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served, or our government will inevitably drift from the system established by our fathers into a vast centralized and consolidated government.

PAIGE v. BANKS.

1. Where in consideration of an agreement by publishers to pay him a certain sum of money, and the performance of specified duties in connection with the publication, a reporter of judicial decisions agreed in 1828 "to furnish in manuscript the reports of his court for publication," with an additional clause that the "publishers shall have the copyright of said reports, to them and their assigns forever," *held*, on bill filed by the reporter's executrix for injunction, and account of profits after the expiration of twenty-eight years from the entry of copyright (A.D. 1830), that the publishers had a full right of property in the manuscript; and accordingly that they could publish not only for the twenty-eight years during which the act of May 31st, 1790 (the only copyright act in force when the agreement was made), gave an author and his *assigns* the exclusive right to print, reprint, publish, and vend, but also during the fourteen years granted by an act of 3d February, 1831, subsequently passed, by which the exclusive right was continued to the author if alive, or if dead to his *widow, child, or children*; the reporter not having died till 1868.
2. *Held*, further, that this view was confirmed by the fact that a notice had been given in 1858, by the reporter to his publishers, that he himself claimed the right to publish on the expiration of the first twenty-eight years, and forbid them to publish further, and that they in reply denied his right and asserted their own, and that though the reporter lived, as already said, till 1868, ten years after this correspondence, no further notice was taken of this subject, and no attempt by the reporter, by act or protest, to interfere with the exercise of the right of the publishers to publish and sell.

APPEAL from a decree of the Circuit Court for the Southern District of New York; the case being thus:

Congress by a copyright law of 31st May, 1790,* enacted that the author and authors of any book or books, "and his or their executors, administrators, or *assigns*," should have

* 1 Stat. at Large, 124.

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the sole right and liberty of printing, reprinting, publishing, and vending such book or books for the term of fourteen years. And if, at the expiration of the said term the said author or authors should be alive, that the same exclusive right should be continued to him or them, "his or their executors, administrators, or assigns, for the further term of fourteen years."

With this law in force as governing the subject of copyrights, the late Mr. Alonzo Paige, of New York, reporter of its Court of Chancery, entered, on the 7th of October, 1828, into an agreement with Gould & Banks, law publishers of that State, thus:

"That the said Alonzo during the term of five years from the 28th of April last, shall and will furnish the said Gould & Banks, *in manuscript*, the reports of the said court for publication, and that the said Gould & Banks shall have the copyright of said reports to them and their heirs and assigns forever.

"And the said Gould & Banks agree to and with the said Alonzo, that they will publish said reports in royal octavo volumes of between 600 and 700 pages, on paper and type suitable for such a work; that they will deliver to the said Alonzo twelve copies free of expense; that they will sell said reports to the members of the bar of New York at a sum not exceeding \$6 per volume, bound in calf, for each volume they shall so sell within one year next subsequent to the publication of such volume.

"And the said Gould & Banks agree to pay to the said Alonzo \$1000 per volume for every volume they shall publish, and at the same rate for less than a volume, within six months after the publication of each volume.

"It is understood that the said Alonzo is to read and correct the proof-sheets of said reports as the same are furnished him."

Mr. Paige did accordingly furnish to Gould & Banks the manuscript of the volume known as 1st Paige's Chancery Reports; and on the 5th of January, 1830, Gould & Banks took out the copyright therefor in their own names.

On the 3d of February, 1831, that is to say, about two years and a half after the date of the agreement between

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the parties, Congress amended the copyright law,* enlarging the rights of copy. The new statute enacted :

“That whenever a copyright shall have been heretofore obtained by an author . . . of any book, &c., if such author . . . be living at the passage of this act, then such author . . . shall continue to have the same exclusive right to his book, . . . with the benefit of each and all the provisions of this act for the security thereof, for such additional period of time as will, together with the time which shall have elapsed from the first entry of said copyright, make up the term of twenty-eight years.

“That if at the expiration of the aforesaid term of years, such author . . . be still living, and a citizen . . . of the United States, or resident therein, or being dead, shall have left a widow, or child, or children, either or all then living, the same exclusive right shall be continued to such author; . . . or if dead, *then to such widow and child or children* for the further term of fourteen years.”

The twenty-eight years of right given by the act of 1790, expired on the 5th of January, 1858. Gould & Banks conceiving themselves to be entitled to renewal under the act of 1831, on the 3d of October, 1857, went through the usual process to secure a copyright for the extended term. Mr. Paige, on the 3d of January, 1858, conceiving that the extension enured to *his* benefit, did the same, and on the 13th following informed Gould & Banks that he had thus renewed his copyright, and calling their attention to the fact, that by this renewal “all right on their part to print, publish, or vend volume first of his reports had ceased,” and calling on them “henceforth to refrain from printing, publishing, or vending it.” To this Gould & Banks, referring to the contract of October 7th, 1828, reply :

“First. Your manuscripts were furnished to us for publication without limit as to time, and, therefore, whatever be your rights under the law of 1831, we have an unlimited license to publish and sell.

“In the second place, where the entire interest in the copy-

* 4 Stat. at Large, 489.

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right has been assigned, we consider the provisions of the act of 1831 to have been intended to enure to the benefit of the assignee."

They accordingly notify to Mr. Paige that they shall themselves take out all of the renewals of the copyright, "and hold him liable for all damages consequent on any infringement of their rights."

Things remained in this state till March 31st, 1868, when Mr. Paige died; and in about ten months afterwards, and after some correspondence with a view to amicable adjustment, his executors filed a bill for injunction against further printing and vending, and for an account of profits after January, 1858.

The court below (Blatchford, J.) dismissed the bill,* and the executors of Mr. Paige appealed to this court.

Messrs. Clarkson Nott Potter and W. W. Campbell, for the appellants:

The intention of the parties, to be collected from the whole agreement, was simply to convey the copyright, though it may be admitted for the sake of argument that the agreement contains provisions sufficient to create a license if the copyright had not been specifically conveyed. Now, this thing called "copyright" is, so far as the law recognizes it, or so far as it is a matter of practical value and of sale, a creature of statute. A man has no more "copyright" than what the statute gives him. When this agreement was made Mr. Paige had the exclusive right in himself and in his assigns to print, publish, and sell, at the longest for a term of twenty-eight years; and no greater or additional right. That assuredly is what he meant to sell, and all that he meant to sell. Now a new statute—one not dreamt of by any one in 1828—gives to Mr. Paige subsequently a new and different sort of right. How can it be said that Mr. Paige meant to assign *that* when he assigned the other? There are no words in his agreement such as "whatever copyright he may here-

* 7 Blatchford, 154.

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after have granted to him;" by which it might be inferred that he meant to part with more property than he had; an inference not to be made easily in any case. Questions have arisen often in the kindred case of patents, how far a grant of a patent right carried a subsequent extension of it. In *Wilson v. Rousseau*,* a covenant by the patentee prior to the patent act of 1836, which authorized extensions, that the covenantee should have the benefit of *any* improvement in the machinery, or *alteration* or *renewal* of the patent, was held not to exclude an extension by an administrator under that act; and this court was not unanimous in holding that an extension passed even in such a case as *Railroad Company v. Trimble*,† where a patentee conveyed all the right, title, and interest which he had in the "same invention," as secured to him by letters-patent, and also all "the right, title, and interest which *may* be secured to him from *time to time*, the same to be held by the assignee for his own use and for that of his legal representatives, "to the full end of the term for which said letters are or *may* be granted."

2. The copyright act of 1790 gives the right to the author and to his *assigns*. The act of 1831 which created this new term, gives it specifically to the author if living, to *his family* if he is dead. Assignees are not mentioned in it, nor provided for. It looks much as if Congress in this case had meant specially to take care of men of literary genius; often as we know not men of business, and, therefore, subject to be hardly dealt with by the trade. A book is rarely much demanded after it has been published twenty-eight years. Some books, the works of men of high genius, are as much so or more than ever. The provision seems specially to have been for the authors of them; and for their families; just as Congress by various acts provides for our soldiers, our occupants of bounty lands, making very liberal provision for them and for their families, but declaring that their vendees shall take nothing. Mr. G. T. Curtis, in his work on Copyright,‡ questions whether the author by any assignment

* 4 Howard, 682.

† 10 Wallace, 367.

‡ Page 235.

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could dispose of the contingent interest given by the act of 1831, so as to deprive his widow and children of the right in case of his death. A similar provision in the patent law has been construed by this court against the right.*

We have the benefit of the views on the circuit by Mr. Justice Nelson, in the case of *Cowen v. Banks*,† in support of the position which we take. There the reporter Cowen had assigned in 1823 to this same house of Gould & Banks, the copyright of his reports by an instrument like the present one.‡ He lived till 1844, that is to say, three years after the expiration of his first term of copyright. The executrix of the reporter after his death claiming the fourteen years of the extended term of twenty-eight years, given by statute of 1790, to authors or their *assigns*, filed a bill for injunction and account. His honor, Judge Nelson, after careful consideration, decided in her favor. It is true indeed that he decreed ultimately in favor of the publishers, on a cross action brought by them to amend the agreement, so as to convey all the interest of Mr. Cowen in the extended term. On the hearing of that cross-bill a deposition of Mr. Cowen given in a prior suit brought by the publishers against one Hastings, as a violator of the copyright, was read in evidence. In this deposition Mr. Cowen testified “*that it was his intention, by the agreement, to convey his whole interest in the copyright of the work*,” and he added: “I supposed the book to belong to my assignees, as soon as made, including all that was in it. I would not have taken the office of reporter, with its salaries and duties, unless I was to have a proprietary right which I could use or dispose of.” The present case is much stronger than that of Mr. Cowen, for the term claimed by his representatives, was the second term granted by the statute of 1790, in case the author lived through the first fourteen years; a term grantable under the statute to assigns; while what we have claimed is the ex-

* *Wilson v. Rousseau*, 4 Howard, 646; *Bloomer v. McQuewan*, 14 Id. 539

† 24 Howard's Practice Cases, 72.

‡ A copy of the instrument was shown to the court from the judgment roll of the case.

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tension granted by the statute of 1831, an extension conferred on the author and his *family*, and where the rights of assigns seem to have been carefully excluded.

Messrs. Joseph Laroque and E. E. Anderson, contra.

Mr. Justice DAVIS delivered the opinion of the court.

The whole controversy turns upon the true interpretation of the agreement made on the 7th October, 1828.

Independent of any statutory provision the right of an author in and to his unpublished manuscripts is full and complete. It is his property, and, like any other property, is subject to his disposal. He may assign a qualified interest in it, or make an absolute conveyance of the whole interest.

The question to be solved is, do the terms of this agreement show the intent to part with the whole interest in the publication of this book, or with a partial and limited interest?

The agreement on the one side is "to furnish, in manuscript, the reports of said court for publication," with an additional clause that the publishers "shall have the copyright of said reports to them and their assigns forever." The cause or consideration of this agreement is a stipulation by the other side for a certain sum of money, and the performance of certain duties in connection with the publication.

It is insisted by the appellants that a just interpretation confines the agreement to a mere assignment of the interest in such copyright, as is provided for in the act of 31st May, 1790; that this was the law in force when the contract was entered into; that the fourteen years therein provided for, with the right to a prolongation of fourteen years more, is all that the publishers, at most, are entitled to, and that they are excluded necessarily from the benefit of the provisions conferred by the act of the 3d February, 1831, granting to authors an additional extension of fourteen years.

In our view this is too narrow a construction. The fair and just interpretation of the terms of the agreement indicate unmistakably that the author of the manuscript, in

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agreeing to deliver it for publication at a stipulated compensation, intended to vest in the publishers a full right of property thereto.

The manuscript is delivered under the terms of the agreement "for publication." No length of time is assigned to the exercise of this right, nor is the right to publish limited to any number of copies. The consideration is a fixed sum of \$1000. Whether one or one hundred thousand copies were published the author was entitled to receive, and the publishers bound to pay, this precise amount.

As between the parties to the agreement the absolute interest was conveyed by the stipulation of Paige, that he would furnish the manuscript for publication. Paige could no longer do any act after such delivery for publication inconsistent with the absolute ownership of the publishers. But it was proper, for the protection of the publishers, that they should be in position to assert the remedies given by the law against intruders, and it is to this end it is added in the agreement, "*and the said Gould & Banks shall have the copyright of said reports to them, their heirs, and assigns forever.*" It is not covenanted that the publishers should take out the copyright, nor is there any express agreement for an assignment to them by Paige, if he should take it out. Undoubtedly the provision, that the publishers "*should have the copyright,*" would authorize them to apply for it, and if Paige had taken it out in his own name it would have enured to their benefit. But, as between Paige and the publishers, the rights of the latter could not be estimated differently, whether they had or had not availed themselves of the provisions of the act.

We have been referred to the case of *Cowen v. Banks*, in which Mr. Justice Nelson, on a similar agreement, expressed the opinion that the construction now contended for by the appellants was the true one. No reason is assigned by the judge for his opinion, and the case was such that it was not necessary that this point should be maturely considered. The practical construction by Judge Cowen of his own contract, in opposition to his interest, is cited in the decision to

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which we are now referring, together with the fact that the judge died in 1844, three years after the expiration of the first term of the copyright. On this it is said, with some emphasis,* "that he had all this time acquiesced in the claim of the assignee." The decree was that the contract be reformed accordingly.

In the case now before us the construction contended for by the appellants was, for the first time, urged by letter of Mr. Paige, 13th January, 1858, addressed to the appellees, who replied on 3d February following, asserting their absolute right of ownership, with an unlimited license to publish and sell. The parties lived together after this in the same State until 31st March, 1868, when Paige died, a period of ten years, during which no further notice was ever taken of this subject, and no attempt by Paige, by act or protest, to interfere with the exercise of the right of the appellees to publish and sell. It is difficult to account for this long acquiescence upon any assumption that Paige, after the receipt of the reply to the publishers, had faith in the construction now urged. If this agreement needed any extraneous aid to indicate the intention of the parties, this acquiescence would certainly be persuasive of the view we have taken of it.

DECREE AFFIRMED.

INSURANCE COMPANY *v.* BAILEY.

Although equity have power to order the delivery up and cancellation of a policy of insurance obtained on fraudulent representations and suppressions of facts, yet it will not generally do so, when these representations and suppressions can be perfectly well used as a defence at law in a suit upon the policy. Hence a bill for such a delivery up and cancellation was held properly "dismissed, without prejudice," though the evidences of the fraud were considerable, there being no allegation that the holder of the policy meant to assign it; and suit on the policy having after the bill was filed been begun at law.

APPEAL from the Supreme Court of the District.

The Phœnix Mutual Life Insurance Company filed a bill

* 24 Howard's Practice Cases, 72.