ProNet Practice Notes

The Architectural Works Copyright Protection Act of 1990

Burton C. Allyn, IV

In December 1990, President Bush signed into law the Architectural Works Copyright Protection Act of 1990. Prior to this legislation, copyright protection for the work of design professionals was afforded only to drawings and specifications. The author of the design had no copyright remedy if a duplicate structure was constructed from the original drawings and specifications or from the building itself, provided the drawings and specifications were not copied.

The 1990 Act retains copyright protection for drawings[1] as "pictorial " or "graphic " works, and building from the original drawings or building is now a copyright infringement. This article discusses the new copyright protection and its impact on the practice of design professionals.

Copyright Owner's Exclusive Rights

The owner of a copyright has several exclusive rights to the copyrighted work, including the exclusive right to prepare derivative works from the original, the right to make or distribute copies and the right to publish the work. A violation of the copyright owner's exclusive rights constitutes an infringement entitling the owner to injunctive relief to stop the infringement and to monetary damages. Under the new law, a design professional may, therefore, invoke copyright remedies not only for a "copycat building, " but also for other unauthorized uses of the protected design.

For example, in agreeing to provide services, including construction documents, to a client, a design professional might contract to transfer to the client the right to construct the derivative work (i.e. the building) only if certain conditions are met. Such conditions might include retention of the design professional for full services, payment in full of all fees, and other beneficial conditions. An attempt to construct the building from the construction documents without satisfying all conditions might then constitute an infringement against which the design professional may obtain an injunction. This power did not exist under previous copyright law.

Architectural Works

The 1990 Act defines "architectural work " as "the design of a building as embodied in any tangible medium of expression, including a building, architectural plans, or drawings. The work includes the overall form, as well as the arrangement and composition of spaces and elements in the design, but does not include individual standard features. " Under the 1990 Act, a "building " encompasses habitable structures, such as houses and office buildings, as well as structures which are used but not inhabited by human beings, such as churches, pergolas, gazebos and garden pavilions. The Congressional Committee Report[2] specifically notes that interior design is included in the definition of "building. " Bridges, cloverleafs, dams, highways or walkways are not "buildings " under the definition of architectural works.

The 1990 Act enhances rather than supersedes prior copyright law. A design professional[3] will now have two separate copyrights in his or her work, one in the design embodied in the drawings or building as "architectural work " and the other in the drawings themselves, as "graphic " or "pictorial " works.

Only "original " work is protected by the copyright law. Originality does not mean novelty, uniqueness or artistic merit; rather, a work is "original " if it is independently created. Functionally determined design elements are not protected.4

The copyrightability of a given architectural work will therefore involve a two-step analysis: (1) are original design elements present, including overall shape and interior architecture and (2) are such design elements functionally required?

The Congressional Committee Report states that if none of the design elements is functionally required, the work is protectable. If functional considerations determine only particular design elements, separate protection will be afforded for the nonfunctionally determined elements. Original combinations of standard features may be protectable even if the particular features themselves are not original.

Limitations on Exclusive Rights

Congress inserted two limitations on the exclusive rights of owners of copyrights in architectural works. The "public place " limitation permits the unauthorized publication of pictures or other pictorial representations of buildings located in or visible from a public place. The "building owners " limitation permits a building owner to alter or destroy the building without the copyright owner's consent. These limitations acknowledge the need to protect authors of architectural works while recognizing architecture as a public art form and real estate investment as an important component of the economy. The 1990 Act also expressly permits the enforcement of state and local zoning, building, landmark and historic preservation codes which might otherwise impinge on a copyright owner's exclusive rights in architectural works.

Although traditional copyright law prohibits copying for publication, the Congressional Committee Report recognizes that limited copying and distribution of construction documents for permit or bid purposes will not constitute an infringement.

Registration and Infringement

Copyright infringement is defined as an unauthorized violation of the exclusive rights of the copyright owner. Copying the architectural work by duplicating the original drawing or constructing a duplicate building from the original drawing or from the original building are obvious examples of infringement. If direct copying cannot be proven, it may be inferred where the copyright owner proves that the infringer had access to the original work and substantial similarities exist between the original and the copy. A perfect replica is not required, nor is expert testimony. The test is whether or not the average lay observer would recognize that the copy was appropriated from the original work. For a strikingly similar copy, access will be presumed.

The federal courts have exclusive jurisdiction to determine copyright infringement. In most cases, the federal district court where the defendant resides is the proper venue for an infringement lawsuit. Infringement actions against the United States or an agency, contractor or person acting for the federal government must be brought in the United States Claims Court. An amendment in November, 1990, clarifies that States and their instrumentalities are subject to the copyright law.

Registration of the architectural work with the U.S. Copyright Office, while not required for copyright protection, is a prerequisite to filing an infringement lawsuit. If the copyright is not registered before the act of infringement, the damages recoverable are limited to actual damages suffered by the copyright owner plus profits derived by the infringer. If the copyright is registered before the infringement occurs, the copyright owner may elect to recover statutory damages (up to $20,000 per infringement or, if the infringement is willful, up to $100,000 per infringement) and is entitled to recover his or her attorneys' fees.

In the past, design professionals who prevailed on claims against those copying their drawings have recovered actual damages based on the cost of preparing the original drawings, plus the profits made by the infringer due to the copying. If damages calculated this way are insufficient to justify the cost of litigation, it will be important to register the copyright before the infringement to preserve the right to recover statutory damages and attorneys' fees.

Copyright notice, while no longer a prerequisite for protection, is necessary to preclude the defense of "innocent infringement. " If an infringer proves reliance on lack of copyright notice on the work, statutory damages and attorneys' fees are not recoverable, but the infringer is still subject to injunction and is liable for actual profits derived from the infringement.

Injunctive relief is specifically authorized by copyright law and, in many cases, will be the primary remedy sought by design professionals whose copyrights are infringed. Various forms of injunctive relief might be awarded to prohibit or halt infringing activities such as copying drawings, commencing construction or continuing construction already underway. Proper circumstances might even justify the removal of an infringing structure The sooner the copyright owner acts to protect his or her right and the stronger the showing of infringement, the more likely a court will be to impose injunctive relief.

If the complaining party demonstrates likelihood of success in proving infringement and irreparable harm unless the infringement is stopped, a preliminary injunction may be issued at the commencement of the lawsuit. A bond must be posted by the complaining party. In the case of enjoining a large, ongoing construction project, the court may set bond in a high amount and the cost of the bond might be prohibitive for a small firm.

The cost of the bond is recoverable upon final judgment against the infringing party. An accused infringer who has been wrongfully enjoined may, upon final judgment in its favor, recover directly from the bonding company for damages suffered as a result of the injunction.

Guide to Copyright Protection

1. Mark all copies with copyright notice. For example: ©1992 Louis I. Kahn or Copyright 1992 Louis I. Kahn

2. Register the work with the Copyright Office within three months of its first publication: Submit the completed application form VA, pay the $20.00 fee, deposit two copies of the drawings and photographs of the building.

3. Submit two applications for each work, one for "architectural work " and another for "graphic " or "pictorial work. "

4. Include provisions in contracts of retaining copyright ownership and limiting usage of work.

Ownership of Copyright

Design professionals should undertake every precaution to see that ownership of copyright in the architectural work remains in their hands. The initial owner of the copyright is the author. The author is the person or entity who controls and directs creation of the original work. A firm will be deemed the author of a work if it is a "work made for hire. " A work made for hire is one prepared by an employee within the scope of employment or by an independent contractor under a written contract indicating the work is considered a "work for hire. "

The exclusive rights of a copyright owner can only be transferred by a written agreement. However, non-exclusive rights may be transferred or licensed orally or by implication. For example, courts, recognizing the practicalities of the marketplace, have construed the Copyright Act to allow the granting of non-exclusive rights by oral agreement and by implication, so the party commissioning the work may use the work product—at least on a non-exclusive basis—for the purposes contemplated. Design professionals wishing to limit, define or impose conditions upon the transfer of non-exclusive rights should do so by a clear and concise written agreement.

Testing the Principles

Now is the time to test your understanding. Consider this situation and the questions it raises in light of what you have learned here:

An Owner asks for schematic design concepts from a dozen firms as part of the selection process. All firms comply, make presentations and leave their copyrighted drawings for the Owner's further study. One firm is selected (the lowest bidder), and the others are sent thank you letters. Over time, one unsuccessful proposer notices that the project drawings (or the construction) contain certain clever elements that were in his presentation but in no other presentation. He's done in. The Owner got creative lightning bolts at the price of batteries.

What does the law allow? Who is the infringer? Can the Federal Government be an infringer? The State? What are the remedies? How long will it take? Won't it cost too much anyway? Are attorneys' fees recoverable?

Practical Considerations

The Architectural Works Protection Act of 1990 provides the design professional with significant protections and rights unavailable under prior law. Firms wishing to take full advantage of the opportunities presented by the new legislation should consider some of the following precautions:

1. If the prime designer wishes to own copyright in consultants' work, review consultant contracts to verify that the work commissioned is designated as "work for hire. " Note that this approach is contrary to certain AIA form documents (C141, for example).

2. Review employee contracts to verify that all work done in relation to employment is work for hire, including work done during off-hours or away from the office.

3. Review standard form contracts to include retention of exclusive copyright ownership in architectural works and to provide for defined conditions to transfer or license a non-exclusive right to utilize plans and specifications for construction.

4. Establish office procedures to register copyrights in architectural work with the U.S. Copyright Office prior to any possible acts of infringement and to include copyright notice on all drawings and specifications.

5. Be aware that some professional liability insurance policies exclude claims for copyright infringement.

6. Become aware of potential copyright infringement claims against the firm. Consider the following:

- Computer software manufacturers may bring suit for unauthorized copying (of CADD programs, for example).
- AIA documents are copyrighted. The instruction sheets for some documents explain permissible copying of completed documents.
- Faxing a document may constitute reproducing it under copyright law.
- Clients may insist on contractual indemnification against copyright infringement claims. Resist this.
- It is far easier to infringe another design professional's copyright under the new act. Interior design, completion or continuation of projects already begun, and remodeling are examples of situations wherein the ownership or right to use the original design must be clarified in advance.

Seek alternatives in negotiating agreements with clients. Under the new act, the copyright in an architectural work is valuable, not only to the design professional, but also to the client. A client who insists on ownership should be prepared to offer fees, contractual concessions, indemnity or other considerations. A license is an alternative to transfer of ownership. An attorney should be consulted, as the issues are complex.

Conclusion

Under the 1990 Act, design professionals will, for the first time, benefit from reproduction of their work, just as artists, musicians, authors and others in the creative arts have benefited since 1790, when the original copyright statute was enacted. As noted in the Congressional Committee Report: "Architecture plays a critical role in our daily lives, not only as a form of shelter or as an investment, but also as a work of art. It is an art form that performs a very public, social purpose. Protection for works of architecture should stimulate excellence in design, thereby enriching our public environment in keeping with the constitutional goal. "

Mr. Burton C. Allyn, IV is with the law firm of Johns & Allyn, 1010 B Street, Suite 211, San Rafael, CA 94901. Telephone (415) 459-5223, fax (415) 453-2555, email: skip@johnsandallyn.com

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1 For purposes of this article, the term "drawings " refers to drawings and specifications.

2 House of Representatives Committee on the Judiciary, Report 101-735, September 21, 1990, "Copyright Amendments Act of 1990, " to accompany H.R. 5498.

3 The Congressional Committee Report specifically states that protection is not limited to architects, but is afforded to anyone creating an architectural work without regard to professional training or state licensing statutes.

4 Examples of functionally determined elements might be foundations, windows and doorways which can be designed in only one manner, although the Congressional Committee Report advises that the question will depend on the circumstances of each case. Evidence that there is more than one method of obtaining a given functional result may he considered in evaluating the scope of protection.