Computers and the Law
Legal Environment
Randy Canis

CLASS 5

Copyright Law pt. 3;
Parody;
Right of Publicity
Copyright Law pt. 3

Copyright Law

• What rights are afforded by Copyright protection?
• What type of reverse engineering is permitted?

EXCLUSIVE RIGHTS

§ 106. Exclusive rights in copyrighted works
• Subject to sections 107 through 121, the owner of copyright under this title has the exclusive rights to do and to authorize any of the following:
  (1) to reproduce the copyrighted work in copies or phonorecords;
  (2) to prepare derivative works based upon the copyrighted work;
  (3) to distribute copies or phonorecords of the copyrighted work to the public by sale or other transfer of ownership, or by rental, lease, or lending;
  (4) in the case of literary, musical, dramatic, and choreographic works, pantomimes, and motion pictures and other audiovisual works, to perform the copyrighted work publicly;
  (5) in the case of literary, musical, dramatic, and choreographic works, pantomimes, and pictorial, graphic, or sculptural works, including the individual images of a motion picture or other audiovisual work, to display the copyrighted work publicly; and
  (6) in the case of sound recordings, to perform the copyrighted work publicly by means of a digital audio transmission.
Public Performance

• “[W]e find that the transmit clause directs us to identify the potential audience of a given transmission, i.e., the persons ‘capable of receiving’ it, to determine whether that transmission is made ‘to the public.’ Because each RS-DVR playback transmission is made to a single subscriber using a single unique copy produced by that subscriber, we conclude that such transmissions are not performances ‘to the public’ and therefore do not infringe any exclusive right of public performance. We base this decision on the application of undisputed facts; thus, Cablevision is entitled to summary judgment on this point.”

• The Cartoon Network, LLP v. CSC Holdings, Inc., 536 F.3d 121 (2nd Cir. 2008)

Public Performance

Performing a Work Publicly

• to perform or display it at a place open to the public or at any place where a substantial number of persons outside of a normal circle of a family and its social acquaintances are gathered, or

• to transmit or otherwise communicate a performance or display of the work to a place previously specified or to the public, by means of any device or process, regardless of the place and time received by the public.

American Broadcasting Cos. v. Aereo, Inc.

• Issue
  – “We must decide whether respondent Aereo, Inc., infringes [the exclusive right to perform a work publicly] by selling its subscribers a technologically complex service that allows them to watch television programs over the Internet at about the same time as the programs are broadcast over the air.”
American Broadcasting Cos. v. Aereo, Inc.

- Supreme Court
- History
  - D.C. denied preliminary injunction
  - Divided panel of second circuit affirmed

What did Aereo do?
- Provided nearly live broadcast television over the Internet
- Did not obtain a license from the broadcasters
- Provided collection of tiny antennas to enable subscribers to watch selected shows
- Broadcast content was saved and then personal recorded copy was streamed to viewer

Two questions
- Does Aereo perform?
  - “Does Aereo ‘transmit . . . a performance’ when a subscriber watches a show using Aereo’s system, or is it only the subscriber who transmits?”
  - If Aereo performs, does it do so publicly?
American Broadcasting Cos. v. Aereo, Inc.

- **History**
  - Community antennas did not originally infringe
  - The statute was amended so that “perform” of an audiovisual work now meant “to show its images in any sequence or to make the sounds accompanying it audible.”
  - Now broadcaster and viewer both perform
  - The new transmit clause specified that an entity performs publicly when it “transmit[s] . . . a performance . . . to the public.”

American Broadcasting Cos. v. Aereo, Inc.

- “Aereo’s activities are substantially similar to those of the CATV companies that Congress amended the Act to reach.”
- “Given Aereo’s overwhelming likeness to the cable companies targeted by the 1976 amendments, this sole technological difference between Aereo and traditional cable companies does not make a critical difference here.”
- “We conclude that Aereo is not just an equipment supplier and that Aereo ‘perform[s].’”

American Broadcasting Cos. v. Aereo, Inc.

- “Next, we must consider whether Aereo performs petitioners’ works ‘publicly,’ within the meaning of the Transmit Clause. Under the Clause, an entity performs a work publicly when it ‘transmit[s] . . . A performance . . . of the work . . . to the public.’”
American Broadcasting Cos. v. Aereo, Inc.

• "The fact that each transmission is to only one subscriber, in Aereo’s view, means that it does not transmit a performance ‘to the public.’ In terms of the Act’s purposes, these differences do not distinguish Aereo’s system from cable systems, which do perform ‘publicly.’ Viewed in terms of Congress’ regulatory objectives, why should any of these technological differences matter?"

American Broadcasting Cos. v. Aereo, Inc.

• “[W]e conclude that when an entity communicates the same contemporaneously perceptible images and sounds to multiple people, it transmits a performance to them regardless of the number of discrete communications it makes.”

American Broadcasting Cos. v. Aereo, Inc.

• “We do not see how the fact that Aereo transmits via personal copies of programs could make a difference… So whether Aereo transmits from the same or separate copies, it performs the same work; it shows the same images and makes audible the same sounds. Therefore, when Aereo streams the same television program to multiple subscribers, it ‘transmit[s] . . . a performance’ to all of them.”
American Broadcasting Cos. v. Aereo, Inc.

- "We agree that Congress, while intending the Transmit Clause to apply broadly to cable companies and their equivalents, did not intend to discourage or to control the emergence or use of different kinds of technologies. But we do not believe that our limited holding today will [create copyright liability on other new and developing technologies]."

American Broadcasting Cos. v. Aereo, Inc.

- Dissent by Scalia
  - "I share the Court's evident feeling that what Aereo is doing (or enabling to be done) to the Networks' copyrighted programming ought not to be allowed. But perhaps we need not distort the Copyright Act to forbid it. ... It is not the role of this Court to identify and plug loopholes. It is the role of good lawyers to identify and exploit them, and the role of Congress to eliminate them if it wishes. Congress can do that, I may add, in a much more targeted, better informed, and less disruptive fashion than the crude "looks-like-cable-TV" solution the Court invents today."

Distribution

- **General Rule** - Copyright owners are provided with the exclusive right to distribute copies or phonorecords of their works
- **Exception** - limited to the first transfer of ownership
First Sale Doctrine

• "The whole point of the first sale doctrine is that once the copyright owner places a copyrighted item in the stream of commerce by selling it, he has exhausted his exclusive statutory right to control its distribution."


Kirtsaeng v. John Wiley & Sons

• Supreme Court
• History
  – D.C. Kirtsaeng could not assert the "first sale" defense because, in its view, that doctrine does not apply to "foreign-manufactured goods"
  – 2nd Cir - split panel agreed with the District Court.

Kirtsaeng v. John Wiley & Sons

• Issue
  – "If [a] copy of [a book] was printed abroad and then initially sold with the copyright owner’s permission … [d]oes the ‘first sale’ doctrine still apply?"
  – application of first sale doctrine internationally
Kirtsaeng v. John Wiley & Sons

• Section 109(a) sets forth the “first sale” doctrine as follows:
  – “Notwithstanding the provisions of section 106(3) [the section that grants the owner exclusive distribution rights], the owner of a particular copy or phonorecord lawfully made under this title . . . is entitled, without the authority of the copyright owner, to sell or otherwise dispose of the possession of that copy or phonorecord.” (Emphasis added.)

Kirtsaeng v. John Wiley & Sons

• “[E]ven though §106(3) forbids distribution of a copy of, say, the copyrighted novel Herzog without the copyright owner’s permission, §109(a) adds that, once a copy of Herzog has been lawfully sold (or its ownership otherwise lawfully transferred), the buyer of that copy and subsequent owners are free to dispose of it as they wish. In copyright jargon, the ‘first sale’ has ‘exhausted’ the copyright owner’s §106(3) exclusive distribution right.”

Kirtsaeng v. John Wiley & Sons

• “Importation into the United States, without the authority of the owner of copyright under this title, of copies . . . of a work that have been acquired outside the United States is an infringement of the exclusive right to distribute copies . . . under section 106 . . . .” 17 U. S. C. §602(a)(1) (2006 ed., Supp. V) (emphasis added).”
Kirtsaeng v. John Wiley & Sons

• What did Kirtsaeng do?
  – “While he was studying in the United States, Kirtsaeng asked his friends and family in Thailand to buy copies of foreign edition English language textbooks at Thai book shops, where they sold at low prices, and mail them to him in the United States. … Kirtsaeng would then sell them, reimburse his family and friends, and keep the profit.”

Kirtsaeng v. John Wiley & Sons

• “We must decide whether the words 'lawfully made under this title' restrict the scope of §109(a)'s 'first sale' doctrine geographically. … In our view, §109(a)'s language, its context, and the common-law history of the 'first sale' doctrine, taken together, favor a non-geographical interpretation.”

Kirtsaeng v. John Wiley & Sons

• “Congress enacted a copyright law that (through the 'first sale' doctrine) limits copyright holders' ability to divide domestic markets. And that limitation is consistent with antitrust laws that ordinarily forbid market divisions. … Whether copyright owners should, or should not, have more than ordinary commercial power to divide international markets is a matter for Congress to decide. We do no more here than try to determine what decision Congress has taken.”
Kirtsaeng v. John Wiley & Sons

• "We hold that the 'first sale' doctrine applies to copies of a copyrighted work lawfully made abroad."

17 U.S.C. §117

• (a) Making of Additional Copy or Adaptation by Owner of Copy. — Notwithstanding the provisions of section 106, it is not an infringement for the owner of a copy of a computer program to make or authorize the making of another copy or adaptation of that computer program provided:
  • (1) that such a new copy or adaptation is created as an essential step in the utilization of the computer program in conjunction with a machine and that it is used in no other manner, or
  • (2) that such new copy or adaptation is for archival purposes only and that all archival copies are destroyed in the event that continued possession of the computer program should cease to be rightful.

17 U.S.C. §117

• (c) Machine Maintenance or Repair. — Notwithstanding the provisions of section 106, it is not an infringement for the owner or lessee of a machine to make or authorize the making of a copy of a computer program if such copy is made solely by virtue of the activation of a machine that lawfully contains an authorized copy of the computer program, for purposes only of maintenance or repair of that machine, if —
  • (1) such new copy is used in no other manner and is destroyed immediately after the maintenance or repair is completed; and
  • (2) with respect to any computer program or part thereof that is not necessary for that machine to be activated, such program or part thereof is not accessed or used other than to make such new copy by virtue of the activation of the machine.
Derivative Work

- "A 'derivative work' is a work based upon one or more preexisting works, such as a translation, musical arrangement, dramatization, fictionalization, motion picture version, sound recording, art reproduction, abridgment, condensation, or any other form in which a work may be recast, transformed, or adapted. A work consisting of editorial revisions, annotations, elaborations, or other modifications, which, as a whole, represent an original work of authorship, is a 'derivative work'.
- A derivative work is a work based upon one or more preexisting works where the original work is recast, transformed, or adapted.
- The derivative work copyright protects only new materials contributed by the author, and does not affect or enlarge the scope, duration, ownership, or subsistence of any copyright protection in the preexisting material.

Copyright Infringement

- A person commits copyright infringement when he/she violates any one of the author's exclusive rights.
- Infringement may be for intentional and unintentional acts
- Possibility of injunction and actual or statutory damages
- Statute of limitations for civil action – 3 years

Test for Infringement

- A plaintiff bringing a claim for copyright infringement must demonstrate (1) ownership of a valid copyright, and (2) copying of constituent elements of the work that are original.
- Absent evidence of direct copying, proof of infringement involves fact-based showings that the defendant had access to the plaintiff's work and that the two works are substantially similar.
Registration Precondition

• “Subject to certain exceptions, the Copyright Act requires copyright holders to register their works before suing for copyright infringement. 17 U.S.C.A. §411(a) (Supp. 2009).”
• Reed Elsevier, Inc. v. Muchnick, 559 U. S. ____ (2010)

Substantially Similar

• The substantial-similarity test contains an extrinsic and intrinsic component. At summary judgment, courts apply only the extrinsic test; the intrinsic test, which examines an ordinary person’s subjective impressions of the similarities between two works, is exclusively the province of the jury.
• Funky Films, Inc. v. Time Warner Entertainment Company, 462 F.3d 1072 (9th Cir. 2006)

Infringement

§ 501(a). Infringement of copyright

• Anyone who violates any of the exclusive rights of the copyright owner as provided by sections 106 through 122 or of the author as provided in section 106A(a), or who imports copies or phonorecords into the United States in violation of section 602, is an infringer of the copyright or right of the author, as the case may be. ... As used in this subsection, the term "anyone" includes any State, any instrumentality of a State, and any officer or employee of a State or instrumentality of a State acting in his or her official capacity. Any State, and any such instrumentality, officer, or employee, shall be subject to the provisions of this title in the same manner and to the same extent as any nongovernmental entity.
Injunction

§ 502. Remedies for infringement: Injunctions
• (a) Any court having jurisdiction of a civil action arising under this title may, subject to the provisions of section 1498 of title 28, grant temporary and final injunctions on such terms as it may deem reasonable to prevent or restrain infringement of a copyright.
• (b) Any such injunction may be served anywhere in the United States on the person enjoined; it shall be operative throughout the United States and shall be enforceable, by proceedings in contempt or otherwise, by any United States court having jurisdiction of that person. The clerk of the court granting the injunction shall, when requested by any other court in which enforcement of the injunction is sought, transmit promptly to the other court a certified copy of all the papers in the case on file in such clerk's office.

Impounding

§ 503. Remedies for infringement: Impounding and disposition of infringing articles
• (a) At any time while an action under this title is pending, the court may order the impounding, on such terms as it may deem reasonable, of all copies or phonorecords claimed to have been made or used in violation of the copyright owner's exclusive rights, and of all plates, molds, matrices, masters, tapes, film negatives, or other articles by means of which such copies or phonorecords may be reproduced.
• (b) As part of a final judgment or decree, the court may order the destruction or other reasonable disposition of all copies or phonorecords found to have been made or used in violation of the copyright owner's exclusive rights, and of all plates, molds, matrices, masters, tapes, film negatives, or other articles by means of which such copies or phonorecords may be reproduced.

Damages

• § 504. Remedies for infringement: Damages and profits
• (a) In General. - Except as otherwise provided by this title, an infringer of copyright is liable for either -
  (1) the copyright owner's actual damages and any additional profits of the infringer, as provided by subsection (b); or
  (2) statutory damages, as provided by subsection (c).
Actual Damages

• (b) Actual Damages and Profits. - The copyright owner is entitled to recover the actual damages suffered by him or her as a result of the infringement, and any profits of the infringer that are attributable to the infringement and are not taken into account in computing the actual damages. In establishing the infringer's profits, the copyright owner is required to present proof only of the infringer's gross revenue, and the infringer is required to prove his or her deductible expenses and the elements of profit attributable to factors other than the copyrighted work.

Statutory Damages

• (1) Except as provided by clause (2) of this subsection, the copyright owner may elect, at any time before final judgment is rendered, to recover, instead of actual damages and profits, an award of statutory damages for all infringements involved in the action, with respect to any one work, for which any one infringer is liable individually, or for which any two or more infringers are liable jointly and severally, in a sum of not less than $750 or more than $30,000 as the court considers just. For the purposes of this subsection, all the parts of a compilation or derivative work constitute one work.

• (2) In a case where the copyright owner sustains the burden of proving, and the court finds, that infringement was committed willfully, the court in its discretion may increase the award of statutory damages to a sum of not more than $150,000. In a case where the infringer sustains the burden of proving, and the court finds, that such infringer was not aware and had no reason to believe that his or her acts constituted an infringement of copyright, the court in its discretion may reduce the award of statutory damages to a sum of not less than $200. The court shall remit statutory damages in any case where an infringer believed and had reasonable grounds for believing that his or her use of the copyrighted work was a fair use under section 107, if the infringer was: (i) an employee or agent of a nonprofit educational institution, library, or archives acting within the scope of his or her employment who, or such institution, library, or archives itself, which infringed by reproducing the work in copies or phonorecords; or (ii) a public broadcasting entity which or a person who, as a regular part of the nonprofit activities of a public broadcasting entity (as defined in subsection (g) of section 118) infringed by performing a published nondramatic literary work or by reproducing a transmission program embodying a performance of such a work.
Costs and Attorney’s Fees

• § 505. Remedies for infringement: Costs and attorney’s fees
  • In any civil action under this title, the court in its discretion may allow the recovery of full costs by or against any party other than the United States or an officer thereof. Except as otherwise provided by this title, the court may also award a reasonable attorney’s fee to the prevailing party as part of the costs.

Fair Use

• § 107. Limitations on exclusive rights: Fair use
  • Notwithstanding the provisions of sections 106 and 106A, the fair use of a copyrighted work, including such use by reproduction in copies or phonorecords or by any other means specified by that section, for purposes such as criticism, comment, news reporting, teaching (including multiple copies for classroom use), scholarship, or research, is not an infringement of copyright. In determining whether the use made of a work in any particular case is a fair use the factors to be considered shall include—
    – (1) the purpose and character of the use, including whether such use is of a commercial nature or is for nonprofit educational purposes;
    – (2) the nature of the copyrighted work;
    – (3) the amount and substantiality of the portion used in relation to the copyrighted work as a whole; and
    – (4) the effect of the use upon the potential market for or value of the copyrighted work.
  • The fact that a work is unpublished shall not itself bar a finding of fair use if such finding is made upon consideration of all the above factors.

Lewis Galoob Toys v. Nintendo of America

• Nintendo (P)
  – Creator of Nintendo gaming system.
• Lewis Galoob Toys (D)
  – Creator of Game Genie game altering device.
• Basis of Proceeding
  – Appeal from D.C. decision that Game Genie does not violate any Nintendo copyrights.
Lewis Galoob Toys v. Nintendo of America

• “The doctrine of fair use allows a holder of the privilege to use copyrighted material in a reasonable manner without the consent of the copyright owner.”

Lewis Galoob Toys v. Nintendo of America

• What is the allegation of infringement against Galoob?
  – Contributory Infringement
  – “The district court properly focused on whether consumers who purchase and use the Game Genie would be infringing Nintendo’s copyrights by creating (what are now assumed to be) derivative works.”

Lewis Galoob Toys v. Nintendo of America

• Factor #1 - Purpose and Character of Use
• “Game Genie users are engaged in a non-profit activity. Their use of the Game Genie to create derivative works therefore is presumptively fair.”
Lewis Galoob Toys v. Nintendo of America

• Factor #2 - Nature of the Copyrighted Work
  • Published nature supports a finding of fair use

Lewis Galoob Toys v. Nintendo of America

• Factor #3 - Amount and Substantiality of Portion of Work Used
  • Cannot overcome a presumption of fair use
  • Consumers view a copyrighted work to which they have already paid for access

Lewis Galoob Toys v. Nintendo of America

• Factor #4 - Effect of the Use upon the Potential Market/Value
  • No effect on potential market because Nintendo will not release altered versions of its games
Lewis Galoob Toys v. Nintendo of America

• Conclusion
• “The district court could properly conclude that Game Genie users are making a fair use of Nintendo’s displays…”

Reverse Engineering

• “Reverse engineering encompasses several methods of gaining access to the functional elements of a software program. They include: (1) reading about the program; (2) observing “the program in operation by using it on a computer;” (3) performing a “static examination of the individual computer instructions contained within the program;” and (4) performing a “dynamic examination of the individual computer instructions as the program is being run on a computer.”
• Sony v. Connectix

Sega Enterprises Ltd. v. Accolade, Inc.

• Sega (P)
  – Creator of Genesis gaming system.
• Accolade (D)
  – Developer of software for gaming systems.
• Basis of Proceeding
  – Appeal from D.C. decision
Sega Enterprises Ltd. v. Accolade, Inc.

• What did Accolade do?
  – Reverse engineered Sega’s video games for compatibility with Sega system
  – Created games for Sega system

• Why didn’t Accolade just obtain a license from Sega?

Sega Enterprises Ltd. v. Accolade, Inc.

• Accolade’s argument
  • “[D]isassembly of object code to gain an understanding of the ideas and functional concepts embodied in the codes is a fair use …”

Sega Enterprises Ltd. v. Accolade, Inc.

• Issue
  – Does intermediate copying infringe the exclusive rights of the copyright owner in section 106?
  – CT - Yes, unless fair use applies
Sega Enterprises Ltd. v. Accolade, Inc.

- Factor #1 - Purpose and Character of Use
  - Copying for a commercial purpose weighs against a finding of a fair use, but the presumption can be overcome
  - Why did the court believe that Accolade had overcome the burden?

Sega Enterprises Ltd. v. Accolade, Inc.

- Factor #2 - Nature of the Copyrighted Work
  - “When specific instructions, even though previously copyrighted, are the only and essential means of accomplishing a given task, their later use by another will not amount to infringement”
  - Why did the court find this factor in favor of Accolade?

Sega Enterprises Ltd. v. Accolade, Inc.

- Factor #3 - Amount and Substantiality of Portion of Work Used
  - Factor favors Sega because an entire work was disassembled…
Sega Enterprises Ltd. v. Accolade, Inc.

- Factor #4 - Effect of the Use upon the Potential Market/Value
- For legitimate competition is ok
- Cannot monopolize market
- Why?

Sega Enterprises Ltd. v. Accolade, Inc.

- Holding
  - "Because ... disassembly is the only means for gaining access to those unprotected aspects of the program, and ... [w]here there is a good reason for studying or examining the unprotected aspects of a copyrighted computer program, disassembly for purposes of such study or examination constitutes a fair use."
- What is the public policy arguments behind the court's decision?

Image Search Fair Use

- Search engine displays results as 'thumbnail' images.
- "Arriba developed a computer program that 'crawls' the web looking for images to index [by] ... downloading full-sized copies of the images onto Arriba's server. The program then uses these copies to generate smaller, lower-resolution thumbnails of the images. Once the thumbnails are created, the program deletes the full-sized originals from the server. Although a user could copy these thumbnails to his computer or disk, he cannot increase the resolution of the thumbnail; any enlargement would result in a loss of clarity of the image."
- "We hold that Arriba's reproduction of Kelly's images for use as thumbnails in Arriba's search engine is a fair use under the Copyright Act."
  - Kelly v. Arriba Soft
Text Search Fair Use

- “[W]e conclude that the doctrine of fair use allows the Libraries to digitize copyrighted works for the purpose of permitting full-text searches”
- “[W]e conclude that the doctrine of fair use allows the Libraries to provide full digital access to copyrighted works to their print-disabled patrons”
- Authors Guild, Inc. v. HathiTrust

Discussion #1

Will watching an uploaded video, that is subject to copyright rights that prohibit its uploading and redistribution, cause the viewer to infringe any copyright rights?

Discussion #2

- Will taking an original photo of a person, substantially editing it, and using it in a way that criticizes the subject of the original photo be considered a fair use?
Moral Rights

- Protect artist investment in a creative work
  - Ensuring proper attribution of authorship [attribution]
  - Protecting the work from derogatory treatment [integrity]
- Rights persist even after work is sold

Parody

- “[L]iterary or artistic work that imitates the characteristic style of an author or a work for comic effect or ridicule”
- Campbell v. Acuff-Rose Music
- Dr Seuss v. Penguin Books
- Leibovitz v. Paramount Pictures
Campbell v. Acuff-Rose
Music

Background
- 1964 – Ray Orbison and William Dees “Oh, Pretty Woman”
- 1989 – 2 Live Crew “Pretty Woman”
- 2 Live Crew offer
  - All credit for authorship to original authors
  - Pay a fee for use of song
  - Provide a copy of lyrics and a recording of the song
- Agent for Copyright Owner
  - Refused to grant permission

Campbell v. Acuff-Rose
Music
- Basis of suit – copyright infringement
- D.C. – in favor of 2 Live Crew; ruled that the recording was a fair use of the original work
- Court of Appeals – reversed and remanded; focusing on that commercial use is presumptively an unfair use

Campbell v. Acuff-Rose
Music
- Infringement unless fair use found as a parody
- Four factor analysis
Campbell v. Acuff-Rose
Music

• First Factor - the purpose and character of the use, including whether such use is of a commercial nature or is for nonprofit educational purposes
• "[P]arody has an obvious claim to transformative value..."
• "For the purposes of copyright law, ... and the heart of any parodist's claim to quote from existing material, is the use of some elements of a prior author's composition to create a new one that, at least in part, comments on that author's works."

Campbell v. Acuff-Rose
Music

• "The threshold question when fair use is raised in defense of parody is whether a parodic character may reasonably be perceived. Whether, going beyond that, parody is in good taste or bad does not and should not matter to fair use."

Campbell v. Acuff-Rose
Music

• Analysis continues from there...
• Supreme Court ultimately rules in favor of Campbell
Dr Seuss v. Penguin Books

• The Cat NOT in the Hat
• Rhyming summary of highlights from OJ Simpson trial
• Sued for Copyright and Trademark Infringement

Dr Seuss v. Penguin Books

• D.C. – grant of preliminary injunction
• Parody Analysis
• “Parody is regarded as a form of social and literary criticism, having a socially significant value as free speech under the First Amendment. This court has adopted the "conjure up" test where the parodist is permitted a fair use of a copyrighted work if it takes no more than is necessary to "recall" or "conjure up" the object of his parody.”

Dr Seuss v. Penguin Books

• “While Simpson is depicted 13 times in the Cat's distinctively scrunched and somewhat shabby red and white stove-pipe hat, the substance and content of The Cat in the Hat is not conjured up by the focus on the Brown-Goldman murders or the O.J. Simpson trial. Because there is no effort to create a transformative work with "new expression, meaning, or message," the infringing work's commercial use further cuts against the fair use defense.”
Dr Seuss v. Penguin Books

• Preliminary injunction granted

Leibovitz v. Paramount Pictures

• D.C. – advertisement is a fair use parody
• Court of Appeals – same
• Leibovitz – photographer of 1991 Vanity Fair cover of Demi Moore

Leibovitz v. Paramount Pictures

• Used Leslie Nielsen’s face on a pregnant actress’s body that was in a similar position to the picture taken of Demi Moore with notice that the film was “Due this March”
Leibovitz v. Paramount Pictures

• “The focus of this inquiry, the Court explained, should be on whether the copying work “merely supersede[s] the objects’ of the original . . . , or instead adds something new, with a further purpose or different character, altering the first with new expression, meaning, or message, …”

Leibovitz v. Paramount Pictures

• “In saying this, however, we have some concern about the ease with which every purported parodist could win on the first factor simply by pointing out some feature that contrasts with the original. Being different from an original does not inevitably “comment” on the original. Nevertheless, the ad is not merely different; it differs in a way that may reasonably be perceived as commenting, through ridicule, on what a viewer might reasonably think is the undue self-importance conveyed by the subject of the Leibovitz photograph. A photographer posing a well known actress in a manner that calls to mind a well known painting must expect, or at least tolerate, a parodist’s deflating ridicule.”

Leibovitz v. Paramount Pictures

• “[N]ot entitled to a licensing fee for a work that otherwise qualifies for the fair use defense as a parody”
Right of Publicity

Appropriation of Name or Likeness

- One who appropriates to his own use or benefit the name or likeness of another is subject to liability to the other for invasion of his privacy.

Appropriation of the Right of Publicity

- Appropriation can include:
  - Unauthorized testimonials
  - Endorsements
- Appropriation may be:
  - Name
  - Physical likeness
  - Voice
Cause of Action

• The elements that the plaintiff must prove in a right of publicity case are:
  (1) defendant used name or likeness as a symbol of the celebrity's identity,
  (2) without the plaintiff's consent, and
  (3) with the intent to obtain a commercial advantage.

Exploitation

• Exploitation may include a variety of things that may implicate endorsement:
  – Photographs
  – Drawings
  – Phrases
  – Activities

Right of Publicity in MO

• “In Missouri, ‘the elements of a right of publicity action include:
  (1) That defendant used plaintiff's name as a symbol of his identity
  (2) without consent
  (3) and with the intent to obtain a commercial advantage.”

C.B.C. Distribution and Marketing, Inc. v. Major League Baseball Advanced Media, L.P., 505 F.3d 818 (8th Cir.)
New York Civil Rights §50

• “A person, firm or corporation that uses for advertising purposes, or for the purposes of trade, the name, portrait or picture of any living person without having first obtained the written consent of such person, or if a minor of his or her parent or guardian, is guilty of a misdemeanor.”

New York Civil Rights §51

• “Any person whose name, portrait, picture or voice is used within this state for advertising purposes or for the purposes of trade without the written consent first obtained . . . may maintain an equitable action in the supreme court of this state against the person, firm or corporation so using his name, portrait, picture or voice, to prevent and restrain the use thereof; and may also sue and recover damages for any injuries sustained by reason of such use . . .”

Cal. Civ. Code § 3344

• “Any person who knowingly uses another’s name, photograph or likeness, in any manner, for purposes of advertising . . . or for purposes of solicitation of purchases of products . . . without . . . prior consent . . . shall be liable for any damages.”
Right of Publicity v. Appropriation of Likeness

- **Appropriation** – private people whose interests being protected are in terms of emotional distress
- **Right of Publicity** – protects exclusive right to exploit commercial value that attaches to their identities by virtue of their celebrity

**Cause of Action**

- The elements that the plaintiff must prove in a right of publicity case are:
  1. defendant used name or likeness as a symbol of the celebrity's identity,
  2. without the plaintiff's consent, and
  3. with the intent to obtain a commercial advantage.

**Appropriation of the Right of Publicity**

- Appropriation can include:
  - Unauthorized testimonials
  - Endorsements
- Appropriation may be:
  - Name
  - Physical likeness
  - Voice
Exploitation

• Exploitation may include a variety of things that may implicate endorsement:
  – Photographs
  – Drawings
  – Phrases
  – Activities

Right of Publicity in MO

• "In Missouri, 'the elements of a right of publicity action include:
  (1) That defendant used plaintiff's name as a symbol of his identity
  (2) without consent
  (3) and with the intent to obtain a commercial advantage.'"

  C.B.C. Distribution and Marketing, Inc. v. Major League Baseball Advanced Media, L.P., 505 F.3d 818 (8th Cir.)

Laws v. Sony Music Ent.

• Issue
  – How does the right of publicity and the Copyright Act overlap?

• Case History
  – Superior Court of CA
  – D.C. – Copyright Acts preempts Right of Publicity Claims
  – 9th Cir – Affirmed
  – Supreme Court – Denied Cert
Laws v. Sony Music Ent.

- **Original Recording and Contract**
  - 1979 Debra Laws entered into a recording contract with Elektra
  - Elektra secured the right to use Laws’s name in conjunction with the master recording
  - 1981 Laws recording the song “Very Special” for Elektra

Laws v. Sony Music Ent.

- **New Recording**
  - 2002 Elektra grants Sony a non-exclusive license to use a sample of “Very Special” in “All I Have”
  - Elektra did not seek permission from Laws, and Laws was not compensated
  - “All I have” released by J-Lo

Laws v. Sony Music Ent.

- **Claims at Issue**
  - (1) a common law claim for invasion of privacy for the misappropriation of Laws's name and voice and
  - (2) a claim for misappropriation of Laws's name and voice for a commercial purpose under California Civil Code § 3344.
Laws v. Sony Music Ent.

• "We have adopted a two-part test to determine whether a state law claim is preempted by the Act. We must first determine whether the "subject matter" of the state law claim falls within the subject matter of copyright as described in 17 U.S.C. §§102 and 103. Second, assuming that it does, we must determine whether the rights asserted under state law are equivalent to the rights contained in 17 U.S.C. §106, which articulates the exclusive rights of copyright holders."

Laws v. Sony Music Ent.

• First Cause of Action
• "A claim for protection of her voice, name and likeness under California's common law right of privacy. To sustain this action, Laws must prove:
• '(1) the defendant's use of the plaintiff's identity; (2) the appropriation of plaintiff's name or likeness to defendant's advantage, commercially or otherwise;
• (3) lack of consent; and
• (4) resulting injury.' …

Laws v. Sony Music Ent.

• Second Cause of Action
• Statutory misappropriation or “right of publicity” claim under California Civil Code § 3344(a),
• "Any person who knowingly uses another’s name, voice, signature, photograph, or likeness, in any manner, on or in products, merchandise, or goods, or for purposes of advertising or selling, or soliciting purchases of, products, merchandise, goods or services, without such person’s prior consent . shall be liable for any damages sustained by the person or persons injured as a result thereof."
Laws v. Sony Music Ent.

- Are the rights of publicity preempted in the facts of this particular case?
- What happened in some prior cases?
  - Nancy Sinatra
    - Use of song
  - Bette Midler
    - Use of Voice Imitation
  - Tom Waits
    - Use of Voice Imitation

Laws v. Sony Music Ent.

- From Sinatra
  - "In Sinatra v. Goodyear Tire & Rubber Co., 435 F.2d 711 (9th Cir. 1970), Nancy Sinatra filed suit against Goodyear Tire on the basis of an advertising campaign that featured 'These Boots Are Made for Walkin',' a song that Sinatra made famous. Goodyear Tire had obtained a license from the copyright proprietor for the use of music, lyrics, and arrangement of the composition. Goodyear Tire subsequently used the music and lyrics in its ads, which were sung by unknown vocalists. She alleged the song had taken on a 'secondary meaning' that was uniquely injurious to her. We rejected her claim[.]"

Laws v. Sony Music Ent.

- From Midler
  - "Copyright protects 'original works of authorship fixed in any tangible medium of expression.' A voice is not copyrightable. The sounds are not 'fixed.' What is put forward as protectible here is more personal than any work of authorship."
  - "What Midler sought was relief from an unauthorized vocal imitation for advertising purposes, and that was not the subject of copyright."
Laws v. Sony Music Ent.

• From Waits
  • The voice of Tom Waits, a professional singer, songwriter, and actor, was imitated and then broadcast in a commercial for Frito-Lay. Waits filed a right of publicity claim under California law. We held that the claim was not preempted by copyright law because it was "for infringement of voice, not for infringement of a copyrightable subject such as sound recording or musical composition." Thus, the issues in Waits were "whether the defendants had deliberately imitated Waits' voice rather than simply his style and whether Waits' voice was sufficiently distinctive and widely known to give him a protectible right in its use. These elements are 'different in kind' from those in a copyright infringement case challenging the unauthorized use of a song or recording." Id.

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Laws v. Sony Music Ent.

• Case Analysis
  • Present case involves use of copyrighted material with permission, and not vocal imitation.
  • "Although California law recognizes an assertable interest in the publicity associated with one's voice, we think it is clear that federal copyright law preempts a claim alleging misappropriation of one's voice when the entirety of the allegedly misappropriated vocal performance is contained within a copyrighted medium."

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Jordan v. Jewel Food Stores, Inc.

• Background
  – SI commemorative issue featuring Michael Jordan
  – Jewel got free advertising space from SI in exchange for in-store placement
  – Jewel accepted and had a full page congratulating MJ

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Jordan v. Jewel Food Stores, Inc.

- **MJ**
  - $5 million lawsuit
  - alleging violations of the federal Lanham Act, the Illinois Right of Publicity Act, the Illinois deceptive-practices statute, and the common law of unfair competition.

- **Jewel**
  - 1st Amendment; ad is "noncommercial" speech

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Is the speech commercial or noncommercial?

- "[T]he commercial/noncommercial distinction is potentially dispositive. If the ad is properly classified as commercial speech, then it may be regulated, normal liability rules apply (statutory and common law), and the battle moves to the merits of Jordan’s claims. If, on the other hand, the ad is fully protected expression, then Jordan agrees with Jewel that the First Amendment provides a complete defense and his claims cannot proceed. The district court held that the ad was fully protected noncommercial speech and entered judgment for Jewel."
Jordan v. Jewel Food Stores, Inc.

• 7th Circuit reverses
  – Logo
  – Marketing slogan
• “[T]he ad is properly classified as a form of image advertising aimed at promoting the Jewel-Osco brand. The ad is commercial speech and thus is subject to the laws Jordan invokes here.”

Jordan v. Jewel Food Stores, Inc.

• “Even if Jewel’s ad qualifies as noncommercial speech, it’s far from clear that Jordan’s trademark and right-of-publicity claims fail without further ado. According to a leading treatise on trademark and unfair-competition law, there is no judicial consensus on how to resolve conflicts between intellectual property rights and free-speech rights; instead, the courts have offered “a buffet of various legal approaches to [choose] from.” ... The Supreme Court has not addressed the question, and decisions from the lower courts are a conflicting mix of balancing tests and frameworks borrowed from other areas of free-speech doctrine.”

Jordan v. Jewel Food Stores, Inc.

• “Current doctrine holds that commercial speech is constitutionally protected but governmental burdens on this category of speech are scrutinized more leniently than burdens on fully protected noncommercial speech.”
Jordan v. Jewel Food Stores, Inc.

• “Commercial speech is ‘speech that proposes a commercial transaction.’”
• “Speech that does no more than propose a commercial transaction ‘fall[s] within the core notion of commercial speech,’ … but other communications also may ‘constitute commercial speech notwithstanding the fact that they contain discussions of important public issues[]’” …

Jordan v. Jewel Food Stores, Inc.

• “[T]he Supreme Court has ‘made clear that advertising which links a product to a current public debate is not thereby entitled to the constitutional protection afforded noncommercial speech.’”

Jordan v. Jewel Food Stores, Inc.

• “We have read Bolger as suggesting certain guideposts for classifying speech that contains both commercial and noncommercial elements; relevant considerations include whether:
  (1) the speech is an advertisement;
  (2) the speech refers to a specific product; and
  (3) the speaker has an economic motivation for the speech.”
Jordan v. Jewel Food Stores, Inc.

"Jewel’s ad served two functions: congratulating Jordan on his induction into the Hall of Fame and promoting Jewel's supermarkets."

"This commercial message is implicit but easily inferred, and is the dominant one."

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Jordan v. Jewel Food Stores, Inc.

"But an ad congratulating a famous athlete can only be understood as a promotional device for the advertiser. Unlike a community group, the athlete needs no gratuitous promotion and his identity has commercial value. Jewel's ad cannot be construed as a benevolent act of good corporate citizenship."

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Jordan v. Jewel Food Stores, Inc.

"We only recognize the obvious: that Jewel had something to gain by conspicuously joining the chorus of congratulations on the much-anticipated occasion of Jordan's induction into the Basketball Hall of Fame. Jewel's ad is commercial speech."
Jordan v. Jewel Food Stores, Inc.

• "Nothing we say here is meant to suggest that a company cannot use its graphic logo or slogan in an otherwise noncommercial way without thereby transforming the communication into commercial speech. Our holding is tied to the particular content and context of Jewel’s ad as it appeared in the commemorative issue of Sport Illustrated Presents."

Case Against Dominick’s

• On case with Dominick’s
  – “‘I didn’t do deals for anything less than $10 million.’ the billionaire basketball legend confidently testified in a trial of his lawsuit against defunct supermarket chain Dominick’s. ‘I have the final say-so with everything that involves my name and my likeness ... there’s no decision that happens without my final approval.’

Amount Awarded

- "Michael Jordan doesn’t need $8.9 million, but that’s what he’s won in a suit filed against the now-defunct Dominick’s grocery store chain over use of his name in an advertisement some six years ago."

Post-Mortem Publicity Rights

- "[T]he overwhelming majority of states in the United States have also recognized a postmortem dimension to the publicity right. The publicity right can be inherited, sold in whole or in part, and otherwise licensed after the subject’s death. The question of whether or not these interests were exploited during a party’s life is irrelevant. A survey of the duration of the postmortem right in the United States found periods ranging from a potentially unlimited period to 100 years to 20 years."

Discussion Questions

- 1 – Can you use a celebrity’s name on your website?
- 2 – What if the use of the celebrity’s name on the website is only incidental?
- 3 – Can Coca-Cola use a picture of Lady Gaga on its website drinking its product?
- 4 – What types of commercial advantages could occur through the exploitation of the right of publicity of a celebrity on a website?
- 5 – Will negative comments cause a right of publicity cause of action to occur?
- 6 – Does the person have to be “damaged” in order to recover under the right of publicity?
- 7 – Can an artist properly sue someone for infringement of copyright and right of publicity for copying a DVD including a performance of the artist?"
Program Completed