

1 Robert A. Mittelstaedt (SBN 060359)
 Jason McDonell (SBN 115084)
 2 Elaine Wallace (SBN 197882)
 JONES DAY
 3 555 California Street, 26th Floor
 San Francisco, CA 94104
 4 Telephone: (415) 626-3939
 Facsimile: (415) 875-5700
 5 ramittelstaedt@jonesday.com
 jmcdonell@jonesday.com
 6 ewallace@jonesday.com

7 Tharan Gregory Lanier (SBN 138784)
 Jane L. Froyd (SBN 220776)
 8 JONES DAY
 1755 Embarcadero Road
 9 Palo Alto, CA 94303
 Telephone: (650) 739-3939
 10 Facsimile: (650) 739-3900
 tglanier@jonesday.com
 11 jfroyd@jonesday.com

12 Scott W. Cowan (Admitted *Pro Hac Vice*)
 Joshua L. Fuchs (Admitted *Pro Hac Vice*)
 13 JONES DAY
 717 Texas, Suite 3300
 14 Houston, TX 77002
 Telephone: (832) 239-3939
 15 Facsimile: (832) 239-3600
 swcowan@jonesday.com
 16 jl fuchs@jonesday.com

17 Attorneys for Defendants
 SAP AG, SAP AMERICA, INC., and
 18 TOMORROWNOW, INC.

19 UNITED STATES DISTRICT COURT
 20 NORTHERN DISTRICT OF CALIFORNIA
 21 OAKLAND DIVISION

22 ORACLE USA, INC., et al.,
 23 Plaintiffs,
 24 v.
 25 SAP AG, et al.,
 26 Defendants.

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

**[PROPOSED] ORDER DENYING
 PLAINTIFFS' MOTION PURSUANT
 TO 17 U.S.C. § 410(c) THAT
 EVIDENTIARY PRESUMPTION
 APPLY TO SIX COPYRIGHT
 REGISTRATIONS**

1 Having considered Plaintiffs' Motion Pursuant to 17 U.S.C. § 410(c) That Evidentiary
2 Presumption Apply to Six Copyright Registrations ("Plaintiffs' Motion"), Defendants'
3 Opposition to Plaintiffs' Motion, the memoranda and declarations in support, and exhibits
4 attached thereto:

5 IT IS HEREBY ORDERED THAT: Plaintiffs' Motion is DENIED.

6 **DISCUSSION**

7 Plaintiffs request that the Court exercise its discretion to determine the evidentiary weight
8 to accord six copyright registrations that, due to their untimely filing, are not entitled to the
9 presumption of validity afforded by 17 U.S.C. § 410(c). Specifically, Plaintiffs ask that the Court
10 assign presumptive weight to the late-obtained registration certificates for (1) TX 6-541-029,
11 "Initial release of JD Edwards World A7.3," (2) TX 6-541-047, "Initial release of JD Edwards
12 World A8.1," (3) TX 6-541-033, "Initial release of JD Edwards EnterpriseOne Xe," (4) TX 6-
13 941-989, "Siebel 6.3 Initial Release and Documentation," (5) TX 6-941-988, "Siebel 7.0.5 Initial
14 Release and Documentation," (6) TX 6-941-990, "Siebel 7.5.2 Initial Release and
15 Documentation."

16 To prevail in a copyright infringement action, a plaintiff must prove ownership of a valid
17 copyright. *See Feist Publ'ns, Inc. v. Rural Tel. Serv. Co., Inc.*, 499 U.S. 340, 361 (1991). The
18 Copyright Act of 1976 ("Copyright Act") provides that a certificate of registration obtained
19 within five years of first publication of the work "constitute[s] prima facie evidence of the
20 validity of the copyright and of the facts stated in the certificate." 17 U.S.C. § 410(c). Where a
21 work is registered more than five years after first publication, the presumption of copyright
22 validity does not apply; rather, "[t]he evidentiary weight to be accorded the certificate of
23 registration . . . shall be within discretion of the court." *Id.*; *see also Johnson v. Tuff N Rumble*
24 *Mgmt., Inc.*, No. Civ.A. 99-1374, 2000 WL 622612, at *4 (E.D. La. May 15, 2000) (holding that
25 statutory presumption of validity did not apply to certificates of registration obtained 28 years
26 after first publication of work). If a court decides not to afford the registration certificate the
27 weight of prima facie evidence, "then plaintiff bears the burden of demonstrating" ownership of a
28 valid copyright through other evidence. *Gallup, Inc. v. Talentpoint, Inc.*, No. CIV.A. 00-5523,

1 2001 WL 1450592, at *8 (E.D. Pa. Nov. 13, 2001) (finding that, where presumption of validity
2 did not apply, plaintiff did not carry burden to prove that survey was original); *see also AAA Flag*
3 *& Banner Mfg., Co. v. Flynn Signs and Graphics, Inc.*, No. CV09-02053 ODW (VKBx), 2010
4 WL 1752177, at *2 (C.D. Cal. Apr. 28, 2010) (holding that, where presumption did not apply,
5 plaintiff did not prove existence of a valid copyright); *Tuff 'N' Rumble Mgmt., Inc. v. Profile*
6 *Records, Inc.*, No. 95 Civ. 0246 (SHS), 1997 WL 158364, at *3 (S.D.N.Y. Apr. 2, 1997) (holding
7 that, where presumption did not apply, plaintiff did not carry burden to prove it owned a valid
8 copyright, as plaintiff did not know who owned original copyright and could not explain why
9 copyright notice on work identified a third party as owner).

10 Courts routinely discount the evidentiary value of registration certificates obtained more
11 than five years after first publication based on delay alone. *See Kling v. Hallmark Cards Inc.*, 225
12 F.3d 1030, 1035 n.2 (9th Cir. 2000) (noting district court's decision "to give the [registration]
13 certifications no weight whatsoever" after finding works were not entitled to presumption of
14 validity because plaintiff applied for registration 12 years after first publication); *Sem-Torq, Inc. v.*
15 *K Mart Corp.*, 936 F.2d 851, 854 (6th Cir. 1991) (declining to apply presumption where
16 registration occurred six years after first publication); *Tuff 'N' Rumble Mgmt.*, 1997 WL 158364,
17 at *2 (holding that presumption did not apply where plaintiff registered copyright more than 18
18 years after first publication). These decisions are consistent with the purpose of the five-year
19 limit on the presumption of validity, which "is based on a recognition that the longer the lapse of
20 time between publication and registration the less likely to be reliable are the facts stated in the
21 certificate." H.R. Rep. No. 94-1476, at 156-57 (1996); *see also Brown v. Latin Am. Music Co.*,
22 498 F.3d 18, 24 (1st Cir. 2007) (affirming decision to give certificates little weight where 20
23 years had passed since the date of first publication stated on the certificate, evidence suggested
24 that first publication was in fact earlier than the date stated, and plaintiff admitted that the facts
25 stated in the certificate were "not wholly accurate").

26 Further, where evidence casts doubt on the accuracy of the information contained in a
27 late-obtained certificate, courts assign little or no evidentiary weight. *See, e.g., Shea v. Fantasy*
28 *Inc.*, No. C 02-02644 RS, 2003 WL 881006, at *4 (N.D. Cal. Feb. 27, 2003) (holding that late-

1 obtained registration certificate was “not probative of copyright validity” since evidence showed
2 that certificate inaccurately characterized work as “unpublished”); *Johnson*, 2000 WL 622612, at
3 *4 (holding late-issuing certificate not entitled to presumption of validity and “insufficient to
4 sustain [defendant’s] burden on summary judgment” to identify a genuine issue of fact regarding
5 defendant’s ownership of a valid copyright, particularly in light of evidence showing certificate’s
6 invalidity); *Bridge Publ’ns, Inc. v. F.A.C.T.NET, Inc.*, 183 F.R.D. 254, 263 (D. Colo. 1998)
7 (holding late-obtained registration certificates not entitled to presumptive weight in light of
8 evidence that works had entered public domain and “the significant time gap between the date of
9 publication and date of copyright registrations”).

10 **Weight to Be Accorded the Six Untimely Registrations.** The Court finds that Plaintiffs’
11 delay in registering the six works alone justifies giving the late-issuing certificates no weight. *See*
12 *Kling*, 225 F.3d at 1035 n.2; *Sem-Torq*, 936 F.2d at 854; *Tuff ‘N’ Rumble Mgmt.*, 1997 WL
13 158364, at *2. Further, the deposition testimony of Plaintiffs’ corporate representative raises
14 serious questions about the claims of authorship and ownership made in the six untimely
15 registrations, which further justifies according them no weight.

16 Determining work made for hire status, authorship, and ownership requires analyzing
17 facts relating to the work’s creation. The general rule is that copyright in a work “vests initially
18 in the author or authors of the work.” *See* 17 U.S.C. § 201(a). However, “[i]n the case of a work
19 made for hire, the employer or other person for whom the work was prepared is considered the
20 author [of the work]” unless the parties expressly agree otherwise in writing. 17 U.S.C. § 201(b).
21 A “work made for hire” is either “(1) a work prepared by an employee within the scope of his or
22 her employment; or (2) a work specially ordered or commissioned . . . if the parties expressly
23 agree in a written instrument signed by them that the work shall be considered a work made for
24 hire.” 17 U.S.C. § 101. To determine if a work qualifies as a work made for hire, courts engage
25 in a fact-specific inquiry that first turns on whether the work was prepared by an employee or an
26 independent contractor (a determination that itself requires application of a 13-factor test), and
27 then considers whether the work meets the requirements set forth under the appropriate
28 subsection of 17 U.S.C. § 101. *See Community for Creative Non-Violence v. Reid*, 490 U.S. 730,

1 751-52 (1989). The identity of the work’s creator is critical to this analysis, as well as to the
2 ultimate determination of authorship and ownership. *See Self-Realization Fellowship Church v.*
3 *Ananda Church of Self-Realization*, 206 F.3d 1322, 1330 (9th Cir. 2000) (granting summary
4 judgment for defendants on copyright claims because plaintiff could not identify original authors
5 of allegedly infringed photographs and thus could not prove that (1) photographs were works
6 made for hire created at plaintiff’s behest, or (2) authors intended to assign their copyright in
7 photographs to plaintiff); *cf. In re Napster, Inc. Copyright Litig.*, 191 F. Supp. 2d 1087, 1098
8 (N.D. Cal. 2002) (holding that defendant “raised serious questions” about plaintiffs’ claims of
9 copyright ownership because plaintiffs had not produced any agreements with recording artists
10 that would establish plaintiffs’ claim of authorship under work made for hire doctrine).

11 Here, three of the late-obtained registration certificates state that certain J.D. Edwards
12 entities authored the underlying works and that the contribution by each author was a “work made
13 for hire”; the remaining three similarly state that Siebel Systems, Inc. authored the underlying
14 works and that its contribution constituted a “work made for hire.” All six identify plaintiff
15 Oracle International Corporation (“OIC”) as a “claimant” by virtue of a transfer by written
16 agreement or an exclusive license.

17 The Court finds that Plaintiffs did not sufficiently investigate the authorship and work
18 made for hire status of the works underlying the untimely registrations before registering for
19 copyrights in those works, which casts doubt on the accuracy of the information contained in the
20 certificates that issued. Specifically, as Plaintiffs’ corporate designee on the topic of Oracle’s
21 policies and procedures for filing copyright registrations, Oracle lawyer Todd Adler, admitted
22 that Oracle makes no attempt to determine the individuals who contributed to a work when
23 registering materials developed at an acquired company. To identify the author of a work, Oracle
24 considers only the acquired company at which the materials were developed and the company’s
25 blank form agreements for independent contractors. Similarly, to determine whether to identify a
26 work as a “work made for hire” in a copyright application, Oracle only investigates standard
27 employee agreements and contractor agreements, but does not verify that the individual human
28 beings who may have contributed to authorship are subject to those standard agreements. Adler,

1 who signed each of the three late-filed J.D. Edwards registration applications, confirmed in
2 deposition that he did not investigate the identities of the individual contributors to “Initial release
3 of JD Edwards World A8.1” before applying to register that work. Adler also testified that he
4 was not able to determine and never learned whether all J.D. Edwards employees executed
5 standard agreements.

6 Oracle’s copyright registration policies and procedures do not provide sufficient basis to
7 conclude that the six late-registered works qualify as works made for hire. Without investigating
8 the identities of the works’ creators, including whether the creators were employees or contractors,
9 Oracle could not have determined which subsection of 17 U.S.C. § 101 to apply to the analysis.
10 *See Community for Creative Non-Violence*, 490 U.S. at 751. Having failed to confirm that any
11 non-employees who contributed to the works executed work made for hire agreements, Oracle
12 could not have reasonably concluded that those contributions qualify as works made for hire. *See*
13 *17 U.S.C. § 101; Self-Realization Fellowship Church*, 206 F.3d at 1330. The uncertainty
14 surrounding the claims regarding work made for hire status and authorship in the late-obtained
15 registration certificates likewise calls into question OIC’s claims of ownership by assignment in
16 the certificates. *See Tuff ‘N’ Rumble*, 1997 WL 158364, at *3 (holding that plaintiff, who claimed
17 ownership via written transfer agreement, did not carry burden to prove it owned a valid
18 copyright because it did not know who owned the original copyright). The questionable accuracy
19 of the information in the six untimely registration certificates justifies according those certificates
20 no weight, such that Plaintiffs will be required to prove ownership of valid copyrights in the six
21 works at issue with alternative evidence at trial. *See Shea*, 2003 WL 881006, at *4; *Johnson*,
22 2000 WL 622612, at *4; *AAA Flag*, 2010 WL 1752177, at *2.

23 Plaintiffs argue that courts have granted the presumption to works registered more than
24 five years after first publication when provided sufficient evidence of creation or ownership of the
25 late-registered works; in reality, courts give prima facie weight to late-obtained certificates *only*
26 when provided no reason to question the validity of the facts contained in the certificates. *See* 5
27 *Patry on Copyright § 17:109 at 17-300 (2010)* (“Courts have granted a certificate prima facie
28 status for registrations beyond the five-year period where there appeared to be little reason to call

1 the validity of the facts in the certificate into question. Where there are doubts, however, prima
2 facie status has been withheld.”). The authorities on which Plaintiffs rely comport with this trend,
3 and are distinguishable from this case, in which evidence exists that calls into question the
4 accuracy of the certificates. *See Lifetime Homes, Inc. v. Residential Dev. Corp.*, 510 F. Supp. 2d
5 794, 801 (M.D. Fla. 2007); *Religious Tech. Ctr. v. Netcom On-Line Commc’n Servs., Inc.*, 923 F.
6 Supp. 1231, 1242 (N.D. Cal. 1995); *Asset Mktg. Sys. Ins. Servs., LLC v. McLaughlin*, No.
7 06cv1176 JM (MCC), 2007 WL 2406894, at *5-6 (S.D. Cal. Aug. 20, 2007); *Lanard Toys Ltd. v.*
8 *Novelty Inc.*, 511 F. Supp. 2d 1020, 1031 (C.D. Cal. 2007).

9 **Evidence of Ownership, Authorship, and Work Made for Hire Status.** Ultimately, the
10 doubtful trustworthiness of the six late-obtained certificates is sufficient to deny Plaintiffs’
11 motion. Nevertheless, the Court separately addresses the evidence Plaintiffs offer in support of
12 their motion. The Court finds that the evidence offered in Plaintiffs’ motion neither corroborates
13 the claims of ownership, authorship, and work made for hire status set forth in the late-obtained
14 registration certificates, nor addresses the fact that the information contained in the certificates is
15 unverified and thus unreliable.

16 *Work made for hire.* Plaintiffs have not offered evidence that could permit a finding that
17 the six works at issue were works made for hire. According to the declarations Plaintiffs offer in
18 support of their motion, “hundreds of developers” contributed to creation of each of the six works.
19 However, as a result of Oracle’s registration policies and procedures, which do not require
20 identification of those contributing developers, the identities of those developers are undisclosed
21 and, for all intents and purposes, unknown. Plaintiffs have not confirmed (and presumably cannot)
22 whether and which of the developers were employees versus independent contractors. Although
23 Plaintiffs claim that J.D. Edwards’ and Siebel’s employees typically signed employment contracts
24 containing work made for hire provisions, Plaintiffs make no such representations about
25 independent contractors; and Plaintiffs have yet to produce a single work for hire agreement
26 actually signed by an employee or independent contractor, let alone one for the employees or
27 independent contractors who contributed to developing the six works at issue in Plaintiffs’ motion.
28 Furthermore, despite claiming that “senior management” participated in developing the six works,

1 Plaintiffs have not offered any evidence as to the identities of those managers. It is impossible for
2 the Court—and indeed, for Plaintiffs—to engage in the fact-specific analysis required to
3 determine authorship and work made for hire status in the absence of such basic facts as the
4 identities of the contributing individuals and the existence of any executed work made for hire
5 agreements. *See Self-Realization Fellowship Church*, 206 F.3d at 1330.

6 Plaintiffs’ claim that “senior management retained control over the features and
7 functionality that would be developed in the software” also is insufficient to support a finding that
8 the works at issue were developed as works made for hire, particularly in light of Plaintiffs’
9 admission that individual developers had discretion in how to design and implement features and
10 functionality in each of the works. The Ninth Circuit has made clear that “[a] person who merely
11 describes to an author what the commissioned work should do or look like is not a joint author for
12 purposes of the Copyright Act.” *S.O.S., Inc. v. PayDay, Inc.*, 886 F.2d 1081, 1087 (9th Cir. 1989)
13 (holding that although defendant’s employee instructed plaintiff’s programming team as to the
14 programs defendant wanted written, that involvement did not rise to the level of authorship); *see*
15 *also Whelan Assocs., Inc. v. Jaslow Dental Lab. Inc.*, 609 F. Supp. 1307, 1318-19 (E.D. Pa. 1985),
16 *aff’d*, 797 F.2d 1222 (3d Cir. 1986)) (holding that business owner was not a joint author of
17 computer program, despite having “commissioned software for use in his business, disclosed to
18 the programmers the detailed operations of his business, dictated the functions to be performed by
19 the computer, and even helped design the language and format of some of the screens that would
20 appear on the computer’s visual displays” because “general assistance and contributions to the
21 fund of knowledge of the author did not make [the owner] a creator of any original work”). Here,
22 the claim that senior managers at J.D. Edwards and Siebel generally directed the features and
23 functionality that would be developed in the software similarly does not establish authorship
24 where developers ultimately had responsibility for implementing these ideas in written form.

25 *Ownership and Authorship.* The other evidence that Plaintiffs offer as purportedly
26 corroborating the statements of authorship and ownership in the six late-filed registrations is
27 equivocal at best. First, Plaintiffs’ argument that the software itself corroborates the information
28 regarding ownership and authorship contained in the six late-obtained certificates is unpersuasive.

1 As a preliminary matter, that computer software generally comprises copyrightable subject matter
2 does not bear on whether the six certificates accurately set forth ownership and ownership
3 information; indeed, it does not even bear on whether the specific computer programs allegedly
4 covered by the six certificates contain protectable expression. Additionally, despite Plaintiffs'
5 suggestion to the contrary, a claim of copyright ownership included in software is meager
6 evidence of ownership and authorship. *See JustMed, Inc. v. Byce*, 600 F.3d 1118, 1122 (9th Cir.
7 2010) (holding that developer did not own or author software, despite having changed copyright
8 notice to state that he owned the copyright).

9 Second, Oracle's possession of J.D. Edwards- and Siebel-related software, documentation,
10 release notes, and related material (including the deposit materials filed with the six untimely
11 copyright applications) is not sufficient show that J.D. Edwards and Siebel entities authored and
12 owned these materials. *Morrill v. Smashing Pumpkins*, 157 F. Supp. 2d 1120, 1124-25 (C.D. Cal.
13 2001) (holding that "[m]ere possession of a [work] does not translate into copyright ownership"
14 because it does not account for whether that possession resulted from a vesting or valid transfer of
15 rights). Moreover, for the reasons described above, self-serving claims of copyright ownership in
16 these materials are not compelling evidence of authorship and ownership, particularly when there
17 is no evidence that these claims of were verified. *See JustMed*, 600 F.3d at 1122.

18 Third, Plaintiffs cannot rely on their timely registration of copyrights in J.D. Edwards and
19 Siebel software prior to and after the untimely registration of the six works to corroborate the
20 validity of the six late-obtained registration certificates. To afford untimely registrations prima
21 facie evidentiary weight by virtue of the claimant having timely registered other works would
22 undermine Congressional intent to encourage timely registration through the five-year limit on
23 the presumption of validity. *Cosmetic Ideas, Inc. v. IAC/Interactivecorp.*, 606 F.3d 612, 619 (9th
24 Cir. 2010) (describing section 410(c) as example of statutory incentive to "encourage copyright
25 holders to register with the Office of Copyright," as Congress "valued having a robust federal
26 register of existing copyrights").

27 Finally, agreements in which J.D. Edwards and Siebel purport to license or assign rights in
28 software do not confirm that these entities in fact authored and owned the software underlying the

1 six late-filed registrations. That the J.D. Edwards and Siebel entities attempted to transfer rights
2 in software does not establish that those entities had the right to do so. These attempted transfers
3 do not address the unreliability of the ownership and authorship information contained in the late-
4 obtained certificates and cannot justify applying presumptive weight to these certificates.

5 **Considerations of Equity and Public Policy.** Finally, the Court considers Plaintiffs'
6 argument that equity requires granting the six late-obtained registration certificates presumptive
7 weight. The Court finds that denying the six late-obtained registration certificates prima facie
8 evidentiary weight comports with both equity and also public policy. First, withholding
9 presumptive weight comports with Congressional intent to encourage timely registration. *See*
10 *Cosmetic Ideas*, 606 F.3d at 619. Second, although Plaintiffs argue that the five-year
11 presumption of validity is unrelated to merit, the legislative history of section 410(c) reveals that
12 Congress considered the timeliness of copyright registration directly related to the reliability of
13 the facts stated in the copyright application. *See* H.R. Rep. No. 94-1476, at 156-57 (stating that
14 the five-year limit on the presumption of validity “is based on a recognition that the longer the
15 lapse of time between publication and registration the less likely to be reliable are the facts stated
16 in the certificate”); *Brown*, 498 F.3d at 24. Equity does not require that the untimely registrations
17 be accorded presumptive weight where Oracle’s delay and copyright registration policies have
18 resulted in exactly the type of unreliable certificates to which Congress declined to grant the
19 statutory presumption of validity. Finally, denying the six registrations prima facie weight is
20 equitable in light of Plaintiffs’ voluntary delay in registering. According to Adler, Oracle’s
21 decisions to register copyrights are informed by considerations of litigation and business strategy.
22 Here, Oracle’s election to delay registration until after it filed suit is the result of Oracle’s own
23 strategic choices and cannot justify applying presumptive weight to otherwise untimely and
24 unreliable registration certificates.

25 CONCLUSION

26 For the foregoing reasons, the Court DENIES Plaintiffs’ motion to apply prima facie
27 evidentiary weight to the six late-obtained registration certificates and instead exercises its
28 discretion to accord the certificates no evidentiary weight at trial.

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IT IS SO ORDERED.

DATED: _____

By: _____
Hon. Phyllis J. Hamilton