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WHEN THE MILLION-DOLLAR PITCH DOESN’T PAY A DIME: WHY IDEA SUBMISSION CLAIMS SHOULD SURVIVE COPYRIGHT PREEMPTION

Julie A. Byren†

Every successful screenplay, whether destined for the silver screen or the small screen, begins with an idea. Among those success stories is USA Network’s Royal Pains, a television show set in the Hamptons, which chronicles the fictional life of a so-called “concierge doctor”—a doctor who makes a living conducting house calls to wealthy clientele.1 In a brief interview, co-producers Andrew Lenchewski and Michael Rauch revealed their inspiration for the show.2 Lenchewski explained, “A friend of mine told me about a concierge doctor that his family started to use out of frustration with the system.”3 In an instant, he knew it would be the perfect idea for a series.4

In 2010, however, the veracity of Lenchewski’s story came under attack. In a complaint filed by film company Forest Park Pictures (“Forest Park”), operated in part by actor Hayden Christensen, a conflicting story about the show’s provenance emerged. Forest Park alleged that the idea for Royal Pains had instead come from materials that it had prepared and pitched to USA Network in 2005 under the title Housecall.5 The submitted materials, known in the entertainment industry as a “series treatment,” included character biographies, themes, and story lines, many of which were later featured prominently in the show that USA Network began airing in 2009.6 Unfortunately for many writers in the industry, falling victim to idea theft is familiar territory.

Since the dawn of the entertainment industry, idea pitches have been integral to the development of film, television, and other media. To meet the

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1. See Forest Park Pictures v. Universal Television Network, Inc. (Forest Park II), 683 F.3d 424, 428 (2d Cir. 2012).
3. Id.
4. Id.
5. Id.
6. Id.
demand for ideas, many screenwriters and boutique film companies, like Forest Park, make a living developing, pitching, and ultimately selling their ideas to large-scale film studios and production houses. Underlying this transaction is a mutual expectation that the producer will provide compensation for ideas that reach the screen. This implicit promise and resulting contract took center stage in *Forest Park Pictures v. Universal Television Network, Inc.*

For Forest Park, and other similarly situated screenwriters relying on a contract theory to recover the reasonable value of their ideas, proving the existence of such a promise and a breach thereof—failure to pay the writer pursuant to industry custom of compensation—does not present the greatest legal hurdle during litigation. Rather, the survival of the complaint turns on the preemption provision of the Copyright Act, which threatens to bar the claim altogether without ever reaching the merits. The fundamental question is this: can ideas, which are expressly excluded from federal copyright protection, nevertheless be protected under another legal theory?

This Note argues against preemption of contract-based idea submission claims in the entertainment context. Although ideas are traditionally “free as the air,” those underlying a screenwriter’s script or treatment deserve legal protection in order to optimally encourage the development and distribution of creative works. Although the analysis herein contemplates the distinctive challenges facing screenwriters, it also applies to other pitch-based segments of the entertainment economy.

This Note proceeds in five parts. Part I describes the development of the contract-based idea submission claim as an alternative to copyright

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7. For simplicity’s sake, this Note refers to all individuals, organizations, and companies that develop and subsequently submit ideas for television and film projects as “screenwriters,” and all recipient studios, networks, and production houses as “producers.”

8. *Forest Park II*, 683 F.3d at 428.

9. 17 U.S.C. § 102(b) (2006) (excluding from copyright protection “any idea, procedure, process, system, method of operation, concept, principle, or discovery, regardless of the form in which it is described, explained, illustrated, or embodied” in an original work of authorship).

10. See *Forest Park II*, 683 F.3d at 429–33 (exploring and ultimately accepting contract theory as an acceptable means to protect against idea theft).

11. Melville B. Nimmer, *The Law of Ideas*, 27 S. CAL. L. REV. 119, 119 (1953–1954) (explaining that ideas reside in the public domain); see also Desny v. Wilder, 46 Cal. 2d 715, 731 (1956) (“But there can be circumstances when neither air nor ideas can be acquired without cost.”); Robert M. Schwartz, Alicia K. Hancock, Kristopher D. Rossfeld & Jordan P. Raphael, *Disputes Over Literary Contributions Outside the Realm of Copyright (Implied-in-Fact Contracts, Express Contracts, Confidential Relationships, and Screen Credit)*, in *ENTERTAINMENT LITIGATION* 281, 283 (Charles J. Harder ed., 2011) (“Even though ideas are not considered personal property, that does not mean another’s ‘ideas may be acquired without cost.’”).
infringement actions, which routinely prove inadequate in this context because federal copyright protection does not extend to ideas. It further discusses how the entertainment industry has responded to this alternative cause of action by reining in the idea submission process, making it difficult for writers to penetrate the industry’s (many) barriers to entry. Part II introduces copyright preemption as a potential obstacle to the success of the contract-based claim and discusses judicial findings on the issue. Part III considers the facts of the Second Circuit case *Forest Park v. Universal* and its central holding that the Copyright Act does not preempt contract-based idea submission claims. Part IV takes a normative position in agreement with the Second Circuit, relying on research of the entertainment industry and idea submission cases in general to support the legitimacy of its holding. Part V addresses an oft-recited “floodgates” argument—that judicial recognition of a new cause of action will lead to a barrage of meritless litigations—by illustrating how the heavy burdens on the plaintiff will be effective in keeping claims against producers in check.

I. THE EVOLUTION OF THE IDEA SUBMISSION CLAIM

Screenwriters have long resorted to the courts when seeking retribution against producers accused of stealing their ideas, and over the last six decades breach-of-contract has emerged as the most promising cause of action. *Forest Park* exemplifies a common pathology in the entertainment industry. A screenwriter, confident that she has come up with the next smash hit, approaches a producer with the objective of selling her idea. After reviewing the screenwriter’s submission and perhaps agreeing to hear a pitch presentation, the producer declines. Later, the screenwriter discovers that the producer released a new film or TV series that bears an uncanny resemblance to the idea she pitched. Should she have ever disclosed the idea in the first place?

The screenwriter’s predicament reflects a phenomenon known as “Arrow’s paradox of information.”12 Named for economist Kenneth J. Arrow, the paradox describes a scenario in which one party develops valuable information but cannot capitalize on its economic value without first disclosing the information to another.13 After disclosure occurs, however, the recipient of the information already possesses the information
he would have otherwise purchased.14 In the entertainment context, Arrow’s paradox manifests when a screenwriter wishes to sell her idea to a producer. Prior to disclosure, the producer cannot evaluate the commercial viability of the idea and no sale occurs. After disclosure, however, the screenwriter has nothing left to sell.15

Intellectual property law aims to solve this problem by conferring a property right on the creator, which provides a means to prohibit others from making use of the information without the creator’s consent.16 Federal intellectual property law is not, however, an adequate solution when it comes to screenwriters and their pitch presentations because the Copyright Act does not cover ideas.17 In the absence of any unified doctrine tailored specifically to handle idea submission cases,18 contract law provides a solution.

A. COPYRIGHT LAW AS AN ILL-FITTING SOLUTION FOR IDEA PROTECTION

Because a screenwriter’s ideas are routinely captured in a script, treatment, or other literary work,19 copyright law would appear the natural and obvious choice for vindicating one’s right to compensation for use of the idea.20 However, limitations of copyrightable subject matter and the heavy burden imposed of proving infringement make it nearly impossible for screenwriters to prevail under a copyright theory.21

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15. See MERGES ET AL., supra note 12.
16. For example, Arrow explains, patent law grants a limited monopoly in making and using a patented invention so that patentees can disclose their work and offer them for sale without worrying that a competitor might reap the benefits of the patentee’s hard work. See MERGES ET AL., supra note 12, at 1016-17.
18. 4 MELVILLE B. NIMMER & DAVID NIMMER, NIMMER ON COPYRIGHT § 19D.01[A] (Matthew Bender rev. ed. 2012) [hereinafter NIMMER ON COPYRIGHT].
21. NIMMER ON COPYRIGHT, supra note 18, § 19D.01[A] (quoting Art Buchwald’s attorney, who told him before filing the lawsuit Buchwald v. Paramount that “the copyright approach is a dead-bang loser,” and “you’ll get tossed out of court so fast that you won’t know that you were ever there”).
A copyright “subsists in . . . original works of authorship fixed in any tangible medium of expression,” which includes any written material a screenwriter might submit while pitching an idea. However, the scope of protection does not extend to the ideas expressed in that material, and screenwriters often find themselves on the wrong side of the idea-expression dichotomy. For instance, when a producer steals a screenwriter’s ideas but the screenwriter’s exact language does not appear verbatim in the final script, as is usually the case, copyright law has little to offer by way of recovery because there is no longer a “substantial similarity” between the expression embodied in the works.

Screenwriters face a similarly formidable challenge in proving infringement. Section 501 requires plaintiffs to prove that the defendant

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23. Id. (“In no case does copyright protection for an original work of authorship extend to any idea . . . regardless of the form in which it is described, explained, illustrated, or embodied in such work.”). A number of reasons justify exclusion of ideas from federal copyright law. First, rarely are ideas truly original—most in film and TV are recycled, whether intentional or not. See Brian Devine, Free as the Air: Rethinking the Law of Story Ideas, 24 HASTINGS COMM. & ENT. L.J. 355, 363 (2002) (citing findings that only thirty-six fundamental dramatic situations appear on screen, or that every film or television show derives from seventeen different plot variations). Second, the constitutional right to freedom of speech under the First Amendment dictates that ideas remain in the public domain available for others to use and build on. See Paul Goldstein, I’ve Got a Great Idea: I’ll Sue!, LOS ANGELES TIMES, Aug. 26, 2006, at 15. See also Arthur R. Miller, Common Law Protection for Products of the Mind: An “Idea” Whose Time has Come, 119 HARV. L. REV. 703, 716 (2006) (“From the perspective of copyright law, the taking [of ideas] is not tortious or unfair; rather it is the type of exchange between author and the public that the statute was designed to facilitate.”). Third, ideas are relatively cheap to produce and therefore do not merit the same protection reserved for those who put in the costly and time-consuming work of fixing those ideas in a tangible medium of expression. Paul Goldstein, supra.

24. The “idea-expression dichotomy” doctrine examines the “division between protectable expression and unprotectable ideas.” MERGES ET AL., supra note 12, at 441–42. To prevail in a copyright infringement suit, the copyright owner must demonstrate that the alleged infringer has copied the expression embodied in the work, and not merely the underlying ideas. Courts employ the so-called “level of abstraction” test, first articulated by Judge Learned Hand in 1930, to determine whether the copied elements of a particular work are copyright-eligible. See id. at 446 (citing Nichols v. Universal Pictures Corp., 45 F.2d 119, 121 (2d Cir. 1930)). The test instructs courts to reimagine the copyrighted work with “increasing generality” until the allegedly infringing work aligns with it; whether that level constitutes an expression or an idea determines the outcome of the case. Nichols, 45 F.2d at 121.

violated one or more of the exclusive rights granted in § 106. In idea submission cases, the exclusive right typically at issue is the right of reproduction. Unfortunately, the “substantial similarity” test, which courts employ to determine copying, is notoriously difficult to satisfy. Rarely do plaintiffs prevail under this test. Thus, copyright cannot provide the legal guarantee that screenwriters need to feel confident about disclosing their idea to prospective producers.

B. **ADVENT OF THE CONTRACT-BASED CLAIM AS A MEANS TO PROTECT IDEAS**

In the 1950s, California courts recognized the need for some form of legal protection for ideas, especially in the entertainment context, but struggled to find an equitable alternative to copyright law that would not run afoul of the historical notion that ideas cannot be protected as property. With contract law, they succeeded.

In 1950, the California Supreme Court first granted idea protection under an implied contract theory in *Stanley v. CBS*, a case involving a “format” for a radio program that plaintiff Jack Stanley had submitted to CBS. Stanley contended that based on the circumstances surrounding disclosure of the idea, CBS had impliedly agreed to compensate him if the network decided to

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27. To prove copying, copyright owners generally must demonstrate (1) that the alleged infringer had access to the copyrighted work and (2) that the infringing work is “substantially similar.” Brian Casido, Benay v. Warner Bros Entertainment, Inc.: New Standard Needed for Determining Actual Use, 41 GOLDEN GATE U. L. REV. 327, 331 (2010–2011). Substantial similarity can be measured either “intrinsically,” based on whether an ordinary, reasonable audience finds the works similar when viewed in their entirety, or “extrinsically,” based on similarities between individual expressive elements. Id. at 331–35.

28. See Buono & Wickers, supra note 25, at 5 n.15 (citing Benay v. Warner Bros. Entm’t, Inc., 607 F.3d 620 (9th Cir. 2010); Shaw v. Lindheim, 919 F.2d 1353 (9th Cir. 1990); Grosso v. Miramax Film Corp. (Grosso I), 383 F.3d 965 (9th Cir. 2004)).

29. See NIMMER ON COPYRIGHT, supra note 18, § 19D.01 (recalling how writers in the 1950s, who were entirely at the mercy of Hollywood producers, often lamented their lack of autonomy in the entertainment industry).


31. See Hoyt, supra note 30, at 27 (“The California Supreme Court ... believed that contract theory—which did not restrict the use of the idea beyond the agreeing parties—could protect writers and pitchmen without sacrificing the public interest.”).

develop his format into a radio program.33 The jury agreed, finding that CBS’s failure to pay a reasonable sum after producing a radio program that substantially embodied Stanley’s ideas entitled him to breach-of-contract damages.34 The California Supreme Court affirmed, adding only that contract liability is appropriate when the idea at issue is both novel and reduced to concrete form.35

Justice Traynor, who filed a dissenting opinion, disagreed that Stanley met his burden of proving formation and breach of the contract alleged in this case.36 He agreed with the majority, however, that contract law could provide a means of recovery for idea theft.37 In an eloquent exposition on the topic, Justice Traynor conceived a new law of ideas:

The policy that precludes protection of an abstract idea by copyright does not prevent its protection by contract. Even though an idea is not property subject to exclusive ownership, its disclosure may be of substantial benefit to the person to whom it is disclosed. That disclosure may therefore be consideration for a promise to pay. . . . Even though the idea disclosed may be “widely known and generally understood,” it may be protected by an express [or implied] contract providing that it will be paid for regardless of its lack of novelty.38

Six years later the California Supreme Court adopted Traynor’s philosophy in Desny v. Wilder,39 laying the foundation for California’s idea submission cases today. In that case, screenwriter Victor Desny developed a sixty-five-page plot for a movie about Floyd Collins, a boy who made

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33. Id. at 656–57.
34. Id. at 663.
35. Id. (nodding to several New York cases from the 1940s that permitted contract-based recovery for misappropriation of ideas, but under a theory that nevertheless regarded ideas as a form of property). Today, New York state law distinguishes contract-based idea submission claims from property-based claims, but the plaintiff must still prove novelty and concreteness as require elements of consideration. See Nadel v. Play-By-Play Toys & Novelties, Inc., 208 F.3d 368, 374–76 (2d Cir. 2000).
36. Stanley, 35 Cal. 2d at 679–82 (Traynor, J., dissenting). Unlike the majority, Justice Traynor believed that no implied contract existed between the parties because plaintiff’s concept of using listener participation to select stories and celebrities for movies was not novel enough to lead to an inference that the defendant would have paid for the idea. Id. Furthermore, Justice Traynor was not persuaded that the idea was substantially similar to defendant’s radio programs, which used listener participation to simulate “the glamour [of attending] a Hollywood preview.” Id. at 689.
37. Id. at 674.
38. Id.
39. 46 Cal. 2d 715 (1956).
headlines after getting trapped in a cave. Desny telephoned the office of Paramount Pictures producer Billy Wilder in 1949 with the goal of selling his story. When Wilder’s secretary asked Desny to read a synopsis to her over the phone so that she could forward it to studio producers in verbatim, Desny first insisted that he would allow Paramount to use the idea only if the studio promised to pay its “reasonable value” upon use. The secretary replied, “Naturally, we will pay you for it.” Several years later, Paramount released the film *Ace in the Hole*, which closely resembled the story that Desny had pitched over the phone. After the studio ignored multiple demands for compensation, Desny sued for breach of contract. Despite the trial court’s decision to dismiss the claim on summary judgment, Desny prevailed on appeal.

The California Supreme Court, expressing concern that an adverse ruling might open the door to fraud and unjust enrichment, held that the law implies a promise to compensate where the idea purveyor has clearly conditioned disclosure of the idea upon an obligation to pay for it upon use, and the recipient, knowing the condition before hearing the idea, voluntarily accepts its disclosure, finds the idea valuable, and uses it. More than fifty years later, *Desny*’s formulation of the breach-of-implied-contract theory remains the dominant strategy for screenwriters who believe that a producer has stolen his or her ideas. Although some idea submission claims rest on other legal theories, the so-called *Desny* claim continues to carry the most promise.

C. **REPERCUSSIONS IN THE ENTERTAINMENT INDUSTRY**

Times have changed since *Desny*. Gone are the days when screenwriters can call a studio directly to pitch an idea or when producers will

40. Id. at 726.
41. Id. at 726–27.
42. Id. at 727.
43. Id.
44. Id. at 724–26.
45. Id. at 728.
46. Id. at 724.
47. Id. at 739.
48. The *Desny* name is now ubiquitous, and indeed many courts have adopted it to describe any contract-based idea submission claim brought against entertainment industry players. See, e.g., Montz v. Pilgrim Films & Television, Inc. (*Montz II*), 649 F.3d 975, 976 (9th Cir. 2011) (en banc), cert. denied, 132 S. Ct. 550 (2011).
49. See NIMMER ON COPYRIGHT, supra note 18, § 19D.02 (listing breach of confidence, breach of confidential relationship, misappropriation, and breach of quasi-contract, or unjust enrichment as cause-of-action alternatives). In some cases, plaintiffs have even asserted fraud or trade secret theories for protecting their ideas. Id.
expressly promise anything. As the entertainment industry became more sophisticated, it also became more risk-averse. Desny gave producers, already concerned about copyright infringement actions, a new reason to tighten idea submission policies and reconsider the way they conduct business. For this reason, although Desny v. Wilder involved an express promise to pay for the use of the idea, Desny claims today rely almost exclusively on an implied contract theory, which looks to the circumstances attending the disclosure of the idea to determine whether the producer voluntarily accepted the conditions of the screenwriter's offer. Some scholars claim that in the end, Desny backfired; they lament that studio restructuring resulted in fewer opportunities to pitch ideas.

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50. See Hoyt, supra note 30, at 23. One scholar writes: Desny v. Wilder impacted both California law and the entertainment industry, changing the way studios, networks, and producers handled and continue to handle idea submission. Reverberations of the case can still be felt every time a hopeful screenwriter picks up the phone, dials, and cries to convince the Hollywood assistant on the other end to listen to a fantastic, unusual idea.

51. For clarity's sake, this Note simplifies the composition of players in the entertainment industry. In addition to screenwriters and producers, the remaining groups exerting considerable influence over idea submission practices are agents, managers, and the Writers Guild of America ("WGA"). Agents and managers work on behalf of many industry players and act as liaisons between them. The WGA, a labor union with nearly 10,000 members nationwide, is the sole collective bargaining organization for writers in the motion picture, television, radio, interactive, and new media industries. JOHN SCOTT LEWINSKI, THE SCREENWRITER'S GUIDE TO AGENTS AND MANAGERS 182 (2001). A writer's working conditions, wages, screen credits, and other employment standards are governed by the WGA's Theatrical and Television Minimum Basic Agreement. BROOKE A. WHARTON, THE WRITER GOT SCREWED (BUT DIDN'T HAVE TO): A GUIDE TO THE LEGAL AND BUSINESS PRACTICES OF WRITING FOR THE ENTERTAINMENT INDUSTRY 64–65 (1996).

52. See Hoyt, supra note 30, at 23.

53. See Schwartz et al., supra note 11, at 301–02. As several scholars explain: The elements of a claim for a breach of an implied-in-fact contract are: (1) the plaintiff prepared the work at issue, (2) the plaintiff disclosed the work to the defendant/offeree for sale, (3) under all circumstances attending disclosure it can be concluded that the offeree voluntarily accepted the disclosure knowing the conditions on which it was offered, (4) the offeree made use of the idea of a part of it thereof, and (5) the idea/work had value.

54. See Hoyt, supra note 30, at 38 ("[Desny] closed more doors to writers than it opened . . . . Desny's triumph led to more protective barriers of entry to prevent new, untested talent from entering the industry."). Some scholars speculate that a WGA memorandum written in 1966 exacerbated the Desny backlash by misconstruing the Court's holding to suggest that any dealings between a writer and producer automatically give rise to
In today’s post-Desny world, screenwriters interested in submitting their work to producers must seek representation with an agent or manager who can facilitate the submission. They cannot approach producers directly, as most now refuse to accept unsolicited submissions to reduce exposure to accusations of idea theft. Producers who elect not to return submission materials unopened will typically refuse to read materials unless the screenwriter agrees to sign a release or waiver, effectively eliminating any legal recourse for idea theft.

Consequently, screenwriters now depend on agents and managers to provide access to producers. Unfortunately, finding effective representation is a notoriously competitive process and nearly impossible without a strong referral network. Those privileged enough to sign with a reputable agency or managing company must then leverage that relationship to secure the

an implied contract. See, e.g., Hoyt, supra note 30, at 38 (criticizing the WGA for “seiz[ing] upon the legal ammunition of implied contract in idea submission cases and tak[ing] the argument one step further than actual law”).

55. Submission deliverables take on a number of forms. On one end of the spectrum is the (typically oral) pitch presentation, which paints the basic plots, characters and themes in broad brushstrokes. How Far Should You Develop an Idea?, supra note 19. On the other end, many writers prepare a full screenplay, sometimes referred to as a “spec script,” when written on speculation that a producer may wish to purchase it. MICHAEL C. DONALDSON, CLEARANCE & COPYRIGHT: EVERYTHING YOU NEED TO KNOW FOR FILM AND TELEVISION 474 (3d ed. 2008). In between are “treatments” or “specs,” which are abbreviated versions of a script, typically in outline form. Id. at 20, 475.

56. See Devine, supra note 23.

57. LEWINSKI supra note 51, at 68 (reciting the “dark mantra” that “unsolicited scripts go unread undoubtedly”). Producers’ fears about liability are generally well-founded, as courts have held that studios and producers notified of a forthcoming script are deemed to have implicitly promised to pay for the ideas therein, if used, if they open and review the submission when it arrives. See, e.g., Whitfield v. Lear, 751 F.2d 90, 93 (2d Cir. 1984).

58. WHARTON, supra note 51, at 25. Although functionally consistent, these release forms limit producers’ liability in a variety of ways. See, e.g., Hoyt, supra note 30, at 38 (agreement that no contractual relationship exists between the parties); Buono & Wickers, supra note 25, at 6. (same); Write Angles: Industry Pros Discuss Writing and Selling Scripts for Stage & Screen, BACK STAGE, May 5, 1989, at 1A (covenant not to sue); Gary Dretzka, Prime Time for Pilots: Networks Have Mysterious Process for Choosing New Shows, CHICAGO TRIBUNE, May 16, 2000, at 5 (indemnification of the producer).

59. To increase chances of signing with an agency, screenwriters must often rely on industry-sponsored networking events, which can be costly and time-consuming. See, e.g., WHARTON, supra note 51, at 79, 249–54 (recommending that writers enter, and win, screenwriting contests to catch agents’ attention); LEWINSKI, supra note 51, at 101–107 (advising writers to attend screenwriting conferences); Brooke O’Neill, Seven Minutes in Heaven: How to Court Heavy Hitters at Hollywood Pitch Festival, BACK STAGE WEST, June 21, 2007, at 5 (describing the Hollywood Pitch Festival, a large-scale “speed dating” event during which screenwriters can pitch their ideas to a rotating group of 200 producers, agents, and development executives for seven-minutes each).
opportunity to pitch their ideas.60 A screenwriter’s objective during the pitch presentation is to sell a screenplay or treatment, and the underlying idea, in an outright purchase.61 Alternatively, the producer might buy an option to purchase the writer’s work at a later time.62 Should the project progress, and the producer decide to hire the writer for further revisions, the writer can expect additional compensation in the form of a percentage of total profits.63 However, securing pay at the idea stage is important because, on average, only one out of every thirty scripts makes it to the final stages of production.64 Thus, the probability of reaching the point at which the writer can collect royalties is slim. At almost every stage, a screenwriter’s career is in the hands of another.65

A screenwriter’s financial incentives and expectations are well understood in the entertainment industry. Because of the mutual recognition that screenwriters do not perform their work gratis, it is customary to pay them reasonable compensation for furnishing an idea during a pitch presentation

60. On occasion, agents will pitch ideas on the screenwriter’s behalf. See, e.g., Benay v. Warner Bros. Entm’t, Inc., 607 F.3d 620, 622 (9th Cir. 2010).

61. A producer purchasing a script outright typically hires the screenwriter to develop their pitch into a first-draft screenplay and then produce a series of revisions based on feedback from the studio. WHARTON, supra note 51, at 137. If the project moves forward, the producer may choose to hire the writer for a second series of revisions. Id.

62. See DONALDSON, supra note 55, at 113 (“Instead of paying out a large sum of the cash up front, the filmmaker offers a small cash amount to the owner of the property. This guarantees that the [option holder] can purchase the film rights, in the future, under certain specified conditions.”). From the sale of an option, a screenwriter typically earns between $5,000 and $50,000. Pitch It To Me, MOVIE PITCH, http://www.moviepitch.com/pitch/ (last visited Dec. 22, 2012).

63. See LEWINSKI, supra note 51, at 110.

64. Write Angles, supra note 58, at 1A.

65. As the entertainment industry evolves, new opportunities for commercializing ideas may help neutralize the power imbalances and release screenwriters from the grip of the studios. Some data suggests that today’s norm of pitching ideas to traditional “gatekeepers” of consumer media will give way to internet-enabled direct-to-consumer content creation, which will allow writers to get around studios altogether. See MICHAEL MASNICK & MICHAEL HO, FLOOR 64, THE SKY IS RISING: A DETAILED LOOK AT THE STATE OF THE ENTERTAINMENT INDUSTRY 6–7 (Jan. 2012), available at http://www.techdirt.com/skyisrising/ (describing studios and producers as “gatekeepers”). Websites like Kickstarter, which allows artists to “crowdfund” the creation of new works based on short pitches of their ideas and objectives ($32 million pledged to film and video in 2011), and TopSpin, which provides content creators with tools to connect more easily with fans via their website, already exist. Id. For screenwriters aspiring to be the creative force behind projects based on their own ideas, these so-called “enablers” are a dream come true, as most screenwriters today still subsist on assignments for projects conceived by others. WHARTON, supra note 51, at 137, 169 (1996). As long as the entertainment industry maintains the status quo, however, plaintiffs will continue to rely on existing legal mechanisms, such as contract-based idea submission claims, to capitalize on their ideas.
that is ultimately used by a studio.\textsuperscript{66} This industry custom, an attending circumstance that can give rise to a producer’s implied promise to pay, is the linchpin of the Desny claim.

\section*{II. COPYRIGHT PREEMPTION AND THE FATE OF THE DESNY CLAIM}

Amendments to the Copyright Act in 1976 established a new strategy for defending against Desny claims, which producers have since embraced in full force: dismissal on the grounds of federal copyright preemption.\textsuperscript{67} Section 301, which preempts all claims functionally equivalent to copyright infringement actions, poses a substantial threat to the viability of contract-based idea submission claims that involved copyrightable works. For decades, conflicting federal court rulings in California and New York, the two metropolitan heavyweights of today’s entertainment industry, seemed to suggest the emergence of a circuit split as to whether the Copyright Act preempts Desny claims. The Second Circuit settled this split in Forest Park.\textsuperscript{68}

\subsection*{A. PREEMPTION AS A SIGNIFICANT OBSTACLE TO CONTRACT CLAIMS FOR IDEAS}

1. Copyright Preemption Under § 301

Under the Supremacy Clause,\textsuperscript{69} state and common law claims, like breach of contract, are subject to preemption when they conflict or interfere with the federal government’s exclusive authority to control a particular substantive area of the law.\textsuperscript{70} In the Copyright Act, § 301 asserts Congress’s supremacy through express statutory language and prescribes a two-part test to parse out the claims subject to preemption.\textsuperscript{71} Section 301 involves a two-

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\item Buono & Wickers, supra note 25, at 4. Two facts give rise to this common understanding. First, screenwriters make a living by selling their ideas and their writing. Second, agents and managers work on commission and would have little incentive to arrange pitch presentations in the first place without the possibility of financial gain. WHARTON, supra note 51, at 123 (explaining that agents can only make up to 10\% in commission, and that managers make 5–15\%); Brian Devine, supra note 23, at 388.
\item Forest Park Pictures v. Universal Television Network, Inc. (Forest Park II), 683 F.3d 424 (2d Cir. 2012).
\item U.S. CONST. art. VI, cl. 2 (“This Constitution, and the Laws of the United States, which shall be made in Pursuance thereof, and all Treaties made, or which shall be made, under the Authority of the United States, shall be the supreme Law of the Land.”)
\item See NIMMER ON COPYRIGHT, supra note 18, § 1.01[B].
\item Id. As a practical matter, the express preemption provision of the Copyright Act releases courts from the cumbersome tasks of determining “whether the federal interest in [the] field is dominant, whether the field of federal regulation is sufficiently comprehensive
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\end{footnotesize}
prong test, which prohibits any state or common law from granting rights (1) that are “equivalent to any of the exclusive rights within the general scope of copyright” and (2) concern “works of authorship that are fixed in a tangible medium of expression and come within the subject matter of copyright.”72 In short, both the nature of the right and the nature of the work at issue must align with protections granted under federal copyright law.

Courts applying the first prong of the test—equivalency of the claims—look for an “extra element” that “[changes] the nature of the action so that it is qualitatively different from a copyright infringement claim.”73 “Extra elements” that merely change the scope of the claim, as opposed to the “fundamental nature of the right,” will not escape preemption.74 In the context of contract law, § 301 preempts a breach-of-contract claim if “one party to the contract merely promises to refrain from infringing on the other’s exclusive copyright” but not if the contract “binds one party to do or not do something outside copyright’s general scope.”75 While the “extra element” test for equivalency has endured criticism over the years,76 the test

to raise an inference of intent to preempt, or whether any of the other preemption tests apply,” which typically governs preemption analysis. Id. Ironically, the two-part test described in § 301 often proves just as burdensome and has precipitated a doctrine just as nebulous.

74. Forest Park Pictures v. Universal Television Network, Inc. (Forest Park II), 683 F.3d 424, 431 (2d Cir. 2012); Briarpatch, 373 F.3d at 306–307.
76. See NIMMER ON COPYRIGHT, supra note 18, § 1.01[B][1] (noting that some scholars and courts denounce the “extra element” test as an exercise in circular logic); Schwartz et al., supra note 11, at 33 (same); Ritchie v. Williams, 395 F.3d 283, 287 n.3 (6th Cir. 2005) (noting the difficulty in determining whether an alleged “extra element” is “merely illusory”). One scholar explains:

The problem with this test is that it does not provide any real guidance to the courts. There is always some difference between the state law and the Copyright Act, so a court that wants to avoid preemption can always find some difference, however small, that is the “extra element” needed to avoid preemption. The net result is that courts seem to first decide independently whether or not they think preemption should apply, and then label the result accordingly. . . . Thus, the “extra element” test has proved circular in practice, and the cases are ad hoc, inconsistent, or wrong.
is widely accepted among courts and continues to shape preemption doctrine.77

2. Justifications for § 301 Preemption

Prior to the enactment of § 301, copyright protection in the United States derived from a dual system of state and federal copyright law.78 Until Congress overhauled the Copyright Act in 1976, separate copyright protection under state law79 was considered an integral and indispensable piece of the copyright puzzle because it covered unpublished works, a category that the framers of the 1909 Copyright Act had explicitly excluded.80

Once Congress expanded the scope of copyrightable subject matter to include unpublished works,81 there was no longer a need for concurrent state law copyright protection; Congress could finally consolidate copyright law into one unified regime.82 Chief among the motivations for doing so was a desire to eliminate widespread inconsistencies that inevitably arose within the dual system.83 With § 301’s express preemption provision, Congress


77. NIMMER ON COPYRIGHT, supra note 18, § 1.01[B]. See, e.g., Montz II, 649 F.3d at 980; Computer Assocs. Int’l, Inc. v. Altai, Inc. 982 F.2d 693, 716 (2d Cir. 1992); Stromback v. New Line Cinema, 384 F.3d 283, 301 (6th Cir. 2004); Utopia Provider Sys., Inc. v. Pro-Med Clinical Sys., LLC, 596 F.3d 1313, 1326 (11th Cir. 2012).

78. See H.R. REP. NO. 94-1476, at 129–133 (1976) (Conf. Rep.); NIMMER ON COPYRIGHT, supra note 18, § 1.01. The first case to acknowledge and endorse the dual copyright system was Wheaton v. Peters, 33 U.S. 591 (1834), which upheld a state/common law copyright in unpublished manuscripts. NIMMER ON COPYRIGHT, supra note 18, § 1.01[A]. It persisted until the eve of the new Copyright Act. See Goldstein v. California, 412 U.S. 546, 559–60 (1973) (holding that the power granted under federal copyright law is nonexclusive, eradicating any doubt that the states could retain a concurrent right to protect an author’s work so long as it did not directly conflict with federal law).

79. See NIMMER ON COPYRIGHT, supra note 18, § 19D.01[B] (explaining that in most states a body of law referred to as “common law copyright” protected against plagiarism). In California, however, “common law copyright” was statutory, under Cal. Civ. Code § 980 (1872). NIMMER ON COPYRIGHT, supra note 18, § 19D.01[B].


82. See Miller, supra note 23, at 763.

83. See H.R. REP. NO. 94-1476, at 129 (1976) (Conf. Rep.) (noting the problems arising from inconsistent definitions of “publication” across states, especially with regard to intangible media, including a loophole that occasionally created a perpetual monopoly in a single work). See also NIMMER ON COPYRIGHT, supra note 18, § 1.01; Miller, supra note 23, at 761–63. Secondary goals included bringing United States copyright law more in line with the
alleviated the confusion that arose from conflicting bodies of laws and frustrated courts for decades.

Parallels with patent law reveal an alternative justification for copyright preemption: preventing states from granting property rights in works that Congress unequivocally intended to keep in the public domain. A string of Supreme Court cases from the second half of the 20th century collectively stood for the proposition that the line Congress draws between protectable and unprotectable subject matter reflects a policy judgment, not only about which inventions merit monopoly rights, but also about those which should not. Similar arguments about the dormant effects of copyright might also justify preemption under § 301.

3. Contract Law and § 301

Preemption analysis of Desny-style idea submission claims falls within a greater dialogue that asks whether breach-of-contract actions should ever be subject to federal copyright preemption. Two competing philosophies inform judicial decision-making on this issue. “Freedom to contract” proponents contend that copyright merely provides a shortcut to the transactions that would naturally occur between copyright owners and those who wish to

principles of the Berne Convention, the treaty governing copyright law at an international level. See H.R. REP. NO. 94-1476, at 129–133 (1976) (Conf. Rep.).

84. See Bonito Boats, Inc. v. Thunder Craft Boats, Inc., 489 U.S. 141, 144–45 (1989); Sears, Roebuck & Co. v. Stiffel Co., 376 U.S. 225, 230–31 (1964); Compco Corp. v. Day-Brite Lighting, 376 U.S. 234, 237 (1964). In *Bonito Boats*, the Court struck down a Florida statute that prohibited boat manufacturers from using a “direct molding process” to duplicate a particular unpatented boat hull design, or knowingly selling copycat boat hulls created by that process. *Bonito Boats*, 489 U.S. at 144–45. In striking down the statute on preemption grounds, the Court underscored the “strong federal policy of favoring free competition in ideas which do not merit patent protection,” and invoked the Supremacy Clause to preempt state action that jeopardized it. *Id.* at 168 (quoting *Lear, Inc. v. Adkins*, 395 U.S. 653, 656 (1969)). This line of reasoning traces back even decades earlier:

[T]he patent system is one in which uniform federal standards are carefully used to promote invention while at the same time preserving free competition. Obviously a State could not, consistently with the Supremacy Clause of the Constitution, extended the life of a patent beyond its expiration date or give a patent on an article which lacked the level of invention required for federal patents. To do either would run counter to the policy of Congress of granting patents only to true inventions, and then only for a limited time. Just as a State cannot encroach upon the federal patent laws directly, it cannot, under some other law, such as that forbidding unfair competition, give protection of a kind that clashes with the objective of the federal patent laws.

*Sears*, 376 U.S. at 230–31. See also *Compco Corp.*, 376 U.S. at 237.
purchase or license their works. They contend that the Copyright Act is no more than a compilation of socially desirable default rules; the Act cannot prevent the parties from contracting around the rights granted by copyright or creating their own property rights.

Opponents of the “freedom to contract” philosophy take the position that copyright legislation is a scheme “carefully balanced to advance the public interest by providing an incentive to authors to create while safeguarding the free flow of the information on which such creativity is based.” Under this theory, parties should not be permitted to undermine the balance of rights, even with private ordering. Under this “public interest” theory, a contract might be subject to preemption, pursuant to the two-part test in § 301. Under the “freedom to contract” theory, however, contracts will never be subject to preemption.

There is some legislative history to support the theory that contracts were not intended to fall within § 301. Yet, most courts are reluctant to commit the fate of contract and copyright law to either position. Instead of establishing a categorical, bright-line rule that applies to all contract-based claims, courts most frequently limit their rulings to the specific facts of the case, resulting in a fragmented preemption doctrine built from small pockets of law. Idea submission claims occupy one of these pockets.

B. THE STATE OF THE LAW SURROUNDING CONTRACTS AND COPYRIGHT PREEMPTION

Pursuant to § 301, courts evaluate preemption challenges to Desny claims by applying the two-prong test described in Section II.A.1, supra. Producer defendants rarely have difficulty satisfying the “subject matter” prong of the test, as screenwriters generally “fix” their ideas in a script, treatment, or other

86. Id.
87. Id.
88. Id.
89. See, e.g., McCLELLAN, COPYRIGHT LAW REVISION, S. REP. NO. 94-473, at 19 (1975) (an earlier Senate version of § 301 of the Copyright Act indicating that “[n]othing in this title annuls or limits any rights or remedies under the common law or statutes of any State with respect to . . . activities violating rights that are not equivalent to any of the exclusive rights within the general scope of copyright . . . including . . . breaches of contract . . . .”); H.R. REP. NO. 94-1476, at 132 (1976) (Conf. Rep.) (discussing proposed amendments for the Copyright Act and stating that “[n]othing in the bill derogates from the rights of parties to contract with each other and to sue for breaches of contract . . . .”).
90. To summarize, any claim that concerns copyrightable subject matter and seeks to vindicate rights equivalent to those exclusively granted to copyright owners fails under the preemption provision. 17 U.S.C. § 301(a) (2006).
written work prior to pitching their idea. Instead, litigants stumble on the equivalency prong. Often, the success of a preemption defense hinges on the following question: does the alleged implied-in-fact contract contain an “extra element” that renders the screenwriter’s right to compensation qualitatively different from the exclusive rights granted under the Copyright Act? The next sections will recount how courts in the Ninth and Second Circuits, the jurisdictions that tend to attract the most Desny-style idea submission claims, have historically answered this question.

1. Ninth Circuit Precedent

Considering that Hollywood has become a Mecca for writers and producers working in the entertainment industry, it comes as no surprise that the Ninth Circuit exerts considerable influence in this area of law. In Grosso v. Miramax Film Corp. (Grosso I), the first case testing the viability of the Desny claim at the circuit level, the Ninth Circuit held that the Copyright Act did not preempt a breach-of-implied-contract claim seeking to recover compensation for the use of ideas embodied in a screenplay previously submitted to the studio. In that case, screenwriter Jeff Grosso developed a screenplay about poker players titled The Shell Game. He alleged that he submitted the script to Miramax through the Gotham Entertainment Group, an intermediary company that had a so-called “first look” agreement with Miramax, which gave Miramax a first right of refusal. Miramax allegedly used the ideas and themes in the screenplay to make the movie Rounders but failed to pay Grosso, thereby breaching an implied contract to provide

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91. Buono & Wickers, supra note 25, at 5. The incorporation of some non-copyrightable material in the written work will not defeat copyright eligibility for the purposes of preemption. See Forest Park Pictures v. Universal Television Network, Inc. (Forest Park II), 683 F.3d 424, 429 (2d Cir. 2012). As explained by the Fourth Circuit, “scope and protection are not synonyms . . . . [T]he shadow actually cast by the Act’s preemption is notably broader than the wing of its protection.” Berge v. Trs. of the Univ. of Alabama, 104 F.3d 1453, 1463 (4th Cir. 1997), cert. denied, 522 U.S. 916 (1997).

92. The Supreme Court has urged courts to adopt a “restrictive view” when determining which “extra elements” transform an otherwise equivalent claim into one that is qualitatively different from a copyright infringement claim. Nat’l Basketball Ass’n v. Motorola, Inc., 105 F.3d 841, 851 (2d Cir. 1997) (“[T]he ‘extra element’ test should not be applied so as to allow state claims to survive preemption easily.”).

93. In fact, some have sardonically adopted the nickname “Hollywood Circuit.” See, e.g., White v. Samsung Elecs. Am., Inc., 989 F.2d 1512, 1521 (9th Cir. 1993) (Kozinski, J., dissenting) (“For better or worse, we are the Court of Appeals for the Hollywood Circuit.”).

94. Grosso v. Miramax Film Corp. (Grosso I), 383 F.3d 965, 968 (9th Cir. 2004). See also DONALDSON, supra note 55, at 16.

95. Grosso I, 383 F.3d at 967.

reasonable compensation for use of the idea.\textsuperscript{97} Relying on precedent in \textit{Landsburg v. Scrabble Crossword Game Players, Inc.}, a case involving the alleged uncompensated use of the plaintiff’s idea for a Scrabble strategy book, the Court reasoned that the implied promise to pay constituted an “extra element” because it “transform[ed] the action from one arising under the ambit of federal statute to one sounding in contract.”\textsuperscript{98}

The Court reiterated this finding seven years later in \textit{Montz v. Pilgrim II}, in an en banc decision concerning \textit{Ghost Hunters}, a reality television series that follows paranormal investigators.\textsuperscript{99} In that case, plaintiffs alleged that they had pitched a similar idea to NBC and its affiliates with the objective of securing a partnership with the studio and a share of profits derived from the use of the idea.\textsuperscript{100} After rejecting the plaintiffs’ offer due to a lack of interest, NBC allegedly partnered with studio Pilgrim Films and Television, Inc. to produce the show.\textsuperscript{101} The Court held again that the implied promise to pay for the use of the submitted idea, even if indirectly manifested in a promise to hire plaintiff as a production partner, constituted an “extra element” that proved dispositive for the preemption analysis.\textsuperscript{102}

2. \textit{Second Circuit Precedent}

Up until the Second Circuit issued its \textit{Forest Park} decision, many courts in New York, the other epicenter of the entertainment industry, embraced a more restrictive interpretation of the “extra element” test, finding that \textit{Desny-type} claims lacked the “extra element” necessary to defeat copyright preemption under § 301.\textsuperscript{103}

\begin{itemize}
  \item \textsuperscript{97} \textit{Grosso I}, 383 F.3d at 967.
  \item \textsuperscript{98} \textit{Id.} at 968 (citing \textit{Landsberg v. Scrabble Crossword Game Players, Inc.}, 802 F.2d 1193, 1196 (9th Cir. 1986) (“The contract claim turns not upon the existence of a [copyright] . . . but upon the implied promise to pay the reasonable value of the material disclosed.”)).
  \item \textsuperscript{99} \textit{Montz v. Pilgrim Films & Television, Inc. (Montz II)}, 649 F.3d 975, 977 (9th Cir. 2011) (en banc).
  \item \textsuperscript{100} \textit{Id.} at 978.
  \item \textsuperscript{101} \textit{Id.} at 967.
  \item \textsuperscript{102} \textit{Id.} at 978.
  \item \textsuperscript{103} \textit{See, e.g.,} Muller v. Twentieth Century Fox Film Corp., 794 F. Supp. 2d 429, 448 (S.D.N.Y. 2011) (holding that the plaintiff’s breach of implied contract claim arising from defendants’ purported failure to compensate and credit the plaintiff for the alleged unauthorized use of his screenplay was preempted under § 301); Smith v. New Line Cinema, No. 03-5274, 2004 WL 2049232, at *5 (S.D.N.Y. Sept. 13, 2004) (holding that plaintiff’s breach-of-implied-contract claim, based on defendants’ use of the plaintiff’s screenplay without compensation was preempted by Copyright Act); Price v. Fox Entm’t Group, Inc., 473 F. Supp. 2d 446, 461 (S.D.N.Y. 2007) (holding that an alleged promise to treat a screenwriter as a co-author and account to him in profits in exchange for authorization to
In Muller v. Twentieth Century Fox, a court in the Southern District of New York ruled that the Copyright Act preempted plaintiff screenwriter’s implied breach of contract claim, which alleged that defendant Twentieth Century Fox Corporation copied his original screenplay titled The Lost Continent when developing the movie AVP: Alien vs. Predator.\textsuperscript{104} The court provided no other explanation for its holding, beyond an observation that “Muller’s state law right to receive credit and compensation for the alleged unauthorized use of his screenplay is equivalent to the exclusive rights protected by federal copyright law,” as well as citations to Smith v. New Line Cinema,\textsuperscript{105} a similar case decided seven years earlier by the same district court judge.\textsuperscript{106}

Based on the appellate decisions in the Ninth Circuit and the district court decisions in the Second Circuit, it seemed inevitable that any Desny litigation proceeding to the Second Circuit would result in a circuit split. Not so after Forest Park, which reversed the trend among New York district courts and brought the Second Circuit in alignment with the Ninth.

### III. FOREST PARK: PRESERVING THE VIABILITY OF THE DESNY CLAIM

In the most recent idea submission case to stem from the entertainment industry, the Second Circuit took a cue from the Ninth Circuit’s en banc ruling in 2011 and joined it on the issue of preemption under the Copyright Act,\textsuperscript{107} bolstering support for the proposition that contract-based idea submission claims based on an expectation to receive compensation for use of the idea are not preempted by federal copyright law.

\textsuperscript{104} Muller, 794 F. Supp. 2d at 432, 448.

\textsuperscript{105} Id. at 447–48. The dispute in Smith v. New Line Cinema arose from a movie called The Cell, the idea for which allegedly came from the plaintiff’s screenplay Inner Mind’s Eye. Smith, 2004 WL 2049232, at *1. The plaintiff claimed that he had submitted the screenplay to one of New Line Cinema’s former subsidiaries more than eight years before the release of the movie and that the studio’s failure to give him writing credit and adequate compensation to the plaintiff violated an implied contract governing the use of the idea. Id.

\textsuperscript{106} The same district court judge decided both of these cases. Muller, 794 F. Supp. 2d at 431 (opinion written by Judge Chinj); Smith, 2004 WL 2049232, at *1 (same).

\textsuperscript{107} Forest Park Pictures v. Universal Television Network, Inc. (Forest Park II), 683 F.3d 424, 428 (2d Cir. 2012).
A. BACKGROUND OF THE CASE

In 2005 Forest Park developed an idea for a television show called *Housecall*, which was about a doctor who, “after being expelled from the medical community for treating patients who could not pay, became a concierge doctor to the rich and famous in Malibu.”108 The company packaged its ideas for plots, characters, and themes in a “series treatment” and submitted the materials to USA Network via mail.109 After following up, Forest Park secured a meeting with Alex Sepiol, an agent working on behalf of the network.110 Allegedly admitting that the idea was a novel and “fascinating concept for a television show,” Sepiol began negotiations with Forest Park, but communications ceased one week later when the deal fell through.111 Approximately four years later, USA Network began airing a show called *Royal Pains*, which matched many of the characteristics of Forest Park’s treatment.112 Forest Park did not participate in the development of the show, nor was it compensated for its idea.113

Forest Park filed suit in the Southern District of New York against USA Network for breach of implied contract to pay reasonable compensation if the concepts embodied in the *Housecall* series treatment were used in a television show. In its allegations, Forest Park noted the industry custom whereby writers “pitch creative ideas to prospective purchasers with the object of selling those ideas for compensation.”114 Furthermore, Sepiol and USA Network were allegedly aware of this common practice and knew that Forest Park and other writers pitched ideas “with the expectation of compensation in the event of use.”115

USA Network responded with a motion to dismiss, arguing that § 301 of the Copyright Act preempted Forest Park’s breach-of-implied-contract claim.116 In May 2011, the district court agreed with USA Network and

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108. *Id.*
109. *Id.*
110. *Id.* (citing Complaint ¶ 12).
111. *Id.* (citing Complaint ¶ 15).
112. *Id.* One of the only differences noted by the Court was that USA Network’s show took place in the Hamptons, not in Malibu. *Id.*
113. *Id.*
114. *Id.* (citing Complaint ¶ 9).
115. *Id.* (citing Complaint ¶¶ 9, 13).
116. USA Network also argued that even if the claim survives preemption, Forest Park had failed to adequately plead breach of contract because it did not specify the price that it allegedly promised to pay, and therefore the implied contract is too vague to be enforceable. *Id.* This issue, although not considered in the district court, was ultimately decided in favor of Forest Park at the Circuit level. *Id.* However, this aspect need not be discussed in detail in this Note as it does not bear on preemption.
granted its motion, holding that the developers’ breach of implied contract claim (1) embodied copyrightable subject matter and (2) sought relief “equivalent to the exclusive right protected by the copyright law and [was] therefore preempted by the Copyright Act.”117 Forest Park appealed.

B. SECOND CIRCUIT OPINION

On appeal, the Second Circuit considered the viability of Desny claims for the first time since the amended Copyright Act was enacted in 1976. Writing for a unanimous panel, Circuit Judge John Walker held that the breach of implied contract was not subject to preemption under the Copyright Act.118 Interestingly, the Court’s analysis ignored the Southern District of New York cases whose contrary holdings had dominated federal law in New York up to that point.

Judge Walker’s opinion began with the two-part test prescribed by § 301.119 Under the “subject matter” prong of the test, the Second Circuit held that the series treatment constituted copyrightable subject matter because it was an “original work of authorship fixed in a tangible medium of expression.”120 The fact that the treatment might contain some ideas not eligible for copyright protection under § 102(b) did not prevent the work from satisfying the subject matter requirement.121

In applying the “equivalency” prong of the test, the court held that Forest Park’s contract-based claim aimed to vindicate rights beyond those conferred by the Copyright Act, thereby precluding a finding of preemption.122 The Court identified three “extra elements” that undermined equivalency in this case. First, the implied contract allegedly contained a right to reasonable compensation, which is not one of the exclusive rights enumerated in the Copyright Act. Second, the breach of contract claim required the plaintiff to prove mutual assent and consideration, which again,

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118. Forest Park II, 683 F.3d at 436 (vacating the district court ruling and remanding the case with instructions to deny USA Network’s motion to dismiss).

119. Id. at 429.


121. Forest Park II, 683 F.3d at 429 (citing Harper & Row Publishers, Inc. v. Nation Enters., 723 F.2d 195 (2d. Cir. 1983), rev’d on other grounds, 471 U.S. 539 (1985) (holding that President Ford’s autobiography was a copyrightable work despite the fact that it contained uncopyrightable historical facts)).

122. Forest Park II, 683 F.3d at 432–33.
are elements absent in copyright law. Lastly, the breach of contract claim asserted a right only against another party to the contract, not “against the world.” These “extra elements” sufficed to support a finding that the rights allegedly protected under the implied contract were not equivalent to the exclusive rights established under the Copyright Act.

With this opinion, the Second Circuit foreclosed the possibility of a circuit split on the issue of Desny claim copyright preemption and reinforced the message that, at least in the two largest entertainment markets, producers can no longer hide behind the Copyright Act when defending against claims of idea theft.

IV. **WHY THE CIRCUIT COURTS GOT IT RIGHT: DESNY CLAIMS AS A PROPER FORM OF RELIEF FOR IDEA SUBMISSION CLAIMS**

Although the Ninth and Second Circuit majority opinions send a clear message that Desny claims should not be subject to preemption, not all rulings have been unanimous. In *Montz v. Pilgrim Films & Television, Inc. (Montz II)*, for example, dissenting Judges O'Scannlain and Gould of the Ninth Circuit expressed concern that permitting Desny claims to survive preemption effectively legitimizes an “end-run around the Copyright Act,” which improperly allows screenwriters to gain copyright protection without meeting the strict standards of copyrightability. Furthermore, Judge Gould

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123. *Id.* at 428 (quoting ProCD v. Zeidenberg, 86 F.3d 1447, 1454 (7th Cir. 1996)). This last argument, made famous in *ProCD*, the landmark “shrink wrap license” case, is oft recited in preemption cases and seems to be a driving force behind the trend in at least the Second and Ninth Circuits to recognize contract-based idea submission claims as separate and valid causes of actions. See, e.g., Montz v. Pilgrim Films & Television, Inc. (*Montz II*), 649 F.3d 975, 980 (9th Cir. 2011) (en banc) (quoting ProCD’s “right against the world” language in support of its ruling against copyright preemption).


125. *Montz II*, 649 F.3d at 985 (O'Scannlain, J., dissenting). The court stated: Here, Montz attempts to use an implied contract claim to do what the Copyright Act does (i.e., to protect the unauthorized use of copyrighted materials). The only difference is that Montz’s implied contract claim would protect those rights more broadly because California implied contract law does not require as strict a showing of substantial similarity as federal copyright law.

*Id.*. Scholars such as Professor Paul Goldstein who oppose preemption, yet nevertheless wish to correct the apparent broadening of copyright protection authorized in the context of Desny claims, suggest that courts apply the “same exacting standards” of copyright protection to contract claims. See Paul Goldstein, *supra* note 23, at 15; Casido, *supra* note 27, at 347
warned that the court’s failure to preempt Desny claims would “lead to uncertainty by making state law—with its ambiguity, variability, and volatility—available to litigants who bring nebulous state law claims that in substance assert rights in the nature of copyright.” These considerations are compelling, but they nevertheless should not carry the day.

The particularities of idea submission claims in the broader context of intellectual property litigation and the unique vulnerabilities of screenwriters in the entertainment industry warrant the form of relief that Desny claims provide (and that § 301 threatens to eliminate). Although the Second and Ninth Circuits’ doctrinal analysis of the “extra element” test is persuasive in its own right, external factors also bear heavily on the fairness of preemption rulings.

Desny claims are essential because contract law provides screenwriters and other idea submission plaintiffs with their only legal recourse against idea theft. As discussed in Section I.A, supra, the limited scope of copyrightable subject matter leaves ideas unprotected under the Copyright Act, creating a

(proposing that “courts should model the substantial-similarity standard in California breach of implied-in-fact contract claims after the federal copyright infringement standard”).

126. Montz II, 649 F.3d at 986 (Gould, J., dissenting).

127. To the contrary, the handful of pre-Forest Park cases in the Southern District of New York provide feeble—if at all existent—reasoning to support their preemption findings, and they appear to rest on faulty precedent. The holdings in these cases trace back to, and continue to cite, Panizza v. Mattel, which did address copyright preemption, but not in the context of a breach-of-implied-contract claim. See Smith v. New Line Cinema, No. 03-5274, 2004 WL 2049232, at *5 (S.D.N.Y. Sept. 13, 2004) (citing only Panizza in its application of § 301 to a Desny claim based on implied contract theory); Muller v. Twentieth Century Fox Film Corp., 794 F. Supp. 2d 429, 448 (S.D.N.Y. 2011) (citing Smith and Panizza in a comparable preemption analysis, without further elaboration on the court’s rationale); Forest Park Pictures v. Universal Television Network, Inc. (Forest Park I), No. 10-5168, 2011 WL 1792587, at *3 (S.D.N.Y. May 10, 2011) (citing Muller, Smith, and Panizza without further elaboration). Rather, the case involved a quasi-contract claim based on an unjust enrichment theory, a particular category that is routinely dismissed under § 301 for asserting rights “equivalent” to copyright. Panizza v. Mattel, Inc., No. 02-7722, 2003 WL 22251317, at *4 (S.D.N.Y. Sept. 30, 2003). See also Briarpatch Ltd., L.P. v. Phoenix Pictures, Inc., 373 F.3d 296, 306 (2d Cir. 2004) (finding no extra element in an unjust enrichment claim); Nimmer on Copyright, supra note 18, § 19D.02[B][2]. Unjust enrichment claims are consistently rejected because they “solely concern[ ] the benefit defendant allegedly received by using the plaintiff’s idea.” Panizza, 2003 WL 22251317, at *4. In other words, they lack a bilateral exchange, which is precisely the characteristic that makes a breach of contract claim qualitatively different for the purposes of defeating preemption under § 301.

128. See Palmisciano, supra note 75, at 219 (arguing that denying a plaintiff’s state law contract claim “ensure[s] that [he or she] would have no way to recover for the defendants’ alleged unauthorized use”). See also Buono & Wickers, supra note 25, at 7; Hoyt, supra note 30, at 38 (“From a legal standpoint, the Desny precedent offered a necessary level of protection to writers who might otherwise be fleeced and left without any legal recourse.”).
gap between federal and state law protection. Desny claims fill this gap in the entertainment context. In Montz II, the Ninth Circuit supplemented its statutory preemption analysis by reasoning:

The Desny innovation serves to give some protection for those who wish to find an outlet for creative concepts and ideas but with the understanding that they are not being given away for free. Without such legal protection, potentially valuable creative sources would be left with very little protection in a dog-eat-dog business.

Ensuring protection of ideas in this context incentivizes screenwriters to continue developing and sharing new ideas, which ultimately benefits not only the screenwriters but also the entertainment industry at large. It also deters unscrupulous producers from misappropriating a screenwriter’s ideas without authorization and eroding existing industry standards to pay for those ideas. In short, the additional protection afforded by the Desny claim secures an optimal level of productivity from the writer and simultaneously keeps abusive producer behavior in check. Distinctive characteristics of both idea submission claims and the entertainment industry inform these policy goals.

A. UNIQUE CHARACTERISTICS OF IDEA SUBMISSION CASES THAT MILITATE AGAINST PREEMPTION

The factual particularities of idea submission cases in general, and the underlying policy goals they promote, justify recognition of an additional contract-based cause of action to supplement the limited protection available to written submission materials under federal copyright law.

1. Ideas Are an Acceptable Form of Consideration

Pleading the elements of a Desny claim is now considered to be sufficient to establish the formation of an enforceable contract—this is due to widespread agreement that ideas may be valuable enough to constitute the consideration required for an express or implied-in-fact contract. In a scenario where both contracting parties have implicitly acknowledged the value of the idea through their conduct—the plaintiff by offering the idea for

130. Montz II, 649 F.3d at 981.
132. See 13 B.E. Witkin, SUMMARY OF CALIFORNIA LAW § 70 (10th ed. 2005) (explaining that although “an abstract idea is not the subject of ownership” in California and therefore cannot be protected under state property doctrines, an idea may nevertheless merit protection under a contract theory).
sale, and the defendant by commercializing the idea in the same manner the plaintiff proposed—the plaintiff should be permitted to recover compensation consistent with the implied terms of the contract.  

Despite a consensus regarding an idea’s potential to constitute consideration, courts in various states disagree as to how to assign value to a particular idea, which produces inconsistencies in idea submission doctrine. New York courts, for example, anchor the notion of consideration in the value of the idea to the buyer. As established in Nadel v. Play-by-Play Toys & Novelties, Inc., a leading Second Circuit idea submission case from the toy industry, a plaintiff must demonstrate that the idea is both “concrete” and “novel as to the buyer” in order to demonstrate that there was sufficient consideration for the implied or express payment.  

In California, the value of an idea derives from the act of disclosing the idea, not its content. Some courts dating back to Desny characterize this transaction as “the rendition, on request, of services by a person with specialized knowledge, constituting the conveyance of an idea.” Unlike in New York, California law does not require that the idea itself be novel—

133. A Supreme Court case concerning preemption under the Patent Act is instructive here. In Aronson v. Quick Point Pencil Co., the licensee manufacturer of a new keychain design brought a declaratory action against the licensor of the idea, seeking judgment that the license agreement became unenforceable after the Patent Office rejected the licensor’s patent application for the keychain idea. 440 U.S. 257, 259–60 (1979). Although the idea did not meet the requirements of patentability under Title 35, and therefore did not entitle the licensor to exclude others from making, using, or selling her keychain design, the Court nevertheless upheld the contract and ordered payment of the royalties because “the inventiveness and novelty [of the keychain design] were sufficiently apparent to induce an experienced novelty manufacturer to agree to pay for the opportunity to be first in the market.” Id. As in Aronson, the submission of an idea, especially at a time when the market may be particularly receptive to the idea, might be valuable enough to make the recipient’s promise to pay reasonable.


135. See Grosso v. Miramax Film Corp. (Grosso I), 383 F.3d 965, 978 (9th Cir. 2004) ("The Desny rule is justified on the theory that the bargain is not for the idea itself, but for the services of conveying that idea."). See also Schwartz et al., supra note 11, at 281, 285 (citing Colvig v. KFSO, 224 Cal. App. 2d 357, 367 (1964)). The notion of deriving value from disclosure, as opposed to the intrinsic value of the idea itself, comports with “Arrow’s paradox of information,” which explains that the idea purveyor cannot extract the value of an idea, and the recipient cannot determine the value of an idea, until disclosure has occurred. See supra text accompanying notes 12–15.

136. 13 B.E. Witkin, SUMMARY OF CALIFORNIA LAW § 70 (10th ed. 2005) (citing Desny v. Wilder, 46 Cal. 2d 715, 733 (1956)).

137. Faris v. Enberg, 97 Cal. App. 3d 309, 317 (1979) (quoting Desny, 46 Cal. 2d at 739 (“Even though the idea disclosed may be ‘widely known and generally understood’ it may be protected by an express contract providing that it will be paid for regardless of its lack of novelty.”)). Other courts outside of California appear to favor its approach. See, e.g., Reeves
concrete, for that matter— in order for the plaintiff to recover on an implied contract. According to Justice Traynor, “even though the idea disclosed may be widely known and generally understood, it may be protected by an express [or implied] contract providing that it will be paid for regardless of its lack of novelty.” However, depending on the particular facts of a case, an inquiry into novelty may be useful in assessing whether the value of the disclosure rises to the level of consideration.

2. The Factual Predicates of Copyright and Contract-Based Idea Submission Claims are Incompatible, so the Rights These Claims Assert are Qualitatively Different

The unique factual posture of idea submission claims renders the contractual rights asserted under a breach-of-implied-contract theory inherently different from the exclusive rights protected under the Copyright Act, so courts should not invoke § 301 to preempt such contracts. Whereas the gravamen of a copyright infringement claim is that the defendant copied or produced a work without the copyright owner’s permission, the breach of contract claim presumes that the alleged contract granted permission and proceeds on the theory that the defendant did not perform his contractual obligation to pay to make use of the plaintiff’s work. In the absence of a


140. See, e.g., id. at 679–82 (Traynor, J., dissenting) (reasoning that because the defendant “unequivocally disclaimed any intention to pay for the use of a non-novel idea,” the implied promise to pay upon use extended only to novel ideas, and therefore disclosure would not be valuable enough to form a legally binding contract without novelty).

141. See Schwartz et al., supra note 11, at 281, 295. Recasting the preemption debate over Desny claims in terms of authorization appears to be a legal maneuver that even opponents of the Montz II ruling would endorse:

If the point is to fill “the gap that would otherwise exist between state contract law and copyright law,” then I suggest that a focus on authorization is entirely appropriate. Where a copyright owner authorizes the use of his work, but does not receive the consideration he was promised, he has a contract claim; where a copyright owner does not authorize the use of his work, but, nonetheless, someone uses it to produce a substantially similar work, he has a copyright claim. Montz v. Pilgrim Films & Television, Inc. (Montz II), 649 F.3d 975, 985 (9th Cir. 2011) (O’Scannlain, J., dissenting). In his dissent, however, Judge O’Scannlain took fault with the fact that the plaintiff had not explicitly alleged that “he sold the ideas embodied in his Ghost Hunters materials to Pilgrim and that Pilgrim simply failed to pay.” Id. Judge O’Scannlain’s reasoning is too formalistic. A plaintiff seeking to enforce a contract through an action for breach of contract must first demonstrate his own performance on the contract—thus, the
compulsory license scheme or some other copyright provision that might
obligate a user to pay as an operation of law, a plaintiff’s right to
compensation diverges significantly from the exclusive rights enumerated in
§ 106. Scholars point out that this discrepancy not only renders the
contractual rights qualitatively different than copyright rights, but it also
makes them fundamentally incompatible with one another—a plaintiff
cannot prevail on both theories simultaneously. Because preemption seeks
to eliminate redundant claims, not factually irreconcilable claims, preempting
contract-based claims under the Copyright Act seems improper.

3. Policy Goals of Copyright Preemption Would Not Be Served Here

Finally, contract-based idea submission claims should not be subject to
preemption because they do not run afoul of the policy considerations
justifying copyright preemption. First, copyright policy concerns the extent
to which an individual should be entitled to monopoly rights. However,
two defining characteristics of monopoly rights are not present when a
plaintiff asserts rights under a contract: (1) the ability to assert rights against
all others simultaneously and (2) the ability to assert rights unilaterally,
without any negotiation or input from the other party. Enforcement of idea
protection using contract principles does not interfere with the exclusive
rights granted under copyright law because a breach-of-contract plaintiff can
only assert her claim against a party with whom she has privity of contract,
sale and grant of permission must have already occurred. Regardless of the specific language
used in the complaint, all plaintiffs properly alleging the essential elements of a Desny claim
do implicitly incorporate the authorization theory that Judge O’Scannlain finds to be so
important in this context.

142. For example, § 115 prescribes compulsory licenses to individuals wishing to “make
and distribute phonorecords” of a nondramatic musical work that has already been
“distributed to the public in the United States under the authority of the copyright owner.”

143. See Schwartz et al., supra note 11, at 281, 295. It is true, however, that many Desny
plaintiffs plead copyright infringement action simultaneously. See, e.g., Benay v. Warner Bros.
Entm’t, Inc., 607 F.3d 620, 622 (9th Cir. 2010). The Federal Rules of Civil Procedure grant
plaintiffs the right to plead in the alternative under Rule 8(d)(2), even if the factual premises

144. Stanley v. Columbia Broad. Sys., 35 Cal. 2d 653, 674 (1950) (Traynor, J., dissenting)
(“The policy that precludes protection of an abstract idea by copyright does not prevent its
protection by contract.”).

reproduce, prepare derivative works of, distribute, perform, and display the copyrighted
work).
and that contract must have emanated from a bilateral exchange.\textsuperscript{146} No monopoly right has materialized.

Furthermore, unlike the Copyright Act, which prescribes stringent subject matter limitations to prevent private parties from hijacking ideas that belong in the public domain, contract law does not alter the careful balance of the public domain. Justice Traynor observes that enforcement of a contract “does not withdraw the idea from general circulation. Any person not a party to the contract is free to use the idea without restriction.”\textsuperscript{147} Justice Traynor continues with the following exposition of copyright law:

\begin{quote}
The very function of creative activity is to keep the common field in continuous germination; it is not for copyright law to render it barren by a succession of enclosures denying access to those who would cultivate it. The object of copyright is to promote science and the useful arts. If an author, by originating a new arrangement and form of expression of certain ideas or conceptions, could withdraw these ideas or conceptions from the stock of materials to be used by other authors, each copyright would narrow the field of thought open for development and exploitation, and science, poetry, narrative, and dramatic fiction and other branches of literature would be hindered by copyright, instead of being promoted. \ldots To insure free trade in ideas, therefore, the monopoly created by copyright is limited to the arrangement and combination of the ideas \ldots the form, sequence, and manner in which the composition expresses the ideas.\textsuperscript{148}
\end{quote}

Contract law does not bear these burdens, as it does not implicate the entirety of the public domain.

In the context of idea submissions, a contract-based claim does not entitle the idea purveyor to recovery from any party that plucks the idea from the public domain and uses it to his advantage—it only attaches liability to the party who, prior to disclosure, explicitly or implicitly promised to pay for it, should he decide to use it, and does not do so.

**B. UNIQUE CHARACTERISTICS OF THE ENTERTAINMENT INDUSTRY THAT JUSTIFY RECOGNITION OF CONTRACT-BASED IDEA SUBMISSION CLAIMS**

As explained in Section I.C, \textit{supra}, the idea pitch is a deeply rooted and necessary fixture in the entertainment industry. Crucial to this practice is an

\begin{quote}
\textsuperscript{146} See \textit{Stanley}, 35 Cal. 2d at 674 (“Unlike a copyright, a contract creates no monopoly; it is effective only between the contracting parties.”).
\textsuperscript{147} \textit{Id.}
\textsuperscript{148} \textit{Id.} at 673–74 (Traynor, J., dissenting) (quotations omitted).
\end{quote}
implied promise and expectation that the screenwriter will be compensated a reasonable sum for an idea that the producer uses and ultimately pushes toward production. This industry custom should be enforced through Desny claims because (1) it is well-suited to judicial enforcement and (2) the power imbalance between producers and screenwriters justifies additional measures of protection for submission materials.

1. Desny Claims Reflect and Reinforce Industry Norms that Should Inform Judicial Rulings

A growing body of scholarship queries whether courts should read industry practices into contracts as implied terms. Although scholars approach industry customs with varying degrees of skepticism, applying the tests from both sides of the spectrum to the idea submission context illustrates that compensating screenwriters for their ideas is precisely the sort of custom that merits judicial recognition.

In 2007 Professor Jennifer E. Rothman, well-known for cautioning courts against blindly adopting industry customs, especially in the intellectual property sphere, developed a “six-vector” test to determine whether a particular custom is robust enough to inform contract interpretation. Professor Rothman’s test assesses (1) the certainty of the custom, (2) the motivation behind the custom, (3) whether parties on all sides of the debate—and with varying degrees of influence on the industry—participated in the development of the custom, (4) whether the party against whom the custom is asserted had adequate representation in the formation of the custom, (5) whether the custom is offered as a “positive proposition” to prove what conduct would be reasonable, and (6) the policy implications of adopting the custom as fact.

The entertainment industry practice among producers of compensating screenwriters who pitch successful ideas satisfies Professor Rothman’s rigorous test. First, the practice is now ubiquitous and has been a prominent

151. Id. at 1967–70.
152. Id. at 1970–72; Rothman, Best Intentions, supra note 149, at 383.
154. Id. at 1974.
155. Id. at 1975–76.
156. Id. at 1976–78; Rothman, Best Intentions, supra note 149, at 385.
fixture in the industry for over sixty years. Second, all evidence suggests that both screenwriters and producers (1) voluntarily participated in the development of the custom and (2) continue to act in accordance with the custom for honest, respectable reasons—the screenwriter to make a living and the producer to secure exclusive use of the idea. As a matter of policy, the custom represents a fair exercise of the parties’ freedom to contract and achieves a socially optimal solution for sustaining the idea-generating economy. Even under Professor Rothman’s demanding standard, this custom is defensible.

Scholars such as Richard Epstein, who are more eager to defend judicial adoption of industry customs than Professor Rothman, would have even fewer qualms with enforcing a producer’s obligation to pay for the use of an idea pitched in a formal presentation. In Epstein’s more forgiving analysis, so long as a practice is commonly used and uniformly defined within a particular community, contracting parties should be left to their own devices and courts should enforce their practices accordingly. In the contract setting, Epstein argues that customs are best suited for dealings (1) between repeat transacting parties who are “well-disposed” to each other and (2) which exist in a limited market. Screenwriters and producers operating within the entertainment industry meet both of these criteria.

157. See, e.g., Stanley v. Columbia Broad. Sys., 35 Cal. 2d 653, 656 (1950) (demonstrating that the practice of compensating writers for their ideas has been judicially recognized since 1950).

158. See, e.g., Desny v. Wilder, 46 Cal. 2d 715, 727 (1956) (recounting plaintiff’s allegations that Wilder’s secretary voluntarily agreed to his terms of disclosure, which illustrates the inherent reasonableness of the custom to compensate writers for their ideas).

159. As explained in Section IV.A.3, infra, entitling writers to compensation in idea pitch scenarios does not interfere with the policy goals of the preemption provision of the Copyright Act, as it neither alters the composition of the public domain nor confers a monopoly right. Furthermore, as discussed in Part V, infra, the claim does not pose a slippery slope risk of inadvertently mandating compensation for all ideas submitted to producers.

160. Richard A. Epstein, Confusion About Custom: Disentangling Informal Customs from Standard Contractual Provisions, 66 U. CHI. L. REV. 821, 825 (1999). Epstein agrees with Rothman, however, that courts should be skeptical of customs founded on improper legal threats. Epstein, Some Reflections on Custom in the IP Universe, supra note 149, at 224 (citing Rothman, The Questionable Use of Custom, supra note 150, at 1912 n.33) (recalling Professor Rothman’s example in which aggressive copyright owners bully parties who have a valid fair use defense yet wish to avoid litigation into paying licensing fees). The producer’s superior bargaining power makes clear that this is not the case in idea submission claims emanating from the entertainment industry. See infra Section IV.B.2.

By construing pitch presentations as an offer for sale premised on an implied promise to pay for any idea that the producer later uses, courts will be enforcing an industry custom that is not only fair but also one which all parties have come to expect.

2. Why Desny Claims Matter: The Plight of the Screenwriter

From the beginning, screenwriters face an uphill battle to get on equal footing when pitching their ideas to producers and, when they are lucky, negotiating the sale of those ideas. With so much opportunity and incentive to take advantage of screenwriters who disclose the culminations of their hard work, producers must be held liable when they fail to honor the conditions of disclosure. Desny claims provide an effective mechanism for policing producer misconduct and restoring some balance to the idea transaction. Copyright preemption should not interfere.

Screenwriters face adversity when trying to break into the business. For most, the hardest challenge is finding an effective agent (or manager),\(^\text{162}\) a necessary step for the advancement of a writer’s career.\(^\text{163}\) Because producers typically only consider scripts received from agents—a corollary of their sweeping refusal to accept unsolicited manuscripts—emerging writers tend to inundate agencies with screenplays.\(^\text{164}\) This creates a bottleneck effect, which burdens the agent’s task of sorting through manuscripts to find exceptional talent.\(^\text{165}\) In a twist on Arrow’s information paradox, emerging screenwriters

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\(^{162}\) See LEWINSKI, supra note 51, at 4.

\(^{163}\) Ironically, dependence on agents and managers might also be fatal to a screenwriter’s career. Horror stories of bad “agenting” abound among screenwriters who, desperate to get a foot in the door, naively let their agent take the reins and send out a script before it’s ready, pigeon-hole the writer into an unpopular genre, or poorly negotiate the sale of a script. See id. at 5–6.

\(^{164}\) Some practices and entrepreneurial enterprises have emerged to alleviate the challenges of finding representation in the entertainment industry. The Screenwriters’ Room, for example, functions as a matchmaking service that accepts unsolicited screenplays and provides referrals to agents, producers, and studio executives who may be interested in the project. Id. at 8. Some agents engage in a practice called “hip-pocketing,” which allows them to work with writers unofficially (i.e., without signing the writer to an agency contract), usually on a single project basis. Id. at 25; WHARTON, supra note 51, at 88. Finally, entertainment attorneys are often expected to provide their screenwriter clients with referrals, helping to fill the gap between writers and agents. LEWINSKI, supra note 51, at 111; WHARTON, supra note 51, at 105.

\(^{165}\) See LEWINSKI, supra note 51, at 3–4. To make matters worse, writers already attract minimal attention from agencies, which can earn far more revenue on commission from higher-earning clients like actors and directors. See id. at 90.
often find themselves in a “Catch-22”: writers need to sell scripts in order to sign with an agent, and writers need an agent to sell their script.\textsuperscript{166}

Even for those screenwriters talented enough to secure representation with an agent who can get their screenplay onto a producer’s desk, actually making the deal presents a new round of challenges. Screenwriters today face a high rate of refusal due to a recent downturn in the market for original screenplays\textsuperscript{167} compared to so-called “pre-branded material,” such as sequels, remakes, and adaptations of popular books, which appeal more broadly to risk averse studios.\textsuperscript{168} Even more obstacles confront writers looking for work in the television industry.\textsuperscript{169} The WGA Writer’s Strike of 2007 and the economic recession, which began the following year, exacerbated these problems by forcing “sharp retrenchment in filmmaking.”\textsuperscript{170} Ironically, this deficit of available work coincides with an increase in the number of screenwriters entering the industry.\textsuperscript{171}

The growing disparity between the supply of writing talent and the demand for it\textsuperscript{172} creates an imbalance of bargaining power that grants studios a great deal of leverage in negotiations for new material.\textsuperscript{173} With the upper

\begin{itemize}
\item 166. See Lewinski, supra note 51, at 1.
\item 167. See Hoyt, supra note 30, at 39; Patrick Goldstein, The Big Picture, LOS ANGELES TIMES, June 6, 2006, at 1.
\item 169. For example, a push towards syndication erodes the “real estate” on television schedules available to new shows. Dretzka, supra note 58, at 5 (explaining that shows reach syndicated status upon hitting a 100-episode milestone). Some producers continue developing new episodes for shows long past their prime for the purposes of reaching syndication, a practice that may preclude new shows from airing that better appeal to contemporary TV audiences. Furthermore, because television shows are developed and aired seasonally, screenwriters face limited windows of opportunity for selling their work. See Lewinski, supra note 51, at 31. On the other hand, once a screenwriter sells an idea for a television show and secures a spot on the writing staff, work is generally more stable and more lucrative than a writing career in film. See Wharton, supra note 51, at 82.
\item 170. Verrier, supra note 168. In 2011, feature film earnings declined by 12.6% to $349.1 million. The 2011 numbers also reflect a 34% drop in earnings since 2007, when the pre-strike numbers were at $526.6 million. Dave McNary, Scribes Not Feeling Love from Studios, VARIETY (DAILY), July 25, 2012.
\item 171. See Lewinski, supra note 51, at 82 (explaining how dwindling consumer interest in printed media, like books and newspapers, is changing the landscape for writers and motivating many to migrate to new industries, such as entertainment).
\item 172. Lewinski, supra note 51, at 82.
\item 173. Write Angles, supra note 58, at 1A. As the attorney representing the plaintiff in Grosso I explained:

\begin{quote}
It’s a small group of people that have all the juice, and if you’re not in that crowd, you’re really at their mercy. . . . There’s a real lack of moral compass on the issue in Hollywood. And there’s an ego-driven arrogance
\end{quote}
hand, producers have begun to tailor the submission process in their favor, by designing new ways to solicit more ideas from writers while promising less in return. For example, as described in Section I.C, supra, many producers now condition acceptance of unsolicited submissions on signing waivers and liability release forms. Although some scholars speculate that creative defense theories, like unconscionability, may someday permit screenwriters to circumvent these releases, most courts find them to be enforceable, provided that they are not used to justify an “overt act of plagiarism.”

Other questionable practices are proliferating. Studies show that producers are increasingly subjecting screenwriters to “sweepstakes pitching,” which pits dozens of screenwriters against one another in a competition for a single job. Under a so-called “one-step deal” scheme, producers interested in a screenwriter’s idea purchase only one draft at a time, eschewing the standard practice of hiring writers for the full duration of the editing process. “One-step” deals destabilize income channels, eliminate the screenwriter’s opportunity to negotiate additional fees for script re-writes, and often short-change the writing process, leading to lower quality work. A recent Writers Guild of America (“WGA”) survey reveals that

Sandy Cohen, Prized, Pricey and Hard to Protect: Million-Dollar Ideas Often Stolen in Hollywood, AP DATASTREAM, Nov. 9, 2006 (quoting Jeff Grosso’s attorney John Marder).


175. See, e.g., Kerry Ryan, Using the Uniform Commercial Code to Protect the ‘Ideas’ That Make the Movies, 27 SANTA CLARA L. REV. 693, 711–12 (1987). Under the unconscionability doctrine, a court may render a contract unenforceable if it is found both procedurally and substantively unconscionable. AT&T Mobility LLC v. Concepcion, 131 S. Ct. 1740, 1746 (2011). As a non-negotiable standard form agreement, idea submission waivers may meet the “procedural” prong of the test, and their broad limitations on liability may suffice under the “substantive” prong. See Ryan, supra.

176. DONALDSON, supra note 55, at 172.

177. See Verrier, supra note 168; McNary, supra note 170 (contrasting “sweepstakes pitching” with the standard practice of approaching each pitch as an individual opportunity for a deal).

178. Verrier, supra note 168.

179. Id. (describing “one-step deals” as short-sighted solutions to screenwriter hiring, since most scripts do not come together until after multiple rewrites). The WGA describes “one-step” deals as “harmful and exploitative to the creative process.” McNary, supra note
demanding free rewrites and “prewrites” has become more common as well.\(^{180}\)

Although these practices comport with economic and business principles and in many cases are legally defensible, they arguably tread on the boundaries of good faith and fair dealing,\(^ {181}\) especially considering the relative vulnerability of screenwriters in the industry. Once producers commit idea theft, however, the injustice is self-evident. In addition to immediately depriving the screenwriter of her hard-earned wages, the misconduct also runs the risk of jeopardizing the screenwriter’s career, should she attempt to bring a lawsuit against the producer. Idea submission litigation creates two primary risks: first, it will destroy the screenwriter’s relationship with the producer. Second, it may lead to “blacklisting” within the industry.\(^ {182}\) The high costs of litigation additionally threaten the already precarious financial position of most screenwriters and at times may even discourage legal action altogether.

The unique power dynamics at play in the entertainment industry—dynamics that caused Judge Schroeder to refer to the industry as a “dog-eat-dog” world in \textit{Montz II}\(^ {183}\)—produce fairness concerns that warrant the availability of additional causes of action beyond copyright infringement. Even without producer misconduct, screenwriting is a competitive and risky career. Once a producer begins interfering with a screenwriter’s contractual right to compensation, the effects can be devastating. Victims of idea theft should have reliable legal mechanisms to vindicate those rights without the threat of copyright preemption.

\section*{V. CLOSING THE “FLOODGATES” WITH INCREASED AWARENESS}

Renewed judicial support for the \textit{Desny} claim has alarmed producers, causing them to clamp down on idea submissions out of fear that multitudes

\footnotesize{170. Because writers are not guaranteed an opportunity to fine-tune their ideas in subsequent drafts, “one-step” deals encourage writers to play it safe, rather than explore new, creative, and perhaps unconventional content. \textit{See} Verrier, \textit{supra} note 168.}

\footnotesize{180. McNary, \textit{supra} note 170.}

\footnotesize{181. The implied duty of good faith and fair dealing is an age-old common law principle that continues to inform all contractual relationships. \textit{See} \textit{Restatement (Second) of Contracts} § 205 (1981).}

\footnotesize{182. \textit{See} Schwartz et al., \textit{supra} note 11, at 281, 294; Hoyt, \textit{supra} note 30, at 38–39 (“Studios are not eager to hire up-and-coming writers who sue them. . . . Even if you win, you lose.”).}

\footnotesize{183. \textit{Montz} v. Pilgrim Films & Television, Inc. (\textit{Montz II}), 649 F.3d 975, 981 (9th Cir. 2011) (en banc) (quoting Woody Allen, CRIMES & MISDEMEANORS (Orion Pictures 1989)).}
of writers will flood the courts with unmeritorious idea theft claims. Studios argue that they should not have to defend against every writer who might once have had the same idea, especially when that idea is unoriginal. They further contend that screenwriters might take advantage of expanded protection of ideas and bring frivolous cases for the purpose of disgorging the studios of success. These “floodgate” arguments may not be entirely unfounded. Yet, it is important to keep in mind that although the Desny claim opens a new door for litigation, Desny plaintiffs nevertheless have a heavy burden to prove the defendants’ liability; frequently, a screenwriter whose claim survives preemption nevertheless fails on the merits of the contract claim. In an industry where news spreads like wildfire and triumphant underdog stories have irresistible appeal, publicizing the preemption rulings from cases like Montz II and Forest Park may artificially inflate the confidence of prospective Desny plaintiffs.

184. DONALDSON, supra note 55, at 17. In response to Grosso I:

Studio lawyers went nuts. They gave endless interviews about how this was going to make life very difficult for studios. They said this ruling would spawn a lot of frivolous suits from writers who didn’t have a good copyright claim, but might be able to spot a few stolen ideas.

185. In many cases, the use of a particular idea is the product of independent creation, common knowledge or experience, or a different idea submission entirely. See Paul Goldstein, supra note 23, at 15 (noting that Oliver Wendall Holmes, Sr. once opined that “literature is full of such coincidences, which some love to believe plagiarisms. There are always thoughts abroad in the air, which it takes more wit to avoid than to hit upon.”).

186. This notion has entertained the minds of judges and scholars alike since the dawn of Desny. As early as 1954, scholars balanced the “desire to prevent a shabby producer from bilking an honest writer of his due [against a] desire to prevent a slippery writer from impressing a polite form of extortion on an innocent producer.” Hoyt, supra note 30, at 28 (quoting Benjamin Kaplan, Implied Contract and the Law of Literary Property, 42 CALIF. L. REV. 28 (Spring 1954)).

187. One study shows that there was a spike in Desny litigation within the Ninth Circuit after the ruling in Grosso I came down in 2004. DONALDSON, supra note 55, at 17; Paul Goldstein, supra note 23, at 15. As several entertainment law scholars remind us, “success has many fathers, but failure is an orphan.” Schwartz et al., supra note 11, at 281, 283.

188. Grosso II serves as a sobering reminder of the difficulty prevailing on a Desny claim. Grosso v. Miramax Film Corp (Grosso II), No. B193872, 2007 WL 2585053, at *8–9 (Cal. Ct. App. Sept. 20, 2007). Despite a highly publicized victory on the preemption issue, the plaintiff ultimately lost the case for failing to meet his burden of showing that a valid implied contract in fact existed. Id; DONALDSON, supra note 55, at 17. As the Second Circuit noted in Forest Park II, “[a] plaintiff must actually allege the elements of an enforceable contract (whether express or implied-in-fact), including offer, acceptance, and consideration, in addition to adequately alleging the defendant’s breach of the contract.” Forest Park Pictures v. Universal Television Network, Inc. (Forest Park II), 683 F.3d 424, 431 (2d Cir. 2012).
Because of this, an effective first step in mitigating the “floodgates” problem would be to raise awareness among writers about the essential elements of the Desny claim, as well as the relief it actually provides, with the objective of creating realistic expectations among screenwriters. This Section attempts to illustrate how creation of such realistic expectations can be achieved. 189

First, this Section will elucidate various elements of the Desny cause of action for which the weight of the plaintiff’s burden of proof tends to be the heaviest: mutual assent and breach. Next, it catalogues a number of (known) damage awards to illustrate that successful Desny claims generally entitle plaintiffs to only very modest awards. Ultimately, a dose of reality may succeed in keeping the floodgates closed and the volume of Desny claims at bay.

A. REALITY DOSE #1: MUTUAL ASSENT AND CONTRACT FORMATION

Under the common law, a plaintiff must prove the existence of an enforceable contract in order to prevail on a breach-of-contract claim. Contract formation consists of mutual assent and consideration. Because Desny claims involve allegations of an implied contract, as opposed to an express contract, litigation often turns on the issue of mutual assent—that is, does the conduct of the parties and the surrounding circumstances give rise to a plausible inference that the parties intended to contract with one another? In Desny claims, mutual assent manifests only after the screenwriter “has clearly conditioned the disclosure upon an obligation to pay, and the offeree, with knowledge of that duty, voluntarily accepted the information.” 190 This requirement tends to create a great amount of friction during litigation.

Courts adjudicating Desny claims rely on a set of limited factors to indicate whether a plaintiff has met his burden of proving mutual assent. At a minimum, the plaintiff must demonstrate that the defendant had an opportunity to reject the plaintiff’s submission before disclosure. 191 The occurrence of a formal business meeting or negotiation will increase a plaintiff’s chances for a favorable ruling on mutual assent, as will a

189. Courts should take it upon themselves to send stronger, clearer messages about the factual requisites for a legally cognizable Desny claim. In addition, the WGA, which already acts as a centralized resource for screenwriters, is uniquely positioned to propagate the information that could help manage plaintiff expectations.


defendant’s solicitation of a pitch or submission. In New York, “a studio or producer [who] is notified that a script is forthcoming and opens and reviews it when it arrives . . . has by custom implicitly promised to pay for the ideas if used.” Under no circumstance will a court entertain the argument that the defendant assented to the implied contract if the plaintiff blurted out the idea before the bargain was made. Neither will a court rule in favor of the plaintiff whose only communication with the defendant was in mailing an unsolicited submission. A plaintiff’s “own expectation and understanding of custom in the industry” alone will not suffice.

Because of the difficulties of proving mutual assent, some entertainment attorneys recommend that screenwriters keep a record of all correspondence with studios at critical junctures of idea exchanges. A paper trail will not only keep track of what ideas were disclosed and when but will also memorialize the expectations of the parties during the pitching process.

B. Reality Dose #2: Breach of the Implied Contract

A Desny defendant breaches an implied contract when he actually uses the plaintiff’s idea and subsequently fails to provide reasonable compensation. Plaintiffs typically prove “actual use” through circumstantial evidence of (1) defendant’s access to the ideas and (2) similarity between the idea and the final product. Proof of access requires more than the “bare possibility of viewing the plaintiff’s work.” Desny claims alleging the occurrence of a formal pitch meeting will have little trouble meeting this requirement.

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192. Id.; Schwartz et al., supra note 11, at 281, 307. See also Gunther-Wahl Prods. v. Mattel, Inc., 104 Cal. App. 4th 27, 29–30 (2002) (finding mutual assent where defendant toy company met plaintiffs at a trade show, invited them to “come in and show Mattel what they were doing,” and met with plaintiffs several times, resulting in the submission of three “properties” to Mattel).


194. See Kulik, supra note 191, at 107 (citing Aliotti v. R. Dakin & Co., 831 F.2d 898, 903 (9th Cir. 1987)).

195. See Gross II, 2007 WL 2585053, at *7 (finding no mutual assent where plaintiff mailed a screenplay to a third party intermediary on the assumption that the third party would forward the script to defendant, and the third party failed to forward the script as expected).

196. Id. at *7 (rejecting plaintiff’s personal declaration as evidence of an implied contract).


198. See id.

199. Schwartz et al., supra note 11, at 281, 310.

200. Mann v. Columbia Pictures Inc., 128 Cal. App. 3d 628, 636-37, 643, 651 (1982) (holding that there was insufficient evidence to support a factual inference of access where
Proving similarity tends to be a much more rigorous task, as most states now require a showing of “substantial similarity” before imposing liability. Importantly, although this doctrine aligns with copyright in many respects, a court’s finding of substantial similarity for the purposes of adjudicating a contract claim need not be limited to copyrightable elements, even where the plaintiff submitted a full script. Including ideas in the substantial similarity analysis does broaden the scope of liability as compared with copyright, but the plaintiff’s burden of proving actual use nevertheless remains very hard to satisfy, even in meritorious cases. This is primarily due to the fact that scripts change significantly over the course of production; even if the screenwriter furnished the original idea that inspired the film or television project, the final product may no longer meet the requirements of substantial similarity.

The “independent creation” defense, similar to but not entirely coextensive with the independent creation defense in copyright law, amplifies the plaintiff’s burden of proving defendant’s breach. A paper trail of correspondence informing the screenwriter of similar projects already in the works or of other pitch presentations reflecting a similar idea, could help a defendant prevail on an “independent creation” theory.

Increased awareness of these evidentiary burdens, which demonstrate why only a narrow category of plaintiffs will be able to prevail under a Desny claim, may help to prevent a “floodgates” scenario.

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201. See Benay v. Warner Bros. Entm’t, Inc., 607 F.3d 620, 631 (9th Cir. 2010); NIMMER ON COPYRIGHT, supra note 18 § 19D.08[A].

202. Some argue that the standards for substantial similarity in a copyright infringement action should be equivalent to those in a breach-of-implied-contract claim. See, e.g., Casido, supra note 27, at 329.

203. See Benay, 607 F.3d at 631–32 (citing Blaustein v. Burton, 9 Cal. App. 3d 161 (1970)) (“There is nothing unreasonable in the assumption that a producer would obligate himself to pay for the disclosure of an idea which he would otherwise be legally free to use, but which, in fact, he would be unable to use but for the disclosure.”).

204. See THOMAS SELZ, MELVIN SIMENSKY, PATRICIA NASSIF ACTION & ROBERT LIND, ENTERTAINMENT LAW, THIRD EDITION § 15:6 (2009); Schwartz et al., supra note 11, at 281, 317.

205. See Schwartz et al., supra note 11, at 281, 317. See also Nadel v. Play-By-Play Toys & Novelties, Inc., 208 F.3d 368, 380 n.10 (2d Cir. 2000) (“[W]here there is an independent source for the idea, there may be no breach of contract.”).

206. See DONALDSON, supra note 55, at 19.
C. **Reality Dose #3: Modest Damage Calculations**

Unrealistic expectations of high damage awards might also create a “floodgates” risk. Although very few *Desny* cases have been litigated all the way through to the damage assessment phase, the limited statistics we do have suggest that even plaintiffs with strong cases tend to recover a mere fraction of the amount originally sought.

For example, in *Stanley*, a jury awarded $35,000 to a plaintiff for the studio’s use of an idea for a radio show, a small sum compared to the $100,000 originally claimed as a reimbursement. In *Desny*, the plaintiff filed suit to recover “the reasonable value of his literary property,” which he appraised at $150,000. After the California Supreme Court ruled that there were sufficient legal grounds for the implied contract claim to proceed to trial, the parties settled for a mere $14,350 in damages. More recently, in a case filed in New York regarding the alleged use of a screenwriter’s script in developing the movie *The Truman Show*, the plaintiff sought $300 million in damages for breach of implied contract. The case eventually settled out-of-court for an undisclosed amount, but scholars speculate that the settlement delivered closer to $1.2 million, which the studio had paid for a similar screenplay developed for the film. Without more facts describing the courts’ basis for calculating damages, the fairness of these figures is in dispute.

Since *Desny*, courts have measured damages in an idea submission case according to “the reasonable value of the ideas” submitted by plaintiff and subsequently used by the defendant. However, this standard is wrought with uncertainty, which prevents prospective litigants from understanding the stakes of their claims with any modicum of accuracy.

As an initial matter, the fact that the contract in the *Desny* claim is implied necessarily means that the value of the idea is determined ex post. Because

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207. See Schwartz et al., *supra* note 11, at 281, 290 (explaining that most cases are either dismissed or settled long before trial).
209. *Id.* at 679 (Traynor, J., dissenting).
211. *Id.* at 31–33.
213. *Id.* at 398.
215. See *id.* at 108 (“While [the ‘reasonable value’] standard is easy to cite, it leaves many questions unanswered.”).
the screenwriter and producer never reached an actual agreement for the sale of the idea, no contractual price terms are available. In addition, uncertainties remain, for example, as to whether “reasonable value” is to be determined from the perspective of the plaintiff or the defendant. Furthermore, there is no clear doctrine governing the extent to which the loss of screen credit—arguably more valuable to a new writer than compensation from the sale of a script—should factor into a damage calculation. Although most courts now recognize the effect that a loss of screen credit can have on the momentum of a screenwriter’s career, these damages are susceptible to an attack that the claims are too speculative or conjectural to afford recovery.

The value of an idea remains exceedingly difficult to quantify, yet a couple cases on record have suggested some sort of methodology for calculating damages in contract-based idea submission cases. In Donohue v. United Artists Corp., an idea submission case involving the television show Sea Hunt from the late 1950s, a California Superior Court upheld a damage award of $200,000—two dollars for each of the 100,000 times the series aired. The court was ultimately persuaded by the testimony of defendant’s Vice President, who explained that the studio frequently compensated idea creators with fixed, per-episode royalties. Like other courts in idea submission cases, the Donohue court relied heavily on expert testimony and adopted a flexible case-by-case approach that conformed to practices of the industry.

In Buchwald v. Paramount Pictures Corp., a California Superior Court elaborated the fact-based methodology prescribed in Donohue and provided a number of factors that should be taken into account when calculating or

216. See id. at 110–11.
217. See Kulik, supra note 191, at 111 (“California courts have danced around the issue, acknowledging to some extent that loss of screen credit (or loss of publicity) is compensable, but never directly saying as much in clear terms.”). See also Schwartz et al., supra note 11, at 281, 292–93.
218. See, e.g., Clemens v. Press Publ’g Co., 122 N.Y.S. 206, 207 (1910) (“The fact that [the writer] is permitted to have his work published under his name, . . . necessarily affects his reputation and standing and thus impairs or increases his future earning power.”); Wellman v. Writers Guild of Am. W., Inc., 146 F.3d 666, 668 (9th Cir. 1998) (“In Hollywood, a screenwriter’s name is his most coveted asset. Ordinarily a writer who contributes to a script can expect to see his name in the credits of the film.”).
219. See Schwartz et al., supra note 11, at 281, 293 (recalling the “reasonably certain and specific” rule for damages under contract law).
221. Id. at 804.
223. Id. at 108–09 (citing Donohue, 2 Cal. App. 3d at 804–05).
reviewing a damage reward.\textsuperscript{224} Among those factors were: (1) the uniqueness of the concept, (2) the effect of the concept on the success of the movie, (3) the screenwriter’s level of celebrity, and (4) the gross profits that the movie earned.\textsuperscript{225} The court explained that its “task is to produce a fair and equitable result—neither a windfall to [the plaintiff] nor unjust enrichment for [the defendant]. . . . [T]he standard for an expert witness “is not mathematical exactness but only a reasonable approximation.”\textsuperscript{226}

In the end, management of plaintiff expectations will depend heavily on clarification on the issue of damages. Because courts have often relied on compensation customs to calculate damages in idea submission cases,\textsuperscript{227} prospective plaintiffs should expect a court to use, as a starting point, a payment plan that the parties might reasonably have expected had the pitch presentation led to an agreement. For example, screenwriters who likely would have been hired for multiple rewrites might expect to receive five percent of the net profits of the film or television show.\textsuperscript{228} Screenwriters subject to “one-step” deal-making might instead expect a fixed fee for their contribution to a film or television project.\textsuperscript{229}

After settling on an initial compensation scheme, the \textit{Buchwald} factors provide prospective plaintiffs with a crude checklist for determining which facts might also bear on the damage calculations.

Ultimately, equipped with a more realistic understanding of the evidentiary demands of \textit{Desny} claims, screenwriters will be able to more effectively assess their likelihood of prevailing in litigation. Furthermore, with a better idea of damage calculation methodology, even prospective plaintiffs with strong cases can better determine whether they will be able to recover

\textsuperscript{224} Buchwald v. Paramount Pictures Corp., No. 706083, 1992 WL 1462910, at *1–2, 4–5 (Cal. Sup. Ct. Mar. 16, 1992) (rejecting plaintiffs’ “gun-to-the head” method for arriving at a cumulative fair market value of $6.2 million, as well as defendant’s highly mathematical “regression analysis,” which arrived at a value between $274,000–334,000, and instead using various factors to come up with a damage award of $750,000 for Bernheim and $150,000 for Buchwald).

\textsuperscript{225} \textit{Id.} at *5. Scholars point out that amounts paid to other screenwriters for comparable contributions to similar projects, as well as whether that compensation is transferred as a fixed sum or in the form of royalties, can also be a helpful metric. \textit{See} Schwartz et al., \textit{supra} note 11, at 281, 290–91.

\textsuperscript{226} \textit{Buchwald}, 1992 WL 1462910, at *4 (quoting Sheldon v. Metro-Goldwyn Pictures Corp., 309 U.S. 390, 408 (1940)).

\textsuperscript{227} \textit{See} Stanley v. Columbia Broad. Sys., 35 Cal. 2d 653, 667 (1950) (affirming a jury verdict for $8,000 for the unauthorized use of a writer’s idea for a radio program, based on an expert witness’s testimony that it was customary in the radio industry to pay the author a certain percentage of production costs).

\textsuperscript{228} \textit{See} \textit{LEWINSKI}, \textit{supra} note 51, at 110.

\textsuperscript{229} \textit{See infra} Section IV.B.2; \textit{Verrier}, \textit{supra} note 168.
enough in damages to justify litigation. Combined, these efforts to educate plaintiffs will effectively combat the “floodgates” problem about which producers, courts, and other stakeholders are concerned.

VI. CONCLUSION

In many ways, Forest Park perfectly illustrates why Desny must remain available to screenwriters who fall victim to idea theft. Not only did Forest Park allegedly secure a formal pitch presentation after USA Network reviewed its written materials, but Forest Park also attended the meeting upon USA Network’s own invitation.230 Even more, the parties continued to negotiate for the purchase of the Housecall script more than a week after the pitch. Should the allegations ring true, Forest Park has a strong argument that an implied agreement did indeed exist between the parties. This was not a case of “blurt[ing] out [an] idea without having first made [a] bargain.”231 Preemption would destroy Forest Park’s right to compensation pursuant to that agreement.

The continued viability of Desny claims is critical to budding screenwriters in the business of developing and pitching their ideas to producers in Hollywood, New York, and other entertainment markets. Where copyright law fails to provide adequate protection for the plots, characters, and themes that are vulnerable to theft from producers, contract law steps in. As Justice Schauer stated in Desny v. Wilder, “the law is dedicated to the proposition that for every wrong there is a remedy. . . . [T]o that end, the law of implied contracts assumes particular importance in literary idea and property controversies.”232 As long as power imbalances in the entertainment industry threaten the careers of aspiring screenwriters, courts should not subject Desny claims to preemption under § 301. After all, in a pitch, it’s all they’ve got.

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232. Id. at 734.