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LEGAL PROTECTION AVAILABLE TO CHARACTERS

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CHARACTERS AND COPYRIGHT CASES

I. Subject Matter: is a character copyrightable?

a. The “sufficiently delineated” test

- i. Nichols v. Universal Pictures, 45 F.2d 119 (2d Cir. 1930) (*cert denied* 282 US 902). If a character is “sufficiently delineated” it will be entitled to protection: the more highly developed, the greater protection available. Here, the court finds the Plaintiff’s characters not highly developed and thus not copyrightable: they are merely archetypal Jewish and Irish characters that have appeared in literature for decades.

b. The “story being told” test

- i. Warner Bros. v. Columbia Broad. Sys., 216 F.2d 945 (9th Cir. 1954). In order to be afforded individual copyright protection, a character must constitute the “story being told.” The character must be more than a “mere chessman,” a mere vehicle for the telling of the story. Here, the character of Sam Spade was a mere vehicle for telling the novel’s story. Thus the character is not copyrightable.

c. Literary and Visually-depicted characters

- i. Anderson v. Stallone, 1989 WL 206431 (C.D. Cal. Apr. 25, 1989) The Rocky characters are copyrightable: the court applies both tests. The Rocky characters are among the most highly delineated in modern American cinema. The plot of the movies adds little to the story—the focus is the development of the characters; therefore the characters themselves constitute the story being told.
- ii. Metro-Goldwyn-Mayer v. American Honda, 900 F. Supp. 1287 (C.D. Cal. 1995). James Bond is copyrightable: the court applies both tests. The James Bond character is highly delineated. He is also more than a mere vehicle for telling the story—the Bond character in and of itself constitutes the story being told.
- iii. Disney v. Air Pirates, 581 F.2d 751 (9th Cir. Cal. 1978). Literary characters are more difficult to delineate distinctively than comic book characters and are thus harder to copyright. A comic book character has both physical and conceptual qualities and, therefore, is more likely to contain some unique element of expression. Thus, Disney’s drawn characters are copyrightable.
- iv. Gaiman v. McFarlane, 360 F.3d 644 (7th Cir. Wis. 2004). Author’s verbal description of comic book character is an uncopyrightable stock character but, once the character is drawn, named and given speech, he becomes sufficiently delineated to be copyrightable

- v. DC Comics v. Towle, 989 F. Supp. 2d 948(C.D. Cal. 2013) 2013 WL 541430; affirmed 802 F.3d 1012 (9th Cir. 2015); writ of certiorari denied 2016 U.S. LEXUS 1717. Court rejects defendant’s argument that the Batmobile is unprotectable because it is a useful item – a car - holding that the Batmobile is a copyrighted character because it displays “a series of readily identifiable and distinguishing traits,” “it is . . . recognizable because it contains bat-like motifs, such as a bat-faced grill or bat-shaped tailfins in the rear of the car, and it is almost always jet black.” Alternatively, the court held that the separately identifiable creative elements incorporated into the Batmobile that are capable of existing independently from the utilitarian aspects of the car are protectable as a pictorial, graphic and sculptural works. In the subsequent Appellate Court decision, the court articulated a three part test for when a character can be protected by copyright: (1) the character generally must have physical as well as conceptual qualities; (2) the character must be sufficiently delineated to be recognizable as the same character whenever it appears and must have consistent identifiable characteristics and attributes whether or not the physical characteristics consistently appear; and (3) the character must be especially distinctive and contain some unique elements of expression, especially if the character is both non-speaking, non-living (such as a car). (Rule found on page 1020).

d. Copyrightability of Derivative Works

- i. Lewis Galoob Toys v. Nintendo, 964 F.2d 965 (9th Cir. 1992). In order for a work to be a copyrightable “derivative work,” there must be some original contribution in addition to the underlying work. Here, a “Game Genie” program, which allows video game users to create their own levels, does not create copyrightable derivative works with the video game characters. However, the underlying characters themselves are nonetheless copyrightable. (Accordingly, “game genie” users do not infringe a plaintiff’s right to create derivative works but do infringe the right of “display”).

e. Scenes a faire

- i. Suntrust Bank v. Houghton Mifflin Co., 268 F.3d 1257 (11th Cir. 2001). There is no bright line separating copyrightable characters from uncopyrightable characters—they fall within a spectrum. On one side is *scenes a faire*: “stock scenes and hackneyed character types,” which are not protectable. However, as characters become more idiosyncratic, they eventually cross the line into “expression” and are protected by copyright. Here, the doctrine of *scenes a faire* did not render unprotectable numerous characters and their physical attributes, mannerisms, descriptions, histories, relationships and interactions from “Gone with the Wind.”

- ii. Conan Props v. Mattel Inc., 712 F. Supp. 353 (S.D.N.Y. 1989). The “Conan” character could withstand a challenge to the validity of the copyright by asserting that the character had unique musculature as compared to other super heroes. (Nonetheless, defendant’s “He-Man” character was held not to be substantially similar to Conan and thus not to have infringed plaintiff’s copyright.)
- iii. Detective Comics v. Bruns, 28 F.Supp 399 (S.D.N.Y. 1939); modified and affirmed 111 F.2d 432 (2d Cir. 1940). Authors must present more than a general type of character for copyright protection—there must be an original arrangement of incidents and literary expressions. Here, Plaintiff cannot hold a monopoly over the mere character of a “Superman.” However, copyright does protect Superman’s unique antics, feats, costume, appearance, and portrayals.
- iv. National Comics v. Fawcett Publications, 191 F.2d. 594 (2d. Cir. 1951); reversed 93 F.Supp. 349 (S.D.N.Y. 1950). Protection does not extend to “archetypal” elements such as the idea or premise of a “Superman” who is a blessing to mankind. Here, while the similarities of the underlying premise for the “benevolent Hercules” type character is not protectable, other elements, such as incredible feats, characterizations (such as employment and secret identities) and unique antics are. In a subsequent appeal, the court found in favor of the defendant only because the Plaintiff abandoned its copyright on its character when it published the comic strip in syndication without a proper copyright notice and the court did not find any unfair competition had occurred.
- v. Horizon Comics Prod., Inc. v Marvel Entm’t, LLC, No. 16-2499, 2107 U.S. Dist. LEXIS 44662 (S.D.N.Y. Mar. 27, 2017). Court finds that while the idea of a mechanized suit of armor and fighting poses of characters in comic books are scenes a faire and unprotectable, the manner in which such scenes a faire are depicted may nevertheless infringe the copyright in particular imagery. Here the court commented on similarities of the characters’ hairstyles and use of blue lights and shoulder notches on the armored suits.

II. Ownership

- a. Gaiman v. McFarlane, 360 F.3d 644 (7th Cir. Wis. 2004). Although a writer’s text description of a comic book character by itself may not render the character described copyrightable, once the comic book character is drawn, named and given speech, he becomes sufficiently delineated and may be afforded copyright protection. Here, the writer and artist own the copyright in the character jointly.
- b. Kid Stuff Mktg., Inc. v. Creative Consumer Concepts, Inc., No. 15-2620, 2016 U.S. Dist. LEXIS 17355 (D. Kan. Dec. 19, 2106). Steak & Shake engaged a vendor to create characters for Steak & Shake to use in connection with its kids’ meal program. Court denied vendor’s summary judgment motion on the issue of copyright ownership,

noting that there was evidence that Steak & Shake’s contributions to the characters, even if not independently copyrightable, could make Steak & Share a joint owner of the copyright.

- c. Mattel Inc. v. MGA Entm’t, Inc., 616 F.3d 904 (9th Cir. 2010). Where a designer’s employment contract assigns all intellectual property rights to an employer, a court must hear extrinsic evidence as to the scope of that assignment unless the contract is clear. Accordingly, where a designer pitches an idea for the “Bratz” doll line to MGA while working for Mattel pursuant to an employment contract with an ambiguous assignment provision, a trial court errs in concluding that Mattel owns the rights in the designer’s idea without considering extrinsic evidence on the issue.
- d. Fleischer v. A.V.E.L.A., Inc., 636 F.3d 1115 (9th Cir. 2011); No. 09-56317 (9th Cir. Feb. 23, 2011) An assignment of the copyright in cartoons in which the assignor reserved rights in the characters appearing in the cartoons did not permit the successor in interest to the copyright in the animated films to maintain a copyright infringement action against a third party based on its unauthorized use of the characters apart from the films.

[Note: The Mattel Inc. v. MGA and Fleischer v. A.V.E.L.A., Inc. cases have each had subsequent developments. The decisions above are included for their valuable lessons, which have not been affected by subsequent case history.]

- e. Blizzard Entertainment and Valve Corporation v. Lilith Games (Shanghai) Company and Uncool, Inc., No. 3:15-cv-04084-CRB, N.D. Cal., May 16, 2017). The fact that the copyrights in user-created characters in a series of mobile games, “Defense of the Ancients,” were not assigned to the game publisher through an end user license agreement (“EULA”) or otherwise did not prevent the game publisher from suing for copyright infringement of its mobile games when a third party released a stand-alone game including such user-generated characters among other elements of the game series. The court held that because the game publisher exercised creative control over its final product, it remained the author and copyright owner of the game series and could sue for infringement of the game series without the need to demonstrate copyright ownership of individual fan contributions to the game series.

III. Infringement

a. Insufficiently delineated characters/independent creation

- i. Scholastic, Inc. v. Spiers, 28 F. Supp.2d 862 (S.D.N.Y. 1998). An infringement occurs when there is a substantial similarity between two characters and the similarities are not related to mere ideas, stock elements or other unprotectible elements. Here, the court finds that neither character is delineated enough to be afforded copyright protection as a character, so the use of one is not an infringement of the other.

- ii. Metro-Goldwyn-Mayer v. American Honda, 900 F. Supp. 1287 (C.D. Cal. 1995). After the plaintiff makes out a *prima facie* case of infringement, a statement by the defendant that the concept of its commercial was inspired not by James Bond, but by “Aliens” is insufficient for purposes of an independent creation defense. This is especially the case where the defendant refers to its character as “James” during depositions and where its casting director’s notes indicate a desire to cast a James Bond-type character.
- iii. Blehm v. Jacobs, 702 F.3d 1193 (10th Cir. 2012) Copyright in simple stick figure characters engaging in common tasks not infringed by another artist’s simple stick figure characters engaging in the same common tasks where angles of limbs, head tilts, shape of smiles, and surrounding graphics differed. The Court noted that copying does not amount to infringement when the copying is limited to copying ideas and themes rather than protectable expression.

b. Direct comparison of characters

- i. New Line Cinema v. Russ Berrie, 161 F. Supp. 2d 293 (S.D.N.Y. 2001). Copyright protection is extended to the component parts of a character that significantly aid in identifying the character. Here, copying of Freddy Krueger’s blade-glove was found to infringe Plaintiff’s copyright therein.
- ii. Detective Comics v. Bruns, 28 F. Supp. 399 (S.D.N.Y. 1939); modified and affirmed 111 F.2d 432 (2d Cir. 1940). While Plaintiff cannot hold a monopoly over the mere character of a “Superman,” as far as the Defendant directly appropriates Superman’s unique antics, feats, costume, appearance, and portrayals, Defendant is infringing the Plaintiff’s copyright therein. Accordingly, in performing an infringement analysis, the court compares the characters in terms of the aforementioned attributes.
- iii. National Comics v. Fawcett Publications, 93 F.Supp. 349 (S.D.N.Y. 1950); 191 F.2d. 594 (2d Cir. 1951); reversed in 93 F.Supp. 349 (S.D.N.Y.). While the similarities of the underlying premise for the “benevolent Hercules” type character is not actionable, other similarities, such as their incredible feats, characterizations (such as their employment and secret identities), and unique antics are grounds for infringement. Accordingly, the court compares the two characters against these criteria when analyzing infringement/substantial similarity. . In a subsequent appeal, the court found in favor of the defendant only because the Plaintiff abandoned its copyright on its character when it published the comic strip in syndication without a proper copyright notice and the court did not find any unfair competition had occurred.
- iv. United Feature Syndicate v. Koons, 817 F. Supp. 370 (S.D.N.Y. 1993). Plaintiff makes out a *prima facie* case of infringement as a matter of law where a Defendant artist purposefully copies Plaintiff’s “Odie” character (from the “Garfield” comic strip) and where “even the most casual observer would

recognize ... [Defendant's] sculpture as the 'Odie' character ... [because Defendant's] 'Puppy' [is] virtually an exact reproduction"

c. Comparison of characters as an element of larger work/look and feel

- i. Sid & Marty Krofft Television v. McDonalds, 562 F.2d 1157 (9th Cir. 1977). The question is whether Defendant takes from Plaintiff's works so much of what is pleasing to the audience that Defendant wrongfully appropriates something which belongs to the Plaintiff. Here, the Defendant's "McDonaldland" television commercials are substantially similar to the Plaintiff's "H. R. Pufnstuf" children's television show in that they capture the "total concept and feel" of the Plaintiff's works.
- ii. Warner Bros. v. ABC, 720 F.2d. 231 (2d Cir. 1983). To evaluate whether one character infringes the copyright in another, one should view the characters through the lens of substantial similarity using a "total look and feel" analysis and evaluate not only their individual similarities, but the similarities in the totality of the circumstances surrounding the two characters. Here, the "Hinkley" character and the surrounding circumstances are profoundly different from that of the Superman character. Accordingly, there is no infringement.
- iii. Hogan v. DC Comics, 48 F.Supp. 2d. 298 (S.D.N.Y. 1999). In comparing two works, a court must determine whether the similarities shared are something more than mere generalized ideas or themes. The works must share a similarity of expression, such as similarities of treatment, details, scenes, events and characterization, or a similarity in their "total concept and feel." Even though the main characters in both works have the same name, the similarities between these characters are mostly unprotectable ideas, such as their half-human/half-vampire genealogy, their struggles with good and evil, and their "Generation X" appearance. Furthermore, the total concept and feel of the characters is not substantially similar, as they have very different interactions and personalities. Accordingly, there is no infringement.

d. Comparison after unprotectable elements are distilled

- i. Mattel Inc. v. MGA Entm't, Inc., 616 F.3d 904 (9th Cir. 2010). A trial court commits "significant" error in failing to "filter" out the unprotectable elements of a designer's sketches before comparing them to dolls they are alleged to infringe.
- ii. Chase Riboud v. Dreamworks, 987 F. Supp. 1222 (C.D. Cal 1997) Copyright protection does not extend to the factual portions of a work. Accordingly, where the Plaintiff's story is mostly factual with minimal original content to "fill in the gaps," there can only be infringement to the extent there are

similarities between a Defendant's work and the original (non-factual) portions of a Plaintiff's story.

e. Comparison of names

- i. Universal City Studios Inc. v. Film Ventures, 543 F. Supp. 1134 (C.D. Cal. 1982). Defendant's movie "Great White" (about a terrorizing Great White shark) likely infringes (for purposes of preliminary injunction) Plaintiff's copyright in "Jaws" where "[t]he similarity in the basic story lines, the major characters, the sequence of events, and the interplay and development of the characters and the plot is substantial..." The similarity between the title of Plaintiff's work ("Jaws") and the original name of Defendant's work ("The Last Jaws") and the similarity between the name of a character in Defendant's work (Peter Benton, a writer) and the author of "Jaws" (Peter Benchley) also weigh in favor of infringement.
- ii. Metro-Goldwyn-Mayer v. American Honda, 900 F. Supp. 1287 (C.D. Cal. 1995). "The Court notes that: (1) Yoshida's admission that he has at least viewed portions of the James Bond films on television; (2) the "Honda man's" having been referred to as "James Bob"; and (3) the casting director's desire to cast "James Bond"-type actors and actresses, are factors sufficient to establish Defendants' access to Plaintiffs' work."

IV. Fair Use

a. Four-factor analysis

- i. Salinger v. Colting, 641 F.Supp.2d 250 (SDNY 2009); affirmed and remanded 607 F.3d 68 (2d Cir. 2010). A novel placing a character from an earlier work 60 years in the future is not a fair use where any commentary in the latter work has no bearing on the substance or style of the original composition, but instead uses the character to avoid the drudgery of working up something fresh in an attempt to give fans of the original work more of what they want.
- ii. United Feature Syndicates v. Koons, 817 F. Supp. 370 (S.D.N.Y. 1993) Before turning to the issue of parody, the court first employs the four-factor analysis from sec. 107 as follows: (1) creating a sculpture of Plaintiff's "Odie" character is commercial, which is presumptively unfair; (2) the "Odie" character is "fictional" and thus close to the core of copyright protection; (3) Defendant's sculpture virtually copies Plaintiff's character in its entirety; and (4) Defendant's sculpture prejudices Plaintiff's ability to exploit a market for sculptures. Accordingly, Defendant's use is "unfair."
- iii. Lewis Galoob Toys v. Nintendo, 964 F. 2d 965 (9th Cir. 1992) Where home-users use Defendant's "Game Genie" to display Plaintiff's copyrightable characters, the use is "fair" under section 107's four-factor framework as follows: (1) the use is "noncommercial" because it is used in the home for

recreational purposes and is thus presumptively “fair”; (2) the work is published, which weighs in favor of fair use; (3) the entire work is copied, but this factor alone is not dispositive; and (4) Plaintiff incurs no harm, having never released altered versions of games and as doing so would be contrary to Plaintiff’s position in other litigation.

- iv. Paramount Pictures Corp. v. Axanar Productions, Inc., No. 15-9938, 2017 U.S. Dist. LEXIS 19670 (C.D. Cal. Jan. 3, 2017). Court denied filmmakers' motion for a summary judgment that their crowdfunded Star Trek “fan” film was a fair use of plaintiff’s Star Trek copyright materials. Under the first factor of the fair use analysis, the purpose of the use, the court notes that the film did not parody or critically comment on or give new purpose or meaning to the underlying materials, but instead was intended to stay faithful to Star Trek canon. Further, the filmmakers’ hope to receive non-monetary benefits from their film makes it a “commercial” use as they are seeking to profit from their exploitation of Paramount’s copyright materials without paying the customary price. As for the second factor, the court noted that the creativity of the plaintiff’s work is undisputed, and as for the third factor, the court noted that the plaintiff’s works pervaded the defendant’s work. On the fourth factor, the court noted that unrestricted and widespread conduct of the sort engaged in by defendants would substantially adversely impact the market for plaintiff’s works.
- v. Dr. Seuss Enterprises, L.P. v. Comicsmix, LLC, 300 F. Supp. 3d 1073 (S.D. Cal. 2017). Court holds that as there is a potential market for “mash-ups” featuring plaintiff’s characters and properties with characters and properties of other intellectual property owners, the fact that the defendant’s work is a mash-up of Dr. Seuss characters and Star Trek characters, without more, does not establish that the work is a transformative fair use entitling the defendant to prevail on its motion to dismiss plaintiff’s copyright infringement claim.

b. Parody

- i. Suntrust Bank v. Houghton Mifflin Co., 268 F.3d 1257 (11th Cir. 2001) Defendant’s “The Wind Done Gone,” a parody of “Gone With the Wind,” makes a “fair use” of the latter work under the four-factor framework as follows: (1) The use is commercial in the sense that it is for-profit, but it is highly transformative and thus factor one cuts in favor of fair use; (2) “Gone With the Wind” is entitled to “the greatest degree of copyright protection” as it is close to the core of copyright; (3) Defendant takes “a substantial portion” of Plaintiff’s movie but this alone is not dispositive; and (4) the parodic nature of Defendant’s work indicates that it will not act as a “substitute” for Plaintiff’s work (i.e. it will not “fill” Plaintiff’s market).
- ii. Lucas Film Ltd. v. Media Market Group, 182 F. Supp. 2d 897 (N.D. Cal. 2002). Parody may be a defense to copyright infringement to the extent that it constitutes fair use. At the heart of such a defense is the use of some piece of

existing material in order to comment on the original author's work. Court finds that a parodic nature is reasonably perceivable in the "Starballz" animated pornographic movie, and thus a fair use defense based in parody is likely to succeed.

- iii. United Feature Syndicate v. Koons, 817 F. Supp. 370 (S.D.N.Y. 1993). Defendant's sculpture of "Odie" from ("Garfield") is not an effective parody because, at best, the work is "parody of society at large..." as the Defendant sculptor admittedly selected the "Odie" character at large—not with the purpose of commenting on the character itself. This, in addition to the fact that all fair use factors "strongly militate against a finding of fair use..." makes the use of "Odie" "unfair."
- iv. Disney v. Air Pirates, 581 F.2d 751 (9th Cir. Cal. 1978). In the parody context, the issue is whether the copying party copied more than is needed to "conjure up the original." The more famous the characters, the less that is needed. Moreover, in certain contexts, such as comic books, very little is needed for an effective parody. Accordingly, almost verbatim copying of Disney characters in an "adult 'counter-culture'" comic book is not fair use.
- v. Lombardo v. Dr. Seuss Enterprises, L.P., 279 F. Supp. 3d 497 (S.D.N.Y. 2017). Court holds that one-woman play "Who's Holiday!" featuring Cindy-Lou Who, a character that appeared as a two-year old girl in Dr. Seuss' "How the Grinch Stole Christmas!" as a 45-year old unemployed, alcohol and prescription-drug abusing woman who had a child following a sexual encounter with the Grinch at age 18, and who is convicted of the murdering the Grinch, is a fair use parody. Here the court rejects the assertion that the use of Cindy-Lou Who simply exploits the Dr. Seuss work to avoid the drudgery of working up something fresh, but rather it "recontextualizes" the Seuss work and subverts "the expectations of the Seussian genre."

V. Copyright Termination and Expiration

- a. Marvel Characters, Inc. v. Simon, 310 F.3d 280 (2d Cir. 2002). Under the CTEA, an author (or his heirs) may terminate exclusive or nonexclusive transfers of copyright that were "executed before January 1, 1978..." notwithstanding an "agreement to the contrary." "[A]n agreement made subsequent to a work's creation which retroactively deems it a 'work for hire' constitutes an 'agreement to the contrary' under sec. 304(c)(5) of the 1976 Act. Therefore, Simon is not bound by the statement in the Settlement Agreement that he created the works as an employee for hire."
- b. Milne v. Stephen Slesinger, Inc., 430 F.3d 1036 (9th Cir. 2005). Under the Sonny Bono Copyright Term Extension Act (CTEA), an author (or her heirs) may terminate exclusive or nonexclusive transfers of copyright that were "executed before January 1, 1978..." notwithstanding an "agreement to the contrary." Here, the heirs of the "Winnie-the-Pooh" character had executed an agreement in 1983 that replaced and superseded a copyright assignment from 1930 in exchange for greater compensation.

The 1983 agreement does not constitute an “agreement to the contrary” for purposes of the statute because the author/heirs used the increased bargaining power afforded them by their right of termination to negotiate a more advantageous agreement (their share of royalties was virtually doubled). Accordingly, the heirs may not terminate the copyright.

- c. Penguin Groups (USA) Inc. v. Steinbeck, 537 F.3d 193 (2d Cir. 2008). Where John Steinbeck’s spouse executes an assignment of copyright in literary property in 1994 that clearly replaces a copyright assignment from 1938 in exchange for greater compensation, the copyright cannot later be terminated. Congress intended for the copyright termination provision to give authors an opportunity to renegotiate copyright assignments on more favorable terms—but nothing suggests that Congress intended for authors (or their heirs) to have more than one such opportunity. In the case of Steinbeck’s spouse, she had her opportunity in 1994 and thus may not subsequently recapture.
- d. Classic Media, Inc. v. Mewborn, 532 F.3d 978 (9th Cir. 2008). Where the owner of “Lassie” and related property assigns motion picture, television and radio rights to the property in 1976 and later assigns motion picture, television, radio and ancillary rights in 1978 (without replacing the first agreement), the author may later terminate the copyright. Because the 1976 agreement remains effective, the purported assignments of motion picture, television and radio rights in the 1978 agreement are void as a matter of law (the author does not actually have these rights in 1978 and thus cannot grant them). Accordingly, the copyright may be terminated because the governing agreement was executed prior to 1978.
- e. Warner Bros. Entm’t, Inc. v. X One X Prods. 644 F.3d 584 (8th Cir. 2011). While faithful copies of public domain materials featuring characters does not constitute copyright infringement of the characters depicted, the addition of new elements to images of the characters taken from public domain works and the creation of new composite works based thereon may infringe the copyrights in the characters.
- f. Klinger v. Conan Doyle Estate, Ltd., 755 F.3d 496 (7th Cir. 2014). Estate of author of pre-1923 Sherlock Holmes stories could not prevent the publication of new stories featuring the Sherlock Holmes character if the new stories do not include copyrightable elements from ten more recent Sherlock Holmes stories that had not yet entered the public domain. The court rejected the argument that because a complex character continues to develop over time, earlier appearances of such character in public domain should remain copyright protected until all appearances of such character are in public domain. The later appearances of such character are derivative works of the first appearance. Thus, only the aspects of the later appearances of such character not present in the earlier appearances remain copyright protected.

CHARACTERS AND TRADEMARK, RIGHT OF PUBLICITY
AND DEFAMATION LAW

Character Trademark Cases:

- a. Warner Bros. Inc. v. Rooding, 1989 WL 76149 (N.D. Ill. 1989). Skydiver enjoined from performing commercial parachute jump in a “Batman” costume on the day of the release of the “Batman” motion picture. Court noted the Defendant can, however, use the costume for private purposes so long as they are in no way commercial in nature.
- b. DC Comics v. Filmmation, 486 F. Supp. 1273 (S.D.N.Y. 1980). Where the product sold is “entertainment” in one form or another, then not only the advertising of the product but also an ingredient of the product itself can amount to a trademark protectable under § 43(a) because the ingredient can come to symbolize the plaintiff or its product in the public mind. Protectable “ingredients” include the names and nicknames of entertainment characters, as well as their physical appearances and costumes, but not their physical abilities or personality traits. Here, the characters, Manta, Moray and Superstretch are similar enough to Plaintiff’s Aquaman and Plastic Man characters in their physical appearances and costumes that there is a likelihood of confusion as to the source of origin of the characters.
- c. Frederick Warne & co. v. Book Sales, Inc., 481 F. Supp. 1191 (S.D.N.Y. 1979). Even though images of particular characters may be in the public domain from a copyright perspective, such use may constitute trademark infringement if the images are shown to have acquired independent trademark significance, identifying in some way the source or sponsorship of the goods.
- d. Tri-Star Pictures, Inc. v. Del Taco, Inc., 1999 WL 33260839 (C.D. Cal. Aug. 30, 1999). Trademark rights in a character may be owned and enforced even if the character the trademark owner does not own the copyright in the character as trademark and copyright doctrines address and protect different aspects of an item and are not mutually dependent. While the Plaintiff not owning the copyright in the “Zorro” character may help to *prove* it does not have any trademark rights in the character, as it demonstrates that some third parties are able to use the character in particular ways as well, this evidence alone does not bar a claim of trademark infringement.
- e. Dastar Corporation v. Twentieth Century Fox Film Corp., 539 U.S. 23 (2003) [not a character case, but may influence court decisions involving characters]. Plaintiff television producer claims Defendant’s use of Plaintiff’s television series constitutes a violation of Lanham Act section 43(a) (false designation of origin of goods) because Defendant is passing off Plaintiff’s work as its own, even though Plaintiff’s series is now in the public domain. As used in the Lanham Act, the phrase “origin of goods” is incapable of connoting the person or entity that originated the *ideas or*

communications that “goods” embody or contain. The consumer who buys a branded product does not automatically assume that the brand-name company is the same entity that came up with the idea for the product, or designed the product, and typically does not care whether it is. The words of the Lanham Act should not be stretched to cover matters that are typically of no consequence to purchasers, and thus “origin” can only be used in connection with the company that produced the tangible goods that are offered for sale, and not the underlying idea. When Defendant edited and reworked the public domain TV series and released it under Defendant’s own label, they were only designating this particular product’s origin, not the origin of the ideas and communications contained within the product. Thus, the Defendant was not passing off Plaintiff’s product as Defendant’s own, since the actual tangible product was constructed by the Defendant. To hold otherwise would be akin to finding that § 43(a) created a species of perpetual patent and copyright

- f. Crash Dummy Movie v. Mattel Inc., 601 F.3d 1387 (D.C. Cir 2010) Three years of non-use of a trademark constitutes prima facie evidence of abandonment and shifts the burden to the alleged mark owner to produce evidence that it either used the mark during the statutory period or intended to resume use. Evidence of discussions with a prospective distributor, ongoing research and development into future toys using the mark, and evidence of shipments of sample toys for R&D purposes suffice to rebut the statutory presumption of abandonment of the marks.
- g. Warner Bros. v. Gay Toys, 724 F.2d 327 (2d Cir. 1983); affirming 553 F.Supp. 1018 upon remand by 658 F.2d 76; modified 598 F.Supp 424 (S.D.N.Y. 1984).. The unauthorized use of an element from a TV show as a toy – here the General Lee car from ‘The Dukes of Hazard’ series may violate §43 of the Lanham Act (False Designation of Origin) if consumers associate the toy with the TV show. (The modification was to the contempt order and magistrate’s report awarding profits to plaintiff for defendant’s unauthorized imitation of plaintiff’s toys.)
- h. Matal v. Tam, 137 S. Ct. 1744 (2017). Supreme Court holds that the Disparagement Clause of the Lanham Act of 1946, which prohibits trademarks that “[consist] of or [comprise] immoral, deceptive, or scandalous matter; or matter which may disparage or falsely suggest a connection with persons, living or dead, institutions, beliefs, or national symbols, or bring them into contempt, or disrepute” is an unconstitutional restriction on the First Amendment right of free speech. Accordingly, the U.S. Trademark Office could not reject a trademark application “The Slants” for a band on grounds that it disparaged persons of Asian descent. (Not a character case, but relevant as decision impacts on securing trademark registrations for character names that might have otherwise been rejected as disparaging.)

Character Right of Publicity Cases:

- a. Cardtoons, L.C. v. Major League Baseball Players Ass’n, 95 F.3d 959 (10th Cir. 1996). “Cardtoon” trading cards are so blatantly parodic, no reasonable consumer would be led to believe they were authorized by the athletes parodied on the cards. The use of the athletes’ likenesses is therefore protected by the First Amendment.

- b. Landham v. Lewis Galoob Toys Inc., 227 F.3d 619 (6th Cir. 2000). A claim for violation of one's right of publicity will be preempted by copyright law if the identity appropriated is that of a fictional character whom the claimant has portrayed and not that of himself as an individual and separate from that character. Here, the court held that an action figure did not violate an actor's right of publicity as the character had not become so associated with the actor that his identity would be evoked by the figure. The court also noted that the actor had failed to prove his personal identity had any commercial value.
- c. Burke v. Mars, Incorporated, 571 F. Supp. 2d 446 (S.D.N.Y. 2008). Evoking a connection to a fictional character played by a real person does violate that person's right of privacy or publicity as such rights are intended to protect the person underlying the character. Nevertheless, that person may maintain a false endorsement claim if the use of character likeness leads consumers to believe the real person has endorsed a product or service.
- d. Burnett v. Twentieth Century Fox Film Corp., 491 F. Supp. 2d 962 (C.D. Cal. 2007). Use of a fictional character, also identified as the real person upon whom the fictional character is inspired can result in copyright and trademark infringement claims for the use of the fictional character as well as a right of publicity claim for the use of the real person. If the use lampoons the character, the use may be a fair use for copyright purposes, and if it's clearly parody, the use would also not violate trademark rights as there would be no likelihood of confusion. Furthermore, actions for tarnishment or dilution will not survive if the use is editorial rather than purely commercial speech. As for a publicity claim, a federal court might decline to exercise supplemental jurisdiction if it dismisses the federal copyright and trademark claims.
- e. Wendt v. Host Int'l, Inc., 125 F.3d 806 (9th Cir. 1997), *cert. denied* 531 U.S. 811 (2000). Actors do not lose the right to control the commercial exploitation of their identities simply by portraying fictional characters. Accordingly, the use of likenesses of actors that portrayed copyrighted characters on TV may violate their rights of publicity and constitute false endorsements if the resemblance is to the actors themselves and not just characteristics unique to the copyrighted characters that they played.
- f. Comedy III Prods. v. Gary Saderup, 25 Cal.4th 387; 21 P.3d 797 (Cal. 2001). Whether the use of celebrities' likenesses (the Three Stooges on t-shirts) violates their rights of publicity or is protected First Amendment expression depends upon whether the celebrities' likenesses are used as one of the raw materials from which an original work is synthesized, or whether the depiction or imitation is the very sum and substance of the work in question. Or, in other words, whether a product containing a celebrity's likeness is so transformed that it has become primarily the defendant's own expression rather than the celebrity's likeness.

- g. Edgar Winter et al. v. DC Comics et al., 30 Cal. 4th 881; 134 Cal. Rptr. 2d 634; 69 P.3d 473 (June 2, 2003). Use of celebrities' likenesses as part of the raw material of a comic book story does not violate the celebrities' rights of publicity where the depictions are "transformative" – that is, where the depictions contain significant expressive content other than the celebrities' mere likenesses. Expressive content here included use in a larger story, which itself is quite expressive, as well as distortion, lampooning, parody and caricature.
- h. Doe v. McFarlane, 207 S.W.3d 52 (Mo. Ct. App. 2006). When balancing a celebrity's right of publicity against First Amendment concerns, a "predominant use" test should be applied: If a product is being sold that predominantly exploits the commercial value of an individual's identity, that product should be held to violate the right of publicity and not be protected by the First Amendment, even if there is some "expressive" content in it that might qualify as "speech" in other circumstances. If, on the other hand, the predominant purpose of the product is to make an expressive comment on or about a celebrity, the expressive values could be given greater weight. Here, the court held that the use of name of Tony Twist, a former professional hockey player, as the name of a mobster violated his right of publicity since here it is apparent that the predominant use of Twist's name was to sell comic books and appeal to hockey fans.
- i. Kirby v. Sega of America, Inc. 144 Cal.App.4th 47 (2006): Court held that an alleged use a celebrity's likeness as the basis for a character in a videogame was protected by the First Amendment as being transformative because notwithstanding certain similarities to the celebrity, it was not a literal depiction of her. Name, physique, hairstyle, costumes, dance moves, and setting differed.
- j. No Doubt v. Activision Publishing, 192 Cal.App.4th 1018 (2011). Court recognized that videogames are creative expression protected by the First Amendment, but because the use of avatars of actual members of a band were not transformative in that they were realistic depictions of the band members doing exactly what they do as celebrities, the First Amendment did not bar the band members' cause of action for violating their rights of publicity.
- k. Lohan v. Take-Two Interactive Software, Inc., 31 NY3d 111 (March 29, 2018). New York Court of Appeals held the use of an avatar in the videogame, Grand Theft Auto, did not give Lindsay Lohan a cause of action under NY Civil Rights Law for the use of her name, portrait, picture or voice for advertising purposes or for the purposes of trade without her written consent. While the Court recognized that an avatar may constitute a "portrait" under the law, the avatar at issue was not a portrait of Lohan as it was not a recognizable likeness of her.
- l. De Havilland v. FX Networks, LLC, B285629 (March 26, 2018). California Court of Appeals rejects Olivia De Havilland's claim that the depiction of her in the television mini-series docudrama, *Fend: Bette and Joan* violated her right of publicity on each of the separate following grounds: (i) the mini-series does not constitute a product or

merchandise; (ii) her depiction is constitutionally protected First Amendment expression; and (iii) her depiction is transformative. Court rejects trial court's conclusion that "because Feud tried to portray de Havilland as realistically as possible, the program was not 'transformative' . . . and therefore not entitled to First Amendment protection". . . "as this reasoning would render actionable all books, films, plays, and television programs that accurately portray real people."

Character Defamation and Public Disclosure Cases:

- a. Melvin v. Reid, 112 Cal. App. 285 (Cal. App. 1931). Use of a real person's name in a film inspired by actual facts that were no longer public knowledge held to invade that person's privacy as she had the right to keep certain aspects of her life secluded from the public.
- b. Bindrim v. Mitchell, 92 Cal.App.3d 61 (1979). If a reasonable person reading a novel that purports to be fiction would recognize a character as being a portrayal of a real person, that real person can maintain an action for libel if the portrayal includes defamatory statements.
- c. Smith v. Stewart, 291 Ga. App. 86 (Ga. Ct. App. 2008). To determine whether a fictional character is actually a portrayal of a real person, plaintiff, the court must determine whether the fictional material, in context, could be reasonably understood as describing actual facts about the plaintiff or actual events in which she participated.