Whose Line, Drawing and Plan Is It Anyway?

The Intellectual property rights of owners and architects in connection with an architect’s design
Definition of an Architectural Work:
An “architectural work” is 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.
(a) Copyright protection subsists, in accordance with this title, in original works of authorship fixed in any tangible medium of expression, now known or later developed, from which they can be perceived, reproduced, or otherwise communicated, either directly or with the aid of a machine or device. Works of authorship include the following categories:

(8) architectural works.
(a) **Initial Ownership.**—Copyright in a work protected under this title vests initially in the author or authors of the work. The authors of a joint work are co-owners of copyright in the work.
Works Made for Hire (17 USC § 101)

Definition:
• A “work made for hire” is—
  • (1) a work prepared by an employee within the scope of his or her employment; or
  • (2) a work specially ordered or commissioned for use as a contribution to a collective work, as a part of a motion picture or other audiovisual work, as a translation, as a supplementary work, as a compilation, as an instructional text, as a test, as answer material for a test, or as an atlas, if the parties expressly agree in a written instrument signed by them that the work shall be considered a work made for hire.
Does an Architectural Work Fall with Definition of a Work Made For Hire?

• Section 101: W2 employee of architect company, independent contractor*, or separate contract

• Owner – Architect

What is a protectable architectural work?

“What is a protectable architectural work?” those aspects of the work that originate with the author

“Architecture … is like every art form; courts should treat architectural copyrights no differently than other copyrights.”

Not Protected:
What is Not Protectable?

“any design elements attributable to building codes, topography, structures that already exist on the construction site or engineering necessity get no protection.”

Zalewski v. Cicero Builder Dev., Inc., 754 F.3d 95 (2d Cir. 2014)

Not Protected: Recognized Styles, Known Standard Elements, Market Expectations, Common Design Features
Examples of Protectable Original Architectural Elements

Photo Credits
http://indiaouting.com/delhi/lotus-temple
Gherkin Building in London
Guggenheim Museum in Bilbao
Bilbao Euskadi Sky Museum
Cubic Houses in Rotterdam
What is Infringement?

The Ordinary Observer Test:
Whether “the ordinary observer, unless he set out to detect the disparities, would be disposed to overlook them, and regard their aesthetic appeal as the same.”

Zalewski v. Cicero Builder Dev., Inc., 754 F.3d 95, 101-102 (2d Cir. 2014)
So What Do We Sign, anyway?

Language in Architect Agreement
So What Do We Sign, anyway?

Not surprisingly, the AIA documents, written by Architects, tend to favor the rights of an Architect. Notwithstanding that, even Architects need to pay close attention to the language of the agreement to understand what rights they are giving to an owner and what rights in their documents they retain.
§ 1.1.7 INSTRUMENTS OF SERVICE

Instruments of Service are representations, in any medium of expression now known or later developed, of the tangible and intangible creative work performed by the Architect and the Architect’s consultants under their respective professional services agreements. Instruments of Service may include, without limitation, studies, surveys, models, sketches, drawings, specifications, and other similar materials.
ARTICLE 7  COPYRIGHTS AND LICENSES

§ 7.2 The Architect and the Architect’s consultants shall be deemed the authors and owners of their respective Instruments of Service, including the Drawings and Specifications, and shall retain all common law, statutory and other reserved rights, including copyrights. Submission or distribution of Instruments of Service to meet official regulatory requirements or for similar purposes in connection with the Project is not to be construed as publication in derogation of the reserved rights of the Architect and the Architect’s consultants.

§ 7.3 Upon execution of this Agreement, the Architect grants to the Owner a nonexclusive license to use the Architect’s Instruments of Service solely and exclusively for purposes of constructing, using, maintaining, altering and adding to the Project, provided that the Owner substantially performs its obligations, including prompt payment of all sums when due, under this Agreement. The Architect shall obtain similar nonexclusive licenses from the Architect’s consultants consistent with this Agreement. The license granted under this section permits the Owner to authorize the Contractor, Subcontractors, Sub-subcontractors, and material or equipment suppliers, as well as the Owner’s consultants and separate contractors, to reproduce applicable portions of the Instruments of Service solely and exclusively for use in performing services or construction for the Project. If the Architect rightfully terminates this Agreement for cause as provided in Section 9.4, the license granted in this Section 7.3 shall terminate.

§ 7.3.1 In the event the Owner uses the Instruments of Service without retaining the author of the Instruments of Service, the Owner releases the Architect and Architect’s consultant(s) from all claims and causes of action arising from such uses. The Owner, to the extent permitted by law, further agrees to indemnify and hold harmless the Architect and its consultants from all costs and expenses, including the cost of defense, related to claims and causes of action asserted by any third person or entity to the extent such costs and expenses arise from the Owner’s use of the Instruments of Service under this Section 7.3.1. The terms of this Section 7.3.1 shall not apply if the Owner rightfully terminates this Agreement for cause under Section 9.4.

§ 7.4 Except for the licenses granted in this Article 7, no other license or right shall be deemed granted or implied under this Agreement. The Owner shall not assign, delegate, sublicense, pledge or otherwise transfer any license granted herein to another party without the prior written agreement of the Architect. Any unauthorized use of the Instruments of Service shall be at the Owner’s sole risk and without liability to the Architect and the Architect’s consultants.
OWNERSHIP AND USE OF DRAWINGS, SPECIFICATIONS AND OTHER INSTRUMENTS OF SERVICE

§ 1.5.1 The Architect and the Architect’s consultants shall be deemed the authors and owners of their respective Instruments of Service, including the Drawings and Specifications, and will retain all common law, statutory and other reserved rights, including copyrights. The Contractor, Subcontractors, Sub-subcontractors, and material or equipment suppliers shall not own or claim a copyright in the Instruments of Service. Submittal or distribution to meet official regulatory requirements or for other purposes in connection with this Project is not to be construed as publication in derogation of the Architect’s or Architect’s consultants’ reserved rights.
§ 7.3 Upon execution of this Agreement, the Architect grants to the Owner a nonexclusive, perpetual license …
Expressly Define “Unauthorized Use”
Mere “use” in standard § 7.3.1 is too narrow.
In the event the Owner uses the Instruments of Service on another project or modifies the Instruments of Service without the input or participation of the Architect or the Architect’s Consultants (“Unauthorized Use”).
Modification to § 7.4 – Owner’s Right to Assign

The architect may wish to impose limitations on the Owner’s right to assign under certain circumstances, such as: if the assignee:

(i) cannot prove it has the financial capacity to fulfill the obligations under the agreement;
(ii) refuses to agree to fulfill the obligations under the agreement; or
(iii) is a party with whom the architect has a prior documented dispute.
If the Owner terminates the Architect for its convenience under Section 9.5, or the Architect terminates this Agreement under Section 9.3, the Owner shall pay a licensing fee as compensation for the Owner’s continued use of the Architect’s Instruments of Service solely for purposes of completing, using and maintaining the Project as follows: ______________________________.

(Section 9.3 addresses suspension for the project for more than 90 cumulative days and Section 9.5 covers the owner’s termination of the agreement for its convenience and without cause.)
§ 7.5 The Owner shall be permitted to retain copies, including reproducible copies, of the Architect’s Instruments of Service for information and reference in connection with the Owner's use and occupancy of the Project and for the Owner’s marketing and reference purposes.
Assignment of Copyright to Owner or License to Owner to Use?

If Architect assigns copyright must retain Standard Details for use on other projects.

If Architect maintains copyright and grants a license, Architect may agree not to replicate the distinguishable features of the project on another project.
Use Of Name. In the event of any termination of this Agreement after completion of the Design Development phase (other than a termination for the convenience of the Owner in the circumstances set out in (ii) of this Article), the Owner shall only be entitled to use the following credit in relation to the Architect’s involvement in the Project (and no other, unless the Architect consents in writing thereto), provided the Project substantially reflects the architectural intent of the approved Design Development phase drawings:

“Designed by ___________________________”
ARTICLE 9  TERMINATION OR SUSPENSION

§ 9.3 If the Owner suspends the Project for more than 90 cumulative days for reasons other than the fault of the Architect, the Architect may terminate this Agreement by giving not less than seven days’ written notice.

§ 9.4 Either party may terminate this Agreement upon not less than seven days’ written notice should the other party fail substantially to perform in accordance with the terms of this Agreement through no fault of the party initiating the termination.

§ 9.5 The Owner may terminate this Agreement upon not less than seven days’ written notice to the Architect for the Owner’s convenience and without cause.

§ 9.6 In the event of termination not the fault of the Architect, the Architect shall be compensated for services performed prior to termination, together with Reimbursable Expenses then due and all Termination Expenses as defined in Section 9.7.

§ 11.9 COMPENSATION FOR USE OF ARCHITECT’S INSTRUMENTS OF SERVICE
If the Owner terminates the Architect for its convenience under Section 9.5, or the Architect terminates this Agreement under Section 9.3, the Owner shall pay a licensing fee as compensation for the Owner’s continued use of the Architect’s Instruments of Service solely for purposes of completing, using and maintaining the Project as follows:
Termination before the conclusion of the Project. What type of contract clauses may be negotiated?

A. License Scenario: Full Payment required for use. If termination occurs before full payment, Owner has no right to use drawings.
B. License Scenario: Owner can use what is has paid for. Timing of and reason for termination will impact what there is for owner “to use”.
C. License Fee: If termination occurs before end of project, Owner and Architect pre-negotiate the license fee for use. Timing of and reason for termination will impact what the fee should be.
D. Assignment Scenario: Copyright is assigned when project is completed and Owner has paid in full. Does Architect have rights to use the drawings or create derivative works?
Termination of Architect

• Are CAD drawings made available to Owner and/or replacement architect? Are they in read-only format or can they be edited to change name and seal?
• Will outgoing architect execute DOB forms to be replaced by incoming architect?
• Can owner use architect’s name in marketing?
Termination of Architect

There is no contract when relationship is terminated. Does Copyright Act give rights to the owner or the Architect?
Architect, But…Owner May Not Be Precluded From Building:

a) What is protectable?
b) What was copied?
c) Was the copying wrongful?

Zalewski v. Cicero Builder Dev., Inc., 754 F. 3d 95 (2d Cir. 2014); Savant Homes, Inc. v. Collins, 809 F. 3d 1133 (10th Cir. 2016)
In *Ranieri*, the Fourth Circuit developed a non-exclusive list of three factors to use when analyzing the architect’s objectively manifested intent in determining if a non-exclusive license was intended:

- whether the parties were engaged in a short-term discreet transaction as opposed to an ongoing relationship;
- whether the creator utilized written contracts such as the standard AIA contract, providing that copyrighted materials could only be used with the creators’ future involvement or express permission;
- whether the creator’s conduct during the creation or delivery of the copyrighted material indicated that use of the material without the creator’s involvement or consent was permissible.

An Implied Non-exclusive License

An Implied Non-exclusive license has been granted when:
(1) a person (the licensee) requests the creation of the work;
(2) the creator (the licensor) makes that particular work and delivers it to the licensee who requested it; and
(3) the licensor intend that the licensee copy and distribute the work.

Lessons for Architects:

a) List what is protected (unique features)
b) Establish access to and copying of unique features
c) Are the protected elements substantially similar to the accused work?
Lesson for Owners:

• Define your rights in the architect’s work: is it a work for hire, will you own the copyright, will you have a license to use it?

• Define your rights in the event of a termination of the architect’s contract.