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CONCEPTUAL EXPRESSION IN A COPYRIGHT WORLD: PROTECTING IDEAS FROM THE SHADOW OF PREEMPTION

A CALL FOR LEGISLATIVE ACTION

JOHN R. KETTLE III

ABSTRACT

The notion that an idea creator ought to be compensated for the product of his or her mind continues to transcend and develop in the realm of intellectual property. Although many scholars have penned that there is a value to conceptual expression in the disclosure of the idea apart from its future expression, there are others that blur the idea/expression dichotomy and take the position that ideas should be as free as air. Many academics tend to reject the traditional theories of protection, and proscribe alternatives in providing protection to conceptual expression, my article adds to and critiques the discourse and proposes a basis upon which courts can with greater certainty, free “ideas from the shadow of copyright preemption.” The uncertainty surrounding idea protection has widened as a result of recent cases. Safeguarding a system of protection for ideas from an ever increasing threat of federal preemption is, as pointed out in my article, important to a robust exchange of ideas. My article is directed at the discourse that persists, presents the law, examines the problems, and explores the solutions as they pertain to the protection, control, flow and use of conceptual expression.

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FROM THE SHADOW OF PREEMPTION A CALL FOR LEGISLATIVE ACTION

JOHN R. KETTLE III*

Between the conception
And the creation
Between the emotion
And the response
Falls the Shadow
- T.S. Eliott¹

I. INTRODUCTION

My interest in the subject of idea protection first arose some 40 years ago when I worked as an engineer on audio and video productions. I often found myself questioning during each production what the of scope of rights were and who they belonged to. That curiosity became a driving force that led me to law school. While in law school I focused my elective course selection on what was then available to support a practice in entertainment and intellectual property law. During my studies I found to be of particular interest the lack of certainty in the law as it related to the protection of ideas. During law school I first put pen to paper, exploring the perplexity and challenges that an idea creator faced under the law at that time. The content of that independent study paper was prepared in a manner that would appeal more to a practitioner than to an academic in light of what I felt needed guidance for those involved with entertainment based projects.

Fast forward, I am now addressing the same topic, but this time in my capacity as a clinical professor of law and academician. Like renowned Professor of Law Arthur Miller who took some fifty years² to complete his article on idea protection, I too had placed my article on the back burner needing the encouragement of my colleagues and assistance of my law students to complete what has been a work in progress for many years. In light of recent cases addressing copyright preemption of state-based idea misappropriation claims, the uncertainty surrounding idea protection widened. With the law in continued flux, I remain challenged and concerned about the best advice and counsel to give a client, especially when representing clients conducting business in many different jurisdictions.

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¹ T.S. ELIOT, COLLECTED POEMS 1909-1962, 82 (1963).

² See Arthur R. Miller, *Common Law Protection for Products of the Mind: An "Idea" Whose Time Has Come*, 119 HARV. L. REV. 705, 707 (2006); see also David Nimmer, *Promises! Promises!*, 119 HARV. L. REV. F. 74 (2006).

The notion that the “idea man” ought to be compensated for his “product of the mind”³ continues to transcend and develop in the realm of intellectual property. Although many scholars have penned the idea that there is a value to conceptual expression and in its disclosure apart from its future expression, there are others that blur the idea/expression dichotomy.⁴ Many academics tend to reject the traditional theories of protection and proscribe alternatives in providing protection to conceptual expression in order to free “ideas from the shadow of copyright preemption.” My Article adds to this discussion and is directed at the discourse that persists.

Now to set the stage, imagine the shock to an individual who submitted a clever idea to a company for a new advertising campaign only to find it being used by the company after they expressed no interest in it.⁵ Or the anger felt by a screenplay writer that sent a conceptual movie treatment⁶ to a motion picture studio which produced a movie embodying many of the ideas submitted, but without providing compensation or credit to the idea creator.⁷ Has a legal or moral injustice occurred?

³ Miller, *supra* note 2, at 703 (term used by Professor Miller in describing the idea creator’s idea).

⁴ See *id.* See generally Oren Bar-Gill & Gideon Parchomovsky, *Essay: A Marketplace for Ideas?*, 84 TEX. L. REV. 395 (December 2005); Samuel M. Bayard, Note, *Chihuahuas, Seventh Circuit Judges, and Movie Scripts, Oh My!: Copyright Preemption of Contracts to Protect Ideas*, 86 CORNELL L. REV. 603 (2001); Jonathan S. Katz, *Expanded Notions of Copyright Protection: Idea Protection Within the Copyright Act*, 77 B.U. L. REV. 873 (1997); Mary LaFrance, *Something Borrowed, Something New: The Changing Role of Novelty in Idea Protection Law*, 34 SETON HALL L. REV. 485 (2004); David M. McGovern, *What is Your Pitch? Idea Protection Is Nothing But Curveballs*, 15 LOY. L.A. ENT. L.J. 475 (1995); Celine Michaud & Gregory Tulquois, *Idea Men Should be Able to Enforce Their Contractual Rights: Considerations Rejecting Preemption of Idea-Submission Contract Claims*, 6 VAND. J. ENT. L. & PRAC. 75 (2003); Melville B. Nimmer, *The Law of Ideas*, 27 S. CAL. L. REV. 119 (1954). For cases addressing the idea/expression dichotomy see, e.g., *Mazer v. Stein*, 347 U.S. 201 (1954); *Baker v. Selden*, 101 U.S. 99 (1879); *Warner Bros. v. American Broadcasting Co.*, 720 F.2d 231 (2d Cir. 1983); *Sid & Marty Kroft Television Productions Inc. v. McDonald’s Corp.*, 562 F.2d 1157 (9th Cir. 1977); *Nichols v. Universal Pictures Corp.*, 45 F.2d 119 (2d Cir. 1930).

⁵ See *Wench LLC v. Taco Bell Corp.*, 256 F.3d 446 (6th Cir. 2001), *cert. denied*, 534 U.S. 1114 (2002) (idea presented to Taco Bell Corp. and its ad agency for a new ad campaign featuring a talking Chihuahua); *Marcus Advert., Inc. v. M. M. Fisher Assoc., Inc.*, 444 F.2d 1061 (7th Cir. 1971) (idea to play on the double meaning of “pop” for Dad’s Root Beer advertisements); *Van Rensselaer v. Gen. Motors Corp.*, 223 F. Supp. 323 (E.D. Mich. 1962) (idea used to stress “comfort and interior spaciousness” in sale of cars), *aff’d*, 324 F. 2d 354 (6th Cir. 1963); *Thompson v. California Brewing Co.*, 150 Cal. App. 2d 469 (Cal. Dist. Ct. App. 1957) (sale of beer); *Johnson v. Twentieth Century-Fox Film Corp.*, 82 Cal. App. 2d 796 (Cal. Dist. Ct. App. 1947) (advertising slogan); *Downey v. General Foods Corp.*, 323 N.Y.S.2d 578 (App. Div. 1971) (business plan for marketing gelatin to children and use of the word “wiggle” in its name). See also, e.g., *Garrido v. Burger King Corp.*, 558 So. 2d 79 (Fla. Dist. Ct. App. 1990) (holding that where the gravamen of a conversion claim constituted unauthorized taking or use of ideas, the elements of the claim are not qualitatively different from a copyright infringement).

⁶ A movie treatment is generally basic in format—concept, plot, scenes and characters—and is often not expressed in detail sufficient enough for copyright protection. Thus a breach of contract or breach of confidentiality claim may be the only basis of recovery for the unauthorized use of a movie treatment. See *Desny v. Wilder*, 46 Cal. 2d 715 (Cal. 1956) (“[T]here are only thirty-six fundamental dramatic situations, various facets of which form the basis for all human drama.”).

⁷ See, e.g., *Anderson v. Stallone*, No. 87-0592, 1989 U.S. Dist. LEXIS 11109 (C.D. Cal. Apr. 25, 1985). Timothy Anderson submitted a movie treatment—hoping it would be accepted and used in the creation of the Rocky IV sequel—to Sylvester Stallone and MGM/UA for review. After the movie became released in November of 1985, without credit or compensation to Anderson, he filed suit on January 29, 1987. Subsequently, Sylvester Stallone filed a successful counterclaim proving that

Is the creator of the idea entitled to a remedy? Or, is such use without attribution or compensation supported by our intellectual property laws?

In order to provide society with the greatest variety of art, entertainment, literature, and technology, a proper balance of our intellectual property laws must be maintained. When the appropriate balance is achieved, the creator will create, the investor will invest, and the public will be enriched at a fair price.⁸ To this end, it is critical that our intellectual property laws not only recognize the interests of the public, author, inventor, and investor, but also the creator of the idea or concept that underlies the artistic work or new technology.

Safeguarding ideas from misappropriation is part of a state system of protection that is facing an increasing threat of preemption. Federal intellectual property law protecting intangible rights has always coexisted with a system of state protection.⁹ However, such coexistence has not been without its tension, especially when it involves protecting ideas in the field of copyright law. When such tension occurs, it has been the duty of the courts to determine whether the state power to protect the subject matter “stands as an obstacle to the accomplishment and execution of the full purposes and objectives of Congress.”¹⁰ Additionally, the courts will seek to determine if such state law materially conflicts with the basic objectives of the subject federal statute.¹¹ If either occurs, then the state law must be displaced.¹² Deciding these questions where state law protection of ideas is concerned has often led to irreconcilable results and conflicting doctrines.¹³

The entertainment industry, which includes television, radio, motion pictures, theatrical stage, print publication, and the advertising industry, are arguably the most commercially active exploiter of ideas. A constant flow of creative ideas is, without a doubt, crucial to these industries. Suggestions for new television shows, movies, commercials, stories for books, advertising campaigns, and the like, generally flow from individuals in the industry’s employ.¹⁴ However, this is by no means the sole

Anderson’s treatment constituted unauthorized derivative work of the prior Rocky movies. *See also* *Buchwald v. Paramount Pictures Corp.*, No. C 706083, 1990 Cal. App. LEXIS 634 (Cal. Super. Ct. Jan. 31, 1990). Art Buchwald and his collaborator Alain Bernheim submitted an outline for a motion picture based on a plot that centered around an African prince that comes to the United States, loses money, takes a job at a fast food restaurant, and falls in love. Three years after the submission, Paramount released a popular movie titled “Coming to America” featuring Eddie Murphy that contained similar plot lines. Mr. Buchwald and his co-writer were successful in obtaining recovery on a breach of contract claim based on the initial submission and related meetings.

⁸ *See generally* PAUL GOLDSTEIN, *COPYRIGHT, PATENT, TRADEMARK AND RELATED STATE DOCTRINES* 6-7 (4th ed. 1999).

⁹ Federal copyright, patent, and trademark law has existed concurrently with state common law copyright, trade secret, trademark, right of publicity, and unfair competition laws. *See* MARSHALL LEAFFER, *UNDERSTANDING COPYRIGHT LAW* §11.1 (2d ed. 1995).

¹⁰ *Hines v. Davidowitz*, 312 U.S. 52, 67 (1941).

¹¹ *See Pacific Gas & Elec. Co. v. State Energy Res. Conservation & Dev. Comm’n*, 461 U.S. 190, 203-04 (1983).

¹² *See Maryland v. Louisiana*, 451 U.S. 725, 746 (1981).

¹³ *See* LEAFFER, *supra* note 9, at §11.1 (noting the unsuccessful attempt of the Copyright Act of 1976 to rectify the disarray of the preemption doctrine caused by the 1909 Copyright Act).

¹⁴ A case that brought national attention to the protection of ideas in the world of television is *Murray v. Nat’l Broad. Co.*, 844 F.2d 988 (2d Cir. 1988). Hwesu Murray, an employee of NBC, submitted a proposal for a television series titled “Father’s Day.” The concept centered around an all-

source of new ideas. The National Broadcasting Company for example, receives about 30,000 to 40,000 suggestions each year from individuals external to the industry.¹⁵ The many unsolicited ideas range from simple letter outlines to ideas for pilot films.¹⁶ This may give the appearance of an uninhibited marketplace for the exchange of ideas, but it is not.

Unfortunately, idea creation and appropriation in the advertisement and entertainment industries is laced with legal and equitable problems. For instance, about sixty-five percent of the lawsuits waged against television networks arise out of the submission of ideas to them.¹⁷ The perceived right of an “idea creator” to receive compensation or to control his or her conceptual expression¹⁸ is often at odds with the perceived right of others to use the idea, or similar ideas, in a commercial manner without any compensatory obligations. This Article supports the ideology that maintaining an environment, in which artistic, literary, and inventive creativity is to flourish, will by its very nature require continued and more certain protection for the idea creator.

Protection for creators of the conceptual expression has historically relied upon state law theories like breach of contract, breach of confidentiality¹⁹, and the tort of misappropriation or conversion.²⁰ The ability to rely on such state claims today is subject to the ever-growing shadow cast by federal preemption. My Article argues

American black family that had a strong character as the father, a man of devoted to his family. Murray, a technician not employed as an idea creator or teleplay, was asked to develop his concept further. NBC rejected his ideas in 1980. Four years later in 1984 NBC released “The Cosby Show” starring Bill Cosby, who Murray suggested play the lead role. Suit followed and NBC subsequently became successful in defeating the idea misappropriation claim on the basis that the idea under New York law did not provide sufficient “novel” for Murray to have protectable intellectual property rights to the idea.

¹⁵ Harry R. Olsson Jr., *Dreams For Sale*, 23 LAW & CONTEMP. PROBS. 34, 55 (1958).

¹⁶ *Id.* at 34-35, 54-55.

¹⁷ *Id.*

¹⁸ The term “conceptual expression” is used interchangeably with the term “idea” or “creative idea” in singular or plural form in this Article. I propose in this Article that the term “conceptual expression” be adopted to indicate ideas that are expressed at a non-copyrightable level, free from federal copyright or patent law preemption as discussed and supported in this Article. The Merriam-Webster Learner’s Dictionary defines *conceptual* as: “based on or relating to ideas or concepts;” and defines *expression* as: “the act of making your thoughts, feelings, etc., known by speech, writing, or some other method : the act of expressing something.” *Conceptual*, THE MERRIAM-WEBSTER LEARNER’S DICTIONARY, <http://learnersdictionary.com/definition/conceptual> (last visited Apr. 17, 2017); *Expression*, THE MERRIAM-WEBSTER LEARNER’S DICTIONARY, <http://learnersdictionary.com/definition/expression> (last visited Apr. 17, 2017).

¹⁹ See *Sargent v. Am. Greetings Corp.*, 588 F. Supp. 912 (1984). The U.S. District Court for the Northern District of Ohio held that plaintiff’s claim “that defendant breached a confidential relationship between them and misappropriated her ‘Strawberry Girl’ artwork,” *Id.* at 913, “involve[d] elements that distinguish it from her claim for copyright infringement,” *Id.* at 923-924, and are “therefore not preempted by the [Copyright] Act.” *Id.* at 924. Plaintiff had “presented her ‘Strawberry Girl’ artwork to defendant” before the alleged misappropriation. *Id.* at 913.

²⁰ See MELVILLE B. NIMMER & DAVID NIMMER, NIMMER ON COPYRIGHT §1.01 (B)(1)(i) (Matthew Bender, Rev. Ed.) [hereinafter NIMMER ON COPYRIGHT] text and accompanying footnotes. The torts of conversion and trespass relate to interference with tangible rather than intangible property, and hence, should be held to be immune from pre-emption. *Id.* See also *Dunlap v. G&L Holding Group Inc.*, *infra* n. 161 and accompanying text holding that a claim for conversion of idea would not be preempted by Copyright Act.

that the preemptive shadow cast by the Supremacy Clause²¹ and the current Copyright Act²² do not constitutionally reach all foundations of idea protection. My Article both supports an amendment to the Copyright Act that would help resolve the preemption conflict by recognizing a basis for protection and redress for misappropriation of conceptual expression, and supports maintaining the state system of protection for ideas under a “savings clause.”²³ As one noted scholar proclaimed:

It is definitely not the object of copyright to declare what shall and shall not be protected by another property system. What other systems will or will not protect is a decision for those systems, state or federal, each of which has its own purposes to serve. By intruding into state common law property systems and threatening to eliminate rules that have long served to protect investment in creative activity, section 301 [preemption provision in the Copyright Act] violates this principle.²⁴

My Article will present the law, examine the problems, and explore the solutions as they pertain to the protection, control, flow and use of conceptual expression in the creation of copyrightable works.²⁵ This will be accomplished as follows: Section II reviews the background of idea protection and examines the development of common law protections. Section III analyzes the application of Federal supremacy and the preemption provisions of the current Copyright Act.²⁶ Section IV reviews the current conflict in the federal circuits regarding preemption of traditional state based systems for the protection of ideas. Section V proposes an amendment to the Copyright Act

²¹ “This Constitution, and the Laws of the United States . . . shall be the supreme Law of the Land; and the Judges in every State shall be bound thereby, any Thing in the constitution or Laws of any State to the Contrary notwithstanding.” U.S. CONST. art. VI. §1 cl. 2.

²² The Fourth Circuit held that protection of ideas is preempted under federal copyright since “the shadow actually cast by the Act’s preemption is notably broader than the wing of its protection.” United States *ex rel* Berge v. Bd. Of Trs., 104 F.3d 1453, 1463 (4th. Cir. 1997).

²³ A “savings clause” is a provision within a federal statute that preserves state law claims. *See, e.g.*, 17 U.S.C. § 1205 (“‘Savings Clause’ Nothing in this chapter abrogates, diminishes, or weakens the provisions of, nor provides any defense or element of mitigation in a criminal prosecution or civil action under, any Federal or State law that prevents the violation of the privacy of an individual in connection with the individual’s use of the Internet”). *See id.* at § 1101(d) (“State law not preempted. Nothing in this section may be construed to annul or limit any rights or remedies under the common law or statutes of any State.”).

²⁴ Paul Goldstein, *Preempted State Doctrines, Involuntary Transfers and Compulsory Licenses: Testing The Limits of Copyright*, 24 UCLA L. REV. 1107, 1108 (1977).

²⁵ Although conceptual expression also pertains to ideas that can form the basis of patentable business or scientific inventions, such a discussion is beyond the scope of this article. The focus of this article is on ideas, which become the basis of a literary or artistic work, like a book, movie, advertisement, or television show.

²⁶ The current Copyright Act (17 U.S.C. §§ 101-803, 1001-10 (2000)) is referred to in this article as the Act of 1976. This Article will also make reference to the Copyright Act of 1909 (17 U.S.C. §§ 1-216 (2000)) and refers to such Act as the Act of 1909. Unless otherwise indicated, the use of the term “Copyright Act” in this article refers to the Act of 1976. When Congress adopted the Act of 1976 it specifically provided that all state rights equivalent to those within the scope of federal copyright are preempted. *See* 17 U.S.C. § 301 (1998). This Article argues that certain protections for ideas under state law do not fall within the scope of the current federal copyright act and are therefore not preempted.

that provides protection for conceptual expression by requiring the idea creator to establish entitlement and protection based on an express contract or implied in fact contract. Section VI concludes by supporting the passage of the proposed amendment as the most effective and efficient means of maintaining an environment rich in conceptual expression for the ultimate benefit of society.

II. IDEAS AND THE LAW

Between the idea
And the reality
Between the motion
And the act
Falls the shadow²⁷

A. Background

An idea is definable as a presentation of sense, concept, thought, notion, and impression.²⁸ The “free exchange” of ideas has been recognized as a fundamental principal for societal advancement dating back to the first century A.D.²⁹ Maintaining an open marketplace for the free exchange of ideas is also supported by our Constitution.³⁰ However, despite the historical background and Constitutional support for an environment that encourages the free exchange of ideas,³¹ there are

²⁷ ELIOT, *supra* note 1, at 81-82.

²⁸ An *idea* may apply to an image of formulation of something seen or known, of something imagined and visualized of something vaguely assumed, guessed at, or sensed; *concept* may indicate a fairly definite mental formulation determined by consideration of instances; *thought* is likely to imply the result of ratiocination, of thinking, reasoning, or meditating, rather than fancying or imagining; *notion* may suggest a vague half-formed idea not resolved by much thought and analysis; *impression* applies to a first notion frankly lacking in analysis, consideration and thought; WEBSTER'S THIRD INTERNATIONAL DICTIONARY UNABRIDGED 1122 (1966).

²⁹ Seneca wrote, “[i]deas are common property.” Epistles 12,11, *quoted in* NIMMER, *supra* note 20, at §1919.D01 (2000).

³⁰ See *Red Lion Broad. Co. v. FCC*, 395 U.S. 367, 390 (1969) (“It is the purpose of the First Amendment to preserve an uninhibited marketplace of ideas...rather than to countenance monopolization of that market, whether it be by the Government itself or a private licensee...”).

³¹ “The Congress shall have power...To Promote the Progress of Science and Useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries.” U.S. CONST. art. 1. § 8 cl. 8.; see U.S. CONST. amend. I (“[C]ongress shall make no law...abridging the freedom of speech, or the press...”). The U.S. Constitution, as originally adopted in 1789, contained no provision expressly granting a right to freedom of expression. Until the adoption of the Bill of Rights in 1791, a guarantee of freedom of expression became adopted. Although the purpose of the First Amendment is free speech and the preservation of an uninhibited marketplace of ideas, courts have qualified its reach. Recognizing that commercial speech and commercial ideas may serve different purposes in our society than that of non-commercial speech, a doctrine has been developed by the courts that allows limitations on the free flow of speech and ideas in the commercial arena. In the field of entertainment, the doctrine is most closely associated with advertising and motion pictures. The focus of this paper is not on the implications of the commercial speech doctrine in the field of entertainment, but rather on the misappropriation of ideas and the protections offered

times when ideas should not remain as “free as air.”³² One of the most cited proclamations in support of protection for conceptual expression is that of Judge Schauer in *Desney v. Wilder*:³³

Generally speaking, ideas are free as the air and as speech and senses, and as potent or weak, interesting or drab, as the experiences, philosophies, vocabularies, and other variables of the speaker and listener may combine to produce, to portray, or to comprehend. *But, there can be circumstances when neither air nor ideas may be acquired without cost.*³⁴

The appropriation and exploitation of the conceptual expression of others has become both an increasing practice and problem, in today’s society. The taking of another’s idea is encouraged to a large degree by not only the First Amendment, but by the fact copyright protection expressly excludes one’s ideas from under its umbrella of protection.³⁵ This copyright exclusion is said to be consistent with the Constitutional mandate that our laws are to promote the progress of science and the useful arts. Arguably, this is accomplished by forcing the “idea creator” to develop and express his

by contract and property based doctrines. Nevertheless, it is worthwhile to review some aspects of the commercial speech doctrine. Commercial advertising, unlike political or social expression is usually not effectively discussed and rebutted, and thus results to a lesser degree in a conscious choice among differing views. The possibly desirable objectives furthered by advertising would not seem to require its protection by the First Amendment, particularly since the primary purpose of commercial advertising is to advance the economic welfare of business enterprises over which state and federal governments enjoy wide powers of regulation. See DORSEN, BENDER, NEUBORNE, POLITICAL & CIVIL RIGHTS IN THE UNITED STATES, 548 (4th. ed.). The Supreme Court noted in *Valentine v. Chrestensen*, 316 U.S. 52, 54 (1942), that purely commercial advertising does not equal protected speech, and is therefore subject to the same regulation in the same manner as any other activity. However, ten years later the Court ruled in *Burstyn v. Wilson*, that commercial motion pictures were entitled to first amendment protection despite that fact that “their production, distribution, and exhibition is analogized with the publication of books, newspapers, and magazines sold for profit which are given first amendment protection. 343 U.S. 495, 501-02 (1952). See also *Smith v. California*, 361 U.S. 147, 150 (1959). The circuit court in *Banzhaf v. FCC*, 405 F.2d 1082, (D.C. Cir. 1968), recognized that “promoting the sale of a product is not ordinarily associated with any of the interests the first amendment seeks to protect. As a rule it does not provide information on matters of public importance, and is not, except perhaps for ad-men, a form of individual self-expression. It is rather a form of merchandising subject to limitation for public purposes like any other business practices...” *Id.* at 1101-02. The most extensive analysis of commercial speech on a constitutional basis became made by the Supreme Court in *Bigelow v. Virginia*, 421 U.S. 809 (1975). The Court recognized in its opinion that commercial speech is protected by the first amendment, at least to some degree. The Court found it unnecessary to determine the precise level of constitutional protection that commercial advertising should receive. Although a year later in *Virginia State Board of Pharmacy v. Virginia Citizens Consumer Council*, 425 U.S. 748 (1976) the Court appeared to have reduced the commercial speech doctrine to commercial advertising that is misleading or promotes an illegal product or enterprise.

³² *But see* *Fendler v. Morosco*, 171 N.E. 56, 58 (N.Y. 1930).

³³ 46 Cal. 2d 715 (1956).

³⁴ *Id.* at 731. (emphasis added).

³⁵ See 17 U.S.C. § 102(b) (“In no case does copyright protection for an original work of authorship extend to any idea, procedure, process, system, method of operation, concept, principle, or discovery, regardless of the form in which it is described, explained, illustrated, or embodied in such work.”).

or her idea in a manner that is either copyrightable,³⁶ or patentable,³⁷ in order to achieve some degree of protection and reward. Based on this line of thinking, it is logical to conclude that failure to express one's idea in a copyrightable or patentable manner would likely leave the idea in the public domain, free for another's exploitation.³⁸

Having laws that promote expression, including the exchange of conceptual expression, no doubt serves many interests of society and is consistent with free speech under the First Amendment.³⁹ However, despite the merits behind free and open dissemination, there is a fundamental injustice caused when the appropriation and exploitation of another's idea is done for commercial purposes, without compensation to the originator.

The purveyor of ideas might well be content, 'left to his own devices;' his difficulty begins, however, when the law leaves those same devices to others' use — with impunity. Such indeed has been the lot of many an "idea man" in the field of entertainment, whose "wares" neither qualify for protection of copyright nor engender consistently solicitous regard by the courts. This is to his peculiar disadvantage when the law subscribes to the adage that the

³⁶ See 17 U.S.C. § 102(a) ("Copyright protection subsists, in accordance with this title, in original works of authorship fixed in any tangible medium of expression, now known or later developed from which they can be perceived, reproduced, or otherwise communicated, either directly or with the aid of a machine or device. Works of authorship include the following categories:

- (1) literary works;
- (2) musical works, including any accompanying words;
- (3) dramatic works including any accompanying music;
- (4) pantomimes and choreographic works;
- (5) pictorial, graphic, and sculptural works;
- (6) motion pictures and other audio visual works; and
- (7) sound recordings; and
- (8) architectural works.").

³⁷ 35 U.S.C. § 101 ("Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefore, subject to the conditions and requirements of this title.").

³⁸ However, ideas not expressed in a form subject to copyright or patent, can nonetheless be subject to a state's common law protection.

³⁹ A strong public policy exists against allowing a monopoly in ideas. See *Taylor v. Commissioner*, 51 F.2d 915 (3d Cir. 1931); *Lamont v. Postmaster Gen.*, 381 U.S. 301, 308 (1965) (Brennan, J., concurring) ("[T]he dissemination of ideas can accomplish nothing if otherwise willing addressees are not free to receive and consider them. It would be a barren marketplace of ideas that had only sellers and no buyers."); *Griswold v. Connecticut*, 381 U.S. 479, 482 (1965) (Douglas, J.) ("[T]he State may not, consistently with the spirit of the First Amendment, contract the spectrum of available knowledge. The right of freedom of speech and press includes not only the right to utter or to print, but the right to distribute, the right to receive...and freedom of inquiry [and] freedom of thought..."). See also *Giangrasso v. CBS, Inc.*, 534 F. Supp. 472 (E.D.N.Y. 1982) (upholding preemption of unfair competition for use of plaintiff's idea for television episode).

best things in life — “knowledge, truths ascertained, conceptions and ideas” are free.⁴⁰

“It is often stated broadly in cases involving motion pictures, radio, or television broadcasts, that an idea is not protected by copyright or common law, and that there is no property right in an idea, apart from the manner in which it is expressed, and that another may borrow an author’s idea with impunity.”⁴¹ Despite this general contention, the courts of many states have nevertheless managed to develop a body of law that affords the “idea creator” protection against unprivileged use or appropriation.⁴²

B. Necessary Elements for Protection

As a result of the uncertainty surrounding opposing authorities, the courts have attempted to establish a middle ground by which conceptual expression can continue to be protected by the states, while the open exchange in the marketplace of ideas is maintained. In order to achieve this end, the courts have, for the most part, recognized that “(a)n idea as distinguished from the copyrighted contents of a book or a patented device or process, is accorded no protection...unless it is acquired and used under such circumstances that the law will imply a contractual or fiduciary relationship between the parties.”⁴³ In addition to specifying the legal basis upon which a claim could be made, most courts have also imposed as a prerequisite to protection, a two-prong requirement. First, the idea must be novel, and second, it must be concrete.⁴⁴ The provision is likely the result of the view that one needs to ground an action in the equivalent of copyright or patent infringement (despite their lack of applicability) so that there are identifiable attributes that the courts can respond to.⁴⁵ This is especially important in light of the abstract nature of ideas.

⁴⁰ Joseph E. Kovacs, *Beyond the Realm of Copyright: Is There Legal Sanctuary for The Merchant of Ideas*, 41 BROOK. L. REV. 284, 284 (1974) [hereinafter *Merchant of Ideas*] (quoting *Int’l News Serv. v. Assoc. Press*, 248 U.S. 215, 250 (1918) (Brandeis, J. dissenting)).

⁴¹ M.L. Cross, Annotation, *Literary and Artistic Rights for the Purposes of, and Their Infringement by or in Connection with, Motion Pictures, Radio, and Television*, 23 A.L.R. 2D 244 Art. 2 § 9 (1952). The ownership of the exclusive rights under copyright do not extend to the underlying ideas; ideas are not considered protectable property there under. See *Mann v. Columbia Pictures, Inc.*, 128 Cal. App. 3d 628, 633-34 (1982); *United Artist Corp. v. Ford Motor Co.*, 483 F. Supp. 89, 93 (S.D.N.Y. 1980). Presupposing an expression of a particular combination of ideas, there may be literary property therein, or in the form in which the ideas are embodied, but there can be none in the idea. See *Desny v. Wilder*, 46 Cal. 2d 715, 732 (1956).

⁴² See *RCA Mfg. Co. v. Whiteman*, 114 F. 2d 86, 90 (2d Cir. 1940).

⁴³ *Irizarry y Puente v. President & Fellows of Harvard Coll.*, 248 F.2d 799, 802 (1st Cir. 1957).

⁴⁴ See, e.g., *Richter v. Westlab, Inc.*, 529 F.2d 896 (6th Cir. 1976); *Stanley v. Columbia Broad. Sys.*, 35 Cal. 2d 653, 656 (1950) (“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 seems to depend upon whether or not the idea constituted a novel idea and reduced to concrete form prior to its appropriation by the defendant....”).

⁴⁵ See Kovacs, *supra* note 40, at 288.

Requiring the legal issues to be couched to meet the two-prong form is not universal, however, since many courts only impose the novelty requirement,⁴⁶ while others impose no formal requirement at all.⁴⁷ Of those courts that require that the ideas be novel, some view novelty to be the same as that for patents, that is, the idea must be original to the creator, unique and not before known anywhere in the world.⁴⁸ Other courts only require there be originality equivalent to that required by copyright. The originality provision of copyright requires that the work be of minimal authorship, and of independent creation and expression.⁴⁹ Therefore it is conceivable under this view, that two or more people working independently could develop the same idea, and each would be non-infringing of the other.

The uncertainty as to whether a plaintiff must argue for “idea” protection on a patent based theory (i.e. novelty) or on a literary basis (i.e. originality) creates a substantial dilemma for the idea creator. Unfortunately the line of cases indicates no more than some courts will require the novelty theory,⁵⁰ others novelty and originality,⁵¹ while still others will interchange the two different theories until they end up meaning the same thing.⁵²

The problems caused by lack of consistency in dealing with the novelty requirement, are furthered by the courts’ inconsistent interpretation of the concreteness requirement. Concreteness has been crucial to recovery in most cases dealing with the use of an idea in the motion picture and radio industry. Absent an express contract or confidential relationship, the submitted idea must be in concrete

⁴⁶ *Noble v. Columbia Broad. Sys.*, 270 F.2d 938 (D.C. Cir. 1959) (holding that the idea for an unrehearsed, fictitious radio drama lacked novelty essential to originator’s recovery against the broadcaster of an essentially similar television show); *see, e.g., Irizarry y Puente*, 248 F.2d at 799.

⁴⁷ In certain types of idea litigation, some courts do not impose the novelty and concreteness test. *See Blaustein v. Burton*, 9 Cal. App. 3d 161, 178 (1970); *Donahue v. Ziv Television Programs Inc.*, 245 Cal. App. 2d 593, 605 (1966) (Recovery for use of an idea for television series must be based upon true contract relationship, which may be proved by either express promises or by circumstances, which is also called an “implied-in-fact contract”). *See also Joseph D. Pannone, Property Rights in an Idea and the Requirement of Concreteness*, 33 B.U. L. REV. 396 (1953).

⁴⁸ *See* 35 U.S.C. §§102, 103; *Nobel*, 270 F. 2d at 938; *Downey v. Gen. Foods Corp.*, 286 N.E. 2d 257 (N.Y. 1972).

⁴⁹ “Originality is, however, distinguished from novelty; there must be independent creation, but it need not be invention in the sense of striking uniqueness, ingeniousness, or novelty....[O]riginality means that the work owes its creation to the author and this in turn means that the work must not consist of actual copying.” *Alfred Bell & Co. v. Catalda Fine Arts, Inc.*, 191 F. 2d 99, 100-02 (2d Cir. 1951); *See also Abe A. Goldman, Observations on Copyright and Ideas*, 44 NYU L. REV. 574, 575 (1969) [hereinafter *Copyright and Ideas*]; *see generally, George A.M. Heroux, The Unsolicited Creative Idea: A Copyright Perplexity*, 28 ALBANY L. REV. 108, 109 (1964) [hereinafter *Unsolicited Idea*].

⁵⁰ *See Marcus Advertising Inc. v. M. M. Fisher Assoc. Inc.*, 444 F. 2d 1061 (7th Cir. 1971); *Fink v. Goodson-Todman Enter. Ltd.*, 9 Cal. App. 3d 996 (1970) (Plaintiff’s idea for a television series actually produced by defendant, contained substantial similarities to that presented by the plaintiff, which was claimed to have been rejected by the defendant. It was viewed as very unlikely that the defendant would have produced that series without the plaintiff’s elaborated ideas).

⁵¹ *See, e.g. Sellers v. American Broadcasting Co.* 668 F.2d 1207 (11th Cir. 1982) (applying New York law); *Downey v. Gen. Foods Corp.*, 286 N.E.2d 257 (N.Y. 1972); *Kurlan v. Columbia Broad. Sys.*, 40 Cal. 2d 799 (Cal. 1953).

⁵² *See, e.g., Sellers v. American Broad. Co.*, 668 F. 2d 1207 (11th Cir. 1982); *Silver v. Television City Inc.*, 215 A.2d 335 (Pa. Super. Ct. 1965).

form, or relief would likely be denied.⁵³ Thus, the question remains as to what is “concrete.”

As a threshold test for concreteness, some courts require that an idea must be capable of being used without any additional embellishment.⁵⁴ Additionally, the conceptual expression need not be in writing as long as it could be reduced to usable form within 24 hours.⁵⁵ Not all courts agree with this, and require that the idea must first be expressed in written form to be considered concrete.⁵⁶ It is suggested by one author that a writing should not be determinative on the question of concreteness, since an abstract idea may be reduced to a writing, thus affording it protection, where a highly developed idea may be presented orally and not afforded protection.⁵⁷ Thereby, the form of expression will lead to the protection of the less contributive idea.⁵⁸

As pointed out previously, some courts do not always require an idea to be concrete. To help determine when conceptual expression should be concrete, they look to the theory upon which the plaintiff seeks recovery. For example, if an express contract exists between the parties, the subject matter of which is the disclosure of an abstract idea, then generally the courts hold that the conceptual expression need not be concrete.⁵⁹ Concreteness is also viewed as not being required where a confidential relationship exists between the parties, as in an employer and employee relationship.⁶⁰

On the other hand, if the theory for recovery is based on that of a property right, such as in copyright, or implied contract or quasi-contract, then concreteness is generally required before relief is given.⁶¹ To fully appreciate the confusion and vagueness surrounding the doctrine of concreteness, a review of a number of decisions is important.

For example, *Liggett & Meyers Tobacco Co. v. Meyer*⁶² addressed the issue of concreteness, where the defendant had liability for the misappropriation of the plaintiff’s “concrete” idea. What the plaintiff claimed to be the concrete idea surrounded the suggestion for a billboard advertisement that depicted two men in hunting togs, or alternatively in working clothes, talking to each other, and one says

⁵³ See *Stanley v. Columbia Broad. Sys., Inc.*, 35 Cal. 2d 653 (Cal. 1950); *O’Brien v. RKO Pictures Inc.*, 68 F. Supp. 13 (S.D.N.Y. 1946); *Bowen v. Yankee Network Inc.*, 46 F. Supp. 62 (D.C. Mass. 1942) (a written memo suggesting a formula for a series of radio presentations was held not reduced to concrete form). *But see* *Chandler v. Roach*, 156 Cal. App. 2d 435, 319 P.2d 776 (1957) (Where the court did not see the necessity to add elements of novelty and concreteness to implied-in-fact contracts that reference the authors.) *Id.* at 443.

⁵⁴ *Stanley*, 35 Cal. at 671.

⁵⁵ See, e.g., *Jones v. Ulrich*, 95 N.E.2d 113 (Ill. App. Ct. 1950).

⁵⁶ *Silver*, 215 A.2d at 335.

⁵⁷ NIMMER, *supra* note 20, at §16.08(A), 16-53.

⁵⁸ *Id.*

⁵⁹ See *Blaustein v. Burton*, 9 Cal App. at 178 (1970); *Kurlan v Columbia Broad. Sys.*, 40 Cal. 2d 799 (Cal. 1953).

⁶⁰ NIMMER, *supra* note 20 at §16.08(B), 16-58.

⁶¹ See *O’Brien v. RKO Pictures Inc.*, 68 F. Supp. 13 (S.D.N.Y. 1946); *Liggett & Meyer Tobacco Co. v. Meyer*, 194 N.E. 206, 210 (Ind. Ct. App. 1935) (“While we recognize that an abstract idea as such may not be the subject of a property right, yet when it takes upon itself the concrete form which we find in the instant case, it is our opinion that it then becomes a property right subject to sale.”).

⁶² 194 N.E. 206 (Ind. Ct. App. 1935).

to the other, who is offering a pack of cigarettes, “no thanks, I smoke Chesterfields.”⁶³ The defendant, who claimed it rejected the plaintiff’s conceptual expression, depicted two golfers along with a caddy in its first advertisement, and two women and a man in its second advertisement, in which each ad showed the offering of a package of cigarettes met with the response, “I’ll stick to Chesterfields.”⁶⁴

In *Hamilton Nat’l Bank v. Belt*,⁶⁵ the court found the plaintiff’s suggestion for a series of weekly radio programs sufficiently concrete despite the fact that each show would require subsequent auditions and selection of talent to determine the makeup and content of each show. The court noted that, “[I]n the field of radio broadcasting concreteness may lie between the boundaries of mere generality on the one hand, and, on the other, a full script containing the words to be uttered and delineating the action to be portrayed.”⁶⁶

However, the court in *Plus Promotions, Inc. v. RCA Mfg. Co.*,⁶⁷ viewed concreteness differently, and held the plaintiff’s idea to be unprotectable for lack of concreteness. The plaintiff’s idea consisted of a proposal through which sound recordings could be made available to low income people. The idea called for the arrangement with famed recording artists by which they would produce records on a non-royalty basis. The plaintiff further suggested that the artist could be compensated by using a services rendered approach. Additionally, the names of the artists would be left off the albums so as not to decrease the market value of the artist by the offering of the sound recordings at the basement bargain price. Despite this seemingly comprehensive proposal, and the use of the idea by the defendant company, the court deemed the idea to not be concrete. As one commentator observed, “the critical elements of concreteness are matters dependent largely upon the ‘eye of the beholding’ court.”⁶⁸

C. Theories of Protection

According to Lord Mansfield:

[W]e must take care to guard against two extremes equally prejudicial; the one, that men of ability, who have employed their time for the services of the community, may not be deprived of their just merits, and the reward of their

⁶³ *Id.* at 207.

⁶⁴ *Id.*

⁶⁵ 210 F.2d 706, 708 (D.C. Cir. 1953) (an idea can be property if it is more than mere abstract, it must be reduced to concrete detailed form).

⁶⁶ *Id.* at 709.

⁶⁷ 49 F. Supp. 116 (S.D.N.Y. 1943).

⁶⁸ Kovacs, *supra* note 40, at 289 (arguing whether an idea is expressed in a concrete form is a matter of degree). *See also* *Yadkoe v. Fields*, 66 Cal. App. 2d 150 (1944). (holding whether the claimed original or novel idea has been reduced to concrete form is a question of law). *See also* *Golding v. RKO Pictures, Inc.*, 35 Cal. 2d 690 (Cal. 1950).

ingenuity and labour; the other that the world may not be deprived of improvements, nor the progress of the arts be retarded.⁶⁹

When there has been an unauthorized use or appropriation of an idea, the courts have allowed a plaintiff to seek recovery on the following theories: property, express contract, implied-in-fact contract, quasi-contract, and confidential relationship. When seeking protection under a traditional property theory, a plaintiff usually contends that he or she has the right to exclude others from enjoying the use of his or her creation, and that absent permission or privilege to do so, the plaintiff would be entitled to relief by the courts.⁷⁰

It is quite interesting that a number of courts have used the *property theory* to justify providing protection to the “idea creator,” despite the copyright preemption issues that could challenge the validity of the decision,⁷¹ especially since the copyright laws do not recognize ideas as protectable property.⁷² As an example, in *Liggett*,⁷³ the court, in addition to it recognizing the conceptual expression as sufficiently concrete, found that the idea could be of “merchantable value”⁷⁴ to comprise a property right. The court noted:

The rules of common law are continually changing and expanding with the progress of the society in which it prevails...While we recognize that an abstract idea as such may not be the subject of a property right, yet, when it takes upon itself the concrete form which we find in the instant case, it is our opinion that it then becomes property subject to sale.⁷⁵

Perhaps the leading case in which the property theory for protecting ideas is explained is *Stanley v. Columbia Broad. Sys. Inc.*⁷⁶ In *Stanley*, although the court acknowledged that there are no property rights in an idea, it theorized that there may be merchantable property rights worthy of a court’s protection; especially when there exists a particular cast or combination of ideas.⁷⁷

Professor Nimmer, an authority on the law of ideas and copyright, suggested that despite the line of cases that have protected ideas on a property theory, the theory is inappropriate unless there is both novelty and concreteness.⁷⁸ And even if such

⁶⁹ Cary v. Longman, 102 Eng. Rep. 138, 140 (K.B. 1801) (quoting Sayre v. Moore (Hil. 1785)).

⁷⁰ See Irizarry y Puente, 248 F. 2d at 802.

⁷¹ Belt v. Hamilton Nat. Bank, 108 F. Supp. 689 (D.C.D. 1952) (holding a person has a property right in an idea for a radio program and may recover damages for its appropriation or use by another when the idea is original, concrete, useful and compensation is contemplated if it is used) *contra* Curtis v. Time, Inc., 147 F. Supp. 505 (D.D.C. 1957); Richards v. Columbia Broad. Sys., 161 F. Supp. 516 (D.D.C. 1958).

⁷² 17 U.S.C. § 102(b) (West 2016); see also Dugan v. American Broad. Corp., 216 F. Supp 763, 765 (S.D. Cal. 1963) (copyright protects only expression of ideas, not ideas themselves).

⁷³ *Liggett & Meyers Tobacco Co. v. Meyer*, 194 N.E. 206 (Ind. Ct. App. 1935).

⁷⁴ *Id.* at 213.

⁷⁵ *Id.* at 210.

⁷⁶ 35 Cal. 2d 653 (Cal. 1950). Despite the court’s analysis of property rights in the combination of ideas, the plaintiff eventually recovered on a contract theory.

⁷⁷ *Id.* at 663.

⁷⁸ NIMMER, *supra* n. 20, at §§ 16-18.

requirements are met, they are only illusory since such elements would place the idea under the scope of copyright protection.⁷⁹

Notwithstanding the property theory, another basis upon which protection for ideas is possible is *express contract*. In the simplest sense, this results when a person to whom an idea is submitted expressly agrees to pay for the idea if it is used.⁸⁰ This method for limiting the free flow of ideas is preferred over the property and quasi-contract theories since “a contract creates no monopoly; it is effective only between the contracting parties; it does not withdraw the idea from general circulation. Any person not a party to the contract is free to use the idea without restrictions.”⁸¹

The first aspect of importance to the express contract theory is consideration. An earlier series of cases held that an idea lacking in novelty and concreteness couldn't amount to sufficient consideration to support an express contract claim.⁸² However, contrary to this is a later line of cases that first look to the agreement between the parties, rather than solely to the underlying ideas. The approach is that the agreement itself should determine the value of the consideration, and thus, the validity of the contract, not the idea itself.⁸³ This is the better view according to Professor Nimmer, with whom I agree, since it finds consideration in the defendant's promise to pay, not in the so-called “property” to be provided by the plaintiff. Or alternatively, consideration can be found in the services of the plaintiff in disclosing the idea to the other party.⁸⁴

An interesting twist takes place when the question of past consideration enters the picture. Some courts held express contracts invalid, where the parties entered into the agreement ‘after’ the disclosure of the idea. The rationale given by the courts for such a decision is that past consideration, i.e. the disclosure of the idea prior to contract, cannot serve to support a subsequent agreement.⁸⁵ Contrary to this view, is the leading case of *Desny v. Wilder*.⁸⁶ The *Desney* court found as a result of moral obligation, that the prior disclosure of an idea could serve as consideration for a

⁷⁹ *Id.* at §§ 16-9, 18-8.

⁸⁰ *See, e.g.,* *Whitfield v. Lear*, 751 F.2d 90 (2d Cir. 1984); *Krisel v. Duran*, 258 F. Supp. 845 (S.D.N.Y. 1966); *Stone v. Goodson*, 167 N.E.2d 328 (N.Y. 1960).

⁸¹ NIMMER, *supra* n. 20, at § 16.04(A), 16-17 (quoting dissenting opinion in *Stanley v. Columbia Broad. Sys.*, 35 Cal. 2d 653 (Cal. 1950)).

⁸² *See, e.g.,* *Baer v. Chase*, 392 F.3d 609 (3d Cir. 2004) (Baer sought compensation in connection with the concept and development of the HBO series *The Sopranos* but the contract claim lacked sufficient certainty and the ideas lacked general novelty to allow for recovery); *Soule v. Bon Ami Co.*, 195 N.Y.S. 574 (N.Y. App. Div. 1922), *aff'd*, 139 N.E. 734 (1922); *Masline v. New York, N.H. & H. R. Co.*, 95 Conn. 702 (1920) (The defendant refused to pay for the idea of placing advertisements in railroad stations, cars, and on fences. The court found the plaintiff's ideas to not be novel or original, thus the oral contract between the parties became invalid for lack of consideration).

⁸³ *See* *Apfel v. Prudential-Bache Sec. Inc.* 81 N.Y. 2d 470, 473 (1993) (An express contract between parties for use of an idea is enforceable even if the idea is later found not novel); *Krisel v. Duran*, 258 F. Supp. 845, 860 (S.D.N.Y. 1966) (“under New York law, an idea, if valuable, even though it does not contain novel, secret or confidential material, may be protected by...an agreement.”). *See also* *Stanley v. Columbia Broad. Sys. Inc.*, 35 Cal. 2d. 653, 674-5 (1950).

⁸⁴ NIMMER, *supra* n. 20, at §16.04(A), 16-18.

⁸⁵ *See, e.g.,* *Pershall v. Elliott*, 163 N.E. 554 (N.Y. 1958).

⁸⁶ 46 Cal. 2d 715 (Cal. 1956).

subsequent agreement.⁸⁷ The court applied the moral obligations doctrine since the plaintiff conveyed the ideas with the expectation that compensation would be paid if the idea were used.⁸⁸

Beside the questions surrounding consideration, the courts have wrestled with the applicability of the statute of frauds. Some courts have held that contracts must be in writing if the terms of consideration and extent of use of the plaintiff's idea is left unsettled,⁸⁹ or if the term is for a period of more than one year. This requirement is possibly the result of viewing the sale of the ideas as a sale of goods. There appears to be a general consensus however that the statute of frauds would not be applicable if there is a unilateral agreement to pay for the idea creator's disclosure.⁹⁰

Another theory of protection is *implied-in-fact contract*. This theory has been successfully applied to protect ideas where a written agreement is lacking.⁹¹ This theory differs from express contract in that it relies upon the type of relationship between the parties, instead of a formal written agreement with respect to the underlying material.⁹² The important aspect in such a theory is the conduct between the parties. If there is evidence that clearly shows the plaintiff submitted the ideas with mutuality of intent to bargain, then the action on such a theory is plausible.⁹³

Generally, if the defendant received the materials without prior warning, then there cannot be an implied promise to pay for the submission.⁹⁴ Moreover, if the idea is acquired through other means, rather than by the idea creator's submission, then the implied contract theory cannot be used for recovery either.⁹⁵

An exception, to the involuntary received-unsolicited material rule, is made when the recipient is in the entertainment or advertising industry. Here the basis of recovery is possible and is rationalized on the grounds that a continuing offer or

⁸⁷ *Id.* (The California Supreme Court cited the State's Civil Code, Cal. Civ. Code, §1606 (West 1954), which supports such a claim. *Contra*, Smith v. Recrion Corp., 541 P.2d 663 (Nev. 1975)).

⁸⁸ 46 Cal. 2d 715 (Cal. 1956).

⁸⁹ *See, e.g.*, Cobb v. Southern Plaswood Corp., 171 F. Supp 691 (W.D. Ark. 1959).

⁹⁰ *See* Blaustein v. Burton, 9 Cal. App. 3d 161 (1970).

⁹¹ *See* Weitzenkorn v. Lesser, 40 Cal. 2d 778, 256 P.2d 947 (1953) (The court observed that "the only distinction between an implied-in-fact contract and an express contract is that in the former the promise is not expressed in words but implied from the promisor's conduct.") *Id.* at 959.

⁹² *See* Plus Promotions, Inc. v. RCA Mfg. Co., 49 F. Supp. 116 (S.D.N.Y. 1943). An implied-in-fact contract has the same legal effect as an express contract. The only difference between them is the means by which the parties manifest their agreement. In an express contract the parties manifest their agreement by their words, whether written or spoken. In an applied-in-fact contract, the parties' agreement is inferred, in whole or in part, from their conduct. *Novak v. Seiko Corp.*, 37 Fed. Appx. 239, 243 (9th Cir. 2002).

⁹³ *See, e.g.*, Montz v. Pilgrim Films & TV, Inc., 649 F.3d 975 (9th Cir. 2011) (An implied agreement of payment for the use of a concept constitutes an "extra element" where copyright law does not preempt an implied contractual claim to compensation for the use of the submitted idea). *Landsberg v. Scrabble Crossword Game Players, Inc.*, 736 F.2d 485 (9th Cir. 1984) (An implied in fact contract for the conveyance of an idea will be enforced only if circumstances and conduct manifesting the terms and existence of a contract precede or attend disclosure of the idea.) *Id.* at 489.

⁹⁴ *See* Desny v. Wilder, 46 Cal. 2d 715 (1956). The *Desney* court reasoned 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" *Id.* at 270.

⁹⁵ *See* Giangrasso v. CBS Inc., 534 F. Supp. 472 (E.D.N.Y. 1982).

promise to pay for any ideas used in this industry is the custom and practice, and therefore implied.⁹⁶

However, a motion picture company, radio, or television network can avoid such a conclusion by directing those through which it receives submissions to revoke any standing offers to pay for the ideas it may receive.⁹⁷

A principle of recovery often confused with the implied-in-fact contract is the quasi-contract theory,⁹⁸ also referred to as an implied-in-law contract. Under the quasi contract theory, the law implies an obligation to pay the idea creator by reasons of injustice,⁹⁹ rather than by reason of an express or implied-in-fact contract privity. This concept of protection appears to be important, especially when the idea became obtained on an unsolicited basis and was used by the recipient knowing that the idea submitter, not in direct contractual privity with the recipient, expected some form of compensation for its use. The user-defendant in such a case could be liable to the idea submitter under the quasi-contract theory,¹⁰⁰ if the form and manner of expressions is indeed copied and the idea deemed protectable property.¹⁰¹ Although some courts have allowed this to be a basis for recovery, many courts do not.¹⁰² This article disfavors such an approach and supports a more certain basis of recovery in order to avoid federal preemption. As recognized in the Restatement of Restitution, “a person who officiously confers a benefit upon another is not entitled to restitution therefor.”¹⁰³ Limiting recovery to express contract or implied-in-fact contract claims will avoid the rationale used by some courts holding quasi-contract claims to be preempted by the Copyright Act.¹⁰⁴ Denying quasi-contract based recovery will force an idea submitter to: either reduce the idea to copyrightable expression; or submit the conceptual expression pursuant to an express contract; or establish sufficient evidence of mutual assent and intent to contract on an implied-in-fact contract. The foregoing sticker requirements will further the objectives of enriching society with new expression by providing the incentive and protection under the law for conceptual expression while avoiding potential federal preemption. Requiring the idea creator to seek protection for her or his idea under an express or implied-in-fact contract theory provides the

⁹⁶ NIMMER, *supra* note 20, § 16.05(B), at 16-33; *see also* Kurlan v. Columbia Broad. Sys. Inc., 40 Cal. 2d 799 (Cal. 1953).

⁹⁷ *Id.* at 16-34.

⁹⁸ *Id.* at 16-10, n. 2 and accompanying text.

⁹⁹ Werzenkorn v. Lesser, 40 Cal. 2d 778, 794 (Cal. 1953).

¹⁰⁰ *See e.g.*, Rodriguez v. W. Union Tel. Co., 259 A.D. 224 (N.Y. App. Div. 1940).

¹⁰¹ Mann v. Columbia Pictures, Inc., 128 Cal. App. 3d 628 (Cal. Ct. App. 1982) (Plaintiff brought an action against motion picture company alleging the defendant used her submitted outline without compensating her. The action warranted dismissal, for even if the defendant used the idea, the use did not imply protectable literary property resided within the outline, a prerequisite to recovery in quasi-contract.).

¹⁰² *See* Desny v. Wilder, 46 Cal. 2d 715, 734-35 (Cal. 1956). *See also* Video Pipeline, Inc. v. Buena Vista Home Entm't, Inc., 210 F. Supp. 2d 552 (D.N.J. 2002) where the court recognized that other courts have generally concluded that the theory of unjust enrichment protects rights that are essentially 'equivalent' to rights protected by the Copyright Act. *Id.* at 567.

¹⁰³ RESTATEMENT (FIRST) OF RESTITUTION § 2.

¹⁰⁴ *See* Endemol Entm't B.V. v. Twentieth Television, Inc., No. CV 98-0608 ABC (BQRx), 1998 U.S. Dist. LEXIS 19049 (C.D. Cal. Sep. 29, 1998). The court found the implied contract claim to be preempted since the claim fell “squarely into the category of contract claims that allege no additional rights other than promising not to benefit from the copyrighted work. *Id.* at 1528.

extra element that courts have found necessary to survive federal preemption.¹⁰⁵ For instance, both types of contract claims need a showing of mutual assent between the submitter and recipient of the conceptual expression, and sufficient consideration (e.g. promise to pay) to support the contract based claim. Both of these elements are not required for a copyright infringement claim and should be viewed as qualitatively different and sufficient “extra elements” to survive federal preemption.¹⁰⁶ Consistent with the potentially preemptive distinction between idea submission claims under express, implied-in-fact, and implied-in-law contracts, are the authors of *Nimmer on Copyright* were they note that implied [in-law] contracts are a “species of quasi-contract” which should be regarded as an “equivalent right” to copyright and preempted under the copyright laws.¹⁰⁷

A final theory upon which an idea creator may protect his or her interests in the idea is by establishing a “*confidential relationship*.”¹⁰⁸ The claim in this instance is based on the premise of breach of confidentiality between the parties. If the relationship between the idea creator and the idea user is one of a confidential nature, then the disclosure of the conceptual expression without the idea creator’s consent would provide the basis for the cause of action.¹⁰⁹ This theory is akin to trade secret protection and as such the traditional protections of equity are usually afforded.¹¹⁰

A confidential relationship 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.¹¹¹ An action therefore would require a “preexisting relationship of trust and confidence, such as that of an employer and employee, or the person to whom disclosure is made agrees to hold the idea in confidence and at least impliedly agrees not to use it or disclose it to others.”¹¹²

In summation, as one leading authority carefully points out, it is very important to clearly understand the differences between the different contract theories, breach of confidence, and breach of confidential relationship for each has a significant impact on the remedies that may be available for an idea misappropriation.¹¹³ Additionally, such determination may have a crucial impact on the timeliness of litigation, as the statute

¹⁰⁵ See, e.g., *Briarpatch Ltd., L.P. v. Phoenix Pictures, Inc.*, 373 F.3d 296, 306 (2d Cir. 2004), *cert. denied* 544 U.S. 949 (2005); *Dun & Bradstreet Software Servs., Inc. v. Grace Consulting, Inc.*, 307 F.3d 197, 217-18 (3d Cir. 2002), *cert. denied*, 538 U.S. 1032 (2003); See also *Rosciszewski v. Arete Assocs.*, 1 F.3d 225, 230 (4th Cir. 1993); see also *Nat’l Car Rental Sys., Inc. v. Computer Assocs. Int’l*, 991 F.2d. 426, 431 (8th Cir. 1993); see also *Laws v. Sony Music Entm’t, Inc.*, 448 F.3d 1134, 1143 (9th Cir. 2006), *cert. denied*, 127 S. Ct. 1371 (2007).

¹⁰⁶ See NIMMER ON COPYRIGHT, § 1.01(B)(1)(a)(i), at 1-15 to 1-16 (“Consequently, pre-emption should be found absent to the extent that a breach of contract cause of action alleges more than simply reproduction (or adaptation, distribution, etc.) of a copyrighted work.”).

¹⁰⁷ See *id.* at (g) 1-19.

¹⁰⁸ See generally KURT M. SUANDERS, *INTELLECTUAL PROPERTY LAW*, 882-884 (WEST 2016).

¹⁰⁹ See *Kovacs*, *supra* note 40, at 313. See, e.g., *Miller*, *supra* note 2, at 710 n.19, citing to *Star Patrol Enters. v. Saban Entm’t, Inc.*, 129 F.3d 127, No. 95-56534, 1997 WL 683327, at 2 (9th Cir. Oct. 23, 1997) (stating that a plaintiff can succeed on a breach of confidence theory if he shows that an idea was offered and received in confidence, and later disclosed without permission).

¹¹⁰ See NIMMER, *supra* note 20, § 16.06, at 16-45 n. 1 and accompanying text.

¹¹¹ See Alan B. Vickery, *Breach of Confidence: An Emerging Tort*, 82 COLUM. L. REV. 1426, 1428 (1982).

¹¹² *Davies v. Krasna*, 245 Cal. App. 2d 535, 547 (Cal. Ct. App. 1966).

¹¹³ See NIMMER, *supra* note 20, § 16.06, at 16-48 nn. 21-23 and accompanying text.

of limitations may have run in a contract action, but not necessarily so in an equity based action.¹¹⁴

III. FEDERAL PREEMPTION

A. The Copyright Act – Statutory Preemption

For a work to be copyrightable, three conditions must be met: first, the work must be fixed in tangible form; second, it must be an original work of authorship; and third, it must come within the subject matter of copyright.¹¹⁵ If the work qualifies for copyright protection, then the owner of copyright under this title has the exclusive right to do and to authorize any of the following: (1) to reproduce the copyrighted work in copies or phonorecords; (2) to prepare derivative works based upon the copyrighted work; (3) to distribute copies or phonorecords of the copyrighted work to the public by sale or other transfer of ownership, or by rental, lease, or lending; (4) in the case of literary, musical, dramatic, and choreographic works, pantomimes, and motion pictures and other audiovisual works, to perform the copyrighted work publicly; (5) in the case of literary, musical, dramatic, and choreographic works, pantomimes, and pictorial, graphic, or sculptural works, including the individual images of a motion picture or other audiovisual works, to display the copyrighted work publicly; and (6) in the case of sound recordings, to perform the copyrighted work publicly by means of a digital audio transmission.¹¹⁶

However, the Copyright Act also expressly excludes certain items from the subject matter of copyright. Section 102(b) reads as follows: “[i]n no case does copyright protection for an original work of authorship extend to any idea, procedure, process, system, method of operation, concept, principle, or discovery, regardless of the form in which it is described, explained, illustrated, or embodied in such work.”¹¹⁷ This provision is also important in enabling the United States to be harmonious with its requirements under the Trade Related Intellectual Property Rights Agreement (TRIPs) which in part mandates that copyright be limited to expression and its protection shall not extend to “ideas, procedures, methods of operation or mathematical concepts as such.”¹¹⁸

¹¹⁴ See 245 Cal. App. 2d at 538.

¹¹⁵ See 17 U.S.C. § 102(a) (“Copyright protection subsists . . . in original works of authorship fixed in any tangible medium of expression, now known or later developed, from which they can be perceived, reproduced, or otherwise communicated, either directly or with the aid of a machine or device. Works of authorship include the following categories: (1) literary works; (2) musical works, including any accompanying words; (3) dramatic works, including any accompanying music; (4) pantomimes and choreographic works; (5) pictorial, graphic and sculptural works; (6) motion pictures and other audiovisual works; (7) sound recordings; and (8) architectural works.”).

¹¹⁶ Exclusive Rights in Copyrighted Words, 17 U.S.C. § 106 (“Subject to sections 107 through 122 . . .”).

¹¹⁷ 17 U.S.C. §102(b).

¹¹⁸ Agreement on Trade-Related Aspects of Intellectual Property Rights art. 9, Apr. 15, 1994. Trade-Related Aspects of Intellectual Property Rights (TRIPs) is an agreement administered by the

When Congress first proposed in 1963 that the Copyright Act contain a provision addressing preemption of state laws equivalent to federal copyright law, along with that came the creation of a list of claims not equivalent to copyright. The list included breach of trust, invasion of privacy, deceptive trade practices, including passing off and false representations, breaches of contract, trespass, conversion, and defamation.¹¹⁹ When the new copyright bill came up for final vote, the list became deleted by a last-minute amendment at the advice of the Department of Justice.¹²⁰

Based on the legislative history, it is fair to conclude that state law and common law doctrines that seek to protect ideas, will encounter direct challenge in light of the preemptive provisions of federal authority. For example, section 301(a) of the 1976 Copyright Act imposes federal preemption over state laws when the content of the state protected right falls within the subject matter of copyright, and the state protection is equivalent to any of the exclusive rights within the general scope of copyright.¹²¹ For example, in *Keane v. Fox Television Stations, Inc.*,¹²² the U.S. District Court for the Southern District of Texas held that the Keane's alleged state law claim of misappropriation of his concept for "American Idol" by Fox was "preempted by federal copyright law—even though they fail as a matter of copyright law."¹²³ The court reasoned that the state law claim satisfied both the "subject matter requirement"¹²⁴ and "the equivalency requirement"¹²⁵ for federal copyright preemption. According to the court, "[t]he Copyright Act preempts states' efforts to protect items that are in principle the type of material covered by the Act even though these items would not merit federal statutory protection . . .".¹²⁶ Based on the reasoning of this court, one can contend that section 102(b) of the act which prohibits copyright protection for ideas,¹²⁷ and therefore through such negative implications, would preempt a state's protection for ideas.¹²⁸ Consistent with this view is *Markogianis V. Burger King*

World Trade Organization (WTO) that establishes minimum standards regarding the protection of intellectual property applied to member countries, which includes the United States. This international agreement became established following the General Agreement on Tariffs and Trade (GATT) during the Uruguay Round in 1994. For an analysis on the dispute resolution process flows under TRIPs see Neil W. Netanel, Comment, *The Digital Agenda of the World Intellectual Property Organization: The Next Round: The Impact of the WIPO Copyright Treaty on TRIPs Dispute Settlement*, 37 VA. J. INT'L L. 441, 445-46 (1997).

¹¹⁹ See *Balt. Orioles, Inc. v. Major League Baseball Players Ass'n*, 805 F.2d 663, 676, n. 25.

¹²⁰ *Id.*

¹²¹ 17 U.S.C. §301(a) (West 2016). "On and after January 1, 1978, all legal or equitable rights that are equivalent to any of the exclusive rights within the general scope of copyright as specified by section 106 in works of authorship that are fixed in a tangible medium of expression and come within the subject matter of copyright as specified by sections 102 and 103, whether created before or after that date and whether published or unpublished, are governed exclusively by this title. Thereafter, no person is entitled to any such right or equivalent right in any such work under the common law or statutes of any State."

¹²² 297 F. Supp. 2d 921 (2004).

¹²³ *Id.* at 945.

¹²⁴ *Id.*

¹²⁵ *Id.*

¹²⁶ *Id.* at 944-45.

¹²⁷ 17 U.S.C. § 102(b).

¹²⁸ *Rowe v. Golden W. TV Prods.*, 184 N.J. Super. 264, 445 A. 2d 1165 (Super. Ct. App. Div. 1982) (Holding that a prisoner who developed "Juvenile Awareness Program" wherein seasoned convicts would attempt to expose juvenile offenders to the brutal realities of prison life did not entitle judgment

Corp.,¹²⁹ where the U.S. District Court for the Southern District of New York held that “[p]laintiffs’ state law claims . . . based upon misappropriation of the copyrighted Smarten-Up concept . . . fall within the subject matter of the copyright laws.”¹³⁰ According to the court, this would be true even if “portions of the SMARTEN-UP concept consis[te]d of uncopyrightable material which the [d]efendant misappropriated”¹³¹ as “those portions do not take the work as a whole outside of the subject matter protected by the Copyright Act.”¹³² Subsequently, the same court also held in *Boyle v. Stephens, Inc.*,¹³³ that Boyle’s claim that Stephens Inc. copied his “ideas for a date-targeted series of mutual funds”¹³⁴ that were in his written material, was preempted by federal copyright law.¹³⁵ The court reasoned that “the preemptive reach of the Copyright Act extends beyond the copyrightable, and therefore protected, elements of an eligible work, encompassing as well its uncopyrightable elements.”¹³⁶ A question that then arises is whether there can be a finding of partial preemption rather than total preemption of the state based claim.

During this same period, the U.S. Court of Appeals for the Second Circuit addressed the concept of “partial preemption.” In *National Basketball Ass’n v. Motorola, Inc.*,¹³⁷ the court rejected “the concept of ‘partial preemption’”¹³⁸ stating that “[a]lthough game broadcasts are copyrightable while the underlying games are not, the Copyright Act should not be read to distinguish between the two when analyzing the preemption of a misappropriation claim based on copying or taking from the copyrightable work.”¹³⁹ The court reasoned that “[c]opyrightable material often contains uncopyrightable elements within it, but Section 301 preemption bars state law misappropriation claims with respect to uncopyrightable as well as copyrightable elements.”¹⁴⁰ This view however is not supported by my Article, nor by the preemption provision of the 1976 Copyright Act and its legislative history.

against producers of the television special for copyright infringement, where common-law protection did not extend to ideas contained within the copyrighted material, and even if the sessions were tangible expressions of the plaintiff’s conceptualization, the concept did not sufficiently fix to warrant copyright protection. Even if the plaintiff had acquired common-law copyright, federal copyright law preempted state common-law copyright created after January 1, 1978.)

¹²⁹ No. 95CIV.4627, 1997 WL 167113, *1 (S.D.N.Y. Apr. 8, 1997).

¹³⁰ *Id.* at *3.

¹³¹ *Id.*

¹³² *Id.*

¹³³ No. 97CIV.1351, 1998 WL 690816, *1 (S.D.N.Y. Sep. 29, 1998).

¹³⁴ *Id.* at *4.

¹³⁵ *Id.*

¹³⁶ *Id.* at *5.

¹³⁷ 105 F.3d 841 (2d Cir. 1997).

¹³⁸ *Id.* at 848.

¹³⁹ *Id.* at 848-49.

¹⁴⁰ *Id.* at 849. The court also held that “[a]doption of a partial preemption doctrine -- preemption of claims based on misappropriation of broadcasts but no preemption of claims based on misappropriation of underlying facts -- would expand significantly the reach of state law claims and render the preemption intended by Congress unworkable Partial preemption turns that intent on its head by allowing state law to vest exclusive rights in material that Congress intended to be in the public domain and to make unlawful conduct that Congress intended to allow.” *Id.* *Nimmer* notes that *NBA v. Motorola* holds pre-empted a long line of state cases protecting unfixed performances. However, the unfixed performances at issue were simultaneously broadcast, and hence would be eligible for copyright protection under the current Act. 1 NIMMER §1.01[BC][2][a] n. 209 (2004).

B. Conflict Preemption

Even if preemption provisions were not included in the 1976 Copyright Act, the courts would nevertheless look to the possibility of *conflict preemption*. Under the Supremacy Clause, if a state law obstructs the accomplishments of the full purposes and objectives of Congress, then it is preempted under the conflict preemption doctrine.¹⁴¹ The creation of the Copyright Act by Congress for the purpose of “promoting the progress of Science,”¹⁴² and according to the legislative history, to (1) promote national uniformity and avoid the difficulties of determining and enforcing rights under different state laws; (2) to have copyright protection last for a limited time period so that scholars and the public can benefit from the dissemination of copyrighted materials; and (3) to improve our international dealings in copyrighted materials.¹⁴³

For example, consistent with that rule of conflict preemption, is the rule developed by the Supreme Court in *Sear, Roebuck & Co. v. Stiffel*,¹⁴⁴ and the companion case *Compco Corp. v. Day Brite Lighting, Inc.*¹⁴⁵ wherein the Court held that a state cannot extend protection to an individual against the copying of his or her work, when such protection is denied by the federal laws.¹⁴⁶ Those two cases focused on the conflict between patent policy which views non-patentable subject matters as free to be copied by others, versus a state law that would interfere with that policy by placing restriction on such freedom to copy.

Would there be conflict preemption if a state law were to interfere with the freedom of the public to appropriate the ideas of another of which ideas were not copyrightable? As pointed out in *Nimmer on Copyright*, it is arguable that ideas are not “writings” in the constitutional sense,¹⁴⁷ therefore Congress would have no authority to enact copyright legislation affecting ideas (as distinguished from their

¹⁴¹ The Supreme Court in *Aronson v. Quick Point Pencil Co.*, 440 U.S. 257, 262 (1979) reasoned that federal pre-emption should occur only when the state law “stands as an obstacle to the accomplishment and execution of the full purposes and objectives of Congress.” See also, *Hines v. Davidowitz*, 312 U.S. 52 (1941).

¹⁴² See U.S. CONST. art. I, § 8, cl. 8. The rationale behind granting a form of property right to authors and inventors to encourage production for the benefit of society was validated by the U.S. Supreme court in *Mazer v. Stein*, 347 U.S. 201 (1954). “The economic philosophy behind the clause empowering Congress to grant patents and copyrights is the conviction that encouragement of individual effort by personal gain is the best way to advance public welfare through the talents of authors and inventors in ‘Science and useful Arts.’ Sacrificial days devoted to such creative activities deserve rewards commensurate with the services rendered.” *Id.* at 219.

¹⁴³ See *Brown*, *infra* note 168, 201 F.3d at 660 (citing House Report at 132, reprinted in 1976 U.S.C.C.A.N. volume number, 5745-46). See also, *Goldstein v. California*, 412 U.S. 546, 554-56 (1973).

¹⁴⁴ 376 U.S. 225 (1964).

¹⁴⁵ 376 U.S. 234 (1964).

¹⁴⁶ The Supreme Court in *Sears* held that Sears could copy the respondent’s pole lamp since the lamp proved as unpatentable under 35 U.S.C. § 301, for lack of novelty, and as such the states could not be allowed to grant a monopoly where there is no allowance under federal law, notwithstanding a state’s right to control unfair competition. Federal preemption also took hold in *Compco* where they reached the same result, and the copying of light fixtures were allowed. *But see* *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*, 489 U.S. 141 (1989) *infra* note 154.

¹⁴⁷ See *NIMMER*, *supra* note 20, at § 1.08(D).

expression).¹⁴⁸ Article 1 Section 8 Clause 8 of the U.S. Constitution, clearly limits Congress's power to enact laws to address the "writings" of "authors."¹⁴⁹ It is therefore logical to conclude that without constitutional power, and the failure of Congress to enact federal legislation to protect ideas, federal pre-emption under the *Sears-Compco* reasoning would not apply. For, if there is no federal power to legislate, there is likewise no power to pre-empt state legislation.¹⁵⁰

Not in accord with the Nimmer view perhaps, is the holding in *Harper & Row Publishers, Inc. v. Nation Enters.*,¹⁵¹ where the U.S. Court of Appeals for the Second Circuit held that the subject matter requirement for preemption is met when the work of authorship being copied or misappropriated¹⁵² "fall[s] within the ambit of federal protection."¹⁵³ And the fact that portions of the Ford memoirs may consist of uncopyrightable material . . . does not take the work as a whole outside the subject matter protected by the Act.¹⁵⁴ Were this not so, states would be free to expand the perimeters of copyright protection to their own liking on the theory that preemption would not be a bar to state protection of material that did not meet federal statutory standards. That interpretation would run directly afoul of one of the Act's central

¹⁴⁸ See NIMMER, *supra* note 20, at § 13.03(A)(1).

¹⁴⁹ U.S. CONST. art.1, § 8, cl. 8.

¹⁵⁰ In *Donahue v. United Artists Corp.*, 2 Cal. App. 3d 794, 83 Cal. Rptr. 131 (1969), the court rejected defendant's argument that federal pre-emption invalidated implied (although not express) contracts for the protection of ideas, concluding that both were consensual. It further held that there may not be federal pre-emption as to an unpublished idea. Similarly, in *Joseph Bancroft & Sons Co. v. M. Lowenstein & Sons, Inc.*, 167 U.S.P.Q. 137 (D. Del. 1970), the court held that neither *Lear* nor *Sears* and *Compco* precluded a contractual claim for payment based upon the submission of an "inventive" idea. In what was, perhaps, the most authoritative decision, pre-Aronson, as to the effect of *Lear* in this area, the Court of Appeals for the Second Circuit in *Painton & Co. v. Bourns, Inc.*, 442 F.2d 216 (2d Cir. 1971), in an opinion for the court by Judge Friendly held enforceable a contract to pay royalties for disclosure of an unpatented idea. Judge Friendly distinguished the law of unfair competition held unenforceable in *Sears* and *Compco* from a licensing agreement under the law of contracts before the court in *Painton*. The latter, said Judge Friendly "binds no one except the licensee . . . Rather than having a monopolistic tendency, like the Illinois law involved in *Sears* and *Compco*, the upholding of private agreements for the sharing of trade secrets on mutually acceptable terms tends against the owner's hoarding them." Referring to the Supreme Court's statement in *Lear* that "federal law requires that all ideas in general circulation be dedicated to the common good unless they are protected by a valid patent," the *Painton* court commented that the Supreme Court "did not say or suggest that federal law requires that all ideas must be put in general circulation." The *Painton* court made clear its "use of the term 'trade secret' is in the broad sense of any unpatented idea which may be used for industrial or commercial purposes, not in the more restricted sense of a 'term of art' referring to some forms of knowhow which have a high degree of secrecy and novelty, and to some commercial secrets such as customer lists." See also *Dekar Indus., Inc. v. The Bissett-Berman Corp.*, 434 F.2d 1304 (9th Cir. 1970), *cert. denied*, 402 U.S. 945 (1971); *Compumarketing Serv. Corp. v. Business Envelope Mfg., Inc.*, 342 F. Supp. 776 (N.D. Ill. 1972).

¹⁵¹ 723 F.2d 195 (2d Cir. 1983), *rev'd* on other grounds, 471 U.S. 539 (1985). See also, *Data General Corp. v. Grumman Systems Support Corp.*, 36 F.3d 1147 (1st Cir. 1994) where the court held that a state cause of action requires an extra element beyond reproduction, preparing derivative works, performance, distribution, or display, then the state right is qualitatively different from, and not within a copyright infringement claim, so the federal law does not preempt the state based action.

¹⁵² See *id.* at 200.

¹⁵³ *Id.*

¹⁵⁴ 17 U.S.C. §§ 101-803, 1001-10 (2000).

purposes, to “avoid the development of any vague borderline areas between State and Federal protection.”¹⁵⁵

C. State Challenge to Preemption

In response to the conflict preemption arguments, and other federal statutory law, and case law, designed to promote the free flow of ideas,¹⁵⁶ the states have often successfully avoided federal preemption by relying upon an equally challenging line of authority.¹⁵⁷ For instance, to rebut the apparent preemption imposed by section 301(a) of the Copyright Act, paragraph (b) of the same section is of significant relevance.¹⁵⁸ Section 301(b) allows rights or remedies under the common law, or statutes of any state, with respect to subject matter that does not come within the subject matter of copyright — in particular, as set forth by sections 102¹⁵⁹ and 103¹⁶⁰ of the act, and for

¹⁵⁵ *Id.* (quoting H.R. REP. NO. 1476, 94th Cong., 2d. Sess. 131 (1976), reprinted in 1976 U.S.C.C.A.N. at 5659, 5746).

¹⁵⁶ *See, e.g.*, RCA Mfg. Co. v. Whiteman, 114 F.2d 86 (2d Cir. 1940).

¹⁵⁷ The Supreme Court in *Goldstein v. California*, 412 U.S. 546 (1973) held that federal preemption as imposed by *Sears* and *Compco* would only extend to patent subject matter, not matters within the copyright sphere. One year later in *Kewanee Oil Co. v. Bicron Corp.*, 416 U.S. 470 (1974), the Supreme Court further reduced the reach of *Sears* and *Compco* by holding that state trade secret laws are not subject to federal preemption despite their applicability to patents. *See also* *Donahue v. United Artists Corp.*, 2 Cal. App. 3d 794, 83 Cal. Rptr. 131 (1969) in which the California court concluded that federal preemption could not reach and invalidate contracts protecting ideas. *See also* *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*, 489 US 141 (1989), in which the United States Supreme Court stated that “the case for federal pre-emption is particularly weak where Congress has indicated its awareness of the operation of state law in a field of federal interest, and has nonetheless decided to ‘stand by both concepts and to tolerate whatever tension there is between them.’” *Id.* at 166-67 (citing *Silkwood v. Kerr-McGee Corp.*, 464 U.S. 238, 256 (1984)). In the *Bonito Boats* case, the dispute centered on whether a state law could protect a person’s design of a boat hull if the design was not patentable. Under the objective of patent law, if the item is not patentable, then it is free for others to copy.

¹⁵⁸ 17 U.S.C. § 301(b) (“Nothing in this title annuls or limits any rights or remedies under the common law or statutes of any State with respect to—

(1) subject matter that does not come within the subject matter of copyright as specified by sections 102 and 103, including works of authorship not fixed in any tangible medium of expression; or

(2) any cause of action arising from undertakings commenced before January 1, 1978;

(3) activities violating legal or equitable rights that are not equivalent to any of the exclusive rights within the general scope of copyright as specified by section 106 . . .”).

Interestingly, the legislative history shows that the original proposed provision for § 301(b) indicated that “breaches of contract, breaches of trust, invasion of privacy, defamation, and deceptive trade practices such as passing off and false representation” would be listed as illustrative examples of what would survive a federal preemption challenge. *See* H.R. 4347, 89th Cong. § 301(b)(3) (Introduced to House on February 4, 1965). However, the list became removed by Congress after opposition from the Department of Justice and other concerned parties.

¹⁵⁹ *See* 17 U.S.C. § 102(a).

¹⁶⁰ 17 U.S.C. § 103 (“Subject matter of copyright; Compilations and derivative works —

(a) The subject matter of copyright as specified by section 102 includes compilations and derivative works, but protection for a work employing preexisting material in which copyright subsists does not extend to any part of the work in which such material has been used unlawfully. (b) The copyright in a compilation or derivative work extends only to the

works of authorship not fixed in any tangible medium of expression, to survive preemption. Arguably, since an idea is not considered subject matter protectable by copyright under section 102(b) of the Act, then ideas do not come under the general scope of copyright. Also, since an idea is not created by an “author” within the meaning of the Copyright Act, then the preemption provisions of Section 301(a) of the statute should not apply.¹⁶¹

By not imposing federal preemption, and allowing state protection for ideas under an express or implied-in-fact contract theory, a major objective of the Copyright Act will be promoted by encouraging artistic and creative endeavors. This will be accomplished by limiting the scope of protection for conceptual expression to the individual parties in suit. If misappropriation were to occur through breach of contract or breach of confidentiality, the public benefit will still be maintained since the cause of action for the misappropriation would not deprive the public of the creative or artistic work published based on the idea, albeit without the idea creator’s permission.¹⁶² By allowing the private cause of action for the misappropriation based on a breach of contract or breach of confidentiality claim, idea creation and conceptual expression will flourish. If the idea creator is uncomfortable with the uncertainty and limited recourse in a private action, then the alternative for the creator of the conceptual expression is to develop the idea further so that federal copyright protection attaches. Not all idea creators have the resources to develop the conceptual expression to copyrightable form. By providing a level of protection for the conceptual expression, the idea will vest of economic value, which will help serve as an incentive for the idea creator to create, and the investor to invest in the development of ideas.¹⁶³

material contributed by the author of such work, as distinguished from the preexisting material employed in the work, and does not imply any exclusive right in the preexisting material. The copyright in such work is independent of, and does not affect or enlarge the scope, duration, ownership, or subsistence of, any copyrighted protection in the preexisting material.”).

¹⁶¹ According to noted scholar Paul Goldstein, state law protection of ideas characteristically escapes preemption under section 301. If the idea’s creator communicated the idea orally, the work will not have been fixed in a tangible medium of expression. Even if the idea is tangibly fixed, ideas fall outside the subject matter of copyright. Finally, state contract rights are not equivalent to any of the rights conferred by the Copyright Act. PAUL GOLDSTEIN, COPYRIGHT, PATENT, TRADEMARK AND RELATED STATE DOCTRINES 67 (Foundation Press, 5th ed. 2004).

¹⁶² When a contract requires one to pay for an idea that would be available to the contracting party even if he had not so contracted, it is obvious that the state law of contracts in some degree interferes with public access to the idea in question. But if a contracting party gains access to an idea, and is thereby enabled to introduce it to the public, only by reason of his having entered into a contract with the idea discloser, then the state law of contracts may be said to promote, not diminish, public access to the idea. It is precisely this benefit to the idea recipient, and ultimately to the public at large, that constitutes the consideration that supports a *Desny*-type contract. Unless such contractual protection were available to the idea discloser, many ideas, particularly perhaps in the television and motion picture industries, would remain undisclosed, so that the public’s access would be permanently blocked. NIMMER ON COPYRIGHT § 16.04[C] (2004).

¹⁶³ See, e.g., *Zacchini v. Scripps-Howard Broadcasting Co.*, 433 U.S. 562 (1977). The court stated that the protection afforded by the state right provides an economic incentive for the person to make the investment required to produce a performance of interest to the public. *Id.* In this case the state right surrounded the right of publicity, which protects the unauthorized use of a performer’s name, image and likeness in a new program. *Id.* The Supreme Court held in *Zacchini* that the state right did not preempt federal law. *Id.*

It would be shortsighted to remove the incentive for the creation of conceptual expression.

Supporting the position that protection for ideas is outside the shadow of preemption, is the court in *Dunlap v. G&L Holding Group Inc.*,¹⁶⁴ where the U.S. Court of Appeals for the Eleventh Circuit held that “the subject matter of copyright, in terms of preemption, includes only those elements that are substantively qualified for copyright protection.”¹⁶⁵ The court based its conclusion “on a plain reading of the Copyright Act, its legislative history, and consideration of relevant circuit court cases.”¹⁶⁶ Moreover, in *Lattie v. Murdach*,¹⁶⁷ the U.S. District Court for the Northern District of California held that “ideas do not come under the subject matter of copyright, and claims based upon them are not preempted by federal copyright laws.”¹⁶⁸

Since Congress became aware of state protections against idea misappropriation, then the desire and intent to preempt the state protection should have been specifically reflected in the Act. Since section 102(b) of the Act excludes ideas from copyright protection,¹⁶⁹ then by objective deduction, it is reasonable to conclude Congress intended to leave such protection to the states.¹⁷⁰ There are a variety of cases in which the federal courts did not find copyright preemption since the expression challenged was either deemed not an expression of an “author,”¹⁷¹ or not protectable expression as contemplated by the Copyright Act. Hence, in *Maurizio v. Goldsmith*,¹⁷² the U.S. District Court for the Southern District of New York held that a state’s “wrongful misappropriation of novel and literary ideas”¹⁷³ was not preempted by the Copyright Act.¹⁷⁴ The court reasoned that “the Copyright Act protects expressions of ideas and not ideas themselves.”¹⁷⁵

¹⁶⁴ 381 F.3d 1285 (11th Cir. 2004).

¹⁶⁵ *Id.* at 1295.

¹⁶⁶ *Id.* at 1294.

¹⁶⁷ 42 U.S.P.Q. 2d 1240 (N.D.Cal. 1997).

¹⁶⁸ *Id.* at 1243 (citing 4 PAUL GOLDSTEIN, COPYRIGHT § 15.9.1.2 (1996), “Section 102(b) of the Copyright Act expressly withholds copyright protection from ideas. As a consequence, states are free to protect ideas, even tangibly fixed ideas, under any theory of recovery.”).

¹⁶⁹ See 17 U.S.C. § 102(b).

¹⁷⁰ This conclusion has however not been not embraced by all courts. See, e.g., In *Del Madera Properties v. Rhodes and Gardner, Inc.*, 820 F.2d 973 (9th Cir. 1987), the court held that copyright preempted an unfair competition claim based on an alleged breach of fiduciary duty. The court found that the breach of fiduciary duty claim did “not add any ‘extra element’ which changes the nature of the action.” *Id.* at 977. This holding stood at odds with its prior holding in another case where the breach of fiduciary claim did preempt the copyright law. See *Oddo v. Ries*, 743 F.2d. 630 (9th Cir. 1984).

¹⁷¹ In *Leonard Brown et. Al. v. Collectibles, Inc.*, 201 F.3d 654 (5th Cir. 2000) the U.S. Court of Appeals for the Fifth Circuit held that Texas state law prohibiting misappropriation of a musical group’s name and likeness to market musical performances did not preempt the Copyright Act. It reasoned that the state law protected material that constituted no copyrightable matter since it lacked an author.

¹⁷² 84 F. Supp. 2d 455 (S.D.N.Y. 2000).

¹⁷³ *Id.* at 468.

¹⁷⁴ *Id.*

¹⁷⁵ *Id.* at 469.

Consistent with the view that idea protection under state law should not be preempted, are a long line of cases supporting state based trade secret protection. A trade secret can be defined as any information that gives one a competitive advantage by others not knowing, of which the trade secret owner takes reasonable steps to keep secret.¹⁷⁶ Based on the broad interpretation of what can qualify as a trade secret,¹⁷⁷ an idea for a new product, advertising campaign, or other form of conceptual expression, can meet the requirements. A trade secret may also be copyrightable or subject matter protectable by patent, but many trade secrets do not qualify for such protection.¹⁷⁸ In light of this possibility, state protection for trade secrets has been subject to challenge under federal patent and copyright preemption, and has generally survived the challenges.¹⁷⁹ Moreover, federal protection of trade secrets under the Economic Espionage Act of 1996¹⁸⁰ specifically sets forth that the federal trade secret law does not preempt or displace any of the remedies available under State, commonwealth, possession, or territorial law.¹⁸¹ However, two noted commentators

¹⁷⁶ See UNIFORM TRADE SECRET ACT Sec. 1 (4) “Trade secret” means information, including a formula, pattern, compilation, program, device, method, technique or process that: (i) deprives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use, and (ii) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy. See also, Economic Espionage Act of 1996, the term “trade secret” means all forms and types of financial, business, scientific, technical, economic, or engineering information, including patterns, plans, compilations, program devices, formulas, designs, prototypes, methods, techniques, processes, procedures, programs, or codes, whether tangible or intangible, and whether or how stored, compiled, or memorialized physically, electronically, graphically, photographically, or in writing if- (A) the owner thereof has taken reasonable measures to keep such information secret; and the information derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable through proper means by the public. 18 U.S.C. § 1839. See also RESTATEMENT (THIRD) OF UNFAIR COMPETITION § 39, Definition of Trade Secret. A trade secret is any information that can be used in the operation of a business or other enterprise and that is sufficiently valuable and secret to afford an actual or potential economic advantage over others.

¹⁷⁷ *Id.*

¹⁷⁸ See generally ELIZABETH A. ROWE AND SHARON K. SANDEEN, TRADE SECRET LAW, 57-74 (West 2012).

¹⁷⁹ See *Computer Associates International, Inc. v. Altai*, 982 F.2d 693 (2d Cir. 1992) The court held that the evolving common law right of trade secrets would not be affected by section 301 of the Copyright Act as long as the cause of action contains elements such as breach of trust or confidentiality that are different from copyright infringement. *Id.* at 716; In *Balboa Ins. Co. v. Trans Global Equities*, 218 Cal. App. 3d 1327 (1990), California’s Court of Appeal for the Third Appellate District held “that copyright does not preempt a cause of action based on breach of confidence” and “that the breach of fiduciary duty claim survives preemption.” *Id.* at 1351. The court also opined that “We see little basis for distinguishing the breached fiduciary duty claims from the breached confidential relationship and trade secret claims. They all generally involve the extra element of an important relationship.” *Id.* at 1352. See also *Warrington Assocs., Inc. v. Real-Time Eng’g Sys.*, 522 F. Supp. 367 (1981) in support of its decision. The *Warrington* court cited the House Committee Report as saying “The evolving common law rights of ‘privacy,’ ‘publicity’ and trade secrets, . . . would remain unaffected so long as the causes of action contain elements such as an invasion of personal rights or a breach of trust or confidentiality.” *Id.* at 369 (quoting H. Rep. No. 94-1467, 94th Cong., 2d Sess. 132 (1976) reprinted in 5 U.S. Code Cong. & Admin. News at 5746-47 (1976)).

¹⁸⁰ 18 U.S.C. §§ 1831-1839.

¹⁸¹ Construction with other laws. This chapter shall not be construed to preempt or displace any other remedies, whether civil or criminal, provided by United States Federal, State, commonwealth, possession, or territory law for the misappropriation of a trade secret, or to affect the otherwise lawful

have expressed concern that trade secrets obtained by others which are not supported by a confidential relationship or contractual based secrecy requirement, will likely fall subject to federal preemption.¹⁸² There is also the possibility that if the idea lacked novelty, trade secret protection may not be afforded.¹⁸³ Nevertheless, based on the weight of authority, it is logical to conclude that taking steps to protect ideas on the same basis as that taken to protect trade secrets, would help the idea creator overcome the threat of federal preemption.¹⁸⁴

disclosure of information by any Government Employee under section 552 of title 5 (commonly known as the Freedom of Information Act.) *Id.* at § 1838.

¹⁸² PAUL GOLDSTEIN, COPYRIGHT § 15.12 (VOL. II 1989). Courts generally focus their preemption inquiry on the nature of the right being enforced under trade secret law. In cases where trade secret law prohibits the use or disclosure of a trade secret communicated in confidence, the inter partes, contractual nature of the right will usually save it from preemption since courts generally hold that contract rights are not equivalent to copyright. Where, by contrast, trade secret law protects against use or disclosure by competitors having no confidential or other contractual relationship with the trade secret owner, courts generally hold that the property nature of the right makes it equivalent to copyright and thus subject to statutory or constitutional preemption. *See also* NIMMER ON COPYRIGHT, *supra* note 20, at § 1.01 (B)(1)(h). Actions for disclosure and exploitation of trade secrets require a status of secrecy, not required for copyright, and hence are not pre-empted. This conclusion follows whether or not the material subject to the trade secret is itself copyrightable. Absent a state-based requirement for secrecy, however, the element distinguishing the state right from copyright would appear to evaporate, causing the state right thereby to be pre-empted. For the reasons set forth above, a state-based requirement for “misappropriation” other than secrecy cannot suffice to save this cause of action from pre-emption. It has been held not only that a state trade secrets law is not pre-empted by the Copyright Act, but also that the act of placing a copyright notice upon copies of a work, and thereafter distributing such copies in either a general or limited publication does not estop the party who affixed the notice and caused the publication from asserting a trade secrets action as to the material contained therein. *Citing* to the following cases *Tingley Sys., Inc. v. CSC Consulting, Inc.*, 152 F. Supp. 2d 95, 108 (D. Mass. 2001) (Treatise cited); *Architectronics, Inc. v. Control Sys., Inc.*, 935 F. Supp. 425, 441 (S.D.N.Y. 1996) (Treatise quoted); *Trandes Corp. v. Guy F. Atkinson Co.*, 996 F.2d 655, 658-60 (4th Cir. 1993), *cert. denied*, 510 U.S. 965 (1993); *Micro Data Base Systems, Inc. v. Nellcor Puritan- Bennett, Inc.*, 20 F. Supp. 2d 1258, 1262 (N.D. Ind. 1998); *CMAX/Cleveland, Inc. v. UCR, Inc.*, 804 F. Supp. 337, 359 (M.D. Ga. 1992); *Balboa Ins. Co. v. Trans Global Equities*, 218 Cal. App. 3d 1327, 1341-50, 267 Cal. Rptr. 787, *cert. denied*, 498 U.S. 940 (1990) (Treatise cited); *TDS Healthcare Sys. Corp. v. Humana Hosp. Ill., Inc.*, 880 F. Supp. 1572, 1581 (N.D. Ga. 1995); *Boeing Co. v. Sierracin Corp.*, 108 Wash. 2d 38, 49, 738 P.2d 665, 674 (1987); *Warrington Assocs., Inc. v. Real-Time Eng'g Sys., Inc.*, 522 F. Supp. 367 (N.D. Ill. 1981); *S.O.S., Inc. v. Payday, Inc.*, 886 F.2d 1081, 1090 n.13 (9th Cir. 1989); *Southern Miss. Planning & Dev. Dist., Inc. v. Robertson*, 660 F. Supp. 1057, 1061 (S.D. Miss. 1986); *Allied Artists Pictures Corp. v. Rhodes*, 496 F. Supp. 408 (S.D. Ohio 1980), *aff'd*, 679 F.2d 656 (6th Cir. 1982); *New Era Publications Int'l, APS v. Henry Holt & Co.*, 695 F. Supp. 1493, 1505 (S.D.N.Y. 1988) (Treatise cited in *dictum*), *aff'd*, 873 F.2d 576 (2d Cir. 1989). *But see* *Rommel v. Laffey*, 194 F.R.D. 441, 444 (N.D.N.Y. 2000).

¹⁸³ *See, e.g.*, *Hudson Hotel Corp. v. Choice HotelsIntl.*, 995 F.2d 1173 (2d Cir. 1993).

¹⁸⁴ Written non-disclosure or confidentiality agreements (often referred to as NDAs) are commonly used to address the confidentiality of information shared or created, and the requirement of non-disclosure and non-use of such information absent circumstances authorizing such use, such as written permission to use or disclose.

IV. PROPOSED COPYRIGHT ACT AMENDMENT

When considering the conflicting case law, the discourse in the literature, and based on the legislative history regarding protection of ideas, a minimalistic amendment to the Copyright Act can bring greater certainty to the protection for conceptual expression. As discussed, Congress reserved to the states in the Copyright Act, the ability to provide certain rights and remedies under a state's common law or statutes;¹⁸⁵ but protection for conceptual expression does not constitute adequate delineation. What follows, is that the current section of the Copyright Act pertaining to such reserved rights, along with the amendment that my Article proposes, would give more certainty and guidance for the protection of ideas. (The proposed amendment is indicated by *italicized font*).

Section 301(2): Nothing in paragraph (1) annuls or limits any rights or remedies under the common law or statutes of any State with respect to—

(A) any cause of action from undertakings commenced before the effective date set forth in section 610(a) of the Visual Rights Act of 1990;

(B) activities violating legal or equitable rights that are not equivalent to any of the rights conferred by section 106A with respect to works of visual art;

(C) activities violating legal or equitable rights which extend beyond the life of the author; *or*

(D) *activities violating legal or equitable rights with respect to contractual or fiduciary duties pertaining to the protection of, confidentiality of, use of, or compensation for ideas. The legal or equitable rights with respect to contractual or fiduciary duties pertaining to the protection of, confidentiality of, use of, or compensation for ideas under this provision must be supported by either an express writing signed by the relevant parties specific to the protection of, confidentiality of, use of, or compensation for the ideas, or sufficient writings and conduct that would support an implied in fact contractual or fiduciary duty specific to the protection of, confidentiality of, use of, or compensation for the ideas.*

By not providing for quasi-contract (implied in law contract) based recovery, the idea submitter will need to take a more protective approach by reducing to a sufficiently detailed writing(s) for the terms and conditions to which the idea submission is based, or seek protection through conduct, creating an implied-in-fact contractual relationship. By requiring a higher contractual privity standard, the parties would need to establish the terms of the submission to which a court could find mutual assent, and thereby provide an appropriate legal or equitable remedy if a breach occurred, based on the offer and acceptance of the conceptual expression. Allowing for a recovery on a breach of express or implied-in-fact contract, or breach of fiduciary obligation, would not deprive the public of use of the idea disclosed, but would allow for recovery only against the wrongdoer. It would also likely reduce the number of nuisance suits. As Judge Easterbrook noted in *ProCD, Inc. V. Zeidenberg*,¹⁸⁶ "A copyright is a right against the world. Contracts, by contrast, generally affect only the

¹⁸⁵ 17 U.S.C. § 301(b), *supra* note 158 and accompanying text.

¹⁸⁶ 86 F.3d 1447 (7th Cir. 1996).

parties; strangers may do as they please, so contracts do not create an “exclusive right.”¹⁸⁷

As with any formation and enforcement of a contract, in addition to the offer and acceptance, sufficient consideration would need to be established, which the novelty of the conceptual expression or exchange of promises could satisfy. The requirement of a sufficient writing and/or conduct to establish the mutual intent of the parties to contract for the exchange of the conceptual expression, would provide the important extra element of promise, to survive federal preemption, and provide the court with the basis of granting a remedy for the breach of the promise.¹⁸⁸

In addition to amending Section 301(2), I propose that Section 101 of the 1976 Copyright Act be amended to provide the following definition: *Ideas shall mean non-copyrightable conceptual expression consisting of idea(s) or concept(s) whether communicated orally, in writing, or by other means.*

Adding this definition to Section 101 would be reflective of, and consistent with, the foregoing amendment proposed to Section 301(2).

V. CONCLUSION

No law exists that discourages the creation of ideas. As a matter of fact, our laws encourage and promote origination of ideas. The matter changes however when the conceptual expression used is truly independent, and constitutes a taking or copying for the purpose of commercial advantage without compensation to the idea creator. It is at this point that ideas no longer enjoy a free flow. As set forth in my Article, a long line of case law substantiates this point as the courts have been quite willing to provide control over, and relief for, the idea creator when an unprivileged use or appropriation occurs. In the court decisions supporting protection for the conceptual expression, the potential chilling effect upon the free flow of ideas has been viewed to be of lesser importance to that of the possible economic injury, or deprivation, realized by the idea creator, caused by the misappropriation. As discussed, not all courts are in agreement as to the best basis for idea protection, and many courts continue to deny protection for ideas. As one commentator rightly put it, “what is needed is a uniform and predictable approach to the law of ideas; conclusions must not be the result of definitional confusion.”¹⁸⁹ That commentator further suggests that one possible solution to the dilemma is to view the creator’s submissions as a “service.” Thus, recovery could be based on the principles of quantum meruit, rather than complex principles and problems raised by the property theory.¹⁹⁰ Although I agree with this in principle, I do not agree with allowing recovery based on quasi-contract or implied in law contract theories. Requiring an express writing, or writings or conduct sufficient to establish an implied in fact contractual obligation, will provide a more uniform and predictable approach to the law of ideas. An idea creator that submits conceptual expression to another without seeking the requisite mutual assent of the

¹⁸⁷ *Id.* at 1454.

¹⁸⁸ See RESTATEMENT (SECOND) OF CONTRACTS § 1. An agreement between two or more parties for the breach thereof a court can provide a remedy or require performance.

¹⁸⁹ Kovacs, *supra* note 40, at 323.

¹⁹⁰ *Id.*

recipient as it relates to use, protection and compensation, does so at her or his own peril. As my Article proposes, an amendment to Section 301 of the Copyright Act that requires evidence of mutual assent through an express or implied in fact contract, would provide greater certainty, enabling practitioners and clinicians to provide better advise, counsel and assistance, to both the creator of the conceptual expression and the recipient. It would also enable the courts to address the claims of idea misappropriation with greater certainty as to rights, duties and obligations of the claimants, in light of the past uncertainty of federal preemption. It is my hope that others will join me in the call for legislative action.