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UNITED STATES DISTRICT COURT

NORTHERN DISTRICT OF CALIFORNIA

OAKLAND DIVISION

ORACLE USA, INC., et al.,

Plaintiffs,

v.

SAP AG, et al.,

Defendants.

Case No. 07-CV-1658 PJH (EDL)

DEFENDANTS' OPPOSITION TO PLAINTIFFS' MOTION PURSUANT TO 17 U.S.C. § 410(c) THAT EVIDENTIARY PRESUMPTION APPLY TO SIX COPYRIGHT REGISTRATIONS

Date: September 30, 2010
Time: 2:30 p.m.
Courtroom: 3, 3rd Floor
Judge: Hon. Phyllis J. Hamilton

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I. INTRODUCTION

The six copyright registrations at issue in Plaintiffs' motion were not timely filed and are not entitled to the presumption of validity afforded by 17 U.S.C. § 410(c). Plaintiffs ask the Court to assign presumptive weight to the untimely registrations to alleviate Plaintiffs' burden to affirmatively prove ownership of valid copyrights in the six works at issue—a burden occasioned by Plaintiffs' own delay in registering the copyrights. The Court should deny Plaintiffs' motion and instead accord the six registrations no evidentiary weight for three reasons.

First, the deposition testimony of Plaintiffs' corporate representative raises serious questions about the accuracy of information contained in the late-filed registrations; in such situations, courts apply little to no weight to registration certificates, requiring that plaintiffs prove ownership in a valid copyright through extrinsic evidence that can be weighed and evaluated by the fact-finder.

Second, the evidence that Plaintiffs offer to corroborate the claims of ownership and authorship set forth in the late-obtained registration certificates does not warrant applying presumptive weight to those certificates. Not only does this evidence fail to corroborate the questionable information in the certificates, but it is equivocal at best and requires the Court to engage in time-consuming and unnecessary weighing of the evidence.

Finally, denying Plaintiffs' motion comports with equity and the legislature's goal of encouraging timely registration. It is entirely just that Plaintiffs' strategic and voluntary delay in registering the six copyrights results in denying the statutory presumption of validity.

II. COURTS ACCORD LITTLE OR NO EVIDENTIARY WEIGHT TO UNTIMELY AND POTENTIALLY INACCURATE REGISTRATIONS

Although courts have discretion to determine the evidentiary weight to be accorded late-obtained registration certificates, many find that delay in registration alone justifies according the late-issuing certificate no evidentiary weight. Where evidence calls into question the accuracy of statements made in an untimely registration, courts routinely assign little to no weight.

A. Courts Have Discretion to Determine the Weight of Late-Filed Registrations.

To prevail in a copyright infringement action, a plaintiff must prove ownership of a valid

copyright. *See Feist Publ'ns, Inc. v. Rural Tel. Serv. Co.*, 499 U.S. 340, 361 (1991). The Copyright Act of 1976 ("Copyright Act") provides that a certificate of registration obtained within five years of first publication of the work "constitute[s] prima facie evidence of the validity of the copyright and of the facts stated in the certificate." 17 U.S.C. § 410(c). Where a work is registered more than five years after first publication, the presumption of copyright validity does not apply; rather, "[t]he evidentiary weight to be accorded the certificate of registration . . . shall be within discretion of the court." *Id.*; *see also Johnson v. Tuff N Rumble Mgmt., Inc.*, No. Civ.A. 99-1374, 2000 WL 622612, at *4 (E.D. La. May 15, 2000) (holding that statutory presumption of validity did not apply to certificates of registration obtained 28 years after first publication of work). If a court decides not to afford the registration certificate the weight of prima facie evidence, "then plaintiff bears the burden of demonstrating" ownership of a valid copyright through other evidence. *Gallup, Inc. v. Talentpoint, Inc.*, No. CIV.A. 00-5523, 2001 WL 1450592, at *8 (E.D. Pa. Nov. 13, 2001) (finding that, where presumption of validity did not apply, plaintiff did not carry its burden to prove that survey was original); *see also AAA Flag & Banner Mfg., Co. v. Flynn Signs and Graphics, Inc.*, No. CV09-02053 ODW (VKBx), 2010 WL 1752177, at *2 (C.D. Cal. Apr. 28, 2010) (holding that, where presumption did not apply, plaintiff had not proven existence of a valid copyright); *Tuff 'N' Rumble Mgmt., Inc. v. Profile Records, Inc.*, No. 95 Civ. 0246 (SHS), 1997 WL 158364, at *3 (S.D.N.Y. Apr. 2, 1997) (holding that, where presumption did not apply, plaintiff did not carry its burden to prove it owned a valid copyright, as plaintiff did not know who owned the original copyright and could not explain why the copyright notice on the work identified a third party as the owner).

B. <u>Courts Assign Late-Filed Registrations Little or No Evidentiary Weight Based on Delay Alone.</u>

Courts routinely discount the evidentiary value of registration certificates obtained more than five years after first publication. *See Kling v. Hallmark Cards Inc.*, 225 F.3d 1030, 1035 n.2 (9th Cir. 2000) (noting district court's decision "to give the [registration] certifications no weight whatsoever" after finding works not entitled to presumption of validity because plaintiff applied for registration 12 years after first publication); *Sem-Torq, Inc. v. K Mart Corp.*, 936 F.2d 851,

854 (6th Cir. 1991) (declining to apply presumption where registration occurred six years after first publication); *Tuff 'N' Rumble*, 1997 WL 158364, at *2 (holding that presumption did not apply where plaintiff registered copyright more than 18 years after first publication). These decisions comport with the purpose of the five-year limit on the presumption of validity, which "is based on a recognition that the longer the lapse of time between publication and registration the less likely to be reliable are the facts stated in the certificate." H.R. Rep. No. 94-1476, at 156-57 (1976); *see also Brown v. Latin Am. Music Co.*, 498 F.3d 18, 24 (1st Cir. 2007) (affirming decision to give certificates little weight where 20 years passed since the date of first publication stated on the certificate, evidence suggested that first publication was in fact earlier than the date stated, and plaintiff admitted that the facts stated in the certificate were "not wholly accurate").

C. Courts Assign Little or No Evidentiary Weight to Registration Certificates That Contain Information of Questionable Accuracy.

Where evidence casts doubt on the accuracy of the information contained in a late-obtained certificate, courts assign little or no evidentiary weight. *See Shea v. Fantasy Inc.*, No. C 02-02644 RS, 2003 WL 881006, at *4 (N.D. Cal. Feb. 27, 2003); *Johnson*, 2000 WL 622612, at *4; *Bridge Publ'ns, Inc. v. F.A.C.T.NET, Inc.*, 183 F.R.D. 254, 263 (D. Colo. 1998). For example, in *Shea*, the district court for the Northern District of California assigned no weight to an untimely-registered copyright where evidence showed that the publication information in the certificate was inaccurate. 2003 WL 881006, at *4. Plaintiff photographer sued defendants for copyright infringement based on unauthorized distribution of plaintiff's photograph. *See id.* at *1. Defendants moved for summary judgment of copyright invalidity, asserting that the photograph had entered the public domain after being published without the copyright notice required by the Copyright Act of 1909. *See id.* In opposing summary judgment, plaintiff relied on a registration certificate for the photograph, obtained approximately 20 years after first publication. *See id.* at *1, 4. Noting that it had discretion to decide the weight to accord the late-filed registration, the court determined that the certificate was "not probative of copyright validity" since evidence showed that the certificate's characterization of the work as "unpublished" was inaccurate. *See id.* at *4. Accordingly, the court granted summary judgment of copyright invalidity. *See id.*

Similarly, in *Johnson*, the court determined that a defendant's late-obtained certificate of registration in a song did not have enough evidentiary weight even to raise a genuine issue of fact that defendant owned a valid copyright in the song. 2000 WL 622612, at *4. Plaintiff copyright owners had registered a copyright for a song they had composed. *See id.* at *1. Twenty-eight years later, defendant registered a copyright for the same song, claiming ownership by virtue of a written transfer agreement. *See id.* Plaintiffs sued defendant for copyright infringement and moved for summary judgment that defendant did not own a valid copyright in the song; plaintiffs submitted evidence that plaintiffs had never assigned defendant interests in the song and argued that defendant failed to produce the written assignment referenced in the late-filed registration. *See id.* at *1-3. Defendant argued in opposition that his late-filed registration established his ownership interest in the song. *See id.* at *4. In granting plaintiffs' motion, the court held that the statutory presumption of validity did not apply to defendant's untimely copyright registration; in exercising its discretion to determine the weight to give the registration, the court found the certificate "insufficient to sustain [defendant's] burden on summary judgment," particularly in light of plaintiffs' evidence of the invalidity of defendant's certificate of registration. *See id.*

The court in *Bridge Publications* likewise held that late-registered copyrights were not entitled to presumptive weight where defendants offered evidence that called into question the claims of authorship and ownership set forth in the registration. 183 F.R.D. at 260, 263. In opposing plaintiff's motion for summary judgment, defendants argued that the presumption of validity should not apply to plaintiff's late-registered works because "the significant time gap" between the dates of first publication and registration "raise[d] substantial doubt as to whether any persons completing and signing the registration applications either remembered facts accurately or ever even had personal knowledge of the facts that were being presented to the Copyright Office"; moreover, evidence suggested that the asserted works had entered the public domain prior to registration *Id.* at 260-61. Acknowledging that the statutory presumption of validity did not apply to plaintiff's late-registered works, the court agreed that the registrations ought not be accorded presumptive weight; specifically, the court held that the defendants' evidence regarding the authorship of the works had raised serious questions regarding "the

validity of every one of the copyrights in issue," "particularly when coupled with the significant time gap between the date of publication and date of copyright registration." *Id.* at 260, 263.

III. THE COURT SHOULD ASSIGN THE SIX UNTIMELY REGISTERED CERTIFICATES NO EVIDENTIARY WEIGHT BECAUSE EVIDENCE CASTS DOUBT ON THE ACCURACY OF THE CERTIFICATES

Plaintiffs' delay in registering the six works alone warrants giving the late-issuing certificates no weight. *See Kling*, 225 F.3d at 1035 n.2; *Sem-Torq*, 936 F.2d at 854; *Tuff 'N' Rumble*, 1997 WL 158364, at *2. However, the deposition testimony of Plaintiffs' own corporate representative, which raises serious questions about the claims of authorship and ownership made in the six untimely registrations, further justifies denying Plaintiffs' motion. According to Plaintiffs' in-house attorney, Oracle does not investigate basic facts necessary to determine ownership, authorship, and work made for hire status—including the identities of developers who contributed to a work—in connection with registering material with the Copyright Office. The deficiencies in Oracle's copyright registration procedures cast doubt on the accuracy of all registration certificates it has obtained, including the six late-issuing certificates at issue here.

Three of the late-obtained registration certificates state that certain J.D. Edwards entities authored the underlying works and that the contribution by each author was a "work made for hire"; the remaining three state that Siebel Systems, Inc. authored the underlying works and that its contribution constituted a "work made for hire." Declaration of Tharan Gregory Lanier in Support of Defendants' Opposition to Plaintiffs' Motion Pursuant to 17 U.S.C. § 410(c) That Evidentiary Presumption Apply to Six Copyright Registrations ("Lanier Decl.") ¶¶ 3-8, Ex. 3 (TX 6-541-029, "Initial release of JD Edwards World A7.3"); Ex. 4 (TX 6-541-047, "Initial release of JD Edwards World A8.1"); Ex. 5 (TX 6-541-033, "Initial release of JD Edwards EnterpriseOne Xe"); Ex. 6 (TX 6-941-989, "Siebel 6.3 Initial Release and Documentation"); Ex. 7 (TX 6-941-988, "Siebel 7.0.5 Initial Release and Documentation"); Ex. 8 (TX 6-941-990, "Siebel 7.5.2 Initial Release and Documentation"). All six identify plaintiff Oracle International Corporation ("OIC") as a "claimant" by virtue of a transfer by written agreement or an exclusive license.[1] *Id.*

[1] As an intellectual property holding company, OIC is the purported owner of the copyrights at issue in this lawsuit and the sole copyright infringement plaintiff. *See* D.I. 418 (Fourth Amended Complaint) ¶¶ 36, 154-167.

Determining work made for hire status, authorship, and ownership requires analysis of facts relating to the work's creation. The general rule is that copyright in a work "vests initially in the author or authors of the work." 17 U.S.C. § 201(a). However, "[i]n the case of a work made for hire, the employer or other person for whom the work was prepared is considered the author [of the work]" unless the parties expressly agree otherwise in writing. 17 U.S.C. § 201(b). A "work made for hire" is either "(1) a work prepared by an employee within the scope of his or her employment; or (2) a work specially ordered or commissioned . . . if the parties expressly agree in a written instrument signed by them that the work shall be considered a work made for hire." 17 U.S.C. § 101. To determine if a work qualifies as a work made for hire, courts engage in a fact-specific inquiry that first turns on whether the work was prepared by an employee or an independent contractor (a determination that itself requires application of a 13-factor test), and then considers whether the work meets the requirements set forth under the appropriate subsection of 17 U.S.C. § 101. *See Community for Creative Non-Violence v. Reid*, 490 U.S. 730, 751-52 (1989). The identity of the work's creator is critical to this analysis, as well as to the ultimate determination of authorship and ownership. *See Self-Realization Fellowship Church v. Ananda Church of Self-Realization*, 206 F.3d 1322, 1330 (9th Cir. 2000) (granting summary judgment for defendants on copyright claims because plaintiff could not identify the original authors of allegedly infringed photographs and thus could not prove that (1) photographs were works made for hire created at plaintiff's behest, or (2) authors intended to assign their copyright in the photographs to plaintiff); *cf. In re Napster, Inc. Copyright Litig.*, 191 F. Supp. 2d 1087, 1098 (N.D. Cal. 2002) (holding that defendant "raised serious questions" about plaintiffs' claims of copyright ownership because plaintiffs had not produced any agreements with recording artists that would establish plaintiffs' claim of authorship under work made for hire doctrine).

Here, Plaintiffs did not sufficiently investigate the authorship and work made for hire status of the works underlying the untimely registrations before registering for copyrights in those works, which casts doubt on the accuracy of the information contained in the certificates that issued. Specifically, as Plaintiffs' corporate designee on the topic of Oracle's policies and procedures for filing copyright registrations, Oracle lawyer Todd Adler admitted that Oracle

makes no attempt to determine the individuals who contributed to a work when registering materials developed at an acquired company. *See* Lanier Decl. ¶¶ 1-2, Ex. 1 (10/9/08 Adler Tr.) at 6:15-7:17, 31:8-33:12, 108:23-109:9, 110:8-111:2, 111:16-112:25, 113:1-9 (testifying that it is not "part of our standard policies and procedures" "to determine the individual persons, whoever employs them, that may have contributed to the authorship" of a particular work); Ex. 2 (Defs.' Dep. Ex. 114). To identify the author of a work, Oracle considers only the acquired company at which the materials were developed and the company's blank form agreements "for contractors who might have in some circumstances . . . participated in development." Lanier Decl. ¶ 1, Ex. 1 (10/9/08 Adler Tr.) at 108:23-109:9, 110:8-111:2; *see also* D.I. 785 (Pls.' Mot.) at 11, 15 (relying on "blank, form employment or contractor agreements" to establish authorship).

Similarly, to determine whether to identify a work as a "work made for hire" in a copyright application, Oracle only "investigate[s] the standard employee agreements and contractor agreements" of the acquired company, but does not "verify that the individual human beings who may have contributed to authorship are subject to those standard agreements." Lanier Decl. ¶ 1, Ex. (10/9/08 Adler Tr.) at 113:10-114:13. Adler, who signed each of the three untimely J.D. Edwards copyright applications, confirmed in deposition that he did not investigate the identities of the individual contributors to "Initial release of JD Edwards World A8.1" before applying to register that work. *See id.* at 126:14-20, 130:13-131:15; Lanier Decl. ¶¶ 3-5, Ex. 3 (TX 6-541-029, "Initial release of JD Edwards World A7.3"); Ex. 4 (TX 6-541-047, "Initial release of JD Edwards World A8.1"); Ex. 5 (TX 6-541-033, "Initial release of JD Edwards EnterpriseOne Xe"). Adler also testified that he was not able to determine and never learned whether all J.D. Edwards employees executed standard employee agreements. *See* Lanier Decl. ¶ 1, Ex. 1 (10/9/08 Adler Tr.) at 177:1-9.

Oracle's copyright registration policies and procedures do not provide sufficient basis to conclude that the six late-registered works qualify as works made for hire. Without investigating the identities of the works' creators, including whether the creators were employees or contractors, Oracle could not have made the predicate determination of which subsection of 17 U.S.C. § 101 to apply to the analysis. *See Community for Creative Non-Violence*, 490 U.S. at 751. Having

failed to confirm that any non-employees who contributed to the works executed work made for hire agreements, Oracle could not have reasonably concluded that those contributions qualify as works made for hire. *See* 17 U.S.C. § 101; *Self-Realization Fellowship Church*, 206 F.3d at 1330. The uncertainty surrounding the claims regarding work made for hire status and authorship in the late-obtained registration certificates likewise calls into question OIC's claims of ownership by assignment in the certificates. *See Tuff 'N' Rumble*, 1997 WL 158364, at *3 (holding that plaintiff, who claimed ownership via written transfer agreement, did not carry burden to prove it owned a valid copyright because it did not know who owned the original copyright). The questionable accuracy of the information in the six untimely registration certificates justifies according those certificates no weight, such that Plaintiffs should be required to prove ownership of valid copyrights in the six works at issue with alternative evidence. *See Shea*, 2003 WL 881006, at *4; *Johnson*, 2000 WL 622612, at *4; *AAA Flag*, 2010 WL 1752177, at *2.

IV. PLAINTIFFS OFFER NO EVIDENCE TO WARRANT GIVING PRIMA FACIE WEIGHT TO THE SIX UNTIMELY REGISTRATIONS

The doubtful trustworthiness of the six late-obtained certificates is sufficient to deny Plaintiffs' motion. Nevertheless, to support their request that the Court accord prima facie weight to the six late-obtained registration certificates, Plaintiffs offer evidence that purportedly corroborates the claims of ownership and authorship set forth in those certificates. However, none of this evidence warrants applying prima facie weight to the certificates, as it does not corroborate work made for hire status and is equivocal at best. Moreover, the evidence does not address (or cure) the fact that the authorship and ownership information stated in the registration certificates is unverified and thus unreliable.

A. Plaintiffs' Evidence Does Not Corroborate Work Made for Hire Status.

Much of the evidence Plaintiffs offer in their Motion attempts to "corroborate" the claims of authorship and work made for hire status made in the six late-filed registrations. Specifically, Plaintiffs argue that J.D. Edwards entities and Siebel Systems, Inc. authored the underlying works because senior management at those organizations oversaw the "hundreds of developers" who contributed to creation of the software. D.I. 785 (Pls.' Mot.) at 11-12, 15; D.I. 786 (Ransom

Decl.) ¶¶ 4, 7; D.I. 787 (Vardell Decl.) ¶¶ 3-5. Citing the declarations of Buffy B. Ransom and Daniel A. Vardell, Plaintiffs further argue that the claims of authorship in the six registrations are bolstered by evidence that the companies' employees signed "a standard form of employment agreement" pursuant to "standard human resources polic[ies]."[2] D.I. 785 (Pls.' Mot.) at 11-12, 15; D.I. 786 (Ransom Decl.) ¶ 8; D.I. 787 (Vardell Decl.) ¶ 6. According to Plaintiffs, this evidence demonstrates that the companies, through senior management, authored the six works at issue. D.I. 785 (Pls.' Mot.) at 11-12, 15. However, this evidence is insufficient to corroborate the companies' claims of authorship and in fact only underscores the unreliability of those claims.

As described above, determining authorship is a fact-intensive inquiry, particularly in the work made for hire context. *See Community for Creative Non-Violence*, 490 U.S. at 751-52. The cases on which Plaintiffs rely confirm that principle. For example, in *Aalmuhammed v. Lee*, the Ninth Circuit applied a three-part test to find that the director of *Malcolm X* master-minded—and therefore, authored—the film pursuant to a work made for hire agreement. 202 F.3d 1227, 1233-35 (9th Cir. 1999). Nevertheless, the court acknowledged that "[t]he factors articulated in this decision . . . cannot be reduced to a rigid formula, because the creative relationships to which they apply vary too much." *Id.* at 1235. The court noted that under different facts, its finding regarding authorship might have been different. *Id.* at 1232. ("Where the visual aspect of the movie is especially important, the chief cinematographer might be regarded as the author. And for, say, a Disney animated movie like 'The Jungle Book,' it might perhaps be the animators and the composers of the music."). The court in *Morrill v. Smashing Pumpkins* applied this fact-specific approach to determine that plaintiff and defendants had jointly authored a music video. 157 F. Supp. 2d 1120, 1123-25 (C.D. Cal. 2001). Similarly, in *JustMed, Inc. v. Byce*, the Ninth Circuit's finding that a software program constituted a work made for hire was also highly fact-specific; although the court held that defendant developed the program as plaintiff's employee, rather than as an independent contractor, it noted that plaintiff's status as a start-up company that

[2] Plaintiffs cite the Ransom and Vardell Declarations in claiming that "[i]t was [J.D. Edwards' and Siebel's] general practice to require employees *and contractors* to sign such agreements during the relevant time period." D.I. 785 (Pls.' Mot.) at 11, 15 (emphasis added). However, neither declaration describes those companies' practices with respect to contractors. D.I. 786 (Ransom Decl.); D.I. 787 (Vardell Decl.).

"conducted its business more informally than an established enterprise might" heavily influenced the court's determination. 600 F.3d 1118, 1126-28 (9th Cir. 2010).

Plaintiffs have not offered evidence that could permit a finding that the six works at issue were works made for hire. As Plaintiffs acknowledge, hundreds of developers contributed to creation of the six works. However, as a result of Oracle's registration policies and procedures, which do not require identification of those contributing developers, the identities of those developers are undisclosed and, for all intents and purposes, unknown. Plaintiffs have not confirmed (and presumably cannot) whether and which of the developers were employees versus independent contractors. Although Plaintiffs claim that J.D. Edwards' and Siebel's employees typically signed employment contracts containing work made for hire provisions, Plaintiffs offer no such evidence about independent contractors; and Plaintiffs have yet to produce a single work for hire agreement actually signed by an employee (including a "senior manager") or independent contractor, let alone such an agreement for any of the employees or independent contractors who contributed to developing the six works at issue in Plaintiffs' Motion.[3] Furthermore, despite claiming that "senior management" participated in developing the six works, Plaintiffs have not offered any evidence as to the identities of those managers. It is impossible for the Court—and indeed, for Plaintiffs—to engage in the fact-specific analysis required to determine authorship and work made for hire status in the absence of such basic facts as the identities of the contributing individuals and the existence of any executed work made for hire agreements. *See Self-Realization Fellowship Church*, 206 F.3d at 1330.

Plaintiffs' claim that "[s]enior management retained control over the features and functionality that would be developed in the software" is also insufficient to support a finding that the works at issue were works made for hire, particularly in light of Plaintiffs' admission that developers were "allowed discretion as to how to design and implement . . . features and functionality" in each of the works. D.I. 785 (Pls.' Mot.) at 12, 15. Indeed, *S.O.S., Inc. v.*

[3] Indeed, Plaintiffs' corporate witness could not even confirm whether J.D. Edwards maintained records reflecting which of its employees had or had not signed such agreements, or if Oracle currently possesses those agreements. *See* Lanier Decl. ¶ 1, Ex. 1 (10/9/08 Adler Tr.) at 168:22-172:20, 175:5-10.

PayDay, Inc., which Plaintiffs cite, makes clear that "[a] person who merely describes to an author what the commissioned work should do or look like is not a joint author for purposes of the Copyright Act." 886 F.2d 1081, 1087 (9th Cir. 1989). There, the Ninth Circuit considered whether defendant's employee jointly authored software that defendant licensed from plaintiff (and that defendant was later accused of infringing). *Id.* at 1086. Although the employee instructed plaintiff's programming team as to the types of programs defendant wanted written, the court held that this involvement did not constitute authorship. *Id.* at 1087. In so holding, the Ninth Circuit relied on *Whelan Assocs., Inc. v. Jaslow Dental Lab., Inc.*, in which the court held that a business owner did not jointly author a computer program, despite having "commissioned software for use in his business, disclosed to the programmers the detailed operations of his business, dictated the functions to be performed by the computer, and even helped design the language and format of some of the screens that would appear on the computer's visual displays." *Id.* at 1086 (citing 609 F. Supp. 1307, 1318-19 (E.D. Pa. 1985), *aff'd*, 797 F.2d 1222 (3d Cir. 1986)). In finding the programmer the sole author of the software, the Third Circuit explained:

> [G]eneral assistance and contributions to the fund of knowledge of the author did not make [the owner] a creator of any original work, nor even the co-author. It is similar to an owner explaining to an architect the type and functions of a building the architect is to design for the owner. The architectural drawings are not co-authored by the owner, no matter how detailed the ideas and limitations expressed by the owner.

Whelan Assocs., 609 F. Supp. at 1318-19. Here, the claim that senior managers at J.D. Edwards and Siebel generally directed "the features and functionality that would be developed in the software" similarly does not establish authorship where developers ultimately had responsibility for implementing these ideas in written form. D.I. 785 (Pls.' Mot.) at 12, 15.

In the end, the evidence Plaintiffs offer does not corroborate the questionable statements of authorship and work made for hire status set forth in the six late-filed registrations and thus cannot support according those registrations prima facie evidentiary status.

B. Plaintiffs' Evidence of Authorship and Ownership Is Equivocal at Best.

The other evidence that Plaintiffs offer as purportedly corroborating the statements of authorship and ownership in the six late-filed registrations is equivocal at best. The evidence

shows only that J.D. Edwards and Siebel licensed and distributed J.D. Edwards- and Siebel-branded software and support materials. It does not address, let alone corroborate, the claims that these entities authored and (at one point) owned the six works at issue in this Motion. Moreover, Plaintiffs' evidence does not cure the fundamental untrustworthiness of the information set forth in the registrations.

First, Plaintiffs argue that the software itself corroborates the information regarding ownership and authorship in the six late-obtained certificates because "[c]omputer software is copyrightable subject matter under the Copyright Act" and "[t]he software itself also states that [J.D. Edwards or Siebel] owns it." D.I. 785 (Pls.' Mot.) at 7, 13. As a preliminary matter, that computer software generally comprises copyrightable subject matter does not bear on whether the six certificates accurately set forth ownership and ownership information. It does not even bear on whether the specific computer programs allegedly covered by the six certificates contain protectable expression. *See, e.g.*, U.S. Copyright Office, Circular 61 ("Copyright Registrations for Computer Programs") (stating that "[c]opyright protection is not available for ideas, program logic, algorithms, systems, methods, concepts, or layouts"). Additionally, as Plaintiffs' own cited case reflects, a claim of copyright ownership included in software is meager evidence of ownership and authorship. *See JustMed*, 600 F.3d at 1122 (holding that developer did not own or author software, despite having changed copyright notice to state that he owned the copyright).

Second, Plaintiffs argue that Oracle's possession of J.D. Edwards- and Siebel-related software, documentation, release notes, and related material (including the deposit materials filed with the six untimely copyright applications) shows that J.D. Edwards and Siebel entities authored and owned these materials. *See* D.I. 785 (Pls.' Mot.) at 8, 13-14. But as Plaintiffs' own cited authority makes clear, "[m]ere possession of a [work] does not translate into copyright ownership" because it does not account for whether that possession resulted from a vesting or valid transfer of rights. *Morrill*, 157 F. Supp. 2d at 1124-25 (rejecting argument that plaintiff's possession of videotapes "translate[d] into sole copyright ownership of the tapes"). Plaintiffs' reliance on *Lanard Toys* to argue that mere possession corroborates ownership is misplaced; there, the court found that "detailed design drawings" were probative of copyright ownership only

where plaintiff had also submitted agreements confirming transfer of ownership to plaintiff. 511 F. Supp. 2d. 1020, 1031 (C.D. Cal. 2007). Here, however, Plaintiffs have not submitted evidence that resolves the doubts, addressed above, as to whether copyrights in the six works at issue properly vested in the J.D. Edwards and Siebel entities, such that they could transfer those interests to OIC. Moreover, for the reasons described above, self-serving claims of copyright ownership in these materials are not compelling evidence of authorship and ownership, particularly when there is no evidence that these claims were verified.[4] *See JustMed*, 600 F.3d at 1122.

Third, Plaintiffs argue that their timely registration of copyrights in J.D. Edwards and Siebel software prior to and after the untimely registration of the six works at issue confirms the validity of the six late-obtained registration certificates. *See* D.I. 785 (Pls.' Mot.) at 9, 14. Plaintiffs cite no authority and provide no explanation for this illogical proposition. To afford untimely registrations presumptive weight by virtue of the claimant having timely registered other works would undermine Congressional intent to encourage timely registration through the five-year limit on the presumption of validity. *See Cosmetic Ideas, Inc. v. IAC/Interactivecorp.*, 606 F.3d 612, 619 (9th Cir. 2010) (describing section 410(c) as example of statutory incentive to "encourage copyright holders to register with the Office of Copyright," as Congress "valued having a robust federal register of existing copyrights").

Finally, Plaintiffs argue that agreements in which J.D. Edwards and Siebel purport to license or assign rights in software confirm that these entities authored and owned the software underlying the six late-filed registrations. *See* D.I. 785 (Pls.' Mot.) at 10, 14-15. This argument misses the point. That the J.D. Edwards and Siebel entities attempted to transfer rights in software does not establish that they had the right to do so. These attempted transfers do not address the unreliability of the ownership and authorship information claims in the six late-obtained certificates and cannot justify applying presumptive weight to these certificates.

[4] Plaintiffs cite one case to support their argument that the copyright notices in deposit materials corroborate the claims of ownership and authorship in the corresponding applications; that case is inapposite, as it only describes how notices can trigger the statute of limitations to bring a co-ownership claim. *See Zuhill v. Shanahan*, 80 F.3d 1366, 1369 (9th Cir. 1996).

V. THE CASES PLAINTIFFS CITE DO NOT SUPPORT APPLYING PRIMA FACIE WEIGHT TO THE SIX UNTIMELY REGISTRATION CERTIFICATES

Plaintiffs argue that courts "have granted the presumption to works registered more than five years after first publication when provided sufficient evidence of creation or ownership of the late-registered works." D.I. 785 (Pls.' Mot.) at 5. In reality, courts give prima facie weight to late-obtained certificates *only* when provided no reason to question the validity of the facts contained in the certificates. *See* 5 Patry on Copyright § 17:109 at 17-300 (2010) ("Courts have granted a certificate prima facie status for registrations beyond the five-year period where there appeared to be little reason to call the validity of the facts in the certificate into question. Where there are doubts, however, prima facie status has been withheld."). The authorities on which Plaintiffs rely comport with this trend and are distinguishable from this case, where evidence casts doubt on the accuracy of the certificates at issue. *See Lifetime Homes, Inc. v. Residential Dev. Corp.*, 510 F. Supp. 2d 794, 801 (M.D. Fla. 2007); *Religious Tech. Ctr. v. Netcom On-Line Commc'n Servs., Inc.*, 923 F. Supp. 1231, 1242 (N.D. Cal. 1995); *Asset Mktg. Sys. Ins. Servs., LLC v. McLaughlin*, No. 06cv1176 JM (MCc), 2007 WL 2406894, at *5-6 (S.D. Cal. Aug. 20, 2007); *Lanard Toys*, 511 F. Supp. 2d at 1031.

For example, in *Lifetime Homes*, the court gave prima facie evidentiary weight to late-obtained registration certificates because "Defendants [had] not pointed to any evidence indicating that Plaintiff's certificate of registration is not valid." 510 F. Supp. 2d at 801. Similarly, in *Religious Technology Center*, while acknowledging that the statutory presumption of validity did not apply to untimely registrations, the court held that "plaintiffs' evidence of validity . . . *and the lack of a persuasive challenge to the validity of the copyrights*" justified finding that the certificates were "strong evidence" of validity. 923 F. Supp. at 1242 (emphasis added). Likewise, in *Asset Marketing*, the court accorded prima facie evidentiary weight to registrations obtained five years and six months after first publication of the underlying works because defendant did not dispute plaintiff's ownership of the copyrights (indeed, had notice of plaintiff's rights), did not present a plausible challenge to the completeness of information in the registration, and failed to present sufficient evidence that the works were not original. 2007 WL

2406894, at *5-6. In the remaining case, contrary to Plaintiffs' characterization, the court did *not* grant prima facie evidentiary weight to late-filed registrations. *Lanard Toys*, 511 F. Supp. 2d at 1031. There, in fact, the court acknowledged that plaintiffs had not established ownership of copyrights in an earlier proceeding because plaintiffs were not entitled to the presumption of validity. *Id.* On summary judgment, the court found that plaintiffs satisfied their burden to prove ownership, not by relying on the registration certificates, but by providing alternative evidence of ownership in the form of transfer agreements and "detailed design drawings." *Id.*

Because the deficiencies in Oracle's registration procedures call into question the validity of the information contained in the six untimely copyright registrations, these authorities do not support Plaintiffs' request that the Court apply prima facie weight to the registrations.

VI. EQUITY AND PUBLIC POLICY SUPPORT DENYING THE SIX UNTIMELY REGISTRATIONS PRESUMPTIVE WEIGHT

Finally, equity and public policy justify denying the six late-obtained registration certificates prima facie evidentiary weight. First, withholding presumptive weight comports with Congressional intent to encourage timely registration. *See Cosmetic Ideas*, 606 F.3d at 619. Second, Plaintiffs incorrectly argue that the five-year presumption is "demonstrably unrelated to merit." D.I. 785 (Pls.' Mot.) at 16. The legislative history of section 410(c) reveals that Congress considered the timeliness of copyright registration directly related to the reliability of the facts stated in the copyright application. *See* H.R. Rep. No. 94-1476, at 156-57 (stating that the five-year limit on the presumption of validity "is based on a recognition that the longer the lapse of time between publication and registration the less likely to be reliable are the facts stated in the certificate"); *Brown*, 498 F.3d at 24. Equity does not require that the untimely registrations be accorded presumptive weight where Oracle's delay and lax copyright registration policies have resulted in exactly the type of unreliable certificates to which Congress declined to grant the presumption of validity. Finally, denying the six registrations prima facie weight is equitable in light of Plaintiffs' voluntary delay in registering. According to Adler, Oracle registers copyrights "on an ad hoc basis," for example, in anticipation of litigation or where there are "requests to register a copyright in a particular product that's important or has some sort of strategic value."

Lanier Decl. ¶ 1, Ex. 1 (10/9/08 Adler Tr.) at 101:16-103:12. Oracle's decision to delay registration until after it filed suit cannot be attributed to Defendants; it is the result of Oracle's business and litigation strategy, including, apparently, its assessment of the value of these works.

VII. CONCLUSION

For the foregoing reasons, Defendants respectfully request that the Court deny Plaintiffs' motion to apply prima facie evidentiary weight to the six late-obtained registration certificates and instead exercise its discretion to accord the certificates no evidentiary weight at trial.

Dated: September 9, 2010

JONES DAY

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