Whose Work is it Anyway?: Revisiting Community for Creative Non-Violence v. Reid in Defining the Employer-Employee Relationship Under the "Work Made For Hire" Doctrine

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WHOSE WORK IS IT ANYWAY?: REVISITING COMMUNITY FOR CREATIVE NON-VIOLENCE V. REID1 IN DEFINING THE EMPLOYER-EMPLOYEE RELATIONSHIP UNDER THE “WORK MADE FOR HIRE” DOCTRINE

I. INTRODUCTION

The determination of who is the rightful owner to a copyrighted object is one of the elements necessary in order to properly adjudicate copyright infringement cases. That determination is not so easily made when certain relationships exist between the parties, or, more specifically, between an employer and an individual hired to complete a work. This relationship is most commonly called a “work made for hire.” For situations that arise under such conditions, the Copyright Act of 1976 (“Act”) provides guidance to ascertain proper ownership. For this special purpose, the Act provides that:

In the case of a work made for hire, the employer or other person for whom the work was prepared is considered the author

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2. 17 U.S.C. § 501(b) (1988). Actually, the two requirements for showing copyright infringement are: (1) a valid copyright; and (2) copying. Feist Publications, Inc. v. Rural Tel. Serv. Co., 499 U.S. 340, 361 (1991); Apple Computer, Inc. v. Microsoft Corp., 35 F.3d 1435, 1442 (9th Cir. 1994); Engineering Dynamics, Inc. v. Structural Software, Inc., 26 F.3d 1335, 1340 (5th Cir. 1994); Fisher-Price, Inc. v. Well-Made Toy Mfg. Corp., 25 F.3d 119, 122-23 (2d Cir. 1994); Brown Bag Software v. Symantec Corp., 960 F.2d 1465, 1472 (9th Cir.), cert. denied, 113 S. Ct. 198 (1992); Concrete Mach. Co. v. Classic Lawn Ornaments, Inc., 843 F.2d 600, 605 (1st Cir. 1988). However, when the affirmative defense of “work made for hire” is invoked, the determination of “who owns the copyright in the work becomes a necessary element.” M.G.B. Homes, Inc. v. Ameron Homes, Inc., 903 F.2d 1486, 1490 (11th Cir. 1990); see also Avtec Sys., Inc. v. Peiffer, 21 F.3d 568, 571 (4th Cir. 1994) ("The presumption of authorial ownership falls, however, if the work is made ‘for hire,’ such as one ‘prepared by an employee within the scope of his or her employment.’” (quoting Reid, 490 U.S. at 737-38)).
3. Where appropriate, the phrase “work for hire” may be interchanged with the term “work made for hire.”
for purposes of this title, and, unless the parties have expressly agreed otherwise in a written instrument signed by them, owns all of the rights comprised in the copyright.\footnote{17 U.S.C. § 201(b) (1988).}

Furthermore, the Act defines a "work made for hire" as:

(1) a work prepared by an employee within the scope of his or her employment; or

(2) a work specially ordered or commissioned for use as a contribution to a collective work, as a part of a motion picture or other audiovisual work, as a translation, as a supplementary work, as a compilation, as an instructional text, as a test, as answer material for a test, or as an atlas, if the parties expressly agree in a written instrument signed by them that the work shall be considered a work made for hire.\footnote{17 U.S.C. § 101 (1988 & Supp. V 1993).}

However, if the Act was limited to this definition alone, the determination of who owns the valid copyright in a "work made for hire" situation would certainly be a formidable task. The purpose of this Note is to effectually determine exactly what relationship must exist between two parties for the hiring party to be termed an "employer" and the hired party to be termed an "employee" for the purpose of the "work made for hire" doctrine.\footnote{This Note is primarily concerned with the first of the two definitions for "work made for hire" under § 101, i.e., a "work prepared by an employee within the scope of his or her employment." Id. However, some consideration will be given to specially ordered or commissioned works.} In doing so, the landmark case of Community For Creative Non-Violence v. Reid\footnote{490 U.S. 730 (1989).} will be discussed and heavily relied upon. Further discussion will include the federal circuit and district courts' utilization of the Reid decision in their holdings and how they help to shape the "work made for hire" doctrine in order to make determining the status of an "employer" and an "employee" in these situations a simpler task.
II. WORKS MADE FOR HIRE — A BRIEF STATUTORY AND CASE HISTORY

A. THE 1909 COPYRIGHT ACT

The only provision of the 1909 Copyright Act regarding this matter states that "the word 'author' shall include an employer in the case of works made for hire."¹⁰ There is no further definition of "author"; nor are there definitions provided for "employer" or "works made for hire."¹¹ With nothing else to provide further insight into copyright ownership in these situations, the courts were left to define the above terms.¹² The approach taken by the courts was that the work for hire doctrine applied only to "works made by employees in the regular course of their employment."¹³ Furthermore, the copyright ownership in commissioned works was continually found to be held by the commissioning party because it was assumed that the copyright, along with the work, was conveyed to the hiring party.¹⁴

In the mid-1960's, a proposal by the Register of Copyrights was adopted by Congress to extend the definition of "work made for hire" to any "work prepared by an employee within the scope of his employment."¹⁵ The final draft also included four specific categories of commissioned works where, if the parties expressly stated so in writing, the copyright of the commissioned work would be held exclusively by the hiring party.¹⁶ This revision was the stepping stone for the provisions of the "work made for hire" doctrine in the 1976 Act.

¹¹ See Copyright Act of 1909, ch.1, § 26 (1909).
¹³ Reid, 490 U.S. at 744.
¹⁴ Id.
¹⁵ Id. at 746 (citations omitted).
¹⁶ Id. The four enumerated categories were: works for use "as a contribution to a collective work, as a part of a motion picture, as a translation, or as a supplementary work." Id. Four other categories were later adopted by the House Committee. They included: compilations, instructional texts, tests, and atlases. Id. at 747. It must be emphasized that this special attention given to commissioned works was limited to these categories alone.

The Copyright Act of 1976 was passed as a general revision of its predecessor.\(^7\) It also aided in aligning federal law with the changing of the times and society.\(^8\) The new Act provided for a special section regarding ownership of copyright in works made for hire\(^9\) as well as providing a definition for the term “work made for hire.”\(^10\) However, the Act failed to define the key terms “employee,” “employer,” or “scope of employment.”\(^11\) Once again, interpretation of these terms was left to the courts.

The first of the three famed cases leading to the Supreme Court’s decision in Reid was Aldon Accessories Ltd. v. Spiegel, Inc.\(^2\) There, the Second Circuit agreed with the district court’s charge that an individual is in a work for hire situation when that person “act[s] under the direction and supervision of the hiring author, at the hiring author’s instance and expense.”\(^3\) Further, the circuit court affirmed the lower court’s instruction that “[i]t does not matter whether the for-hire creator is an employee in the sense of having a regular job with the hiring author. What matters is whether the hiring author caused the work to be made and exercised the right to direct and supervise the creation.”\(^4\) The court rejected the argument that the new Act defined employment relationships to include only “regular” employees.\(^5\) Rather, the court chose to employ the general laws of agency, reasoning that Congress suggested that the

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19. 17 U.S.C. § 201(b) (1988); see also supra text accompanying note 6.
21. Dumas v. Gommerman, 865 F.2d 1093, 1097 (9th Cir. 1989).
22. 738 F.2d 548 (2d Cir.), cert. denied, 469 U.S. 982 (1984). In Aldon Accessories, the wholesaler of a statuette brought a copyright infringement action against a retail catalogue, Spiegel, Inc. (“Spiegel”), who was selling a nearly identical replica. Id. at 549-51. Spiegel argued that the copyright was invalid because the work was not a work made for hire, and that the trial judge gave an erroneous instruction on the “work made for hire” provision. Id. at 550-51.
23. Id. at 551.
24. Id.
25. Id. at 552. This argument was proposed by the defendant-appellant, Spiegel, Inc.
26. Id.
courts address the laws of agency since the “key terms” were not defined in the Act.27

In 1987, the holding in Easter Seal Society for Crippled Children and Adults v. Playboy Enterprises,28 was handed down by the Fifth Circuit.29 The court properly pointed out that the primary problem with the statute was the ambiguity of some of its terms.30 In the court’s analysis, it chose to discuss three interpretations from the multitude of past decisions regarding this doctrine and then chose from them.31 In deciding that “The Literal Interpretation” was the proper way to adjudicate such cases, the court held that the method for determining ownership of a copyright in a work made for hire situation was to “first determine — using agency law rules[ ] — whether or not the seller is an employee or an independent contractor. Then, the court should apply the statute.”32 The court criticized the “compromise”33 as set forth in Aldon Accessories because it reasoned that the “actual control” test will ordinarily make the “buyer” a co-author of the work.34 Also criticized was that the “actual control” test could vary the outcome “between the same buyer and same seller

27. Id.
28. 815 F.2d 323 (5th Cir.), reh’g denied, 820 F.2d 1223 (1987), cert. denied, 485 U.S. 981 (1988). Ronnie Kole, acting on behalf of the Easter Seal Society (“Society”), contracted with a public television station to videotape a staged “Mardi-Gras-style” parade and “Dixieland” musical concert. Id. at 324. Kole had some, but very limited, involvement in the actual taping and choreography of the event. Id. The public television station, at a later date, gave a copy of portions of the footage to a Canadian television producer who used part of the tape in an adult film entitled “Candy, the Stripper.” Id. at 324-25. It was eventually distributed to Playboy, Inc., who aired it on cable television. Id. at 325. The Society sued Playboy, alleging copyright infringement. Id. Playboy claimed that the work was the copyrighted product of the public television station who voluntarily distributed it. Id. The Society claimed that the public television station was a work for hire and, therefore, the videotape was the Society’s copyrighted product. Id. The court held against the Easter Seal Society. Id. at 337.
29. As Circuit Judge Gee noted, the set of events leading up to this court action lent its hands to the “most delightful of case names: Easter Seal Society for Crippled Children v. Playboy Enterprises; seriously rivaled, in [the court’s] judgment, only by United States v. 11 1/4 Dozen Packages of Article Labeled in Part Mrs. Moffat’s Shoo Fly Powders for Drunkenness, 40 F. Supp. 208 (W.D.N.Y. 1941) . . . and United States ex rel. Mayo v. Satan and his Staff, 54 F.R.D. 282 (W.D. Pa. 1971) . . . .” Easter Seal, 815 F.2d at 325 n.1.
30. Easter Seal, 815 F.2d at 328.
31. The three interpretations were given the following names by the court: “The Literal Interpretation,” id. at 329; “The Conservative Interpretation,” id. at 331; and “The Aldon Accessories Compromise.” Id.
32. Id. at 329. The court defined the word “buyer” as “the putative legal employer claiming ownership under the ‘work for hire’ doctrine,” and “seller” as “the person against whom a buyer claims, whether an employee or an independent contractor.” Id.
33. Id. at 331.
34. Id. at 333.
in a series of works produced together."35 Ultimately, the Easter Seal court said that the new holding provided "the greatest predictability" and a "certain moral symmetry" between the "buyer" and "seller."36

The final case of the trilogy was handed down in early 1989. In Dumas v. Gommerman,37 the Ninth Circuit held that "[o]nly the works of formal, salaried employees are covered by § 101(1)."38 By interpreting the work made for hire doctrine this way, the court created three categories of independent contractors: actual "employees," who were termed so because of the hiring party's supervision and control; those whose work product fell under the commissioned works category of § 101(2); and those whose works were simply not works for hire.39 The Dumas court agreed with the Fifth Circuit's decision in Easter Seal to use the laws of agency, but only inasmuch as they were necessary to help determine the status of the parties when their relationship is ambiguous.40

III. COMMUNITY FOR CREATIVE NON-VIOLENCE V. REID

A. THE FACTS

In 1985 the organization Community for Creative Non-Violence ("CCNV") entered into an oral agreement with James Earl Reid, a sculptor, to produce a statue depicting the plight of the homeless for a Christmas pageant in Washington, D.C.41 Members of CCNV visit-

35. Id.
36. Id. at 335. The court said that moral symmetry would be gained by this proposal because it makes the buyer a "statutory 'author' if and only if he is responsible for the negligent acts of the seller. For example, a buyer will only be the 'author' of a writing if he would be liable under respondeat superior in a defamation action based on that writing." Id.
37. 865 F.2d 1093 (9th Cir. 1989). Jennifer Dumas, the widow of the graphic artist Patrick Nagel, filed suit against Gommerman for copyright infringement of Nagel's works. Id. at 1094. Nagel had been commissioned by ITT Cannon for four works of art that ITT Cannon would distribute as lithographs for a promotional campaign. Id. Gommerman, the owner of an art gallery, bought the original paintings and copyrights from ITT Cannon several years later. Id. He registered each of the four works in his own name and made poster reproductions of the works. Id. Dumas claimed that the copyrights in the paintings were owned by her, as Nagel's executor, and that Gommerman's reproductions were infringing upon her copyrights. Id. at 1094-95. Gommerman argued that Nagel's paintings were works made for hire and so he properly bought the copyrights from ITT Cannon. Id. at 1095-96. The court found that Nagel was not a work for hire under the Copyright Act of 1976 and held in favor of Dumas. Id. at 1105.
38. Id. at 1102.
39. Id.
40. Id. at 1105.
41. Reid, 490 U.S. at 733.
ed Reid on a number of occasions to monitor the statue’s progress. Reid accepted most of CCNV’s suggestions and directions. When finished, CCNV paid Reid the last of the agreed upon installments for the statue entitled “Third World America.” When CCNV later asked for modifications on the statue so that they could bring it abroad, Reid refused and denied CCNV use of the statue unless they made a more durable replica. As a result, both parties filed competing copyright registration certificates. The question of ownership then arose and CCNV filed suit seeking a determination of the ownership of copyright in the statue. The district court ruled in favor of CCNV, holding that the statue was a “work made for hire” under the Act and, therefore, CCNV held the exclusive copyright to the work. The United States Circuit Court of Appeals for the District of Columbia reversed, holding that the sculpture “was not prepared by an employee” within the scope of his or her employment under § 101(1) of the Act, and that Reid was an independent contractor. The court of appeals also held that the sculpture did not fall under any of the nine enumerated categories of “specially ordered or commissioned” works, and so it was not a work made for hire under the § 101(2) definition of work made for hire.

B. THE ISSUE

The Supreme Court granted certiorari to determine the proper construction of the “work made for hire” provisions of the Act. Specifically, the question of law presented was whether Reid was an “employee” within the meaning of the statute, which states that a work is made for hire if it is prepared by an employee within scope of his or her employment.

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42. Id. at 734.
43. Id.
44. Id. at 735.
45. Id.
46. Id.
47. Id.
48. Id. at 735-36.
49. Id. at 736.
50. See supra note 7 and accompanying text; see also infra notes 201-14 and accompanying text.
51. Reid, 490 U.S. at 736.
52. Id.
53. Id. at 738; see also supra note 7 and accompanying text.
C. THE DECISION

The Supreme Court held that Reid retained copyright ownership in the sculpture.54 The main focus was on a set of factors enumerated under the common law of agency.55 Although not all of the factors were held in Reid’s favor, enough of them were to satisfy the Court that Reid was not an employee of CCNV within the scope of the “work made for hire” doctrine under the Act.56

IV. THE “REID FACTORS”

A. THE ORIGIN

Initially, the Reid Court had to ascertain from where they were going to extract the definitions of the key terms of the statute.57 The Court utilized the well-established doctrine that “[w]here Congress uses terms that have accumulated settled meaning under . . . the common law, a court must infer, unless the statute otherwise dictates, that Congress means to incorporate the established meaning of these terms.”58 Drawing upon their past need to define the word “employee” where Congress had omitted a definition for it in a statute,59 the Court concluded that “Congress intended to describe the conventional master-servant relationship as understood by common-law agency doctrine.”60 Indeed, the laws of agency have been designed to accommodate definitional barriers when they should arise.61 It was appropriately pointed out that the utilization of the general common law of agency — as opposed to the definitions found in the employment laws of any particular state — is a practical approach, since it will necessarily reflect the fact that “federal statutes are generally intended to have uniform nationwide application.”62 It is a rational conclusion

54. Reid, 490 U.S. at 753.
55. Id. at 751-52.
56. Id. at 752-53.
57. Id. at 738-39.
58. Id. at 739 (quoting NLRB v. Amax Coal Co., 453 U.S. 322, 329 (1981)) (alteration in original).
60. Reid, 490 U.S. at 740.
61. See RESTATEMENT (SECOND) OF AGENCY § 220(1) cmt. c (1958) (stating that the relation of master to servant “is an important relation in that upon it depends the liability of the master to third persons and to his employees under the provisions of various statutes”).
62. Reid, 490 U.S. at 740 (quoting Mississippi Band of Choctaw Indians v. Holyfield,
that, when the federal courts are mandated by Congress to be the forum of original jurisdiction regarding a federal statute, the laws that those courts draw upon be ones of national implication, and not one of any particular state, as this would otherwise lead to a non-uniform federal adjudication of cases.

Indeed, other courts have also held conclusively, in following the analysis of Reid, that the laws of agency should be the first step in determining whether the hired individual was an employee within the meaning of the statute. In Marco v. Accent Publishing Co., the Third Circuit stated that:

We use the terms employee and independent contractor to refer to the legal status of a hired party. Where the Restatement [of Agency] uses the expression master-servant relation, we use the expression employment relationship to refer to the relation between parties that defines employee status in the hired party.

In using the two expressions "employee" and "independent contractor" as synonyms for one another, the Marco court virtually redesigned Title 17 of the United States Code to include the master-servant doctrine from the general common-law of agency as part of its definitional approach to the status of "author" when using the work made for hire doctrine.

63. See, e.g., Avtec Sys., Inc. v. Peiffer, 21 F.3d 568, 571 (4th Cir. 1994) (using the RESTATMENT (SECOND) OF AGENCY § 228 (1958) for this purpose); Marco v. Accent Publishing Co., 969 F.2d 1547, 1549-50 n.2 (3d Cir. 1992) (stating that "[t]he term servant as used in the Restatement (2d) of Agency Sec. 220 [sic] is a synonym for employee as used in most statutes, including the work for hire provision of the Copyright Act") (emphasis omitted); Effects Assoc., Inc. v. Cohen, 908 F.2d 555, 557 (9th Cir. 1990), cert. denied, 498 U.S. 1103 (1991); M.G.B. Homes, Inc. v. Ameron Homes, Inc., 903 F.2d 1486, 1491 (11th Cir. 1990); Respect, Inc. v. Committee On Status of Women, 815 F. Supp. 1112, 1117 (N.D. Ill. 1993).
64. 969 F.2d 1547 (3d Cir. 1992).
65. Id. at 1549 n.2 (emphasis omitted).
B. THE “REID FACTORS”

As discussed above, the factors that the Reid Court primarily based their determination of what an employee was under the work made for hire doctrine were dependent upon the general common laws of agency. The Restatement (Second) of Agency lists, as part of determining whether one who acts for another is a servant or independent contractor, the following factors:

(a) the extent of control which, by the agreement, the master may exercise over the details of the work;
(b) whether or not the one employed is engaged in a distinct occupation or business;
(c) the kind of occupation, with reference to whether, in the locality, the work is usually done under the direction of the employer or by a specialist without supervision;
(d) the skill required in the particular occupation;
(e) whether the employer or the workman supplies the instrumentalities, tools and the place of work for the person doing the work;
(f) the length of time for which the person is employed;
(g) the method of payment, whether by the time or by the job;
(h) whether or not the work is a part of the regular business of the employer;
(i) whether or not the parties believe they are creating the relation of master and servant; and
(j) whether the principal is or is not in business.

Removed from this list of ten factors without explanation in the Reid Court’s decision were subsections (b), (c), (h), and (i). However, added to the remaining list of six factors were:

whether the hiring party has the right to assign additional projects to the hired party; the extent of the hired party’s discretion over when and how long to work; . . . the hired party’s role in hiring and paying assistants; . . . the provision of employee benefits; and the tax treatment of the hired party.

66. See supra notes 57-65 and accompanying text.
68. See Reid, 490 U.S. at 752. Oddly, Justice Marshall’s majority opinion specifically signals the RESTATEMENT (SECOND) OF AGENCY, as “setting forth a nonexhaustive list of factors relevant to determining whether a hired party is an employee.” Id.
69. Id. at 751-52 (citations omitted). Justice Marshall cites to case history in support of
The *Marco* court later altered the test to include those factors omitted from the Restatement by Justice Marshall in *Reid*.70 Furthermore, added to the list was one more factor: “actual control over the details of the work.”71 Thus, a total of sixteen factors could be considered when assessing whether an individual was an employee under the work made for hire doctrine of the Copyright Act of 1976.

C. THE "REID FACTORS" DEFINED

The Hiring Party’s Right To Control The Development of the Work

The first factor is the hiring party’s right to control the hired individual’s development of the work at issue. The Court’s agency standard in *Reid* “focuses on [the] right to control the manner and means of production, rather than the right to control the product itself.”72 Although this factor may be an important one, and in many situations may be determinative, the extent of the “right to control needed to establish the relation of master and servant may be very attenuated.”73 For instance, in a situation where the employer has agreed not to exercise any control over the work, this factor may apparently hold in the employee’s favor, but actually inure to the benefit of the employer.74 This is so because the employee has agreed to be considered a servant, but has requested that the employer relinquish any direct control over the work.

In *Marco*, the work which was the source of litigation was a photograph taken by Ed Marco (“Marco”) for Accent Publishing Co., Inc. (“Accent”).75 Whereas Accent could control the subject matter and the composition of the images, it could not control most aspects of the work, including light sources, filters, lenses, camera, film,

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his decision to include these factors, as well as citing to case history in support of the factors taken directly from the Restatement. *Id.* at 751-52 nn.18-31 (citations omitted); see also Herbert v. United States, No. 92-672 C., 1994 WL 636456, at *5 (Cl. Ct. Nov. 15, 1994) (reiterating the same list of factors).

70. *Marco*, 969 F.2d at 1550.

71. *Id.* In adding this factor, the *Marco* court stated the *Reid* Court veritably did “consider [ ] the [Petitioner’s] actual direction of work . . . .” *Id.* at 1550 n.4.

72. 1 MELVILLE B. NIMMER & DAVID NIMMER, NIMMER ON COPYRIGHT § 5.03[B][1][a][iii] at 5-22 (1994) (emphasis in original) (citations omitted); see also Carter v. Helmsley-Spear, Inc., 852 F. Supp. 228, 234 (S.D.N.Y. 1994) (holding that the artist’s liberty to design and place the sculptures at will to be a factor in favor of non-employee status).


74. See *id.* (illustrating such a situation).

perspective, aperture setting, shutter speed and processing techniques. Accordingly, this factor was held in favor of the photographer.

In Aymes v. Bonelli, the parties disputed the ownership of a series of computer programs. The hiring party, although not necessarily having the computer programming skills necessary for the complete development of the program, gave significant input to its construct and administered programming limitations, enough to deem the hired party an employee for purposes of this factor.

Whether the Party Employed Is Engaged in a Distinct Business & The Kind of Occupation

These two factors are often interlinked with one another. They are aimed at determining whether the hired party was in business at all, and whether it was a regular part of that party’s business to perform the task or function that was accomplished.

If the hired party was in a business which supplied services similar to those that were performed, this factor would lean in the hired party’s favor. However, if that person was not in business at all, or was in a business but provided a service for the hiring party using a skill that is wholly unrelated to that which is regularly used in that person’s occupation, then this factor would weigh more heavily in the hiring party’s favor.

The “kind of occupation” factor refers to that of the hired individual. If the person who was hired is one who regularly performs that type of workmanship, this factor will generally hold for that party. In Reid, the Court pointed out that Reid was indeed a sculptor. What the Court did not add to this determination was whether or not, even though the hired party performed that particular type of workmanship, it was necessary for the hired individual to regularly or occasionally perform those services for a hiring party. Although Reid

76. Id. at 1551-52.
77. See id. at 1552.
78. 980 F.2d 857 (2d Cir. 1992).
79. Id. at 858-59.
80. Id. at 862.
81. See, e.g., M.G.B. Homes, Inc. v. Ameron Homes, Inc., 903 F.2d 1486, 1492 (11th Cir. 1990) (holding that it was part of the hired party’s business to provide skilled drafting services).
82. Id.
83. See Reid, 490 U.S. at 752.
84. Id.
was a sculptor, the Court never discussed whether or not it was his habit or custom to create a sculpture upon request.

The Skill Required in the Particular Occupation

The skill required in a particular occupation is an important factor in the work made for hire analysis. Where skill is required, "if the occupation is one which ordinarily is considered as . . . an incident of the business establishment of the employer, there is an inference that the actor is a servant."\(^85\) The skill that must be examined is that which is necessary to perform the work.\(^86\) Consequently, when the hired party is a skilled craftsman, that factor will weigh heavily in the hired person’s favor.\(^87\)

In *Marco*, the court addressed the skill required of a magazine photographer.\(^88\) In disagreeing with the district court’s decision that the photographer was not a skilled worker, the Third Circuit held that:

In this age of Polaroids and Handicams, the photography profession might not demand the expertise once required to create an image. Nonetheless, something beyond owning a camera is necessary to make photographs suitable for a trade journal. Accent, after all, did not hire Marco off the street; Accent hired him after seeing his portfolio. Accent’s own Art Director testified that “[Marco is] the person that makes the shot work technically . . . . That’s why I hire a photographer, I’m not a professional photographer, I’m an art director.”

Photographers, moreover, fall along a spectrum in their skills. Near one end fall the likes of Ansel Adams, recording the American landscape with an 8 x 10 view camera. Near the other falls an untrained clerk, snapping mug shots with an instamatic. Marco, with a degree in photography and ten years experience, falls somewhere in between. As a factual matter, Marco may not be skilled in the sense that Ansel Adams was skilled. From a legal perspective, however, Marco is certainly skilled in the sense that Reid, the sculptor in the *CCNV* case, was skilled.\(^89\)

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85. *Restatement (Second) of Agency* § 220(2) cmt. i (1958).
87. *Id.; see also Carter v. Helmsley-Spear, Inc.*, 852 F. Supp. 228, 234 (S.D.N.Y. 1994) (holding that artists and sculptors are “highly skilled occupations,” a fact which cuts against the employer).
89. *Id.* (citation omitted).
The *Marco* decision made it clear that the degree of skill in the art did not have to be one equal to a master in that field for this factor to be held in favor of the hired party.\(^90\) Rather, much like the Patent Law requirement of non-obviousness for an invention to be newly patented,\(^91\) the skill required appears to be that which is possessed by an individual who is of ordinary skill in the pertinent art.\(^92\)

The Supplier of Instrumentalities, Tools and Place of Work

An important inquiry is who is the owner of the tools and instrumentalities being used, as well as the place in which the work is actually performed.

The fact that a worker supplies his own tools is some evidence that he is not a servant. On the other hand, if the worker is using his employer's tools or instrumentalities, especially if they are of substantial value, it is normally understood that he will follow the directions of the owner in their use, and this indicates that the owner is the master. This fact is, however, only of evidential value.\(^93\)

In *Reid*, the sculptor supplied his own tools and used his own studio in which to complete the sculpture.\(^94\) This factor was indisputably held in Reid's favor.\(^95\) In *MacLean Associates, Inc. v. Wm. M. Mercer-Meidinger-Hansen, Inc.*,\(^96\) the question of ownership in a computer program was at issue.\(^97\) The Third Circuit, in remanding the district court's decision to grant a directed verdict to the hiring party, held that a question of fact for the jury was established, pointing out that, among other factors which held in the hired party's favor, the appellant "worked with his own software on his own computer at his own facility to complete the [hiring party's] obligation."\(^98\)

An example in which this factor would cut in favor of the employer is in a situation where a toy manufacturer employs an individ-

\(^{90}\) *Id.*


\(^{92}\) *See*, e.g., *Graham v. John Deere Co.*, 383 U.S. 1, 17 (1966) (enunciating this requirement for non-obviousness under the Patent Law).

\(^{93}\) *Restatement (Second) of Agency* § 220(2) cmt. k (1958).

\(^{94}\) *Id.*, 490 U.S. at 752.

\(^{95}\) *Id.*

\(^{96}\) 952 F.2d 769 (3d Cir. 1991).

\(^{97}\) *Id.* at 771-72.

\(^{98}\) *Id.* at 777; *see also* *Carter v. Helmsley-Spear, Inc.*, 852 F. Supp. 228, 234 (S.D.N.Y. 1994) (holding that plaintiffs' use of thousands of dollars of raw material for which they were not reimbursed to be a factor in favor of non-employee status).
ual to design a new remote controlled vehicle on the manufacturer’s premises. The employee uses the large construction and electrical equipment supplied to him by the toy manufacturer but supplies his own set of computer programs in helping to make certain design calculations. Here, although some of the hired party’s instrumentalities are his own, the totality of the evidence weighs heavier in the employer’s favor for this factor.

Length of Time of Employment & Method of Payment

The “length of time of employment” and “method of payment” factors tend to be somewhat intertwined and can be very important. “If the time of employment is short, . . . the job is more likely to be considered [the hired party’s] job than the job of the one employing him. This is especially true if payment is to be made by the job and not by the hour.”

In Reid, the sculptor was employed for the length of time that it took to complete the artwork, which was less than two months, a relatively short period of time. In addition, he was paid a set amount for the job in a set of installments, which is typical of an independent contractor relationship. Consequently, the combination of these two aspects tends to weigh in favor of a non-employee status. The court in Marco found that the existence of the relationship between the parties for a period of only six months without any regular schedule or regular hours was a poor indication of any actual employment relationship; whereas if the relationship was one in which the work was scheduled and periodic, or full time, this would be a more tantamount indication of employee status.

Whether Work is Part of the Employer’s Regular Business

Simply put, this factor addresses whether or not it was an ordinary business practice for the hiring party to employ the type of services supplied by the hired individual. When it is a customary practice to employ persons to complete that task, this factor would cut heavier in the hiring party’s favor.

100. Reid, 490 U.S. at 752-53.
101. Id. at 753 (citing Holt v. Winpisinger, 811 F.2d 1532, 1540 (D.C. Cir. 1987)). Reid was paid $15,000 for his work. Id.
In *MacLean Associates*, the Third Circuit held this factor in the computer programmer's favor because the hiring party's regular business was compensation consulting, further finding it obvious that the employer did not normally provide such software to its clients — the precise reason for which the program was designed.\(^{104}\)

The Parties' Beliefs

This factor, though given some consideration, is not overly important. "It is not determinative that the parties believe or disbelieve that the relation of master and servant exists, except insofar as such belief indicates an assumption of control by the one and submission to control by the other."\(^{105}\)

In *MacLean Associates*, the court stated that:

Nor does the district court's determination that [the appellant] was an apparent agent... survive scrutiny... [T]he central focus of the work for hire doctrine is upon the relationship between the person performing the work and the person paying him to perform the work... The fact that the [employer's client] thought that [appellant] was an employee... is of no moment.\(^{106}\)

In total, the belief by *both* of the parties that the person employed is a work for hire may be of some value.\(^{107}\) It also helps to determine the amount of control that the hiring party may exert over the hired individual.\(^{108}\) But where the parties' beliefs differ, this factor will generally not fall to one side or the other.\(^{109}\)

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104. *Id.; see also Reid*, 490 U.S. at 753 (stating that "[c]reating sculptures was hardly 'regular business' for CCNV" (citation omitted)); Carter v. Helmsley-Spear, Inc., 852 F. Supp. 228, 234 (S.D.N.Y. 1994) (finding that, since the hiring party was "not in the business of creating, marketing, or exploiting works of art or sculpture," this evidence favored the hired party).

105. *Restatement (Second) of Agency* § 220(2) cmt. m (1958).

106. *MacLean Assocs.*, 952 F.2d at 777-78 (emphasis added).

107. *Id.; see also Saenger Org., Inc. v. Nationwide Ins. Licensing Assocs.*, 864 F. Supp. 246, 248-49 (D. Mass. 1994) (relying on parties' beliefs in determining that hired party was acting within the scope of employment, enough to meet the irreparable harm prong of the test enunciated by the court for injunctive relief).

108. *Restatement (Second) of Agency* § 220(2) cmt. m (1958).

109. By nature of the "work made for hire" doctrine in a copyright infringement lawsuit, if the parties' beliefs did not differ, there would most likely be no dispute at all, since there would be no question of ownership.
Whether the Hiring Party is in Business

This factor is distinguishable from that discussed earlier concerning whether the work is part of the regular business of the employer in that it addresses whether that hiring party is actually in a business operation at all.

Although this factor will generally fall in the hiring party's favor, there have been occasions where it has not. For example, in *Reid*, CCNV was a charity organization and was "not a business at all." Consequently, this factor was resolved in Reid's favor. Another case which held that the hiring party was not in a distinct business was *Respect Inc. v. Committee On Status Of Women.* The court, in a contest over the ownership of the copyright in a text on sexual abstinence education, explained that the defendant was not "a business in the normal (or commercial) exercise of the term — clearly it did not have a history of employing persons like [the co-plaintiff] or of publishing textbooks, factors that would cut in its favor. Instead, rather uncommonly, [defendant] . . . regenerated itself because the opportunity arose to commission [the co-plaintiff]."

Hiring Party's Right to Assign Additional Projects to Hired Party

The availability of the hiring party's right to assign additional projects to the individual hired is a factor that, although not listed in the Restatement of Agency, is important and is one that has been addressed by numerous courts. This factor deals specifically with whether the hiring party could assign additional work without any further contractual negotiations or addenda.

In *Marco*, the Third Circuit held that the district court's failure to address this factor was improper. In this lawsuit over the copyright ownership of a freelance photographer's pictures, the court stated:

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110. See supra notes 103-04 and accompanying text.
111. Reid, 490 U.S. at 753.
113. Id. at 1118.
115. Marco, 969 F.2d at 1550-51.
116. Id. at 1551.
Although the district court considered Accent’s right to require Marco to reshoot unsatisfactory images, this right was merely a right to final approval, which differs from the right to assign more work. The record does not suggest that Accent could assign any more than one issue’s worth of photographs to Marco during any particular period.\textsuperscript{117}

Consequently, this factor weighed in favor of the photographer because the hiring party was unable to assign Marco any shoots, other than the one for which he was specifically hired.

Utilizing similar reasoning in Aymes, the Second Circuit held that the right the appellees had in assigning additional work to the appellant was “fairly strong evidence that [the appellant] was an employee, since independent contractors are typically hired only for particular projects.”\textsuperscript{118}

\textbf{Extent of Hiring Party’s Discretion Over When and How Long to Work}

This factor has also been relied upon by the courts and may weigh heavily in determining employment status for the purposes of copyright ownership in a work made for hire situation.\textsuperscript{119}

In Masson v. New Yorker Magazine, Inc.,\textsuperscript{120} the district court held that the writer of an article for New Yorker Magazine was the owner of the article’s copyright in a libel suit.\textsuperscript{121} One of the factors that was held to weigh in favor of non-employee status was that of the lack of opportunity for the magazine to control the hours and days for which the writer was to work.\textsuperscript{122} There, the writer was not required to be at the magazine’s office on any given day or at any given time.\textsuperscript{123} Similarly, the Marco court said that the hired party’s ability to work without any regular hours and without any regular schedule was further indication that the photographer was not an

\begin{footnotes}
\item[117] Id.
\item[118] Aymes, 980 F.2d at 863.
\item[119] See Reid, 490 U.S. at 753; Aymes, 980 F.2d at 863-64; Marco, 969 F.2d at 1550; MacLean Assocs., 952 F.2d at 777; M.G.B. Homes, Inc., 903 F.2d at 1492; Masson v. New Yorker Magazine, Inc., 832 F. Supp. 1350, 1375 (N.D. Cal. 1993).
\item[120] 832 F. Supp. 1350 (N.D. Cal. 1993).
\item[121] Id. at 1375. This case is odd in that the hiring party wanted to escape ownership of copyright under the “work made for hire” label in order to avoid liability under a libel suit. Id. at 1354-55 & n.3.
\item[122] Id. at 1375.
\item[123] Id.
\end{footnotes}
employee. The Marco decision also noted that the court below considered the imposition of a deadline for the required work; however, it ruled that deadlines in no way alter the independent contractor's discretion over work hours. As a result, the inability of an employer to determine the daily and hourly work schedule of a hired party is an indication that the hired party is an independent contractor rather than an employee.

The Hired Party's Role in Hiring and Paying Assistants

When the hired party has complete discretion in hiring and firing assistants and provides those assistants with monetary compensation out of her own pocket, this factor will weigh in favor of non-employee status. This was the case in Reid, since the sculptor had absolute discretion in the hiring and paying of any assistants that may have been necessary.

Employee Benefits & The Tax Treatment of the Hired Party

The receipt of, or providing for, employee benefits and the method of tax payment are two important factors in determining employee status and have been relied upon by most courts in work made for hire copyright ownership lawsuits.

These two factors, although discussed simultaneously here because of their somewhat rational interdependency, can be considered separately when they seemingly cut in favor of one party with regard to the first factor and in favor of the other party for the second con-

124. Marco, 969 F.2d at 1551; see also Carter v. Helmsley-Spear, Inc., 852 F. Supp. 228, 234 (S.D.N.Y. 1994) (holding this factor in favor of non-employment status since plaintiffs, although required to work a minimum number of hours on any given week, were also allowed to work additional hours and often did, in addition to having had access to the work premises twenty-four hours a day).
125. Marco, 969 F.2d at 1550.
126. See Reid, 490 U.S. at 753; M.G.B. Homes, Inc. v. Ameron Homes, Inc., 903 F.2d 1466, 1492 (11th Cir. 1990).
127. Reid, 490 U.S. at 753; see also Carter, 852 F. Supp. at 234 (holding that the plaintiffs' employing of unpaid assistants held in favor of non-employee status); M.G.B. Homes, Inc., 903 F.2d at 1492 (holding that the hired party's total discretion in the hiring and firing of employees without any interference by the hiring party to be a factor in the hired party's favor).
In *Respect Inc.*, the court noted the fact that the plaintiff had taxes withheld from her paycheck was not entirely indicative of commissioned status. Indeed, the plaintiff, “who did not receive employee benefits in the customary use of the term, explained without contradiction that parties who retained her to consult or lecture often withheld her taxes.” Accordingly, this factor weighed in favor of non-employee status.

In *Aymes*, the Second Circuit held that “[t]he failure . . . to extend Aymes any employment benefits or to pay any of his payroll taxes is highly indicative that Aymes was considered an outside independent contractor . . . .” The court proceeded to call this type of treatment of the hired individual a “virtual admission” that he was an independent contractor and not an employee under the doctrine. Also noted was that it would be an unfair practice if the hiring party was able to receive the benefit of both not having to provide benefits for the hired individual as well as not paying a percentage of that person’s payroll taxes, and then denying that person an independent contractor status merely for purposes of avoiding liability in a copyright infringement suit. It was these undisputed facts — a practice that was deliberately administered by the hiring party — that led the court to conclude that the defense of “work made for hire” in this copyright action was wholly unsubstantiated. Consequently, it is apparent that this factor is one of great importance in this expansive list.

129. See, e.g., *Respect Inc.*, 815 F. Supp. at 1118 (illustrating an example where no benefits were received, but where taxes were withheld).
130. Id.
131. Id.
133. *Aymes*, 980 F.2d at 862.
134. Id.
135. Id. at 862-63. Judge Altimari, writing for the Second Circuit, said that “[t]he importance of these two factors is underscored by the fact that every case since *Reid* that has applied the test has found the hired party to be an independent contractor where the hiring party failed to extend benefits or pay social security taxes.” Id. at 863 (citations omitted).
The Actual Control the Hiring Party Demonstrated
Over Details of the Work

This, the final of the sixteen factors considered under the work
made for hire doctrine when determining employee status, looks to
establish just how much control the hiring party actually demonstrated
over the work at issue. Although Justice Marshall never explicitly
enumerated this factor as being one of those to be addressed, he did
actually describe the circumstances surrounding what the outcome of
this factor would be had it been listed.\textsuperscript{136} He wrote that it was true
that "CCNV members directed enough of Reid's work to ensure that
he produced a sculpture that met their specifications. But the extent
of control the hiring party exercises over the details of the product is
not dispositive."\textsuperscript{137} Marshall added that this was the only factor
which could be held in favor of CCNV, and that all other factors
weighed heavily against finding an employment relationship.\textsuperscript{138}

The Third Circuit in Marco realized that, although this factor
was not explicitly written into the Reid decision's list of factors, it
was considered there and should be considered in future holdings.\textsuperscript{139}
The court said that this was one of only three factors considered by
the court below that would weigh in favor of an employment relation-
ship.\textsuperscript{140} It was admitted that "Accent exercised control over the de-
tails of the work" and that Accent specifically "supplied jewelry,
props, models, sketches intended to describe the exact composition of
the photographs, and, at some sessions, an Art Director. . . . More-
over, Accent controlled only the subject matter and composition of

\begin{itemize}
  \item \textsuperscript{136} Reid, 490 U.S. at 750.
  \item \textsuperscript{137} Id. (citation omitted).
  \item \textsuperscript{138} Id.
  \item \textsuperscript{139} Marco v. Accent Publishing Co., 969 F.2d 1547, 1550 & n.4 (3d Cir. 1992). The
      Marco court stated: "If indeed, courts should keep this factor in perspective, since it resembles
      the 'control of the product' test rejected by the Supreme Court in [Reid]." Id. at 1551 (cita-
      tions omitted). Remarkably, the Marco court was not alone, nor was it the first court, to
      address the actual control factor in making a decision under the work made for hire doctrine.
      In M.G.B. Homes, Inc., the Eleventh Circuit held that, although there was control and direc-
      tion exercised over the finished product, a set of architectural drawings, all other circumstan-
      ces militated against a finding that the drawings were done as a work made for hire. M.G.B.
      Homes, Inc. v. Ameron Homes, Inc., 903 F.2d 1486, 1492 (11th Cir. 1990); see also Carter
      apparently had complete artistic freedom to create the Work, and were not given any artistic
      direction by the Partnerships. This unfettered artistic freedom is uncharacteristic of an em-
      ployer-employee relationship.").
  \item \textsuperscript{140} Marco, 969 F.2d at 1551.
\end{itemize}
the images.”141 In further comparing the case at bar to the earlier Supreme Court decision, the court added that “Accent’s control of the product was thus no greater than the control exercised by the charity in CCNV . . . and who was still not an employer.”142 So, whereas the Marco court started off describing what seemed to be a factor in favor of employee status, it determined that the actual control exhibited by the hiring party was limited and still not enough to finally decide in favor of Accent under this condition.143 As a result, the actual control demonstrated by the hiring party may be an important factor upon which future decisions are based.

V. WEIGHING THE FACTORS

A. NO ONE FACTOR IS DETERMINATIVE

It has been established that, as set forth by the Supreme Court in Reid and as later modified by further lower court decisions, there are a number of factors to be addressed. The question remains, however, as to what number of factors in one party’s favor determine who wins a contest over copyright ownership when the issue is whether the work, when made, was a work made for hire. Furthermore, in the alternative, is there one factor that is so overwhelmingly dispositive, that when a party has convincingly proven that that factor is to be held in that party’s favor, the determination of whether the hired party is an employee under the work made for hire doctrine is no longer a question of fact but rather a matter of law? The answers to these questions are not so abundantly clear.

Justice Marshall, in the Reid decision, never accounted for the weighing of each of the factors.144 As a matter of fact, there is no mention of the weight of any of the factors at all. However, there is one conclusion that many court decisions regarding this matter appear to agree upon: no one factor is determinative.145 What this means is

141. Id.
142. Id. at 1552 (emphasis in original).
143. Id. at 1551-52.
144. This observation was correctly pointed out by Judge Altimari in Aymes v. Bonelli, 980 F.2d 857, 861 (2d Cir. 1992), and is the subject of the following subsection.
145. See Reid, 490 U.S. at 752 (citations omitted); Forward v. Thorogood, 985 F.2d 604, 606 (1st Cir. 1993) (holding that the lack of compensation was not a decisive fact); Aymes v. Bonelli, 980 F.2d 857, 861 (2d Cir. 1992); Carter v. Helmsley-Spear, Inc., 852 F. Supp. 228, 234 (S.D.N.Y. 1994); Merchant v. Lymon, 828 F. Supp. 1048, 1058 (S.D.N.Y. 1993), modified on other grounds, 848 F. Supp. 29 (1994); Respect Inc. v. Committee On Status of
that there is no one factor that will automatically lead to a decision of whether a hired party is an employee or an independent contractor. As was eloquently set forth by the court in Merchant v. Lymon, "[s]everal factors, no single one of which is determinative, are to be weighed in determining whether the work was created by an employee or an independent contractor."

B. Weighing the Factors

1. Aymes v. Bonelli

In December 1992, the Aymes v. Bonelli decision was handed down by the Second Circuit. A summary of the facts are as follows: a computer programmer, Clifford Scott Aymes ("Aymes"), brought an action for copyright infringement against Jonathan Bonelli, who was doing business as Island Swimming Sales ("Island"). Island was a corporation that operated a chain of retail swimming pool and swimming related equipment stores for whom Aymes had created a series of software programs called "CSALIB," which was used to maintain inventory, purchasing and transaction records. In 1982, Aymes left Island and three years later registered CSALIB with the United States Copyright Office after Bonelli refused to compensate him for the program's multi-site use. Aymes then filed suit for copyright infringement and lost, the district court finding that the program was a "work made for hire" and that Aymes was an employee under the Copyright Act of 1976.

In reversing the district court, the Second Circuit's opinion centered around the holdings in the Reid case, and held that Aymes was not an employee within the purview of the Act and the "work made for hire" doctrine. Additionally, the court noted that, although the factors set forth by the Reid case were those to be ad-

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147. Id. at 1058 (citing Reid, 490 U.S. at 751-52).
148. 980 F.2d 857 (2d Cir. 1992).
149. Id. at 858.
150. Id. at 859.
151. Id.
153. Aymes, 980 F.2d at 858-64.
154. Id. at 864.
dressed, unfortunately Justice Marshall never explained how much weight should be accorded each factor in the *Reid* decision.\footnote{Id. at 861.}

2. Method of Determining the Weight to Accord Each Factor

Judge Altimari, writing the decision for the Second Circuit, explained that:

We begin our analysis by noting that the *Reid* test can be easily misapplied, since it consists merely of a list of possible considerations that may or may not be relevant in a given case. *Reid* established that no one factor was dispositive, but gave no direction concerning how the factors were to be weighed. It does not necessarily follow that because no one factor is dispositive all factors are equally important, or indeed that all factors will have relevance in every case.\footnote{Id.}

The Second Circuit held not only that all factors may or may not have different weight in the determination of employee status under the work made for hire doctrine, but also said that some of the factors that were applied in the *Reid* test may not apply to a court’s decision at all.\footnote{Id.} Furthermore, Judge Altimari added, "[t]he factors should not merely be tallied but should be weighed according to their significance in the case. . . . Some factors, therefore, will often have little or no significance in determining whether a party is an independent contractor or an employee."\footnote{Id.} The United States District Court for the Northern District of Illinois agreed with the decision in *Aymes*, explaining that the Second Circuit "also sought to structure a kind of weighted approach under which . . . some factors are more equal than others. For purposes of this opinion it is unnecessary to decide whether that gloss should be superimposed on what the ulti-
mate authority — the Supreme Court — has said in [Reid].”  

It should be emphasized that, because of their significance in virtually every situation, there are some factors which will undoubtedly be addressed in all cases that arise when the employee status of a hired individual is at issue. “These include: (1) the hiring party’s right to control the manner and means of creation; (2) the skill required; (3) the provision of employee benefits; (4) the tax treatment of the hired party; and (5) whether the hiring party has the right to assign additional projects to the hired party.”  

Because of their universal application, the Second Circuit reasoned, these factors should be given a greater deal of weight in the analysis, “because they will usually be highly probative of the true nature of the employment relationship.”  

The Aymes court was quick to realize that, although the Reid decision had been handed down two years prior, the test set forth by the Supreme Court had not yet received widespread application. It further recognized that other courts had adopted the Reid analysis and attempted some form of weighted approach by only addressing those factors that would be significant under the facts of their cases. However, there is no indication that any of the other courts have

159. Respect Inc. v. Committee On Status Of Women, 815 F. Supp. 1112, 1118 n.11 (N.D. Ill. 1993). Senior District Judge Shadur admittedly took the phrase, “some factors are more equal than others,” from George Orwell’s ANIMAL FARM. Id.  
160. Aymes, 980 F.2d at 861.  
161. Id.  
162. Id.  
163. Id. at 860-64.  
164. Id. In support of this proposition, the Aymes court cited to: Marco v. Accent Publishing Co., 969 F.2d 1547 (3d Cir. 1992) (holding that a photographer was an independent contractor while ignoring some factors and noting that some were ‘indeterminate’ and should not be considered); MacLean Assocs., Inc. v. Wm. M. Mercer-Meldinger-Hansen, Inc., 952 F.2d 769 (3d Cir. 1991) (in appeal from a directed verdict for hiring party, holding that a computer programmer could be an independent contractor without addressing several of the Reid factors); M.G.B. Homes, Inc. v. Ameron Homes, Inc. 903 F.2d 1486 (11th Cir. 1990) (finding that a drafting service operated as an independent contractor to a builder based on only eight factors, ignoring others); Johanssen v. Brown, 797 F. Supp. 835 (D. Or. 1992) (finding that an artist/printer is a graphic designer based on several factors, ignoring others); Kunycia v. Melville Realty Co., 755 F. Supp. 566 (S.D.N.Y. 1990) (finding an architect to be an independent contractor on the basis of only four factors, ignoring others); Kelstall-Whitney v. Mahar, No. 89 Civ. 4684, 1990 WL 69013, 1990 U.S. Dist. LEXIS 6186 (E.D. Pa. May 23, 1990) (finding that a computer programmer was an independent contractor based on only a few factors, ignoring others).
utilized a weight system that addresses the level of significance a factor would hold if indeed it applied to the case at bar. Judge Altimari was concerned with the district court's over-emphasis of indeterminate and, thus, irrelevant factors having little or no bearing on the Aymes case.\textsuperscript{165}

After addressing the five factors that Judge Altimari considered to be significant in virtually every situation,\textsuperscript{166} the court concluded that Aymes held favor as an independent contractor in three of these important categories.\textsuperscript{167} In analyzing the remaining factors, the court resolved to address them individually, in accordance with their relative importance in the determination, even though they were admittedly relatively insignificant or negligible in weight because of either their indeterminateness or inapplicability to the facts of the Aymes case.\textsuperscript{168} However, they were addressed anyway to show just why they were relatively insignificant.\textsuperscript{169}

The "method of payment" factor, though fairly important, was considered indeterminate because of evidence that was supportive of both sides.\textsuperscript{170} Aymes had been paid hourly wages at times, and at other times a flat fee.\textsuperscript{171} This dual payment method made it impossible for the court of appeals to conclude for one side or the other.\textsuperscript{172} "Whether the work [was] Island's regular business" was a factor that was held in Aymes's favor by the court of appeals after overruling the erroneous finding by the court below.\textsuperscript{173} However, the factor was considered inconsequential in evaluating the claim that the work was made for hire since — even though it was not a regular part of Island's business to have computer programming performed for it — most companies hire support personnel, like Aymes, to help maintain

\textsuperscript{165} Aymes v. Bonelli, 980 F.2d 857, 861 (2d Cir. 1992).

\textsuperscript{166} See supra text accompanying notes 160-61.

\textsuperscript{167} Aymes, 980 F.2d at 862-63.

\textsuperscript{168} Id. at 863.

\textsuperscript{169} Id.

\textsuperscript{170} Id.

\textsuperscript{171} Id.

\textsuperscript{172} Id.

\textsuperscript{173} Id. The Second Circuit held that:

[\textsuperscript{174} the district court misinterpreted the category, and its finding is, therefore, erroneous. The purpose of this factor is to determine whether the hired party is performing tasks that directly relate to the objective of the hiring party's business. . . . Because Island Swimming is involved in the business of selling swimming pools, however, Aymes's programming was not done in the company's regular business.

\textsuperscript{175} Id.\textsuperscript{174}
their regular business. Another indeterminate factor was the "duration of the relationship" since, although the relationship lasted for a period of over two years, there were undisputed gaps in that period of time indicating non-full-time status, as well as periodic work relationships with others. Thus, although this factor was held in favor of Island, it carried only little weight. Moreover, the "authority to hire assistants" category was meaningless in this situation since the hired party was not in need of any to complete this function.

After scrutinizing these factors, both the significant and insignificant ones, the Second Circuit held that Island's contention that Aymes was an employee held strong under only one of the major categories, and only slightly under another, with the other three holding strongly in favor of independent contractor status. The other factors, those of negligible importance, could not "outweigh the significance [attached] to Island's choice to treat Aymes as an independent contractor when it was to Island's financial benefit. . . . [T]he company must still adhere to the choice it made." Consequently, the application of the test, as set forth in Reid, required that the court find Aymes to be an independent contractor when he created CSALIB for Island.

Judge Altimari, in Aymes, created a somewhat structured approach in the determination of the weight of the applicable factors when ascertaining the status of a hired party in a copyright infringement action based upon the "work made for hire" doctrine of the Copyright Act of 1976. First, address the five factors that are considered most significant in virtually every case. Second, address those factors that remain which demonstrate any relative importance to the specific facts of the case. Third, address the remaining factors that

174. Id.
175. The court found two years to be enough to be considered "a long period of time." Id. at 864.
176. Id.
177. Id.
178. Id. Other factors addressed but found to be similarly indeterminate or insignificant were: whether Island was in business; the discretion over when and how long to work; the location of the work; and the source of the equipment. Id. at 863-64.
179. Id. at 864. The factor found to hold strongly in Island's favor was that it did demonstrate a convincing right to control over the work. The factor that held only slightly in Island's favor was the right to assign additional projects. The other three — the level of skill, the provision of benefits, and the tax treatment of Aymes — held conclusively in favor of non-employee status. Id.
180. Id.
181. Id.
have little significance, but may fall to one side or the other. Fourth, discard those factors which have no significance at all in light of the facts of the case. Through this approach, an informed decision can be made.182

VI. THE MISLEADING LABELS

A. WHEN HIRED AS AN “EMPLOYEE”

It was discussed earlier that the parties’ beliefs as to their relationship is a factor to be considered, but it is not dispositive, nor may it be of considerable importance.183 It inherently follows that, when an individual is expressly hired as an “employee,” it does not automatically make the hired individual an “employee,” especially one for purposes of copyright ownership within the scope of the “work made for hire” doctrine of the Copyright Act of 1976.184

Similarly, if the hired party holds himself out as an employee of the hiring party to a third party, it does not necessarily make him an “employee” for the purposes of the Act.185 In MacLean Associates, the Third Circuit stated:

Nor does the district court’s determination that Mr. MacLean was an apparent agent of Mercer at the time he wrote [the software program] survive scrutiny. There is no doubt that Mr. MacLean, with Mercer’s permission, held himself out to the NYSE as a Mercer employee even after he left the company. Under the Supreme Court’s decision in Reid and the language of the Copyright Act, however, the central focus of the work for hire doctrine is upon the relationship between the person performing the work and the person

182. See Respect Inc. v. Committee On Status of Women, 815 F. Supp. 1112, 1117-18 (N.D. Ill. 1993) (agreeing with Aymes in that a weighted approach, as opposed to a mere tallying of the factors, is a more appropriate method).

183. See supra text accompanying notes 105-09.

184. See Marco v. Accent Publishing Co., 969 F.2d 1547, 1548 n.1 (3d Cir. 1992) (holding that the district court erroneously “bootstrapped” the term “staff photographer” as a synonym for the term “employee,” by converting a finding into a legal conclusion: “Marco was not an independent contractor, but was hired as the staff photographer for the magazine”) (citation omitted); accord MacLean Assocs., Inc. v. Wm. M. Mercer-Meidinger-Hansen, Inc., 952 F.2d 769, 777-78 (3d Cir. 1991).

185. MacLean Assocs., 952 F.2d at 777-78. Here, the creator of a software program, Barry MacLean, for Wm. M. Mercer-Meidinger-Hansen, Inc. (“Mercer”), designed the program for use by a third party, the New York Stock Exchange (“NYSE”). Id. at 773. MacLean, after terminating his relationship with Mercer, continued to solicit business from the NYSE. Id.
paying him to perform the work. Here, Mr. MacLean performed the work, and Mercer paid him to perform the work. The fact that the NYSE thought that Mr. MacLean was an employee of Mercer at the relevant time is of no moment. Mercer, the party who seeks to invoke the work for hire doctrine, was aware of the true nature of its relationship with Mr. MacLean at all times. Mercer is not a third party who was fooled in any way by Mr. MacLean's representations to the NYSE.186

This ruling emphasizes the fact that the party's belief may be of no consequence at all. Here, all three of the parties — the hired individual, the hiring party, and a third party for whom the hiring party was doing business — all believed, at the time, that Mr. MacLean was an agent for Mercer.187 However, the court still concluded that, after considering the belief of the parties and the reasons for which he was hired, "[h]e may or may not be an agent."188

B. WHEN THE WORK IS DESIGNATED AS A "WORK MADE FOR HIRE"

When applying for a copyright through the Copyright Office, you are required to indicate, in your application, whether the work sought to be registered for copyright was made as a work for hire.189 However, merely checking the "Work Made For Hire" box on the application does not suffice as being dispositive proof that it was such.190 In *Relational Design & Technology, Inc. v. Data Team Corp.*,191 the defendants hired the plaintiff to modify an existing computer program to compensate for DTC's needs in a dental office management system.192 The court, in denying summary judgment for DTC, stated that "the [copyright registration] certificate does not, as defendants contend, conclusively determine that RDT completed the dental management program as a work-made-for-hire."193

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186. Id. at 777-78.
187. Id.
188. Id. at 778 (quoting the RESTATEMENT (SECOND) OF AGENCY § 2(3) (1958)).
192. Id. at *1.
193. Id. at *3.
The converse will also hold true. In *Frost Belt International Recording Enterprises, Inc. v. Cold Chillin' Records*, a motion was made to set aside a default judgment order in favor of the plaintiff for copyright infringement of a song entitled "A Girl Named Kim." Since, as the court pointed out, there was a contractual agreement that the exclusive copyright ownership of all master recordings made by the defendant were to be granted to the plaintiff, the distribution of the phonorecords were exclusively held by the contractually determined copyright owners. In a footnote, however, the court added that they rejected the plaintiff's contention that the Copyright Registration Certificate itself was determinative that "A Girl Named Kim" was not a work made for hire simply because the plaintiff checked off the box on the certificate indicating that the work was "not made for hire." 

One thing that the indication of a "work made for hire" on the Copyright Registration Certificate does provide is that the application will serve as prima facie evidence that it was or was not a "work made for hire." However, a court cannot grant summary judgment as a matter of law on this basis alone if factual questions remain which may or may not alter that determination. Once the prima facie case has been established by demonstrating that the work in question was registered at the Copyright Office as a "work made for hire" or "not made for hire," the opposing party has the burden of overcoming the presumption of validity which that certification holds.

195. Id. at 132-33.
196. Id. at 137.
197. Id. at 137 n.12.
VII. THE OTHER TEST

A. SPECIALLY ORDERED OR COMMISSIONED WORKS

Although this discussion has been primarily concerned with the definitional approach to the term "employee" under the first of the two subsections of the "work made for hire" doctrine of the Copyright Act of 1976, some attention should be given to the second means by which a work made for hire may be procured. This second definition of the work made for hire doctrine reads:

(2) a work specially ordered or commissioned for use as a contribution to a collective work, as a part of a motion picture or other audiovisual work, as a translation, as a supplementary work, as a compilation, as an instructional text, as a test, as answer material for a test, or as an atlas, if the parties expressly agree in a written instrument signed by them that the work shall be considered a work made for hire.

This subsection provides for an alternate method by which a hiring party can obtain the copyright ownership in a "specially ordered or commissioned" work without having to rely on the criteria discussed in the earlier part of this text.

B. THE REQUIREMENTS UNDER § 101(2)

1. The Nine Enumerated Categories

Under § 101(2), it must first be realized that "not every work prepared by an independent contractor on special order or commission is considered the equivalent of a work made for hire." Before any work can be considered under this subsection of the work made for

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202. 17 U.S.C. § 101(2) (1988). The Act defines a "supplementary work" as a work prepared for publication as a secondary adjunct to a work by another author for the purpose of introducing, concluding, illustrating, explaining, revising, commenting upon, or assisting in the use of the other work, such as forewords, afterwards, pictorial illustrations, maps, charts, tables, editorial notes, musical arrangements, answer material for tests, bibliographies, appendixes, and indexes, and an "instructional text" is a literary, pictorial, or graphic work prepared for publication and with the purpose of use in systematic instructional activities.

Id.
203. 1 MELVILLE B. NIMMER & DAVID NIMMER, NIMMER ON COPYRIGHT § 5.03[B][2][a], at 5-36 (1994) (citations omitted).
hire doctrine, it must qualify as one of the nine enumerated categories specifically listed in the Act. 204 Otherwise, the specially ordered or commissioned work will not qualify under the doctrine. 205

In *Reid*, there was no need for the Supreme Court to address this issue because, as Justice Marshall pointed out, there was no claim by the petitioners "that the statue satisfies the terms of §101(2). Quite clearly, it does not. Sculpture does not fit within any of the nine categories of 'specially ordered or commissioned' works enumerated in that subsection . . ." 206

2. The Requirement of a Written Instrument

In addition to the requirement that the work be specially ordered or commissioned under one of the nine enumerated categories specified in that subsection, 207 it must also be accompanied by a signed writing providing that the procured work be designated a work made for hire under the copyright ownership of the hiring party. 208 However, it must be noted that, "[i]f alternatively, the work is prepared by an employee within the scope of his employment, no such writing is required in order to constitute the work one 'made for hire.'" 209

Conversely, "in order to render a commissioned work into one made for hire, a written instrument is a necessary but not a sufficient condition," as it still must be one of the nine enumerated categories. 210 For instance, a signed contract between two parties agreeing to render the copyright of a specially ordered architectural work to the hiring party is not sufficient alone. 211

204. *See supra* note 202 and accompanying text.
206. *Reid*, 490 U.S. at 738; *see also* *Schmidt v. Holy Cross Cemetery, Inc.*, No. 92-2436-JWL, 1993 WL 512414, at *3 (D. Kan. Nov. 2, 1993) (holding that a plat for a cemetery is a "specially ordered or commissioned" work under the work made for hire doctrine).
207. *See supra* notes 202-06 and accompanying text.
208. *See Rubloff Inc. v. Donahue*, No. 93 C 0457, 1994 WL 161098, at *2 (N.D. Ill. Apr. 11, 1994) (holding a signed agreement to be a "necessary prerequisite"); *Frost Belt Int'l Recording Enters., Inc. v. Cold Chillin' Records*, 758 F. Supp. 131 (S.D.N.Y. 1990) (holding that a phonorecord was a work made for hire because a written agreement was signed by the parties rendering the copyright ownership of all Master Recordings by the defendant to the plaintiff).
209. 1 *MELVILLE B. NIMMER & DAVID NIMMER, NIMMER ON COPYRIGHT* § 5.03[B][2][b], at 5-39 (1994).
210. 1 *id.*
211. *See May v. Morganelli-Heumann & Assocs.*, 618 F.2d 1363 (9th Cir. 1980).
Finally, the written instrument has to be signed by both parties in order for it to be valid. In Schiller & Schmidt, Inc. v. Nordisco Corp., the question of whether the photographs taken for an office supply catalogue were a work made for hire was at issue. The court, in denying the legal conclusion that the work was made for hire since the written document accompanying the agreement was one for a specially ordered or commissioned work not signed by both parties, said that “[t]he statutory language is ‘signed by them,’ . . . that is, by both parties, and it means what it says.”

VIII. 1909 COPYRIGHT ACT

Although the Copyright Act of 1976 was a comprehensive revision of the 1909 Act, all those works which were created prior to the implementation of the later Act are still subject to the earlier Act’s laws. As such, a short discussion of the recent treatment of the “work made for hire” doctrine under the 1909 Act is warranted.

As discussed earlier, the only provision for a work made for hire under the 1909 Act was a single clause in one section explaining that “the word ‘author’ shall include an employer in the case of works made for hire.” The courts, who were left the task of defining the terms “employer” and “author,” concluded that the

212. 969 F.2d 410 (7th Cir. 1992).
213. Id. at 411.
214. Id. at 412 (citing 17 U.S.C. § 101(2) (1988); Paul Goldstein, Copyright: Principles Law and Practice, § 4.3.2.2, at 405 & n.54 (1989)); see also Rubloff Inc. v. Donahue, No. 93 C 0457, 1994 WL 161098, at *2 (N.D. Ill. Apr. 11, 1994) (quoting Schiller & Schmidt for the same proposition and denying relief under this argument for the lack of a signature by one of the parties); Miller v. CP Chems., Inc., 808 F. Supp. 1238, 1244 (D.S.C. 1992) (holding that section 201 of the 1976 Act, “places the burden on the employee to show the existence of a writing granting the employee the copyright in any work for hire,” and that “[c]ourts have also found that unwritten understandings or writings not containing the signatures of both parties are insufficient to rebut the statutory presumption”).
217. See supra text accompanying notes 10-14.
219. Interestingly, Congress again failed to define these terms in the current Act, leaving room for different interpretations by the courts.
work for hire doctrine applied only to those works made by employees in the regular course of their employment. Commissioned works were generally presumed to have been impliedly conveyed to the hiring party, along with its copyright ownership. Additionally, "during the last dozen years of the 1909 Act, the courts expanded the definition of 'employer' to include a hiring party who had the right to control or supervise the artist's work." 

In 1991, the Ninth Circuit was called upon to decide, in *Law Enforcement Training and Research Associates ("LETRA") v. City of San Francisco*, whether the district court below erred in granting a summary judgment dismissal of the plaintiff's copyright infringement claim against the defendant. The court said that, "under the 1909 Act, two considerations are necessary: (1) whether the work in question was created within the scope of an employment relationship; and (2) if so, whether the parties intended that the copyright in the work vest in the employee." For the "within in the scope of an employment relationship" prong, the court, in reversing and remanding the summary judgment decision based upon the existence of genuine issues of material fact, first pointed out that there was no evidence in the record that indicated that the Manual was developed at the request of the defendant. Second, reference was made to the expenses incurred by the opposing parties. Third, the court looked at whether the defendant exercised actual control and had the right to control the development of the work. Finally, it was noted that the plaintiff had exploited the use of the Manual for several years without any proprietary interference by the defendant. The second prong of the two-pronged test was never fully addressed because, as

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220. *Reid*, 490 U.S. at 744.
221. *Id.* (citations omitted).
222. 1 *MELVILLE B. NIMMER & DAVID NIMMER, NIMMER ON COPYRIGHT*, ¶ 5.03[B][1][a][i], at 5-13 (1994) (citations omitted).
224. *Id.* at *1. Here, the work at issue was a "Manual" used by the Richmond Police Department. The Ninth Circuit has indicated that the holding in this case should have no precedential value, but for purposes of this article, it serves as a relevant basis for an introduction to the courts' recent treatment of the work made for hire doctrine under the Copyright Act of 1909.
225. *Id.* (citing *May v. Morganelli-Heumann & Assocs.*, 618 F.2d 1363, 1368-69 (9th Cir. 1980)).
226. *Id.*
227. *Id.*
228. *Id.*
229. *Id.*
the Ninth Circuit pointed out, the district court below erroneously concluded that the question of the intention of the parties concerning the ownership of the work’s copyright was only “collateral and [had] no bearing on the dispositive issue of whether the Manual was a work-for-hire.”

In 1993, the First Circuit, in *Forward v. Thorogood*, affirmed the district court’s decision to enjoin the appellant from making commercial use of the tapes he owned which carried recordings of the appellee’s band. The district court applied, at the appellant’s request, the “instance and expense” test to determine the intentions of the parties and found that the evidence did not support a holding in his favor. The First Circuit held that the trial judge’s decision was amply supported by the evidence, noting “Forward was a fan and friend who fostered this effort, not the Archbishop of Saltzburg commissioning works by Mozart.”

Later in 1993 the Southern District of New York was called upon to decide two cases in which the issue was raised whether a work fell under the work made for hire doctrine pursuant to the 1909 Copyright Act. The first of these was *Merchant v. Lymon*, in which a declaratory judgment was sought as to the copyright ownership of the popular song “Why Do Fools Fall in Love?” As in *LETRA*, the court used a two prong test to decide if the work was made for hire: (1) whether the creator was an employee and (2) whether the parties intended that the work vest in the employee. For the question of whether the creator was an employee, the court, interestingly, applied the factored test as set forth in *Reid* and subsequent cases. It addressed “[s]everal factors, no single one of which is determinative, . . . to be weighed in determining whether the work was created by an employee or an independent contractor.”

The second holding came in *Playboy Enterprises, Inc. v.*

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230. *Id.* at *2.
231. 985 F.2d 604 (1st Cir. 1993).
233. *Forward*, 985 F.2d at 606.
234. *Id.*
236. *Merchant*, 828 F. Supp. at 1057-58. Here the question was whether the parties actually agreed to joint ownership. *Id.* at 1056.
237. *Id.* at 1058 (citations omitted).
Dumas, where the court was called upon to decide whether Jennifer Dumas owned the copyright to Patrick Nagel’s drawings. Here, as in Forward v. Thorogood, the court applied an “instance and expense test” to determine whether the parties intended the copyright to be held by the hiring party, once again discussing factors very similar to those set forth in Reid and other “work made for hire” decisions under the 1976 Act.

So, whereas the two-pronged test has been applied in recent years in determining the copyright ownership of articles when invoking the work made for hire doctrine under the Copyright Act of 1909, some consideration has been given to those factors addressed by the courts to similar works made after the inception of the 1976 Act. This provides a fascinating, yet current, approach to the work made for hire doctrine as applied to items copyrighted prior to January 1, 1978.

IX. CONCLUSION

The employer-employee relationship necessary to invoke the “work made for hire” doctrine under the Copyright Act of 1976 when there is no formal structure between the parties, though discussed in depth by the Supreme Court in Community for Creative Non-Violence v. Reid, was not sufficient to properly adjudicate such a matter when determining copyright ownership. The list of factors supplied by the Court was not wholly expansive, nor was it supplied in such a fashion as to accurately decide the weight to accord each factor. Indeed, the Court never proposed a weighted approach of any kind.

The holding in Marco v. Accent Publishing Co., expanded the list of factors to include those characteristics omitted from the Supreme Court’s decision but essential for “work made for hire” adjudication. Additionally, this and other federal courts’ decisions have helped to define the factors in a manner that makes it easier to allocate them among the parties. Most importantly, the decision in Aymes v. Bonelli provided a more structured approach by formulating a method of weighing these factors on a case-by-case basis. Through

239. Id. Jennifer Dumas (“Dumas”) is Patrick Nagel’s widow. Dumas was also party to another lawsuit in which she claimed copyright ownership to her late husband’s works under the work made for hire doctrine. See Dumas v. Gommerman, 865 F.2d 1093 (9th Cir. 1989); see also supra note 37.
the additional precedent set by these holdings, an informed decision can be made under the “work made for hire” doctrine as to ascertain a work’s correct copyright ownership.

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