 1980. As stated in Part II, Erlicht conceptualized a thematically similar television series in 1987 after developing friendships with a group of California priests. It is not an "unearthly" coincidence [as Kienzle had argued] that two individuals intimately familiar with the priesthood independently thought of the same raw idea for a television series within a seven-year time period.²⁶²

261. *Id.* at 437 (citation omitted).

262. *Id.* at 437-38 and n.12.

The court therefore concluded that "Kienzle has failed to demonstrate that his proposed series and 'Have Faith' are so strikingly similar as to preclude the possibility of independent creation."²⁶³

(2) Rebutting the Inference of Use

Even where an inference of actual use may arise from evidence of access plus probative similarity, or from striking similarities, that inference may be rebutted by "clear, positive and uncontradicted evidence" of independent creation. This is precisely what happened in *Mann v. Columbia Pictures*,²⁶⁴ where the appellate court affirmed a judgment for the defendants that had been entered by the trial court notwithstanding a \$185,000 jury verdict for the plaintiff, in a case in which the plaintiff had asserted that her twenty-nine-page written format entitled "Women Plus" was used by Columbia Pictures, Warren Beatty, and Robert Towne in making the movie *Shampoo*. The appellate court said that although the jury may have inferred that the defendants had used "Women Plus" by comparing it with *Shampoo*, the inference had been rebutted. The two people to whom "Women Plus" allegedly had been submitted testified they had no contact with Warren Beatty or Robert Towne before the case was filed, and their testimony was not challenged by the plaintiff. Witnesses employed in the Columbia Pictures story department were not impeached or contradicted when they testified that Columbia's story files contained no record that "Women Plus" had ever been submitted to the studio. And Beatty and Towne testified that they had independently created *Shampoo*. The court held that this testimony constituted "a clear and positive rebuttal of the inference of access and use raised by the similarities between the two works," and the defense of independent creation had been established "because the inference of access and use was rebutted."²⁶⁵

This does not mean, however, that independent creation is auto-

263. *Id.*

264. 128 Cal. App. 3d 628, 180 Cal. Rptr. 522 (1982).

265. *Id.* at 648.

matically established whenever a defendant testifies that independent creation occurred. Liability has not been imposed where defendants have been able to establish their independent sources by evidence that is "clear, positive, uncontradicted and of such a nature that it cannot rationally be disbelieved."²⁶⁶ On the other hand, determining "[j]ust where testimony becomes 'clear, positive, uncontradicted and of such a nature that it cannot rationally be disbelieved' is, of course, a matter of judgment."²⁶⁷ When the defendant's evidence has come from third parties and has included admittedly genuine documents, courts have found the standard has been satisfied.²⁶⁸ But in one case, the defendant presented what the Court of Appeal said was "a fairly impressive case to the effect that the idea for [its television series] 'Sea Hunt' was independently conceived by [Sea Hunt's producer, Ivan] Tors,"²⁶⁹ rather than by the plaintiff. Nevertheless, the court held that the defendant's evidence did not meet the necessary standard, because "[t]o a very large extent Tors' recital of his interest in underwater backgrounds was uncorroborated. Some of the written material he produced to prove this interest could have been gathered after the event. His testimony differed sharply on certain points with that of plaintiffs' witnesses, whom the jury evidently believed."²⁷⁰ For these reasons, the appellate court ruled that the defendant had not conclusively proved that it had independently conceived the idea for *Sea Hunt*, and it therefore reversed a judgment for the defendant that had been granted by the trial court notwithstanding a jury verdict for

266. *Id.* at 649; *Teich v. General Mills, Inc.*, 170 Cal. App. 2d 791, 799, 339 P.2d 627 (1959).

267. *Mann v. Columbia Pictures*, 128 Cal. App. 3d at 649; *Donahue v. Ziv Television Programs*, 245 Cal. App. 2d 593, 598, 54 Cal. Rptr. 130 (1966).

268. *Teich v. General Mills, Inc.*, 170 Cal. App. 2d 791, 339 P.2d 627 (1959). Judgment notwithstanding the verdict or summary judgment for defendants also was granted in *Mann v. Columbia Pictures*, 128 Cal. App. 3d 628, 180 Cal. Rptr. 522 (1982); *Klekas v. EMI Films*, 150 Cal. App. 3d 1102, 198 Cal. Rptr. 296 (1984); and *Kienzle v. Capital Cities/Am. Broadcasting Co.*, 774 F. Supp. 432 (E.D. Mich. 1991).

269. *Donahue v. Ziv Television Programs*, 245 Cal. App. 2d 593, 597, 54 Cal. Rptr. 130 (1966).

270. *Id.* at 599.

the plaintiff.²⁷¹

2. Degree of Similarity Triggering Obligation to Pay

Even if it is proved that the defendant actually used the plaintiff's idea, one further issue remains: how similar must the defendant's use be to the idea disclosed by the plaintiff in order for the defendant to be obligated to pay?

As far as the Nimmer Treatise is concerned, this is a minor and quite simple issue, to which the Treatise devotes only a single footnote.²⁷² The Treatise argues that "the copyright requirement that similarity between plaintiff's and defendant's works be 'substantial' . . . is not applicable in ideas cases."²⁷³ This footnote was quoted and relied on by the trial court in *Buchwald v. Paramount Pictures*²⁷⁴ but is not consistent with the great weight of authority nor is it practical policy.

The weight of California authority is that there must be "substantial similarity" between the plaintiff's submission and the defendant's production in order for the defendant to be liable.²⁷⁵ The standard in

271. See also *Barsha v. Metro-Goldwyn-Mayer*, 32 Cal. App. 2d 556, 561, 90 P.2d 371 (1939) ("Uncontradicted denials on the part of employees of appellants [MGM's screenwriters] did not compel the conclusion on the part of the jury that there had been no copying of plaintiffs' manuscript . . .").

272. 3 NIMMER TREATISE, *supra* note 7, § 16.08[B], at 16-64 n.58.

273. *Id.*

274. 13 U.S.P.Q.2d (BNA) 1497, 1503, No. C 706083, 1990 Cal. App. LEXIS 634, at *26 (Super. Ct. Jan. 31, 1990) (appeal pending).

275. In *Stanley v. Columbia Broadcasting Sys.*, 35 Cal. 2d 653, 660, 221 P.2d 73 (1950), the court stated:

Although the majority of the decided cases involved a questioned infringement of a copyrighted work [where substantial similarity is required], it would seem that the test of whether or not an infringement existed would be the same as the question here involved—the determination of whether or not such similarity exists between plaintiff's and defendant's programs as to suggest to the average person the use by defendant of an idea originating with plaintiff upon proof of the other elements necessary to enable the plaintiff to recover.

. . . .

. . . The evidence, in the form of the two programs alone, shows that there is substantial similarity to support the verdict.

New York appears to be the same.²⁷⁶ The Treatise appears to have gone astray because of the particular way in which it uses the words "substantial similarity." As far as the Treatise is concerned, "substantial similarity" means substantial similarity in the *copyright* sense—namely, substantial similarity of *copyright-protected* elements.²⁷⁷ Thus, the Treatise observes that in an idea-submission case, "[i]f the only similarity is as to an idea then by definition such similarity is not

In his concurrence, Justice Schauer stated that "here there is cognizable similarity or deducible relationship between every substantial element of the program which defendant produced and that which was proposed by plaintiff." *Id.* at 663.

In *Borden & Barton Enters. v. Warner Bros. Broadcasting*, 99 Cal. App. 2d 760, 764, 222 P.2d 463 (1950), the court upheld a demurrer where the alleged similarity was simply that "both shows make use of a balloon contest involving members of an audience, and resulting in an award of prizes."

In *Kurlan v. Columbia Broadcasting Sys.*, 40 Cal. 2d 799, 809, 256 P.2d 962 (1953), the court stated that "the court may determine whether there is substantial similarity between [the plaintiff's] submission and the defendant's radio program]. If . . . there is no such similarity, then . . . the demurrers to each count of the complaint [some of which were for breach of express and implied contract] were properly sustained."

In *Sutton v. Walt Disney Prods.*, 118 Cal. App. 2d 598, 603-04, 258 P.2d 519 (1953), the court said that "the lack of substantial similarity between the [plaintiff's] book and the [defendant's] motion picture precludes [plaintiff] from stating a cause of action whether specifically pleaded as an express contract or generally as an implied-in-fact contract."

The Second Circuit, applying California law, stated in *Whitfield v. Lear*: "To support recovery on an implied-in-fact contract, [plaintiff] must show not only access but also that the appellees actually used his ideas by demonstrating 'some substantial similarity' between the ideas and themes of the two programs." 751 F.2d 90, 93-94 (2d Cir. 1984) (suit under California law by author of 16-page treatment for television series entitled "Boomerang" against producers of series entitled *The Righteous Apples*).

276. In *Stone v. Goodson*, summary judgment *for plaintiff* was reversed, because although the defendant's program used a "gimmick" submitted by plaintiff, differences between the plaintiff's submission and defendant's program raised an issue requiring trial as to whether plaintiff's submission was "substantially lifted." 8 N.Y.2d 8, 167 N.E.2d 328, 200 N.Y.S.2d 627 (1960) (suit for breach of written contract requiring payment if defendant "broadcast programs based upon the [plaintiff's] ideas, format and other literary material . . .").

In *Ed Graham Prods. v. National Broadcasting Co.*, the court granted summary judgment for the defendant in a case involving the alleged misappropriation of an idea for an animated television series to be entitled "Birdman and Sparrow" by defendant's series *Birdman*. The court stated: "The similarities between the characters are simply that both are birdmen capable of flight and that both successfully fight for good over evil. In most other respects the characters are different." 347 N.Y.S.2d 766, 768 (Sup. Ct. 1973).

277. 3 NIMMER TREATISE, *supra* note 7, § 13.03[B][2], at 13-57.

substantial in the copyright sense.”²⁷⁸ While this is true, it does not prove that substantial similarity is unnecessary in idea-submission cases. It simply means that in idea-submission cases, substantial similarity may be shown between the elements of the plaintiff’s and defendant’s ideas, whether those elements are protected or not. And this is precisely what the great weight of cases has required.

On several occasions, courts have specifically rejected contentions that liability could be imposed on defendants on the basis of less than substantial similarities. The late actor Paul Henried sued the producers of the television series *Burke’s Law*, believing that it had been based on a seven-page synopsis of an idea for a television series he had submitted to them. The trial court sustained a demurrer to his complaint and dismissed his case, and the Court of Appeal affirmed.²⁷⁹ Henried’s proposed series “concerned a father . . . and grown son . . . who participate as trouble shooters in the high-level intrigues of the international set in order to familiarize the son with the adventures of life before the son enters the routine of law school.” *Burke’s Law* was about a “millionaire bachelor detective in the homicide bureau who solves murders and likes pretty girls.” The court found no similarities between the two in plot, motivation, subject matter, milieu, or characterization. “The only point of similarity,” it said, “a point to which plaintiff desperately clings, is that both heroes travel in chauffeur-driven Rolls Royces.” But this was not sufficient, the court held, because “a resemblance based solely on the use of a well-publicized, even bromidic, symbol for wealth and luxury seems grossly inadequate to sustain a claim of substantial or material similarity between elements of the two properties.”²⁸⁰

The Nimmer Treatise criticizes *Henried*, saying that the court “appears to be in error” for basing its ruling “on the ground that the similarity between the two works was not ‘substantial.’”²⁸¹ According to the Treatise, the *Henried* ruling would do “violence to the

278. 3 NIMMER TREATISE, *supra* note 7, § 16.08[B], at 16-64 n.58.

279. *Henried v. Four Star Television*, 266 Cal. App. 2d 435, 72 Cal. Rptr. 223 (1968).

280. *Id.* at 437.

281. 3 NIMMER TREATISE, *supra* note 7, § 16.08[B], at 16-64 n.58.

principles of contract law,”²⁸² and the Treatise suggests that “the correct approach”²⁸³ was taken by *Minniear v. Tors*.²⁸⁴ The Treatise also cites with approval *Donahue v. Ziv Television Programs*,²⁸⁵ *Blaustein v. Burton*,²⁸⁶ and *Fink v. Goodson-Todman Enterprises*.²⁸⁷ None of these four cases, however, supports the principle that liability may be imposed in the absence of substantial similarity.

Donahue v. Ziv Television Programs does not support the Treatise’s argument because the defendant in that case allegedly copied far more than an abstract or basic idea. *Donahue* was a suit for breach of express and implied contract brought by the creators of a television series format entitled “The Underwater Legion” against the producers of the television series *Sea Hunt*. The jury returned a \$250,000 verdict for plaintiffs, but the trial court granted the defendants’ motion for judgment notwithstanding the verdict. The Court of Appeal reversed and remanded, because “there are enough similarities in basic plot ideas, themes, sequences and dramatic ‘gimmicks’ that a jury might well have thought that plaintiffs’ format . . . was the inspiration for ‘Sea Hunt’ Defendants’ television series follows the format in most of its important facets”²⁸⁸ The court’s use of the word “inspiration” should not be read out of context, however, for the court did not say or mean that a defendant could be held liable if it was merely inspired by a plaintiff’s submission.

Moreover, *Donahue*’s adherence to the established “substantial similarity” requirement is quite apparent from the subsequent Court of Appeal decision in that case. Following remand from the decision just quoted, the jury again returned verdict for plaintiffs, this time for \$200,000. In its decision on appeal from that judgment, the Court of Appeal quoted *with approval* the following jury instruction:

282. *Id.* at 16-64 to 16-65 n.58.

283. *Id.* at 16-65 n.58.

284. 266 Cal. App. 2d 495, 72 Cal. Rptr. 287 (1968).

285. 245 Cal. App. 2d 593, 54 Cal. Rptr. 130 (1966).

286. 9 Cal. App. 3d 161, 88 Cal. Rptr. 319 (1970).

287. 9 Cal. App. 3d 996, 88 Cal. Rptr. 679 (1970).

288. 245 Cal. App. 2d at 601-02.

Unless you find that defendant used a substantial portion of plaintiffs' material, there is no use recognized by law for which defendant would be obliged to make payment to plaintiffs. A mere trivial or minor use of plaintiffs' material if you find it was used, would not justify your finding such use as the law recognizes. By substantial use, I mean a use in an [sic] real, true, important and material respect.²⁸⁹

By its verdict, the jury apparently found such a use, and the Court of Appeal affirmed the judgment. It did not do so, however, on the grounds that use of abstract or basic ideas is sufficient for liability or on the grounds that those who submit ideas are entitled to be compensated if their submissions so much as "inspire" those who receive their ideas. The court affirmed the judgment in the *Donahue* case because the jury apparently found that the defendants had used "a substantial portion of plaintiffs' material."

*Minniear v. Tors*²⁹⁰—the case which the Nimmer Treatise praises as having taken "the correct approach"—is a second case, unrelated to *Donahue*, in which a plaintiff successfully persuaded a court that *Sea Hunt* was based on his submission. Here too the court looked for enough similarities in basic plot ideas, themes, sequences and dramatic "gimmicks" to support an inference that the plaintiff's ideas and format were the inspiration for the defendant's television series and in fact were used by the defendant. But the case did not hold that idea recipients could be liable merely because they are inspired by submitted material.

*Blaustein v. Burton*²⁹¹ does not support the assertion that liability may be imposed in the absence of substantial similarity, because in that case the defendants were alleged to have precisely copied each and every one of the elements of the plaintiff's idea.

*Fink v. Goodson-Todman Enterprises*²⁹² was a suit for breach of express and implied contract brought by the creator of a "presentation" for a proposed television series to be entitled "The Coward" against the producer of the series *Branded*. According to the plaintiff, his contract

289. *Donahue v. United Artists*, 2 Cal. App. 3d 794, 807 n.5, 83 Cal. Rptr. 131 (1969).

290. 266 Cal. App. 2d 495, 72 Cal. Rptr. 287 (1968).

291. 9 Cal. App. 3d 161, 88 Cal. Rptr. 319 (1970); see *supra* note 129 and accompanying text.

292. 9 Cal. App. 3d 996, 88 Cal. Rptr. 679 (1970).

with the defendants required them to pay him if they “based” their series on his material. In evaluating the degree of similarity such a contract would require in order for the defendants to be liable, the court said, “‘Based upon’ does *seem* to be something a little different than . . . substantial similarity *Probably* the similarities would not have to be as pronounced”²⁹³ However, it is apparent from the opinion as a whole that the sentence just quoted is mere rumination that should be given even less precedential weight than dicta, because the court ultimately decided that the difference between a “based upon” test imposed by a contract and a “substantial similarity” test imposed by copyright law is simply that in contract cases the plaintiff’s material does not have to be protectible while in copyright cases it does. Apart from this difference, the *Fink* court concluded that “essentially we have the same quest for the same points of similarity and the same analysis as to quantitative and qualitative factors”²⁹⁴ The court then explained that because the plaintiff’s material was merely a “presentation” while the defendants’ series was a finished product, “the most feasible way to look for *substantial similarity* is to ‘look through’ what we have of defendants’ production and determine whether we can find a ‘spine’ of structural dimensions similar to plaintiff’s material, and, if we so find it, compare it with plaintiff’s program.”²⁹⁵ When the court did so, it found substantial similarities in theme, back stories, character motivation, and portrayal techniques. While there were differences between the two works, the court said “[i]t is entirely immaterial that in many respects plaintiff’s and defendant’s works are dissimilar if in other respects similarity as to a substantial element of plaintiff’s work can be shown.”²⁹⁶ Moreover, said the court, if the material used by the defendant “is qualitatively important . . . the trier of fact . . . may properly find *substantial similarity*.”²⁹⁷ Given the similarities it had found, the court concluded that a trier of fact could conclude that the “defendants based their series on a material element of plaintiff’s program or that defendants have appropriated and used a

293. *Id.* at 1008 (emphasis added).

294. *Id.* at 1010.

295. *Id.* (emphasis added) (citation omitted).

296. *Id.* at 1011.

297. *Id.* at 1013 (emphasis added).

qualitatively important part of plaintiff's material in such a way that features discernible in defendants' work are *substantially similar* thereto."²⁹⁸

Finally, in arguing that substantial similarity is not necessary, the Nimmer Treatise overlooks the most recent appellate decision to address this issue, *Klekas v. EMI Films*.²⁹⁹ That case was brought by the author of an unpublished novel entitled "The Fields of Discontent" against producers and distributors of the movie *The Deer Hunter*. The court affirmed summary judgment for the defendants on the grounds that the evidence showed that they had not "used" plaintiff's manuscript in creating their movie, because there had been no access, and because the "defendants made no use of any material portion of 'The Fields of Discontent' in the 1977 screenplay" for *The Deer Hunter*. The court concluded there had been no use despite the existence of certain similarities between the works which would be apparent from even "a casual reading." "[B]oth works deal generally with the subjects of friendship, courage, honor and the effect of war on the human spirit."³⁰⁰ In addition, the plaintiff pointed to well over twenty-three similarities between his novel and defendants' screenplay.³⁰¹ Despite these similarities, the court concluded that the two works were "substantially dissimilar."³⁰²

The conclusion to be drawn, then, from all of these cases—including those relied on by the Nimmer Treatise—is that "substantial similarity" must exist to impose liability for breach of contract or confidential relationship.

In *Buchwald v. Paramount Pictures*,³⁰³ the trial court erred, because (relying in part on the Inverse Ratio Rule as grounds for requiring less similarity than it otherwise might have)³⁰⁴ it found that the Buchwald treatment had been the "inspiration" for *Coming to*

298. *Id.* at 1013 (emphasis added).

299. 150 Cal. App. 3d 1102, 198 Cal. Rptr. 296 (1984).

300. *Id.* at 1112-13.

301. *Id.* at 1114 n.7.

302. *Id.* at 1114.

303. 13 U.S.P.Q.2d (BNA) 1497, No. C 706083, 1990 Cal. App. LEXIS 634 (Cal. App. Dep't Super. Ct. Jan. 31, 1990) (appeal pending).

304. See discussion *supra* part III.B.1.b.(1).(c).

America.³⁰⁵ "Inspiration," however, has never been the test for liability, and no case has ever imposed liability simply because a plaintiff's idea was the inspiration for a defendant's work.

Buchwald differs from most others because it involved a *written* (rather than implied) contract requiring Paramount to pay additional money if it made a movie "based upon" the Buchwald treatment.³⁰⁶ Thus, the question in *Buchwald* was whether the words "based upon" mean anything less than substantial similarity. The answer is, they do not. That is, one work is "based upon" another only if the two are substantially similar to one another.³⁰⁷

When the words "based upon" are used in a contract for the acquisition of movie or television rights to a book, play, script or treatment, those words are a term of art and are used precisely as they are used in the Copyright Act.³⁰⁸ In the Copyright Act, the words "based upon" appear in the definition of "derivative work": "A 'derivative work' is a work *based upon* one or more preexisting works, such as a

305. 13 U.S.P.Q.2d at 1505-06, 1990 Cal. App. LEXIS 634, at *35-39; see discussion *supra* part III.B.1.b.(1).(c).

306. 13 U.S.P.Q.2d at 1501-02, 1990 Cal. App. LEXIS 634, at *20.

307. The trial court mistakenly relied on *Weitzenkorn v. Lesser*, 40 Cal. 2d 778, 256 P.2d 947 (1953), for the proposition that in express contract cases, liability may be imposed if the defendant makes any use of the plaintiff's material, "no matter how slight or commonplace the portion" used. *Buchwald*, 13 U.S.P.Q.2d at 1506, 1990 Cal. App. LEXIS 634, at *38-39. In *Weitzenkorn*, the court held that the plaintiff had stated a cause of action for breach of an express oral contract, because she might have been able to prove that the defendants had orally agreed to pay for the plaintiff's submission "no matter how slight or commonplace the portion which they used." The court observed that it was "conceivable, even though improbable" that the plaintiff actually would be able to prove any such agreement, but it held she was entitled to try. *Weitzenkorn*, 40 Cal. 2d at 792. In *Buchwald*, the contract was written and did not contain any provision requiring payment for the use of a "slight or commonplace . . . portion." *Buchwald*, 13 U.S.P.Q.2d at 1506, 1990 Cal. App. LEXIS 634, at *38-39. The contract required payment only if Paramount produced a movie "based upon" Buchwald's treatment.

308. The copyright to Buchwald's treatment was registered with the U.S. Copyright Office as an unpublished literary work; motion picture and allied rights in the treatment were conveyed to Paramount Pictures by an assignment of copyright which was recorded in the U.S. Copyright Office. See U.S. Copyright Office records, available in Westlaw DIALOG, Copyright database, search for "Buchwald & King."

. . . motion picture version”³⁰⁹

It follows therefore that in order for one work to be “based upon” another, the two works must be “substantially similar” to one another, because only if they are substantially similar would one be a derivative work based upon the other. As one court has said, “a work is not derivative unless it has been substantially copied from the prior work.”³¹⁰ Or, put another way,

[a] work will be considered a derivative work *only if it would be considered an infringing work if the material which it has derived from a prior work had been taken without the consent of a copyright proprietor of such prior work.*

To prove infringement, one must show substantial similarity.³¹¹

Thus, by legal definition, one work is “based upon” another only if the two works are substantially similar.

In *Stone v. Goodson*,³¹² both parties and the New York Court of Appeals recognized the principle that when the words “based upon” are used in a contract, they require substantial similarity. The contract in *Stone* required the defendant to pay the plaintiff if the defendant ever “broadcast programs *based upon* the ideas, format and other literary material” the defendant had purchased from the plaintiff.³¹³ In cross-motions for summary judgment, the plaintiff argued that there were “substantial similarities” between the material he had sold and the defendant’s program *The Price is Right*, and the defendant argued that there was no “substantial similarity” between them. The court held that the differences between the plaintiff’s material and the defendant’s program raised a triable issue of fact about whether the two were substantially similar, and thus summary judgment should not have been

309. Copyright Act § 101, 17 U.S.C. § 101 (1988 & Supp. IV 1992) (emphasis added). The Buchwald/Paramount contract expressly provided that motion pictures and other works produced under the agreement would be “derivative works.” (The Paramount contract form has been published in 4 THOMAS D. SELZ, *et al.*, ENTERTAINMENT LAW, at F-30 (2d ed. 1993). The “derivative works” clause appears in ¶ 2(h), at F-33 to F-34.)

310. *Litchfield v. Spielberg*, 736 F.2d 1352, 1357 (9th Cir. 1984).

311. *Id.* (emphasis in original).

312. 8 N.Y.2d 8, 167 N.E.2d 328, 200 N.Y.S.2d 627 (1960).

313. *Id.* at 628-29.

granted.³¹⁴

The question, then, in the *Buchwald* case should have been whether *Coming to America* was substantially similar to the Buchwald treatment. The trial court rejected Paramount's contention that this was the standard to be applied.³¹⁵ Nonetheless, after explaining why it found the movie to have been "inspired" by the treatment, the court added its conclusion that Paramount had "appropriated and used a qualitatively important part of plaintiff's material in such a way that features discernible in . . . [Paramount's] work are substantially similar thereto."³¹⁶ If this conclusion was meant as a finding that the Buchwald treatment and *Coming to America* were substantially similar to one another, such a finding is not supported. *Fink v. Goodson-Todman*³¹⁷ ruled that in breach of contract cases, "the most feasible way to look for *substantial similarity* is to 'look through' what we have of defendants' production and determine whether we can find a 'spine' of structural dimensions similar to plaintiff's material, and, if we so find it, compare it with plaintiff's program."³¹⁸ *Fink* explains that the "structural spine" of a production consists of its theme, its "back story" (that is, the events that precede the beginning of the production's story), its plot, the motivation of its main character, and its story portrayal techniques.³¹⁹ Even evaluated by the trial court's own synopses of the two works, they are not alike in any of *these* ways.³²⁰ What they do share is the idea of Eddie Murphy playing an

314. *Id.* at 631.

315. *Buchwald v. Paramount Pictures*, 13 U.S.P.Q.2d (BNA) 1497, 1503, No. C 706083, 1990 Cal. App. LEXIS 634, *25-26 (Cal. App. Dep't Super. Ct. Jan. 31, 1990) (appeal pending).

316. *Buchwald*, 13 U.S.P.Q.2d at 1506, 1990 Cal. App. LEXIS 634, at *39.

317. 9 Cal. App. 3d 996, 88 Cal. Rptr. 679 (1970). *Fink* was cited by the *Buchwald* trial court for the test to be applied in evaluating the necessary degree of similarity. 13 U.S.P.Q.2d at 1503-04, 1990 Cal. App. LEXIS 634, at *28-29.

318. 9 Cal. App. 3d at 1010 (emphasis added) (footnote omitted).

319. *Id.* at 1010-12.

320. In *Buchwald*, the court summarized Buchwald's treatment and the story line of *Coming to America*:

In Buchwald's treatment, a rich, educated, arrogant, extravagant, despotic African potentate comes to America for a state visit. After being taken on a grand tour of the United States, the potentate arrives at the White House. A gaffe in remarks made by the President infuriates the African leader. His sexual desires are rebuffed

African who has come to America for some reason—but the conception of this idea can hardly be credited to Art Buchwald. As the trial court itself noted, Eddie Murphy had already portrayed an African character in America in the movie *Trading Places*.³²¹

C. *The Effect of Idea-Submission Waivers*

Express contracts may be beneficial to those who submit ideas, because they may obligate an idea recipient to pay for ideas even if they are not novel or concrete.³²² Express contracts also may benefit idea recipients, because such agreements may specify the precise circumstances under which payment is required—thereby negating any such requirement under other circumstances. This principle is well

by a black woman State Department officer assigned to him. She is requested by the President to continue to serve as the potentate's United States escort. While in the United States, the potentate is deposed, deserted by his entourage and left destitute. He ends up in the Washington ghetto, is stripped of his clothes, and befriended by a black lady. The potentate experiences a number of incidents in the ghetto, and obtains employment as a waiter. In order to avoid extradition, he marries the black lady who befriended him, becomes the emperor of the ghetto and lives happily ever after.

In "Coming to America" the pampered prince of a mythical African kingdom (Zamunda) wakes up on his 21st birthday to find that the day for his prearranged marriage has arrived. Discovering his bride to be very subservient and being unhappy about that fact, he convinces his father to permit him to go to America for the ostensible purpose of sowing his 'royal oats.' In fact, the prince intends to go to America to find an independent woman to marry. The prince and his friend go to Queens, New York, where their property is stolen and they begin living in a slum area. The prince discovers his true love, Lisa, whose father—McDowell—operates a fast-food restaurant for whom the prince and his friend begin to work. The prince and Lisa fall in love, but when the King and Queen come to New York and it is disclosed who the prince is, Lisa rejects the prince's marriage invitation. The film ends with Lisa appearing in Zamunda, marrying the prince and apparently living happily ever after.

13 U.S.P.Q.2d. at 1504, 1990 Cal. App. LEXIS 634, at *29-31.

321. 13 U.S.P.Q.2d at 1498, 1990 Cal. App. LEXIS 634, at *5. Those who wish to make their own comparisons can find a copy of the complete Buchwald treatment online in LEXIS. (LEXIS, News library, THR file, search for "text pre/3 Buchwald's pre/1 treatment and date = (August 25, 1992)").

322. See discussion *supra* parts III.A.2.a., III.A.2.b.

illustrated by *Ware v. Columbia Broadcasting System*³²³ in which the plaintiff had submitted to the defendants a thirty-five-page script entitled "The Thirteenth Mannequin" for possible production as an episode of the CBS television series *The Twilight Zone*. The plaintiff's script and a subsequently produced *Twilight Zone* episode both were about a man who finds happiness with an inanimate figure whom he treats as a real person. The plaintiff's complaint alleged that he submitted his script to the defendants "with the express oral understanding and agreement that in the event plaintiff's said literary property was thereafter used or telecast by said defendants, or any of them, in whole or in part, defendants would pay plaintiff the reasonable value of such use or telecast."³²⁴ The court noted that the complaint repeatedly alleged that the express contract was for the sale of "literary property" and "not . . . any idea, synopsis, or format." According to the court, "[l]iterary property is what plaintiff had for sale; that is what he submitted to defendants There is nothing in the record to suggest that plaintiff was . . . offering to sell a . . . story idea."³²⁵ Therefore, since the only thing the defendants used from the plaintiff's script (if anything at all) was its idea, the court affirmed the trial court's grant of summary judgment for the defendant, saying, "[i]t would have been fatuous for plaintiff to have alleged that when his story was submitted defendants agreed, by implication, to pay him if they ever in the future made a picture embodying any stock situation which plaintiff had drawn upon in constructing his play."³²⁶

Express contracts also may benefit idea recipients, because if such contracts are in writing they may serve as waivers and releases.³²⁷ Jerry Lewis, for example, once was sued by a woman who alleged that he had copied his movie *The Nutty Professor* from a screenplay she had written and submitted to him entitled "Treat Me Beat." She also had signed and submitted a release with her script, about which the trial court said, "I do not doubt that producers by appropriate contracts

323. 253 Cal. App. 2d 489, 61 Cal. Rptr. 590 (1967).

324. *Id.* at 494.

325. *Id.* at 494-95.

326. *Id.* at 495.

327. CAL. CIV. CODE § 1541 (West 1994) ("An obligation is extinguished by a release . . . in writing, with or without new consideration.").

could provide for submission of literary properties free from any liability on their part to pay for general ideas embalmed in the literary properties under submission."³²⁸

The Nimmer Treatise seems less certain than the judge in the *Jerry Lewis* case about the effectiveness of releases; in fact, the Treatise appears to suggest that they should not be enforced. It does so by discussing with approval cases in which releases were construed narrowly, and criticizing those in which they were enforced according

328. *Land v. Jerry Lewis Prods.*, 140 U.S.P.Q. (BNA) 351, 352 (Cal. Super. Ct. 1964). The court nevertheless refused to grant summary judgment dismissing the case, but only because there was an issue concerning whether the plaintiff had disclosed her ideas before she signed the release. See also *Davis v. General Foods Corp.*, 21 F. Supp. 445 (S.D.N.Y. 1937) (dismissing complaint for failure to state a claim, where plaintiff signed a submission agreement providing that "the use to be made . . . and the compensation, if any, to be paid [for an idea for a new food product], are matters resting solely in our discretion"); *Hisel v. Chrysler Corp.*, 94 F. Supp. 996 (W.D. Mo. 1951) (granting summary judgment for Chrysler where plaintiff had submitted an unpatentable idea for mounting license plates, because plaintiff had signed an agreement releasing Chrysler from liability for its use of that idea "except such liability as may accrue under valid patents"); *Van Rensselaer v. General Motors*, 324 F.2d 354 (6th Cir. 1963) (affirming summary judgment for General Motors, where plaintiff had submitted unpatented design ideas for improved automobiles, because before plaintiff had submitted his ideas, General Motors had sent plaintiff a "booklet outlining the conditions under which the ideas would be received," and the booklet provided that General Motors would not incur any "obligations" not imposed by patent law, *cert. denied*, 377 U.S. 959 (1964); *Wanberg v. Ocean Spray Cranberries*, 194 U.S.P.Q. (BNA) 350 (N.D. Ill. 1977), and *Kearns v. Ford Motor*, 203 U.S.P.Q. (BNA) 884 (E.D. Mich. 1978) (finding that no confidential relationship was created where idea submitter signed agreement waiving all rights except those arising under patent and copyright law).

But see *Yadkoe v. Fields*, a suit for breach of implied contract to pay reasonable value of use of material submitted by plaintiff to W.C. Fields. Plaintiff had submitted material to Fields, who thanked plaintiff by letter that said *inter alia*:

I am about to embark on a new radio series and if you would like to submit a couple of scripts gratis and I am able to use them, who knows, both parties being willing, we might enter into a contract. My reason for injecting the vile word 'gratis' is that we get so many letters from folks who if we even answer in the negative, immediately begin suit for plagiarism. Whilst we have never had to pay off, they sometimes become irritating no end.

66 Cal. App. 2d 150, 154, 151 P.2d 906 (1944). The Court of Appeal affirmed judgment of \$8,000 based on jury verdict for plaintiff. The decision says nothing at all about the part of Fields' letter in which he invites plaintiff to submit material "gratis." It does not even appear from the decision that Fields argued that "gratis" meant he did not have to pay for it if he chose not to use it.

to their terms.³²⁹ The Treatise also implies that releases may be unenforceable contracts of adhesion and suggests other arguments for making them ineffective.³³⁰ The Treatise's generally negative attitude towards releases may be attributable to nothing more than the seemingly low regard courts had for releases from the early 1960s to the late 1980s.³³¹ Now, however, releases are treated with greater respect because courts have come to appreciate that they serve a useful purpose.³³² Even those courts that have refused to enforce ambiguous waivers have recognized that idea recipients may wish to "insulate" themselves from claims; one such court has acknowledged that "[t]his objective may be clearly realized by . . . explicit waivers"³³³

It is tempting to explain the Treatise's attitude towards releases by saying that the Treatise reflects a bias in favor of writers and others who create ideas, while arguments supporting the enforceability of releases reflect a bias in favor of producers, studios, networks, and others to whom ideas are submitted. In fact, however, releases also serve the interests of writers and other idea creators, particularly those seeking to break into the entertainment industry who are not represented by agents. Idea recipients long have considered "[i]dea submission claims" to be "a real plague."³³⁴ As a result, release forms are widely used in the entertainment industry, a fact that the Treatise acknow-

329. 3 NIMMER TREATISE, *supra* note 7, § 16.05[D], at 16-37 to 16-41.

330. *Id.* at 16-39 n.30.

331. *See, e.g.,* *Burten v. Milton Bradley Co.*, 763 F.2d 461 (1st Cir. 1985) (construing an idea-submission waiver narrowly as applying only to obligations arising from contractual relationships and not to liability from torts); *Houser v. Snap-On Tools*, 202 F. Supp. 181 (D. Md. 1962) (doubting that waiver would give manufacturer the right to use an idea without payment where the parties' dealings showed that the idea submitter was seeking payment if his ideas were used); *Moore v. Ford Motor*, 43 F.2d 685 (2d Cir. 1930) (construing an idea-submission waiver as meaning that the defendant had no obligation to accept or pay for the submission, but not as a waiver of the defendant's obligation to pay for it if it were accepted and used). *See* James C. Martin, *Judicial Acceptance of Release Agreements*, L.A. LAW., June 1993, at 24.

332. Martin, *supra* note 331, at 28.

333. *Burten v. Milton Bradley Co.*, 763 F.2d at 467.

334. Olsson, *supra* note 11, at 34.

ledges.³³⁵ Moreover, many companies will not read material submitted by unrepresented writers unless a release is submitted, and therefore those who wish to sell material to producers are advised to do so.³³⁶ If courts were to refuse to enforce releases, it is likely that unrepresented writers would be unable to get their material read at all—a consequence more harmful to aspiring writers than the possibility that releases will bar some of them from suing for the suspected theft of their ideas.³³⁷

IV. CONCLUSION

I have argued in this Article that idea-submission cases should be analyzed with the same degree of rigor as copyright infringement cases. That is, I have argued that idea-submission cases require a multi-step analysis and that certain burdens must be met before liability may be imposed.

The question of whether and when liability should be imposed for the use of submitted ideas is a question involving two classes of people: those who conceive and submit ideas and those who receive and use them. The particular legal principles applied in deciding whether and when liability should be imposed inevitably strike a balance between the rights and obligations of each of these classes. The point at which this balance is struck depends on which principles are applied.

Some may conclude that the Nimmer Treatise advocates principles that favor those who conceive and submit ideas while this article advo-

335. 3 NIMMER TREATISE, *supra* note 7, § 16.05[D], at 16-38 n.30 (“[R]elease forms [are] commonly used by firms which receive submissions of literary ideas.”).

336. ROBERT KOSBERG WITH MIM EICHLER, *HOW TO SELL YOUR IDEA TO HOLLYWOOD* 175 (1991) (“Any one-line idea submitted without a release will not be read in Hollywood. Period. So I suggest that with all your correspondence you use the standard release form that I have provided in the reference section at the back of this book.”).

337. *Cf. Burten v. Milton Bradley Co.*, 592 F. Supp. 1021, 1031 (D.R.I. 1984) (“If [idea recipients] could not effectively safeguard themselves against such forays [i.e., idea-submission claims], they might well have to curtail submissions from independent [idea submitters]. Such a result would be plainly detrimental to both sides—and to the consumer as well.”), *rev'd*, 763 F.2d 461 (1st Cir. 1985).

cates principles that favor those who receive and use them. *If* this were so, I would nonetheless argue that the principles I have advocated are wise, because as one judge perceptively explained: "Ideas are the most intangible of property rights, and their lineage is uniquely difficult to trace. Paternity can be claimed in the most casual of ways, and once such a claim is lodged, definitive blood tests are notoriously lacking."³³⁸ The notion that "[i]deas . . . are not easily traced"³³⁹ is, I think, not disputed, even by those who would strike a balance that favors idea submitters. "It is difficult to ascertain the source of an idea and impossible to prove its provenance in any meaningful sense. A court cannot unzip an author's head in order to trace the genealogy of her motifs; indeed, the author herself usually cannot pin down the root of her inspirations."³⁴⁰ Thus, before the law condemns anyone as a plagiarizer, the law ought to be quite certain that plagiarism is actually what occurred, because plagiarism is considered among the most reprehensible of non-violent wrongs.³⁴¹ For this reason, I acknowledge that the principles advocated in this article do require proof to an appropriate degree of certainty that plagiarism is what occurred before

338. *Id.*

339. Litman, *supra* note 19, at 1015.

340. *Id.* Cf. *Buchwald v. Paramount Pictures*, 13 U.S.P.Q.2d (BNA) 1497, 1506 n.11, No. C 706083, 1990 Cal. App. LEXIS 634, at *40 n.11 (Cal. App. Dep't Super. Ct. Jan. 31, 1990) (appeal pending) ("Everything registers somewhere in our memories, and no one can tell what may evoke it.' Eddie Murphy, with commendable candor, admitted as much when he testified (by way of deposition) that he did not know 'what triggers my subconscious.'") (citation omitted).

341. In 1987, a then-leading candidate for the Democratic presidential nomination withdrew from the campaign when published reports and television clips showed that his speeches repeated, without attribution, paragraphs from campaign speeches that had once been delivered by other politicians. Robert Shogan, *Biden Quits Race, Cites Mistakes*, L.A. TIMES, September 24, 1987, at A1.

In 1991, a Boston University dean resigned in the wake of the controversy that developed when it was reported that in a commencement address given by him in May of that year, he had repeated portions of an article by film critic Michael Medved, without attribution. Anthony Flint, [*Joachim*] *Maitre Resigns as Dean, Stays on Faculty*, THE BOSTON GLOBE, July 13, 1991, at 1.

Not even death brings immunity from the damage done by plagiarism allegations. In 1990, the reputation of the late Dr. Martin Luther King, Jr., was tarnished when it was disclosed that his doctoral dissertation and several academic papers contain passages that were copied from unattributed sources. *King's Scholarly Works Questioned*, L.A. TIMES, Nov. 9, 1990, at P1.

liability may be imposed.

I would not agree, however, that the principles advocated in this article benefit idea *recipients* exclusively. Rather, the principles advocated in this article also protect and benefit those who create and submit ideas. This is so because all of those who create ideas have themselves been the recipients of the ideas of others. "To say that every new work is in some sense based on the works that preceded it is . . . a truism. . . . [A]uthorship . . . is more akin to translation and recombination than it is to creating Aphrodite from the foam of the sea."³⁴² As a result, all of those who would accuse others of plagiarism are themselves vulnerable to plagiarism claims by others.

Art Buchwald himself is a perfect example. His lawsuit against Paramount Pictures was only one of seven separate lawsuits filed by seven different people, each one of whom claimed to have been the actual creator of the story on which *Coming to America* was based.³⁴³ In one of those cases, Art Buchwald was named as a *defendant*—along with Paramount Pictures and Eddie Murphy—in a complaint that alleged that *Coming to America* infringed the copyright to the plaintiff's novel *The Arab Heart*.³⁴⁴

Moreover, *if* as a matter of law one work is "based upon" another whenever there is access and merely general similarity of idea, authors who sell their material to studios pursuant to written contracts will always be vulnerable to assertions that they failed to honor the representations and warranties made in those contracts. It is common for literary property acquisition agreements to include an author's representation and warranty that his or her material is not "based upon" any pre-existing material; Art Buchwald had such a clause in his agreement

342. Litman, *supra* note 19, at 966.

343. *Armour v. Pryor*, 915 F.2d 1570 (6th Cir. 1990), *cert. denied*, 111 S. Ct. 1689 (1991); *Beal v. Paramount Pictures*, 806 F. Supp. 963 (N.D. Ga. 1992); *Buchwald v. Paramount Pictures*, 13 U.S.P.Q.2d (BNA) 1497, No. C 706083, 1990 Cal. App. LEXIS 634 (Super. Ct. Jan. 31, 1990) (appeal pending); *Theodore Folke et al. v. Eddie Murphy et al.*, filing reported in *DAILY VARIETY*, Oct. 29, 1993, at 1; *Gregory v. Murphy*, 928 F.2d 1136 (9th Cir. 1991); *Osseni-Bello v. Murphy*, No. C733407 (Cal. Super. Ct. Los Angeles County, filed Aug. 7, 1989); *Ostrowski v. Paramount Pictures*, No. CV 89-4043 (E.D.N.Y. filed Dec. 4, 1989).

344. *Beal v. Paramount Pictures*, 806 F. Supp. 963 (N.D. Ga. 1992).

with Paramount.³⁴⁵

During the trial of the Buchwald case, Paramount introduced into evidence a Charlie Chaplin movie entitled *A King in New York* which Buchwald had seen and reviewed in a column he once wrote for the *Herald Tribune*.³⁴⁶ The purpose of introducing the movie was to demonstrate to the trial court that *if* it accepted Buchwald's argument that *Coming to America* was "based upon" his treatment, the court would also have to conclude that the Buchwald treatment had been "based upon" the Chaplin movie—in violation of Buchwald's representations and warranties—because the Buchwald treatment was at least as similar to the Chaplin movie as *Coming to America* was to the Buchwald treatment.³⁴⁷ The trial court rejected the argument. It concluded that "[b]esides the fact that th[e] Chaplin] movie involves a king who comes to America, there is not the slightest resemblance between 'A King in New York' and [the Buchwald treatment] 'King for a Day.'" ³⁴⁸ This conclusion demonstrates that similarity, or the lack thereof, is in the eye of each beholder³⁴⁹—and this in itself is a

345. *Buchwald v. Paramount Pictures*, 13 U.S.P.Q.2d at 1501, 1990 Cal. App. LEXIS 634, at *19.

346. 13 U.S.P.Q.2d at 1507, 1990 Cal. App. LEXIS 634, at *41.

347. Paramount did *not* accuse Buchwald of plagiarizing the Chaplin movie, despite the indignant assertions of Buchwald's lawyer that it had. See *FATAL SUBTRACTION*, *supra* note 109, at 323-24. The relevance of the Chaplin movie was that *if*—but only *if*—the court accepted the definition of "based upon" being advanced on Buchwald's behalf, that very definition would have put Buchwald in breach of his contract. The trial court understood the point of the argument, even if Buchwald's lawyer did not.

348. 13 U.S.P.Q.2d at 1507, 1990 Cal. App. LEXIS 634, at *42.

349. Consider the following comparison done by the author of this Article between the Chaplin movie *A KING IN NEW YORK* (Attica 1957) ("KINY") and the original eight-page version of the Buchwald treatment entitled "It's a Crude, Crude World" ("ICCW"). In both:

1. The king of a mythical country comes to the United States seeking U.S. government assistance.

KINY: King Shadhov, of the mythical European country of Estrovia, comes to the U.S. seeking assistance from the U.S. Atomic Commission for the development of nuclear power plants.

ICCW: Emperor Josiah, of the mythical African country of Sheberia, comes to the U.S. seeking to acquire weapons for his army and air force—weapons which the U.S. is willing to provide because Sheberia has large deposits of oil which the U.S. needs (presumably in order to satisfy its own power-generating requirements), because of a world-wide oil shortage.

2. The King and his entourage take up residence in a suite in a fancy hotel upon his arrival

in the U.S.

KINY: King Shadhov and his Ambassador move into a suite in The Ritz Hotel in New York City.

ICCW: Emperor Josiah and his entourage take over three floors of the Four Seasons Hotel in Washington, D.C.

3. After getting settled in his hotel, the King is the guest of honor at a formal dinner.

KINY: King Shadhov is the guest of honor at a dinner at the home of Madam Mona Cromwell, the owner of a television network and magazine publishing company.

ICCW: Emperor Josiah is the guest of honor at a dinner at the White House.

4. At the dinner, the King talks with an attractive woman who is seated at his table, and in whom he takes a romantic (or at least sexual) interest.

KINY: King Shadhov is seated next to Ann Kay, an attractive television show hostess.

ICCW: Emperor Josiah meets Diana Walker, a State Department officer who has been seated at his table.

5. Although the King is married, he feels free to express his interest in the woman he talks with at dinner.

KINY: King Shadhov's marriage was arranged, and he knows that his wife has never loved him. Before he goes to the dinner, his wife leaves the U.S. to return to Europe, following a conversation in which the King offers to divorce her so she can live the rest of her life in happiness.

ICCW: Emperor Josiah's relationship with his wife is the kind of relationship that allows him to simply tell his wife "to disappear" when he wants to be with another woman. Later in the story, Josiah's wife returns to Sheberia and apparently divorces him.

6. The King expects (or least wants) the woman to provide him with sexual favors.

KINY: While working on an ad with Ann, King Shadhov overpowers her and tries to kiss her while lying on top of her.

ICCW: Emperor Josiah expects Diana to go to bed with him when they return to his hotel following the White House dinner; and when she refuses, he becomes furious.

7. The King does some sightseeing.

KINY: King Shadhov visits a school for young boys, and fancy American nightclubs where jazz is being played.

ICCW: Emperor Josiah visits Disneyland, and goes "jamming with Benny Goodman" at lavish parties arranged in his honor.

8. The King is deposed, as a result of a revolution in his country.

KINY: King Shadhov loses his throne, as a result of a revolution in Estrovia (which occurs just before he comes to the United States).

ICCW: Emperor Josiah loses his throne, as a result of a coup in Sheberia (after Josiah arrives in the U.S.).

9. After being deposed, the official who has possession or control of the King's fortune takes it, leaving the King without funds.

KINY: The day after King Shadhov arrives in the U.S., his prime minister withdraws the King's funds and securities from the bank where they had been deposited, and disappears, leaving the king "broke."

ICCW: When Emperor Josiah asks his minister of finance for the number of Josiah's Swiss bank account, the Minister tells Josiah, "That's for me to know and you to find out."

powerful reason for applying principles of law that require rigorous proof before liability is imposed for one person's alleged use of the ideas of another.

10. In order to earn money, the King is forced to take a job that is beneath his former dignity.
KINY: King Shadhov does television commercials for a variety of products, including liquor and "hormones."
ICCW: Emperor Josiah takes a job as a waiter with a famous Washington catering company.
11. U.S. government officials pursue the King.
KINY: A process server for the House Un-American Activities Committee (HUAC) pursues King Shadhov in order to subpoena him to appear before the Committee.
ICCW: The CIA attempts to capture Emperor Josiah in order to return him to Sheberia.
12. The woman in whom the King earlier took a romantic (or sexual) interest now attempts to help him out of the predicament caused by his new and poorer circumstances.
KINY: Ann Kay works with King Shadhov in the production of his television commercials, so he will have money on which to live, and attempts to help him avoid being subpoenaed by HUAC.
ICCW: Diana Walker searches for Emperor Josiah to warn him that the U.S. government has decided to deport him back to Sheberia where he would be hung by that country's new ruler.
13. The actions of U.S. government officials toward the King and others are motivated by anti-communism, and these motives ultimately influence the resolution of the movie's story.
KINY: HUAC was motivated by a fear of communists; and this movie is a mild rebuke of the U.S. by Chaplin for the way in which anti-communist hysteria gripped the country during the McCarthy era. King Shadhov is so dejected by anti-communist hysteria in the U.S. that he leaves the U.S. entirely, even though he has done well here financially making television commercials.
ICCW: Until the visit to the U.S. that is the subject of this story, Emperor Josiah had never before been invited to the U.S. It took the "oil crunch" and a Russian offer to equip Sheberia with Soviet weapons to get Josiah the invitation that starts the story. At the end of the story, the government lets Josiah stay in the U.S., because it has been embarrassed by the publicity surrounding its search for Josiah—a search undertaken in the belief that returning Josiah to Sheberia, to be hung, would prove that the U.S. was a true friend of the new regime.