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FICTIONAL PERSONA TEST:  
COPYRIGHT PREEMPTION IN HUMAN  
AUDIOVISUAL CHARACTERS\*

*Norm Peterson . . . may be the funniest fat man since Oliver Hardy, but it isn't just his fat that's funny. It's his fate. To the delight of Cheers addicts, he makes a dreary, beery profession of depression. . . . If there's anything Norm hates worse than his job, it's his wife. . . . Every night he bellies up to the bar, at home beside the foam, and takes notes on what fools these mortals be: "Some people spend their whole life in a bar. One poor shmo came in yesterday, sat right next to me for eleven hours." But hops spring eternal. After eight years of wishful drinking, Norm has at last found his dream job: beer taster in a brewery.<sup>1</sup>*

INTRODUCTION

When actors portray fictional characters on television or in a movie, actors not only display their own physical appearance, but also bring to life the personality traits and mannerisms that make up the characters created by writers.<sup>2</sup> While actors have a strong interest in protecting their professional images from unauthorized commercial exploitation,<sup>3</sup> producers (through contractual or work-made-for-hire<sup>4</sup> arrangements with writers) have an *equally* strong interest in protecting their own property—their fictional characters.<sup>5</sup> Because of these two competing

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1 Brad Darrach, *After 11 Seasons, 274 Episodes and a Record 111 Emmy Nominations, It's Closing Time*, LIFE, May 1993, at 48, 60.

2 See Stephen Clark, *Of Mice, Men and Supermen: The Copyrightability of Graphic and Literary Characters*, 28 ST. LOUIS U. L.J. 959, 961 (1984) (“[P]ersonality traits and mannerisms . . . could be said to make up the characters underlying the graphics.”).

3 See discussion *infra* Part I.

4 See discussion *infra* notes accompanying text 242-48.

5 See discussion *infra* Part III.B. For excellent discussions of copyright in characters, see generally DOROTHY J. HOWELL, *INTELLECTUAL PROPERTIES AND THE PROTECTION OF FICTIONAL CHARACTERS* (1990); Leslie A. Kurtz, *The Independent Legal Lives of Fictional Characters*, 1986 WIS. L. REV. 429 [hereinafter Kurtz, *Independent Legal Lives*]; Francis M. Nevins, Jr., *Copyright + Character = Catastrophe*, 39 J. COPYRIGHT SOC'Y 303 (1992); Michael Todd Helfand, Note, *When Mickey Mouse Is as Strong as Superman: The Convergence of Intellectual Property Laws to Protect Fictional Literary and Pictorial Characters*, 44 STAN. L. REV. 623 (1992).

interests, tension arises when producers use audiovisual characters<sup>6</sup> without the actors' consent.<sup>7</sup>

Such tension is magnified exponentially by the increasing use of *character merchandising*,<sup>8</sup> a marketing technique by which products are associated with well-known characters.<sup>9</sup> Since such association effectively enhances the commercial value of the products,<sup>10</sup> character merchandising has not only become a "well-known feature of modern marketing"<sup>11</sup> but has also grown into "a multi-billion dollar business."<sup>12</sup>

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<sup>6</sup> *Audiovisual characters* are fictional characters that exist in *audiovisual works*, which are defined as:

works that consist of a series of related images which are intrinsically intended to be shown by the use of machines, or devices such as projectors, viewers, or electronic equipment, together with accompanying sounds, if any, regardless of the nature of the material objects, such as films or tapes, in which the works are embodied.

17 U.S.C. § 101 (1994) (definitions). Examples include characters that appear on television or in a movie.

<sup>7</sup> See, e.g., *Wendt v. Host Int'l, Inc.*, Nos. 93-56318, 93-56510, 1995 WL 115571, at \*1 (9th Cir. Feb. 7, 1995) [hereinafter *Wendt I*]; see also Daniel Margolis, *Cheers to the Church Lady: Resolving the Conflict Between Copyright and the Right of Publicity*, 1996 ANN. SURV. AM. L. 627, 632 ("[T]hese two values clash when the actor and studio claim competing interests in controlling the use of a motion picture character.").

<sup>8</sup> See JOANNA R. JEREMIAH, *MERCHANDISING INTELLECTUAL PROPERTY RIGHTS* 4 (1997).

<sup>9</sup> See *id.* ("[Character merchandising is a] marketing technique by which an advertiser associates a product with a desirable personality or fictional character 'in whose reflected light [the product] will appear more pleasing.'" (quoting *Shoshana Pty Ltd. v. 10th Cantanae Pty Ltd.* (1987) 79 A.L.R. 279 (Austl.))).

<sup>10</sup> See *id.* at 3 ("The aim of using a well-known character is clearly to enhance the commercial value of the product. The product is enhanced by making it more eye-catching, glamorous, fun, or even through an implied statement about quality control or other endorsement by the character or personality of the product itself."); see also IAIN RAMSAY, *ADVERTISING, CULTURE AND THE LAW: BEYOND LIES, IGNORANCE AND MANIPULATION* 30-38 (1996) (discussing whether advertising and images manipulate consumers' preferences); Consuelo Lauda Kertz & Roobina Ohanian, *Recent Trends in the Law of Endorsement Advertising: Infomercials, Celebrity Endorsers and Nontraditional Defendants in Deceptive Advertising Cases*, 19 HOFSTRA L. REV. 603, 603 (1991) ("Endorsement advertisements are most effective when the consumer identifies with the endorser because of perceived similarities between himself and the endorser, or when the consumer believes what the endorser says either because the endorser is perceived to be personally credible or is perceived to be an expert.").

<sup>11</sup> JEREMIAH, *supra* note 8, at 4.

<sup>12</sup> *Id.* at 3. The following data illustrates this point well:

Licensing fictional characters and selling products featuring these characters generates billions of dollars a year. For example, the 1990 movie *Teenage Mutant Ninja Turtles*, based on characters first appearing in a 1984 comic book, grossed approximately \$25.4 million in its first weekend at the box office, while licensing of the characters brought in \$175 million in 1988 and \$350 million in 1989. The 1989 movie *Batman*, based on Bob Kane's 1940s "Dark Knight" crime fighter, grossed over \$251 million in 1989, and its spin-offs have sold more than \$500 million. The characters from Fox Television's prime time animated comedy series *The Simpsons*, premiering in 1989, were worth millions within months of the series's introduction.

Helfand, *supra* note 5, at 626 (footnotes omitted); see also Marshall Leaffer, *Character Merchandising in the U.K., a Nostalgic Look*, 11 U. MIAMI ENT. & SPORTS L. REV. 453, 453 (1994)

Today, it is not unusual to find products featuring popular characters from successful motion pictures or television series.<sup>13</sup>

Because of the enormous economic potential of a fictional character,<sup>14</sup> anyone who is in a position to profit from its exploitation is eager to assert control over its commercial use.<sup>15</sup>

For example, in *Wendt v. Host International, Inc.*,<sup>16</sup> the actors from the *Cheers* television series sued a chain of *Cheers*-themed restaurants over the use of the "Norm" and "Cliff" characters from the series.<sup>17</sup> The actors claimed that their likenesses, which are protected under California right of publicity law,<sup>18</sup> were misappropriated when the defendant,

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("No one who follows the media today will fail to realize that character merchandising is an ever-expanding multibillion dollar business."); John Berlau, *Who Receives the Big Bucks from Big Bird and Barney?*, WASH. TIMES, June 2, 1997, at 13, 13 ("Sesame Street products . . . gross over \$800 million in retail sales around the world each year."); Elizabeth Lesly Stevens & Ronald Grover, *The Entertainment Glut*, BUS. WK., Feb. 16, 1998, at 88 (stating that *Lion King* merchandise grossed roughly \$3 billion).

<sup>13</sup> Examples of these products include toys, mugs, food, key chains, posters, and T-shirts. See, e.g., *Universal City Studios v. J.A.R. Sales*, No. 82-4892-AAH (Bx), 1982 WL 1279, at \*1 (C.D. Cal. Oct. 20, 1982) (*E.T.* dolls); *Ideal Toy Corp. v. Kenner Prods. Div. of Gen. Mills Fun Group, Inc.*, 443 F. Supp. 291 (S.D.N.Y. 1977) (*Star Wars* dolls); *Lugosi v. Universal Pictures*, 603 P.2d 425 (Cal. 1979) (*Dracula* merchandise); see also *J.A.R. Sales*, 1982 WL 1279, at \*5 ("It is common practice in the entertainment industry to exploit commercially the popularity of well-known motion picture and television personalities and characters in connection with a wide range of merchandise, and the public has come to expect such exploitation."); Kristen Baldwin, *Full Steam Ahead*, ENT. WKLY., Mar. 6, 1998, at 9, 9 ("[*Titanic* merchandise includes] auctioned memorabilia, official tie-in products sold by the J. Peterman catalog, and actual lumps of the ship's coal from *RMS Titanic*.").

<sup>14</sup> See Phillip Edward Page, *Licensing and Merchandising of Characters: Art Law Topic for AALS 1994*, 11 U. MIAMI ENT. & SPORTS L. REV. 421, 422 (1994) ("The increased ability to manufacture and market products bearing a character's image makes a character a more valuable commodity."); Margolis, *supra* note 7, at 627 ("[T]hose in the entertainment industry see [identifiable characters] as the harbingers of colossal revenues."); *id.* at 628 ("Proprietary rights in characters . . . may have tremendous value.").

<sup>15</sup> See JEREMIAH, *supra* note 8, at 4; Leslie A. Kurtz, *The Methuselah Factor: When Characters Outlive Their Copyrights*, 11 U. MIAMI ENT. & SPORTS L. REV. 437, 437 (1994) [hereinafter Kurtz, *The Methuselah Factor*] ("Such characters tend to have great value, and those who have owned them will wish to protect these creations from use by others."); Margolis, *supra* note 7, at 627-28 ("The key to . . . revenues . . . belongs to whoever controls the use of these characters."); see also AUGUSTINE BIRRELL, M.P., SEVEN LECTURES ON THE LAW AND HISTORY OF COPYRIGHT IN BOOKS 17 (Rothman Reprints 1971) (1899) ("[T]he essence of Property is an unwillingness to share it . . ."); 2 WILLIAM BLACKSTONE, COMMENTARIES \*2 ("[Property is] the sole and despotic dominion which one man claims and exercises over the external things of the world, in total exclusion of the right of any other individual in the universe." (emphasis added)).

<sup>16</sup> Nos. 93-56318, 93-56510, 1995 WL 115571, at \*1 (9th Cir. Feb. 7, 1995).

<sup>17</sup> See *id.*

<sup>18</sup> CAL. CIV. CODE § 3344 (West 1997). That statute provides, in pertinent part: "[A]ny person who knowingly uses another's name, voice, signature, photograph, or likeness, in any manner, . . . for purposes of advertising or selling, . . . without such person's prior consent . . . shall be liable for any damages sustained by the person or persons injured as a result thereof." *Id.* For a discussion of the right of publicity, see *infra* Part I.

without the actors' permission, placed robots of the "Norm" and "Cliff" characters in its restaurants to help sell food and drinks.<sup>19</sup> The defendant argued that it had received a license from Paramount Pictures, the producer of the television series, and that the copyright in the television series had provided the producer with the *exclusive* right to use and permit the use of those audiovisual characters.<sup>20</sup> Since copyright is a federal right, while the right of publicity is a state right, the defendant also argued that the producer's copyright in the television series (and the audiovisual characters) preempted the actors' state rights of publicity, which interfered with the Federal Copyright Act.<sup>21</sup> Although the United States Court of Appeals for the Ninth Circuit declined to address the preemption question,<sup>22</sup> that issue is, nonetheless, important because a preemption of the actors' state claims would necessarily eliminate the actors' control over the use of the audiovisual characters.<sup>23</sup>

Whether a producer's copyright in human audiovisual characters preempts the actors' rights of publicity claims is the focus of this Note.<sup>24</sup> Part I outlines the framework of state right of publicity law and traces the development of case law involving such a right. Because "[a]dvertisers who want to run a particular advertisement *nationally* must comply with the law of all fifty states,"<sup>25</sup> this Note focuses on the right of publicity of the state with the broadest interpretation—the state of California. This Part shows that, under existing California right of publicity law, *virtually anything* evoking one's personal identity, including copyrighted materials, can infringe

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19 See *Wendt I*, 1995 WL 115571, at \*1. For discussions and analyses of the *Wendt* decisions, see J. Thomas McCarthy, *The Human Persona as Commercial Property: The Right of Publicity*, 19 COLUM.-VLA J.L. & ARTS 129, 142 (1995); Margolis, *supra* note 7.

20 See *Wendt I*, 1995 WL 115571, at \*3.

21 See *id.*

22 See *id.* ("At the outset, we wish to make it clear that this is not a preemption case.")

23 See discussion *infra* Part II.

24 One might argue that the problem of preemption is more academic than practical, since the use of characters is thoroughly addressed in licensing agreements and employment contracts in today's entertainment industry. "But the question can arise even if licenses and contracts are thorough." HOWELL, *supra* note 5, at 179. For example, a standard employment contract that prohibits the employer-producer to appropriate the employee-actor's name, voice, and likeness does not cover the situation in which the employee's likeness was evoked by the use of the employer's copyrighted work. See, e.g., 1 ALEXANDER LINDEY, ENTERTAINMENT, PUBLISHING AND THE ARTS: AGREEMENTS AND THE LAW 476-80 (1977); 2 *id.* at 585-86. Furthermore, "[f]oundational thinking is not just a luxury of academics. In hard cases, it is also a necessity for judges and lawyers." LEA BRILMAYER, CONFLICT OF LAWS 4 (2d ed. 1995).

25 McCarthy, *supra* note 19, at 132; see also J. Eugene Salomon, Jr., Note, *The Right of Publicity Run Riot: The Case for a Federal Statute*, 60 S. CAL. L. REV. 1179, 1184 (1987) ("It could require a plaintiff to bring as many as fifty-one separate lawsuits in a [right of publicity case] where the advertisement in question was placed in a nationally distributed magazine.")

upon the individual's right of publicity.<sup>26</sup> Since a display of a copyrighted work might infringe upon an individual's right of publicity, the right of publicity might threaten valuable rights of a copyright holder, which are granted by the 1976 Copyright Act ("Copyright Act").<sup>27</sup> Thus, Part II examines whether Congress intended the Copyright Act to preempt the conflicting state right of publicity and, if so, what is the scope of such preemption.

Part III applies section 301 of the Copyright Act ("the preemption provision")<sup>28</sup> to resolve the conflict between the actor and the copyright holder over the use of a human audiovisual character. This Part introduces the dichotomy between *human persona* and *fictional persona*—the two different types of persona that an allegedly infringing work can exploit.<sup>29</sup> This Part then asserts that the Copyright Act only preempts state rights with respect to fictional persona and that courts should limit the state right of publicity to reflect such preemption.<sup>30</sup> Since the type of persona exploited by the contested work determines the outcome of the preemption question, Part IV proposes a "fictional persona" test to help courts determine whether the allegedly infringing work exploited a fictional persona.<sup>31</sup>

#### I. THE RIGHT OF PUBLICITY

*Saddam Hussein wants to keep advertisers from using his picture in unflattering contexts. Clint Eastwood doesn't want tabloids to write about him. Rudolf Valentino's heirs want to control his film biography. The Girl Scouts don't want their image soiled by association with certain activities. George Lucas wants to keep Strategic Defense Initiative fans from calling it "Star Wars." Pepsico doesn't want singers to use the word "Pepsi" in their songs. Guy Lombardo wants an exclusive property right to ads that show big bands playing on New Year's Eve. Uri Geller thinks he should be paid for ads showing psychics bending metal through telekinesis. Paul Prudhomme, that household name, thinks the same about ads featuring corpulent bearded chefs. And scads of copyright holders see purple when their creations are made fun of.<sup>32</sup>*

"The best known characteristics by which an individual is recog-

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<sup>26</sup> See *infra* text accompanying notes 80-81.

<sup>27</sup> 17 U.S.C. §§ 101-803 (1994).

<sup>28</sup> *Id.* § 301.

<sup>29</sup> For a definition of the human persona and fictional persona, see *infra* text accompanying notes 123-31.

<sup>30</sup> See discussion *infra* text accompanying notes 317-18.

<sup>31</sup> See *infra* text accompanying notes 320-21.

<sup>32</sup> *White v. Samsung Elecs. Am., Inc.*, 989 F.2d 1512, 1512-13 (9th Cir. 1993) [hereinafter *White II*] (Kozinski, J., dissenting) (citations omitted).

nized . . . are his name and/or likeness.”<sup>33</sup> The common law,<sup>34</sup> which was later codified under state statutory law,<sup>35</sup> recognizes the importance of these characteristics and accords them protection through the right of publicity.<sup>36</sup> Such a right protects individuals, mainly celebrities,<sup>37</sup>

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33 Kathleen B. Dangelo, Note, *How Much of You Do You Really Own? A Property Right in Identity*, 37 CLEV. ST. L. REV. 499, 510 (1989) (distinguishing among property, privacy, and publicity rights).

34 See discussion *infra* text accompanying notes 60-79.

35 See, e.g., CAL. CIV. CODE § 3344 (West 1997) (text of statute cited *supra* note 18); N.Y. CIV. RIGHTS LAW § 51 (McKinney Supp. 1998). The New York right of privacy statute, which protects against the unauthorized commercial use of an individual’s name, portrait, picture, or voice, provides, in relevant part:

[A]ny 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 . . . .

*Id.*; see 1 J. THOMAS MCCARTHY, THE RIGHTS OF PUBLICITY AND PRIVACY § 1.01[A][1] (1998); Larry Moore, *Regulating Publicity: Does Elvis Want Privacy?*, 5 DEPAUL-LCA J. ART & ENT. L. 1, 31-39 (1995) (providing an appendix listing the sources and status of rights of privacy and publicity in each state).

Since the scope of the right of publicity is not uniform throughout the nation, several commentators have called for a federal right of publicity statute. See Richard S. Robinson, *Preemption, the Right of Publicity, and a New Federal Statute*, 16 CARDOZO ARTS & ENT. L.J. 183, 201-02 (1998) (“A federal right of public identity statute would benefit the public, the judiciary, and those who invest time, effort, and money in their personal identities.”); Salomon, *supra* note 25, at 1186 (“The end result of [a preemption analysis] is always that one party’s rights will be enforced at the expense of another’s. A federal statute could provide a solution to this all or nothing situation.”); Steven C. Beer & Holly Pekowsky, *Rights of Publicity After ‘Forest Gump,’* N.Y. L.J., May 31, 1995, at 1, 1 (“[T]he current law of publicity needs a facelift, preferably in the form of a federal statute.”). However, given Congress’s persistent inability to enact moral rights legislation, one commentator argues that “it is unrealistic to assume that Congress will act to bring the right of publicity into the federal fold any time in the near future.” Barbara Singer, *The Right of Publicity: Star Vehicle or Shooting Star?*, 10 CARDOZO ARTS & ENT. L.J. 1, 47-48 (1991). Thus, she proposes a “uniform state legislation.” *Id.* at 48. Despite all these proposals, the scope of the right of publicity in one state is still very different from that in another state.

36 For comprehensive discussions of the right of publicity, see generally 1 MCCARTHY, *supra* note 35; Melville B. Nimmer, *The Right of Publicity*, 19 LAW & CONTEMP. PROBS. 203 (1954); Sheldon W. Halpern, *The Right of Publicity: Commercial Exploitation of the Associative Value of Personality*, 39 VAND. L. REV. 1199 (1986); H. Lee Hetherington, *Direct Commercial Exploitation of Identity: A New Age for the Right of Publicity*, 17 COLUM.-VLA J.L. & ARTS 1 (1992).

37 Although the right of publicity protects both celebrities and non-celebrities, celebrities are the main reasons why the right of publicity was created. See *Haelan Lab., Inc. v. Topps Chewing Gum, Inc.*, 202 F.2d 866, 868 (2d Cir. 1953) (focusing on “prominent persons (especially actors and ball-players)”); 1 MCCARTHY, *supra* note 35, § 2.2; Arlen W. Langvardt, *The Troubling Implications of a Right of Publicity “Wheel” Spun Out of Control*, 45 U. KAN. L. REV. 329, 333-34 (1997); Michael Madow, *Private Ownership of Public Image: Popular Culture and Publicity Rights*, 81 CAL. L. REV. 127, 167 (1993) (“The right of publicity was created not so much from the right of privacy as from frustration with it.”); see also *O’Brien v. Pabst Sales Co.*, 124 F.2d 167 (5th Cir. 1941) (Holmes, J., dissenting) (expressing dissatisfaction over failure to extend right to privacy to celebrities).

against the unauthorized commercial use of their names,<sup>38</sup> likenesses,<sup>39</sup> and/or personal identities.<sup>40</sup> “The theory of the right [of publicity] is that a celebrity’s identity can be valuable in the promotion of products and the celebrity has an interest that may be protected from the unauthorized commercial exploitation of that identity.”<sup>41</sup> By enabling celebrities to control the use of their identities through licenses and legal sanctions, the right of publicity protects the celebrity’s publicity value from devaluation as a result of overexploitation<sup>42</sup> and “ensure[s] that publici-

38 See, e.g., *McFarland v. Miller*, 14 F.3d 912 (3d Cir. 1994) (nickname and real name); *Cepeda v. Swift & Co.*, 415 F.2d 1205 (8th Cir. 1969) (real name); *Gardella v. Log Cabin Prods. Co.*, 89 F.2d 891 (2d Cir. 1937) (stage name); *Guglielmi v. Spelling-Goldberg Prods.*, 603 P.2d 454 (Cal. 1979) (stage and real names); *Hirsch v. S.C. Johnson & Son, Inc.*, 280 N.W.2d 129 (Wis. 1979) (nickname).

39 See, e.g., *Ali v. Playgirl, Inc.*, 447 F. Supp. 723 (S.D.N.Y. 1978) (likeness); *Grant v. Esquire, Inc.*, 367 F. Supp. 876 (S.D.N.Y. 1973) (same); *Brinkley v. Casablancas*, 438 N.Y.S.2d 1004 (App. Div. 1981) (same).

40 See, e.g., *Groucho Marx Prods., Inc. v. Day & Night Co.*, 689 F.2d 317 (2d Cir. 1982) (“Marx Brothers” characters); *Motschenbacher v. R.J. Reynolds Tobacco Co.*, 498 F.2d 821 (9th Cir. 1974) (distinctive racing car); *Price v. Hal Roach Studios, Inc.*, 400 F. Supp. 836 (S.D.N.Y. 1975) (“Laurel” and “Hardy” characters); *Lombardo v. Doyle, Dane & Bernbach, Inc.*, 396 N.Y.S.2d 661 (App. Div. 1977) (“Mr. New Year’s Eve”).

41 *Carson v. Here’s Johnny Portable Toilets, Inc.*, 698 F.2d 831, 835 (6th Cir. 1983); see also *McFarland*, 14 F.3d at 919 (“At its heart, the value of the right of publicity is associational. People link the person with the items the person endorses and, if that person is famous, that link has value.”). For comprehensive overviews of the different theories behind the right of publicity, see generally 1 MCCARTHY, *supra* note 35, § 2; Mark F. Grady, *A Positive Economic Theory of the Right of Publicity*, 1 UCLA ENT. L. REV. 97 (1994).

42 Professor Grady explained this danger clearly:

The asset to which the right of publicity attaches is obviously not a reputation in the old-fashioned sense of good or bad. Instead, it is an image that people enjoy for itself or otherwise find valuable in certifying products. Although repetition of these images could for a time increase the value of subsequent repetitions, as when radio listeners learn to enjoy a new song, ultimately there is a point of diminishing marginal returns beyond which subsequent displays and performances diminish the value of the asset.

Grady, *supra* note 41, at 103; see also *Lahr v. Adell Chem. Co.*, 300 F.2d 256, 259 (1st Cir. 1962) (holding that plaintiff-entertainer’s professional reputation could be injured as a result of the unauthorized use of an anonymous imitation of his unique style of vocal delivery in the defendant’s television commercial) (“[W]e can hardly agree with defendant that . . . [there would be no] ‘loss of opportunity in the entertainment field.’ It could well be found that defendant’s conduct saturated plaintiff’s audience to the point of curtailing his market. No performer has an unlimited demand.” (emphasis added)); RICHARD A. POSNER, *THE ECONOMICS OF JUSTICE* 256 (1981) (“[T]he . . . multiple use of the same photograph to advertise different (especially competing) products could reduce its advertising value to zero.”); David E. Shipley, *Three Strikes and They’re Out at the Old Ball Game: Preemption of Performers’ Rights of Publicity Under the Copyright Act of 1976*, 20 ARIZ. ST. L.J. 369, 397 (1988) [hereinafter Shipley, *Three Strikes*] (“[T]he unauthorized use of a person’s likeness in an advertisement to enhance the sales of a particular product could harm the individual by making his authorized endorsements less valuable, by diluting the good will associated with his name and likeness, and perhaps even by damaging his credibility.”); Beer & Pekowsky, *supra* note 35, at 4 (“A celebrity who keeps her public appearance to a minimum may be able to command a greater price for the few appearances she does make rather than one who is constantly in the public eye and possibly overexposed.”).

ty assets are not wasted by a scramble to use them up as quickly as possible.”<sup>43</sup>

Before the right of publicity was expressly recognized as a cause of action,<sup>44</sup> an individual’s identity was protected under the right to privacy.<sup>45</sup> That right was proposed as a “right to be let alone”<sup>46</sup> by Samuel Warren and Louis Brandeis in a highly influential law review article entitled *The Right to Privacy*.<sup>47</sup> The right to privacy was soon expanded to encompass a cause of action for the unauthorized commercial use of an individual’s name and likeness.<sup>48</sup> In *Pavesich v. New England Life Insurance Co.*,<sup>49</sup> the Georgia Supreme Court held that the right to privacy protected an individual against an insurance company’s unauthorized use of his picture in an advertisement for its insurance policies.<sup>50</sup> Stating that the use of the plaintiff’s identity unreasonably infringed upon

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43 Grady, *supra* note 41, at 98. Professor Grady argued that “[t]he legal right of property can be understood as a fishing license designed to avoid races that would use up reputations too quickly.” *Id.* at 103. He further explained:

Imagine that there is a pool containing fish that no one owns. If there were an owner, that person would have an incentive to fish slowly enough so that the fish would be preserved. The owner would think: “Every fish that I catch today is a fish that I cannot catch tomorrow and, indeed, if there is a critically small number of fish, every fish caught today could mean two fish sacrificed tomorrow.” Hence, the pool owner . . . has the correct incentives to conserve the resource.

In the contrary example, the pool is not privately owned, but is either not owned at all or is owned by a sufficiently large group of people that they find it difficult to implement controls. In this situation, each angler has an incentive to catch as many fish as possible today and to give no heed to tomorrow. . . . The reason is simple. If the angler does not catch the fish today, someone else (not the angler herself) will probably catch the fish tomorrow. In this situation, on each and every day, each angler has an incentive to acquire a gill net large enough to capture all of the fish in the pool. . . . When anglers race to catch the fish as quickly as possible, . . . the fish may be caught too quickly, and the pool may ultimately be over-fished, even to the point where the fish die out.

*Id.* at 102-03 (footnote omitted).

44 The right of publicity was first recognized as a separate cause of action in *Haelan Laboratories, Inc. v. Topps Chewing Gum, Inc.*, 202 F.2d 866 (2d Cir. 1953). See *infra* text accompanying notes 60-63.

45 See, e.g., *Pavesich v. New Eng. Life Ins. Co.*, 50 S.E. 68 (Ga. 1905). See generally William L. Prosser, *Privacy*, 48 CAL. L. REV. 383 (1960), for an excellent discussion of the right to privacy.

46 Samuel D. Warren & Louis D. Brandeis, *The Right to Privacy*, 4 HARV. L. REV. 193, 193 (1890).

47 *Id.*

48 See Langvardt, *supra* note 37, at 332 (“This privacy notion soon came to be seen as broad enough to give rise to a cause of action when one’s name and likeness were used for commercial purposes without his consent.”); see also RESTATEMENT (SECOND) OF TORTS § 652C (1977) (“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.”).

49 50 S.E. 68 (Ga. 1905).

50 See *id.* at 68.



his personal privacy, the court afforded the plaintiff a remedy for his “wounded feelings.”<sup>51</sup>

Although this “wounded feelings” argument worked well for people who were not well-known,<sup>52</sup> courts were not persuaded by such an argument in cases involving celebrities.<sup>53</sup> For instance, in *O’Brien v. Pabst Sales Co.*,<sup>54</sup> the United States Court of Appeals for the Fifth Circuit denied a well-known football player<sup>55</sup> relief from the unauthorized commercial use of his photograph on a football calendar featuring a beer advertisement.<sup>56</sup> The court observed that, since the plaintiff was constantly seeking publicity through the university’s publicity department,<sup>57</sup> he suffered no “wounded feelings” and, thus, no invasion of privacy.<sup>58</sup>

After *O’Brien*, celebrities became vulnerable to the unauthorized uses of their identities in advertisements or in other commercial contexts.<sup>59</sup> However, the momentum shifted when the United States Court of Appeals for the Second Circuit recognized a separate cause of action called “the right of publicity” in *Haelan Laboratories, Inc. v. Topps Chewing Gum, Inc.*<sup>60</sup> In *Haelan*, the court held that, “in addition to and independent of [the] right of privacy . . . , a man has a right in the *publicity value* of his photograph, i.e., *the right to grant the exclusive privilege of publishing his picture.*”<sup>61</sup> In reaching this conclusion, the court observed that “it is common knowledge that many prominent per-

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<sup>51</sup> *Id.* at 73.

<sup>52</sup> See Langvardt, *supra* note 37, at 333 (“The privacy rationale seemed workable enough if the plaintiff . . . was not well-known.”); see, e.g., *Pavesich v. New Eng. Life Ins. Co.*, 50 S.E. 68 (Ga. 1905) (discussed *supra* text accompanying notes 49-51).

<sup>53</sup> See, e.g., *O’Brien v. Pabst Sales Co.*, 124 F.2d 167 (5th Cir. 1941); *Paramount Pictures, Inc. v. Leader Press, Inc.*, 24 F. Supp. 1004 (W.D. Okla. 1938), *rev’d*, 106 F.2d 229 (10th Cir. 1939); *Martin v. F.I.Y. Theatre Co.*, 10 Ohio Op. 338 (C.P. 1938); see also Langvardt, *supra* note 37, at 333 (“Courts began to see the privacy rationale as ill-fitting . . . when famous persons sued over unconsented uses of their likenesses in commercial contexts.”); Nimmer, *supra* note 36, at 203-04 (“Well known personalities connected with these industries do not seek the ‘solitude and privacy’ which Brandeis and Warren sought to protect.” (footnote omitted)); *id.* at 204-06 (discussing the inadequacy of the right to privacy).

<sup>54</sup> 124 F.2d 167 (5th Cir. 1941).

<sup>55</sup> Plaintiff was a pro-football player with the Philadelphia Eagles. While at Texas Christian University, he was selected by Grantland Rice for his Collier’s All-American Football Team in 1938. See *id.* at 168.

<sup>56</sup> See *id.*

<sup>57</sup> See *id.* at 170 (“[T]he action fails . . . because plaintiff is not [a private] person and the publicity he got was only that which he had been constantly seeking and receiving . . .”).

<sup>58</sup> See *id.*

<sup>59</sup> See Langvardt, *supra* note 37, at 333-34 (tracing the evolution of the right of publicity).

<sup>60</sup> 202 F.2d 866 (2d Cir. 1953). In *Haelan*, the defendant produced a baseball card bearing the photograph of a baseball player who had already granted the plaintiff an exclusive license to use the player’s photograph in connection with the sale of the plaintiff’s products. See *id.* at 867.

<sup>61</sup> *Id.* at 868 (emphasis added).

sons . . . [,] far from having their feelings bruised through public exposure of their likenesses, would feel sorely deprived if they no longer received money for authorizing advertisements.”<sup>62</sup> Thus, the court recognized the right of publicity to provide individuals with incentives to enter the public scene and to undertake socially enriching activities.<sup>63</sup>

Since *Haelan*, the right of publicity gradually gained acceptance in jurisdictions around the nation.<sup>64</sup> In 1977 the United States Supreme Court addressed the right of publicity for the first (and only) time in *Zacchini v. Scripps-Howard Broadcasting Co.*,<sup>65</sup> where the right of publicity of an entertainer was allegedly infringed upon when a television station showed the entire performance of his “human cannonball act” on the evening news.<sup>66</sup> Relying on the Lockean principle<sup>67</sup> that an individual should enjoy “the product of [his] own talents and energy, [and] the end result of much time, effort and expense,”<sup>68</sup> the Court held that the First and Fourteenth Amendments do not immunize the news media when they broadcast a performer’s *entire* act without his consent.<sup>69</sup>

The right of publicity was further expanded in *Carson v. Here’s Johnny Portable Toilets, Inc.*,<sup>70</sup> where Johnny Carson, the famous talk show host, sued the defendant for the unauthorized use of the phrase “Here’s Johnny” in marketing portable toilets.<sup>71</sup> The United States Court of Appeals for the Sixth Circuit rejected the contention that a common law right of publicity did not extend beyond an individual’s

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<sup>62</sup> *Id.*

<sup>63</sup> *See id.*; *see also* 1 MCCARTHY, *supra* note 35, § 2.2.

<sup>64</sup> *See Dangelo, supra* note 33, at 508-09 (“The right of publicity gradually gained acceptance after the *Haelan Laboratories* decision. It is now judicially recognized in a substantial number of jurisdictions . . .”). The right of publicity has been recognized as the law in 25 states. Of these 25 states, 14 have statutory provisions, and the right is recognized in the common law in the other 11. *See* 1 MCCARTHY, *supra* note 35, § 6.1[B]; McCarthy, *supra* note 19, at 132.

<sup>65</sup> 433 U.S. 562 (1977).

<sup>66</sup> *See id.* at 563-64, 578.

<sup>67</sup> *See* 1 MCCARTHY, *supra* note 35, § 2.1; John Locke, *Second Treatise of Government*, in TWO TREATISES OF GOVERNMENT § 27 (Peter Laslett ed., Cambridge Univ. Press 1988) (3d. ed. 1698) (“Whatsoever then he removes out of the state that Nature hath provided, and left it in, he hath mixed his *Labour* with, and joyned to it something that is his own, and thereby makes it his *Property*.”); *see also* 1 Timothy 5:18 (“The laborer is worthy of his wages.” (internal quotations omitted)). *But see* JOHN RAWLS, A THEORY OF JUSTICE 102 (1971) (“No one deserves his greater natural capacity . . .”); *id.* at 311-12 (“[T]he initial endowment of natural assets and the contingencies of their growth and nurture in early life are arbitrary from a moral point of view.”).

<sup>68</sup> *Zacchini*, 433 U.S. at 575.

<sup>69</sup> *See id.* at 569-79.

<sup>70</sup> 698 F.2d 831, 833 (6th Cir. 1983).

<sup>71</sup> *See id.* The plaintiff argued that he was embarrassed by, and considered it odious to be associated with, the defendant’s portable toilet. *See id.* at 834.

actual name and likeness.<sup>72</sup> Instead, the court found that Carson's right of publicity was infringed upon when the familiar introductory phrase merely *conjured up* images of the late-night talk show host.<sup>73</sup>

The Ninth Circuit employed the same rationale in *White v. Samsung Electronics America, Inc.*<sup>74</sup> In *White*, Vanna White, the hostess of the *Wheel of Fortune* game show, sued Samsung Electronics for infringing upon her right of publicity by appropriating her likeness in an advertisement.<sup>75</sup> That advertisement depicted a robot standing in front of a set modeled after the *Wheel of Fortune* game show.<sup>76</sup> Although finding that the robot did not constitute the hostess's likeness within the meaning of the California right of publicity statute,<sup>77</sup> the court, applying the *Carson* rationale, held that the advertisement infringed upon the hostess's common law right of publicity when it *evoked* her identity.<sup>78</sup> The court further stated that, as long as the celebrity's identity was evoked, it was insignificant whether such identity was evoked by the robot or the *Wheel of Fortune* set, the copyright of which belongs to the game show's owner.<sup>79</sup>

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<sup>72</sup> See *id.* at 835 ("If the celebrity's identity is commercially exploited, there has been an invasion of his right *whether or not his 'name or likeness' is used.*" (emphasis added)).

<sup>73</sup> See *id.* at 835-37.

<sup>74</sup> 971 F.2d 1395 (9th Cir. 1992) [hereinafter *White I*].

<sup>75</sup> See *id.* at 1396.

<sup>76</sup> See *id.*

<sup>77</sup> See *id.* at 1397 ("In this case, Samsung and Deutsch used a robot with mechanical features, and not, for example, a manikin molded to White's precise features. . . . [W]e agree . . . that the robot at issue here was not White's 'likeness' within the meaning of section 3344.").

<sup>78</sup> See *id.*

<sup>79</sup> See *id.* at 1399. Judge Alarcon disagreed with the majority on this point:

The only characteristic in the commercial advertisement that is not common to many female performers or celebrities is the imitation of the "Wheel of Fortune" set. . . . The Wheel of Fortune set, however, is not an attribute of Vanna White's identity. It is an identifying characteristic of a television game show, a prop with which Vanna White interacts in her role as the current hostess. To say that Vanna White may bring an action when another blond female performer or robot appears on such a set as a hostess will . . . be a surprise to the owners of the show.

*Id.* at 1405 (Alarcon, J., dissenting). Judge Kozinski reiterated this point when the Ninth Circuit denied Samsung Electronics' suggestion for a rehearing en banc in *White II*:

It's not the robot's wig, clothes or jewelry; there must be ten million blond women (many of them quasi-famous) who wear dresses and jewelry like White's. It's that the robot is posed near the "Wheel of Fortune" game board. Remove the game board from the ad, and no one would think of Vanna White. . . . But once you include the game board, anybody standing beside it—a brunette woman, a man wearing women's clothes, a monkey in a wig and gown—would evoke White's image, precisely the way the robot did. It's the "Wheel of Fortune" set, not the robot's face or dress or jewelry that evokes White's image. The panel is giving White an exclusive right not in what she looks like or who she is, but in what she does for a living.

989 F.2d at 1515 (Kozinski, J., dissenting); see also Langvardt, *supra* note 37, at 419 ("[I]f the *Wheel of Fortune* set serves as any sort of identity attribute, the relevant identity is that of the television program itself. Vanna White . . . owned neither the *Wheel of Fortune* program nor related

In sum, under existing California right of publicity law, *virtually anything* evoking one's personal identity, *including copyrighted materials*,<sup>80</sup> can infringe upon the individual's right of publicity.<sup>81</sup> However, if the use and display of a copyrighted work can infringe upon an individual's right of publicity, the right of publicity might threaten valuable rights of a copyright holder, which are granted by the Federal Copyright Act.<sup>82</sup> Because copyright is protected under federal laws whereas the right of publicity is protected under state laws, Parts II and III examine whether the conflict between the two rights can be resolved through federal preemption under the Copyright Act.

## II. COPYRIGHT PREEMPTION

The Supremacy Clause of the Constitution provides that the "Constitution, and the Laws of the United States which shall be made in Pursuance thereof . . . shall be the supreme Law of the Land."<sup>83</sup> Under that Clause, when Congress exercises an enumerated power, federal laws preempt state regulations where the two sets of legislation conflict.<sup>84</sup>

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properties such as the set." (footnote omitted)); John R. Braatz, Note, *White v. Samsung Electronics America: The Ninth Circuit Turns a New Letter in California Right of Publicity Law*, 15 PACE L. REV. 161, 218 (1994) ("The *Wheel of Fortune* set is the only unique attribute of the advertisement that reminds viewers of White, and it is not White's intellectual property but the property of the owners of the *Wheel of Fortune* copyright.").

80 See, e.g., *Wendt I*, Nos. 93-56318, 93-56510, 1995 WL 115571, at \*1 (9th Cir. Feb. 7, 1995) (the "Norm" and "Cliff" characters); *Waits v. Frito-Lay, Inc.*, 978 F.2d 1093 (9th Cir. 1992) (song); *White I*, 971 F.2d 1395 (9th Cir. 1992) (the *Wheel of Fortune* game show set); *Midler v. Ford Motor Co.*, 849 F.2d 460 (9th Cir. 1988) (song).

81 See *White II*, 989 F.2d at 1515 (Kozinski, J., dissenting) ("Instead of having an exclusive right in her name, likeness, signature or voice, every famous person now has an exclusive right to anything that reminds the viewer of her.").

82 These rights include the exclusive rights to reproduce, distribute, perform, and display the copyrighted works and to prepare derivative works based upon such works. See 17 U.S.C. § 106 (1994) (exclusive rights in copyrighted works). A derivative work is defined as:

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."

*Id.* § 101 (definitions). See generally Paul Goldstein, *Derivative Rights and Derivative Works in Copyright*, 30 J. COPYRIGHT SOC'Y 209 (1983), for an excellent discussion of derivative works. Examples of derivative works include toys, decorations, mugs, key-chains, posters, and T-shirts. See, e.g., cases cited *supra* note 13.

83 U.S. CONST. art. VI, cl. 2.

84 See JOHN E. NOWAK & RONALD D. ROTUNDA, CONSTITUTIONAL LAW § 9.1 (5th ed. 1995); see also U.S. CONST. art. VI, cl. 2; THE FEDERALIST No. 32, at 198 (Alexander Hamilton) (Clinton Rossiter ed., 1961) ("[An] exclusive delegation . . . of State sovereignty . . . would only exist . . . where it granted an authority to the Union to which a similar authority in the States would be absolutely and totally *contradictory* and *repugnant*."). For an interesting discussion of

Congress's power to regulate copyright derives from the Copyright Clause of the Constitution, which provides that "[t]he Congress shall have Power . . . to promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries."<sup>85</sup> Despite this enumerated power, "the constitutional language neither specifically endorses nor prohibits state [intellectual property] protection."<sup>86</sup> Indeed, the Copyright Clause was adopted in its final form without any debate.<sup>87</sup> Despite a brief commentary on the Copyright Clause in *The Federalist*,<sup>88</sup> "little is known of the purpose of the . . . Clause beyond what is contained in its language."<sup>89</sup> Thus, if Congress intended to prevent any state laws from interfering with the federal copyright scheme, the conflicting state law, including the right of publicity, would be preempted.

In section 301 of the Copyright Act,<sup>90</sup> Congress explicitly states its

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federal preemption and how the Framers distrusted the states during the Constitutional Convention, see Marci A. Hamilton, *The Paradox of Calvinist Distrust and Hope at the Constitutional Convention*, in RELIGIOUS PERSPECTIVES IN LAW AND LEGAL SCHOLARSHIP (Angela Carmella et al. eds., forthcoming 1999).

<sup>85</sup> U.S. CONST. art. I, § 8, cl. 8.

<sup>86</sup> Howard B. Abrams, *Copyright, Misappropriation, and Preemption: Constitutional and Statutory Limits of State Law Protection*, 1983 SUP. CT. REV. 509, 517.

<sup>87</sup> See 1 MELVILLE B. NIMMER & DAVID NIMMER, NIMMER ON COPYRIGHT § 1.01[A], at 1-4 (1998) ("Although the committee proceedings that considered the copyright clause were conducted in secret, it is known that the final form of the clause was adopted without debate"); Abrams, *supra* note 86, at 515-16 ("At the Constitutional Convention, James Madison and Charles Pinckney presented proposals giving Congress copyright and patent powers. The proposals were referred to the Committee of Detail, and on September 5, 1787 the Clause in its final form was adopted without debate."). According to Professor Abrams, the "brief" and "ambiguous" passage in *The Federalist* suggests "that in the public debate over ratification of the proposed constitution, the issue of copyright was comparatively insignificant." *Id.* at 516 n.38; see also JAMES MADISON, NOTES OF DEBATES IN THE FEDERAL CONVENTION OF 1787, 478 (Adrienne Koch ed., Ohio Univ. Press 1966) (stating Pinckney's proposal for the Copyright Clause); *id.* at 580-81 (indicating that the final form of the Copyright Clause was adopted without debate); Marci A. Hamilton, *The Dormant Copyright Clause 14* (unpublished manuscript, on file with author) [hereinafter Hamilton, *Dormant Copyright Clause*].

<sup>88</sup> James Madison offered the following commentary in *The Federalist*:

The utility of [the copyright] power will scarcely be questioned. The copyright of authors has been solemnly adjudged, in Great Britain, to be a right of the common law. The right to useful inventions seems with equal reason to belong to the inventors. The public good fully coincides in both cases with the claims of individuals. The States cannot separately make effectual provision for either of the cases, and most of them have anticipated the decision of this point, by laws passed at the instance of Congress.

THE FEDERALIST No. 43, *supra* note 84, at 271-72 (James Madison).

<sup>89</sup> Abrams, *supra* note 86, at 515; see also L.R. PATTERSON, COPYRIGHT IN HISTORICAL PERSPECTIVE 203-12 (1968); Karl Fenning, *The Origin of the Patent and Copyright Clause of the Constitution*, 17 GEO. L.J. 109 (1929); Ralph Oman, *The Copyright Clause: "A Charter for a Living People,"* 17 U. BALT. L. REV. 99, 103 (1987).

<sup>90</sup> 17 U.S.C. § 301 (1994) (preemption). The statute provides, in pertinent part:

(a) On and after January 1, 1978, all legal or equitable rights that are equivalent to any

intent to preempt state laws when: (1) the contested subject matter is “fixed in a tangible medium of expression”<sup>91</sup> and comes within the scope of the Copyright Act;<sup>92</sup> and (2) the right protected by the state law

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of the exclusive rights within the general scope of copyright as specified by section 106 in works of authorship that are fixed in a tangible medium of expression and come within the subject matter of copyright as specified by sections 102 and 103, whether created before or after that date and whether published or unpublished, are governed exclusively by this title. Thereafter, no person is entitled to any such right or equivalent right in any such work under the common law or statutes of any State.

(b) Nothing in this title annuls or limits any rights or remedies under the common law or statutes of any State with respect to—

(1) subject matter that does not come within the subject matter of copyright as specified by sections 102 and 103, including works of authorship not fixed in any tangible medium of expression; or

....

(3) activities violating legal or equitable rights that are not equivalent to any of the exclusive rights within the general scope of copyright as specified by section 106 . . . .

*Id.*

<sup>91</sup> *Id.* § 301(a). “A work is ‘fixed’ in a tangible medium of expression when its embodiment in a copy or phonorecord, by or under the authority of the author, is sufficiently permanent or stable to permit it to be perceived, reproduced, or otherwise communicated for a period of more than transitory duration.” *Id.* § 101 (definitions). “A work consisting of sounds, images, or both, that are being transmitted, is ‘fixed’ for purposes of this title if a fixation of the work is being made simultaneously with its transmission.” *Id.*

<sup>92</sup> The scope of the Copyright Act is defined in sections 102 and 103. Section 102 provides:

(a) Copyright protection subsists, in accordance with this title, in original works of authorship fixed in any tangible medium of expression, now known or later developed, from which they can be perceived, reproduced, or otherwise communicated, either directly or with the aid of a machine or device. Works of authorship include the following categories:

- (1) literary works;
- (2) musical works, including any accompanying words;
- (3) dramatic works, including any accompanying music;
- (4) pantomimes and choreographic works;
- (5) pictorial, graphic, and sculptural works;
- (6) motion pictures and other audiovisual works;
- (7) sound recordings; and
- (8) architectural works.

(b) In no case does copyright protection for an original work of authorship extend to any idea, procedure, process, system, method of operation, concept, principle, or discovery, regardless of the form in which it is described, explained, illustrated, or embodied in such work.

*Id.* § 102 (subject matter of copyright). Section 103 provides:

(a) The subject matter of copyright as specified by section 102 includes compilations and derivative works, but protection for a work employing preexisting material in which copyright subsists does not extend to any part of the work in which such material has been used unlawfully.

(b) The copyright in a compilation or derivative work extends only to the material contributed by the author of such work, as distinguished from the preexisting material employed in the work, and does not imply any exclusive right in the preexisting material. The copyright in such work is independent of, and does not affect or enlarge the scope, duration, ownership, or subsistence of, any copyright protection in the preexisting ma-

is equivalent to any of the exclusive rights protected under the Act.<sup>93</sup> Despite this “mechanical” two-pronged test,<sup>94</sup> courts have had trouble construing the preemption provision.<sup>95</sup> Although the subject matter prong does not pose much difficulty, for the scope of the Copyright Act is defined in sections 102 and 103,<sup>96</sup> the equivalent right prong is ambiguous.<sup>97</sup> Not only was the term “equivalent” undefined,<sup>98</sup> the legislative history is unclear as to what Congress intended in enacting the provision.<sup>99</sup> Instead, the legislative history reflects only that the ambiguity in the provision was not caused by careless drafting or judicial obfuscation,<sup>100</sup> but was rather the result of a last-minute compromise by the legislators,<sup>101</sup> who supported two divergent federal preemption positions.<sup>102</sup>

terial.

*Id.* § 103 (compilations and derivative works).

<sup>93</sup> See *id.* § 301(a) (preemption); see also *id.* § 106 (exclusive rights in copyrighted works).

<sup>94</sup> Abrams, *supra* note 86, at 580 (“The test of § 301 is entirely *mechanical* and ignores any questions of underlying values, goals, or purposes of the copyright statute or of the Copyright Clause.” (emphasis added)).

<sup>95</sup> See, e.g., National Car Rental Sys., Inc. v. Computer Assocs. Int’l, Inc., 991 F.2d 426 (8th Cir. 1993); Baltimore Orioles, Inc. v. Major League Baseball Players Ass’n, 805 F.2d 663 (7th Cir. 1986); Mayer v. Josiah Wedgwood & Sons, Ltd., 601 F. Supp. 1523 (S.D.N.Y. 1985); Bi-Rite Enters., Inc. v. Button Master, 555 F. Supp. 1188 (S.D.N.Y. 1983); Factors Etc., Inc. v. Pro Arts, Inc., 496 F. Supp. 1090 (S.D.N.Y. 1980), *rev’d*, 652 F.2d 278 (2d Cir. 1981); Allied Artists Pictures Corp. v. Rhodes, 496 F. Supp. 408 (S.D. Ohio 1980), *aff’d*, 679 F.2d 656 (6th Cir. 1982); Mitchell v. Penton/Indus. Publ’g Co., 486 F. Supp. 22 (N.D. Ohio 1979).

<sup>96</sup> See *supra* note 92.

<sup>97</sup> See MARSHALL A. LEAFFER, UNDERSTANDING COPYRIGHT LAW § 11.6[A], at 358 (2d ed. 1995) (“The major difficulty in construing § 301 has proven to be the [equivalent right] prong of the preemption test.”).

<sup>98</sup> See *id.* (“[T]he Act does not define ‘equivalency,’ a meaningless term which lends itself to varied interpretations.”).

<sup>99</sup> See *id.* (“[T]he legislative history concerning § 301, rather than clarifying Congressional intent, actually obfuscates the issue of what constitutes a right equivalent.”).

<sup>100</sup> See Abrams, *supra* note 86, at 537-50 (describing the legislative events that led to the final version of the provision); see also LEAFFER, *supra* note 97, § 11.6; 2 MCCARTHY, *supra* note 35, § 11.13[A][2]; 1 NIMMER & NIMMER, *supra* note 87, § 1.01[B][1][f][i].

<sup>101</sup> When the Copyright Act was originally drafted, section 301(b)(3) provided a laundry list of claims that are not preempted by the Copyright Act. By 1975, the section, as drafted and amended, read as follows:

(b) Nothing in this title annuls or limits any rights or remedies under the common law or statutes of any State with respect to—

.....

(3) activities violating legal or equitable rights that are not equivalent of the exclusive rights within the general scope of copyright as specified by section 106, including rights against misappropriation not equivalent to any of such exclusive rights, breaches of contract, breaches of trust, trespass, conversion, invasion of privacy, defamation, and deceptive trade practices such as passing off and false representation.

S. 22, 94th Cong. § 301 (1975) (as amended in committee) (emphasis added); see also H.R. REP. No. 94-1476, at 24 (1976). As explained by the House Judiciary Committee, this laundry list was “intended to illustrate rights and remedies that are different in nature from the rights comprised in

a copyright and that may continue to be protected under State common law or statute.” *Id.* at 132, reprinted in 1976 U.S.C.C.A.N. 5659, 5748. According to the Committee,

[t]he evolving common law rights of ‘privacy,’ ‘publicity,’ and trade secrets, and the general law of defamation and fraud, would remain unaffected as long as the cause of action contains elements, such as *invasion of personal rights* or a breach of trust or confidentiality, that are different in kind from copyright infringement.

*Id.* (emphasis added).

However, when the bill came to the floor of the House, Representative Seiberling (D-Ohio) moved to strike the laundry list from section 301(b)(3). See 122 CONG. REC. H32,015 (daily ed. Sept. 22, 1976) (statement of Rep. Seiberling). Based on the Justice Department’s letter, he argued that the inclusion of misappropriation would render the preemption provision meaningless:

Mr. Chairman, my amendment is intended to save the “Federal pre-emption” of State law section which is section 301 of the bill, from being inadvertently nullified because of the inclusion of certain examples in the exemptions from preemption. This amendment would simply strike the examples listed in section 301(b)(3). The amendment is strongly supported by the Justice Department, which believes that it would be a serious mistake to cite as an exemption from pre-emption the doctrine of “misappropriation.” The doctrine was created by the Supreme Court in 1922, and it has generally been ignored by the Supreme Court itself and the lower courts ever since. Inclusion of a reference to the misappropriation doctrine in this bill, however, could easily be construed by the courts as authorizing the States to pass misappropriation laws. We should not approve such enabling legislation, because a misappropriation law could be so broad as to render the pre-emption section meaningless.

*Id.* (emphasis added); see also Letter from Michael M. Uhlmann, Assistant Attorney General, Legislative Affairs, to Congressman Robert Kastenmeier, Chairman, Subcommittee on Courts, Civil Liberties, and the Administration of Justice, Committee on the Judiciary (July 27, 1996), in 9 NIMMER & NIMMER, *supra* note 87, app. 17, at 17-6 to -7 (“The ‘misappropriation theory is vague and uncertain. . . . This apparently would permit states to prohibit the reproduction of the literary expression itself under a ‘misappropriation’ theory. . . . [It] is almost certain to nullify pre-emption . . .”).

After Seiberling’s motion, Representative Railsback (R-Ill.), the ranking Republican on the House Subcommittee reporting out the bill, asked Seiberling if he “is attempting to change the existing state of the law” by striking the word misappropriation. *Id.* In response, Seiberling misstated his original position. Instead of proposing, as he originally did, “to save the ‘Federal pre-emption’ of State law,” he concluded that he intended to “leave the state law alone.” *Id.*; see also 1 NIMMER & NIMMER, *supra* note 87, § 1.01[B][1][f][i], at 1-29 (“Rep. Seiberling apparently did not understand the full implications of his original statement.”). After Seiberling’s response, the statute was passed, leaving the section as it now reads. For full discussions of this dramatic episode in the legislative history, see LEAFFER, *supra* note 97, § 11.6[B]; 2 MCCARTHY, *supra* note 35, § 11.13[A][2]; 1 NIMMER & NIMMER, *supra* note 87, § 1.01[B][1][f][i]; Abrams, *supra* note 86, at 541.

Because of this confusing episode just before the statute was passed, courts are uncertain of the congressional “intent” behind the rewording of the statute. Initially, some courts viewed the laundry list (and the House Reports comments on it) as though it had been enacted in the statute. See 2 MCCARTHY, *supra* note 35, § 11.13[A][2]. Today, most courts hold that this list has no substantive impact upon the application of the preemption provision. See, e.g., *National Car Rental Sys., Inc. v. Computer Assocs. Int’l, Inc.*, 991 F.2d 426, 434 (8th Cir. 1993) (“[I]t seems clear that the amendment that caused such deletion was not intended substantively to alter Section 301(b)(3) as regards [those examples originally included.]”); *Baltimore Orioles, Inc. v. Major League Baseball Players Ass’n*, 805 F.2d 663, 677 n.25 (7th Cir. 1986) (“[W]e place little weight on the deletion of the list of nonequivalent rights.”); *Mayer v. Josiah Wedgwood & Sons, Ltd.*, 601 F. Supp. 1523, 1533 (S.D.N.Y. 1985) (“[N]o inference as to Congress’s intent may be drawn from the fact that the illustrative list was dropped from the statute as it finally was enacted.”).

102 See sources cited *supra* note 100.



While the expansive position<sup>103</sup> treated state laws with great suspicion, as those laws tend to take materials out of the public domain,<sup>104</sup> the competing position<sup>105</sup> viewed state laws as gap fillers that complemented federal intellectual property laws.<sup>106</sup> In the end, a compromise was struck, the list of non-preempted state created claims originally included in the provision was deleted,<sup>107</sup> and the latter position was codified in section 301.<sup>108</sup>

<sup>103</sup> Judge Learned Hand advocated this position. *See, e.g.*, *Capitol Records, Inc. v. Mercury Records Corp.*, 221 F.2d 657, 664-68 (2d Cir. 1955) (Hand, J., dissenting); *G. Ricordi & Co. v. Haendler*, 194 F.2d 914 (2d Cir. 1952); *National Comics Publications, Inc. v. Fawcett Publications, Inc.*, 191 F.2d 594 (2d Cir. 1951); *RCA Mfg. Co. v. Whiteman*, 114 F.2d 86 (2d Cir. 1940); *Fashion Originators Guild of Am. v. FTC*, 114 F.2d 80 (2d Cir. 1940), *aff'd*, 312 U.S. 457 (1941); *Cheney Bros. v. Doris Silk Corp.*, 35 F.2d 279 (2d Cir. 1929).

<sup>104</sup> To understand why legislators held this position, one must realize that future authors must have access to a well-endowed public domain—the place where fundamental building materials of a new work, such as ideas, concepts, historical facts, discoveries, and technological solutions, reside and are freely available—to create new works. *See White II*, 989 F.2d 1512, 1515 (9th Cir. 1993) (Kozinski, J., dissenting) (“All creators draw in part on the work of those who came before, referring to it, building on it, poking fun at it; we call this creativity, not piracy.”); ALEXANDER LINDEY, *PLAGIARISM AND ORIGINALITY* 248 (1952) (“[T]he mind cannot feed upon itself, it can conjure its marvels only out of the stuff that has been supplied to it from the outside.”); William M. Landes & Richard A. Posner, *An Economic Analysis of Copyright Law*, 18 J. LEGAL STUD. 325, 332 (1989) [hereinafter Landes & Posner, *Economic Analysis*] (“Creating a new work typically involves borrowing or building on materials from a prior body of works, as well as adding original expression to it.”); Jessica Litman, *The Public Domain*, 39 EMORY L.J. 965, 966 (1990) (“[E]very new work is in some sense based on the works that preceded it . . . .”); *id.* at 967 (“[T]he public domain is the law’s primary safeguard of the raw material that makes authorship possible.”). Thus, legislators viewed with great suspicion state laws that tend to protect those works that the federal copyright has reserved for public use. *See also Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*, 489 U.S. 141, 151 (1989) (“To a limited extent, the federal patent laws must determine not only what is protected, but also what is free for all to use.”); *Compco Corp. v. Day-Brite Lighting, Inc.*, 376 U.S. 234, 237 (1964) (“[W]hen an article is unprotected by a patent or a copyright, state law may not forbid others to copy that article. To forbid copying would interfere with the federal policy . . . of allowing free access to copy whatever the federal patent and copyright laws leave in the public domain.”); *Sears, Roebuck & Co. v. Stiffel Co.*, 376 U.S. 225, 232-33 (1964) (“[A] state may not, when the article is unpatented and uncopyrighted, prohibit the copying of the article itself or award damages for such copying.”).

<sup>105</sup> Chief Justice Burger advocated this position in *Goldstein v. California*. 412 U.S. 546 (1973).

<sup>106</sup> *See, e.g.*, *Kewanee Oil Co. v. Bicron Corp.*, 416 U.S. 470, 491-92 (1974) (“[S]ince there is no real possibility that trade secret law will conflict with the federal policy favoring disclosure of clearly patentable inventions partial pre-emption is inappropriate.”); *Goldstein v. California*, 412 U.S. 546, 570 (1973) (“In regard to this category of ‘Writings,’ Congress has drawn no balance; rather, it has left the area unattended, and no reason exists why the State should not be free to act.”); *see also International News Serv. v. Associated Press*, 248 U.S. 215, 241-42 (1918) (introducing the misappropriation doctrine).

<sup>107</sup> *See supra* note 101 and accompanying text (describing the legislative events that led to the final version of the provision).

<sup>108</sup> *See* 2 MCCARTHY, *supra* note 35, § 11.13[A][2], at 11-66.7 (“The ‘subject matter’ door of § 301 . . . has been viewed as a codification of the Supreme Court’s *Goldstein* test . . . .”); 1 NIMMER & NIMMER, *supra* note 87, § 1.01[B][2], at 1-45 (“Th[e] statutory condition to federal pre-emption may be seen as a codification of *Goldstein v. California*.”); Abrams, *supra* note 86,

To resolve the ambiguity of this provision, commentators have adopted different interpretations of the statute. Professor Nimmer proposed the "extra elements" test,<sup>109</sup> which was summarized as follows by the Second Circuit in *Harper & Row, Publishers, Inc. v. Nation Enterprises*:<sup>110</sup>

When a right defined by state law [within the subject matter of copyright] may be abridged by an act which, in and of itself, would infringe one of the exclusive rights, the state law in question must be deemed preempted. . . . Conversely, when a state law violation is predicated upon an act incorporating elements beyond mere reproduction or the like, the rights involved are not equivalent and preemption will not occur.<sup>111</sup>

Although this test has received wide acceptance,<sup>112</sup> commentators have argued that the test "simply states a conclusion."<sup>113</sup>

Consider, for example, the display of a human audiovisual character. When the character was displayed in a movie, one court, applying the "extra elements" test, held that "[a]ppellants may choose to call their claims misappropriation of right to publicity, but if all they are seeking is to prevent a party from exhibiting a copyrighted work they are making a claim 'equivalent to an exclusive right within the general scope of

at 560 ("This language apparently was intended to make the preemption scheme of § 301 conform to the preemption standards set forth in *Goldstein*."). Nonetheless, the legislators expressed reservations about the latter position while the law was under debate. See *supra* note 101 and accompanying text; see also *Bonito Boats*, 489 U.S. at 154 (indicating that the broad *Sears-Compco* preemptive principle is still alive).

109 Nimmer's "extra elements" test was described as follows:

[A] right that is "equivalent to copyright" is one that is infringed by the mere act of reproduction, performance, distribution, or display. The fact that the state created right is either broader or narrower than its federal counterpart will not save it from preemption. . . . [I]f under state law the act of reproduction, performance, distribution, or display, no matter whether the law includes all such acts or only some, will *in itself* infringe the state-created right, then such right is preempted. But if qualitatively other elements are required, instead of, or in addition to, the acts of reproduction, performance, distribution, or display, in order to constitute a state-created cause of action, then the right does not lie "within the general scope of copyright," and there is no preemption.

1 NIMMER & NIMMER, *supra* note 87, § 1.01[B][1], at 1-12 to -13 (footnotes omitted).

110 723 F.2d 195 (2d Cir. 1983), *rev'd*, 471 U.S. 539 (1985).

111 *Id.* at 200 (citations omitted).

112 See, e.g., *id.*; *Wendt I*, Nos. 93-56318, 93-56510, 1995 WL 115571, at \*1-2 (9th Cir. Feb. 7, 1995); *National Car Rental Sys., Inc. v. Computer Assocs. Int'l, Inc.*, 991 F.2d 426, 434 (8th Cir. 1993); *Baltimore Orioles, Inc. v. Major League Baseball Players Ass'n*, 805 F.2d 663, 674 (7th Cir. 1986); *Computer Assocs. Int'l, Inc. v. Altai, Inc.*, 775 F. Supp. 544, 563-64 (E.D.N.Y. 1991); *Mayer v. Josiah Wedgwood & Sons, Ltd.*, 601 F. Supp. 1523, 1533-36 (S.D.N.Y. 1985); *Fleet v. CBS, Inc.*, 58 Cal. Rptr. 2d 645, 651 (Ct. App. 1996).

113 LEAFFER, *supra* note 97, § 11.7[B]; see *Abrams, supra* note 86, at 577 ("The typical argument . . . that it entails different elements of proof than copyright does . . . is based on a logical fallacy." (footnote omitted)).

copyright.”<sup>114</sup> By contrast, when the character was displayed as a robot in a restaurant, another court, applying the exact same test, held that “claims are not preempted by the federal copyright statute so long as they ‘contain elements, such as the invasion of personal rights . . . that are different in kind from copyright infringement.’”<sup>115</sup> The inconsistent outcomes of these two cases clearly demonstrate how unsatisfactory the “extra elements” test is.

In view of the ineffectiveness of the “extra elements” test,<sup>116</sup> some commentators<sup>117</sup> have argued that the better approach is to interpret the statute in light of the traditional constitutional preemption test enunciated in *Hines v. Davidowitz*.<sup>118</sup> Under that test, a federal statute will preempt a state law if the state law “stands as an obstacle to the accomplishment and execution of the full purposes and objectives of Congress.”<sup>119</sup> Thus, the Copyright Act will preempt the state right of publicity law if the state statute obstructs the constitutional goal of

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114 *Fleet*, 58 Cal. Rptr. 2d at 651 (citation omitted); *accord ProCD, Inc. v. Zeidenberg*, 908 F. Supp. 640, 662 (W.D. Wis. 1996) (holding that copyright preempts state computer crimes act) (“[P]laintiff cannot succeed on its underlying copyright claim by dressing it in other clothing.”), *rev’d*, 86 F.3d 1447 (7th Cir. 1996); *see also* Niva Elkin-Koren, *Copyright Policy and the Limits of Freedom of Contract*, 12 BERKELEY TECH. L.J. 93 (1997) (analyzing *ProCD*); Maureen A. O’Rourke, *Copyright Preemption After the ProCD Case: A Market-Based Approach*, 12 BERKELEY TECH. L.J. 53 (1997) (same).

115 *Wendt v. Host Int’l, Inc.*, 125 F.3d 806, 810 (9th Cir. 1997) [hereinafter *Wendt II*] (quoting *Wendt I*, Nos. 93-56318, 93-56510, 1995 WL 115571, at \*1 (9th Cir. Feb. 7, 1995)).

116 *See* LEAFFER, *supra* note 97, § 11.7[B], at 363 (“In all but the simplest cases, the extra elements test cannot be applied with any certainty.”); Sophia Davis, *State Moral Rights Law and the Federal Copyright System*, 4 CARDOZO ARTS & ENT. L.J. 233, 249 (1985) (“Although the ‘extra elements’ test is rooted in case law and finds some support in legislative history, to rely exclusively on such a test would ignore fundamental principles that surround the preemption doctrine.”); Marc J. Apfelbaum, Note, *Copyright and the Right of Publicity: One Pea in Two Pods?*, 71 GEO. L.J. 1567, 1580 (1983) (“If merely adding an extra element would prevent preemption, states could easily subvert federal preemption by simply appending a superfluous requirement to their right of publicity laws.”); *cf.* *Smith v. Weinstein*, 578 F. Supp. 1297, 1307 (S.D.N.Y. 1984) (“Plaintiff cannot merely rephrase the same claim quoting contract law and thereby obtain relief equivalent to that which he has failed to obtain under copyright law.”), *aff’d*, 738 F.2d 419 (2d Cir. 1984); LEAFFER, *supra* note 97, § 11.7[B], at 361 (“In deciding whether a cause of action is preempted, a court must look beyond the label to determine whether a right conferred by state law qualitatively differs from the exclusive rights of § 106 of the 1976 Copyright Act.”).

117 *See* LEAFFER, *supra* note 97, § 11.5, at 358 (“As always, the ultimate determination is whether the state law improperly interferes with the policies of federal copyright law.”); Abrams, *supra* note 86, at 581 (“[A] reformulation of the standards for copyright preemption . . . should be done through an intelligent and rational consideration of which allocation of authority over intellectual property will best serve to ‘promote the Progress of Science and useful Arts.’”).

118 312 U.S. 52 (1941). In *Hines*, the Court held that the Federal Alien Registration Act of 1940 preempted Pennsylvania’s Alien Registration Act of 1939, because of the supremacy of national power in the general field of foreign policy and the sensitivity of the relationship between the regulation of aliens and the conduct of foreign affairs. *See id.* *See generally* NOWAK & ROTUNDA, *supra* note 84, § 9.1-2, for an overview of the *Hines* test.

119 *Hines*, 312 U.S. at 67.

“promot[ing] the Progress of Science and useful Arts.”<sup>120</sup> Since this approach is more logically sound<sup>121</sup> and interprets the statute within the meaning of the Constitution, this Note finds the *Hines* test more preferable. Nonetheless, because of the wide judicial acceptance of the “extra elements” test, Part III considers both the “extra elements” test and the *Hines* test.

### III. APPLICATION OF THE PREEMPTION PROVISION

To satisfy the preemption test, the contested subject matter must come within the general scope of copyright.<sup>122</sup> Since actors can assert rights of publicity in both their personae and the personae of the fictional characters, this Note examines state rights with respect to each persona separately. For purposes of this Note, *human persona* refers to the actor’s persona, which includes the actor’s *unique* personal attributes, such as name, voice, likeness, physical mannerisms, and personality traits.<sup>123</sup> However, this term does not extend to the actor’s *general* physical characteristics that are not protected by either the right of privacy or right of publicity, such as sex, size, and hair color.<sup>124</sup> By contrast, *fictional persona*<sup>125</sup> refers to the *abstract* persona of the fictional

120 U.S. CONST. art. I, § 8, cl. 8.

121 See *supra* text accompanying note 113.

122 See 17 U.S.C. § 301(a) (1994) (preemption).

123 Cf. CAL. CIV. CODE § 3344 (West 1997) (prohibiting the unauthorized commercial use of a person’s “name, voice, signature, photograph, or likeness”); N.Y. CIV. RIGHTS LAW § 51 (McKinney Supp. 1998) (prohibiting the unauthorized commercial use of a person’s “name, portrait, picture, or voice”).

124 Cf. *Shaw v. Time-Life Records*, 341 N.E.2d 817, 820 (N.Y. 1975) (refusing to recognize “any property interest in the Artie Shaw ‘sound’”); *Miller v. Universal Pictures Co.*, 201 N.Y.S.2d 632, 634 (App. Div. 1960) (refusing to recognize “any property interests in the Glenn Miller ‘sound’”), *modified*, 341 N.E.2d 817 (N.Y. 1975); 1 MCCARTHY, *supra* note 35, § 3.2, at 3-6 (“[I]t should not be an infringement if advertiser merely uses a genre of character, even though it might remind some viewers of an actor that once played such a character.”); *id.* § 4.15[D], at 4-106 (arguing that it is not an infringement “if an advertisement that uses a standard ‘genre’ of characterization, such as a rough and tough explorer who wears a felt hat and carries a pistol on his hip merely ‘reminds’ some viewers of actor Harrison Ford’s famous movie portrayals of the character Indiana Jones”); Hetherington, *supra* note 36, at 44-45 (“[T]ransitory adjuncts of personality . . . [such as] hairstyle [or] wardrobe . . . standing alone, are of such dubious originality and confounding subtlety as to be undeserving of independent legal existence.”); Langvardt, *supra* note 37, at 440 (“[C]ourts and legislatures should clarify the right of publicity’s scope by limiting it to identity attributes that are *personal and unique to the celebrity*.”); Dangelo, *supra* note 33, at 522-24 (discussing limits on the characteristics that constitute personal identity); William M. Heberer III, Comment, *The Overprotection of Celebrity: A Comment on White v. Samsung Electronics America, Inc.*, 22 HOFSTRA L. REV. 729, 740 (1994) (“Unlike permanent incidents of identity, such as a celebrity’s name, photograph or distinctive voice, these more abstract characteristics, in and of themselves, are transitory and do not sufficiently distinguish one personality from another to be deserving of independent legal protection under the right of publicity.”).

125 The mastery of a fictional persona varies with different acting traditions. For example,

character that is “independently created”<sup>126</sup> by writers.<sup>127</sup> This persona includes the character’s *general* physical appearance,<sup>128</sup> personality traits,<sup>129</sup> and physical mannerisms<sup>130</sup> but does not comprise any of the actor’s unique personal attributes, which are *not* created by writers.<sup>131</sup>

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Laurence Olivier, a famous British actor, “always built his characters from the outside in.” LOUIS GIANNETTI, *UNDERSTANDING MOVIES* 271 (8th ed. 1999 [sic]). As Olivier explained, “I do not search the character for parts that are already in me . . . but go out and find the personality I feel *the author created.*” *Id.* (emphasis added) (internal quotations omitted); *see also* HAYES GORDON, *A COMPLETE COMPENDIUM OF ACTING AND PERFORMING* 111 (1992) (describing the *identity* technique) (“Identity . . . requires superimposing a character onto your fellow actor. But this character is totally (or largely) fictitious.”); *id.* (“Identity concerns an invented [person]. . . . Therefore he is as unlimited in characteristics as your imagination allows.”). By contrast, Constantin Stanislavski, the cofounder of the Moscow Art Theater, emphasized *emotional recall* in which actors recalled their own feelings and experiences and substituted them for those of their characters. *See id.* at 272. To Stanislavski, a characterization is “a true mutation” of the actor’s own personality. CONSTANTIN STANISLAVSKI, *BUILDING A CHARACTER* 23 (Elizabeth R. Hapgood trans., 1949); *see also id.* at 28 (“[A] characterization is the mask which hides the actor-individual. Protected by it he can lay bare his soul down to the last intimate detail. This is an important attribute or feature of characterization.”).

<sup>126</sup> *Feist Publications, Inc. v. Rural Tel. Serv. Co.*, 499 U.S. 340, 345 (1991).

<sup>127</sup> *Cf. Margolis, supra* note 7, at 645 (“Dialogue written by screenwriters adds additional depth to the character, enabling the audience to learn more about the character’s attitudes and persona.”).

<sup>128</sup> The general physical appearance of a character does not include the peculiar facial features of the underlying actor who personified the character. For example, “Norm”’s general physical appearance includes his overweight body but does not include George Wendt’s facial features. *See Behind the Scenes at Cheers*, *LIFE*, May 1993, at 57, 57 (“I’m like Norm in one respect. . . . Beer is my life. . . . Every year I have to gain seventy-five pounds to play Norm. I put it on before we start the shows and I take it off after we’ve finished.”); *cf. Warner Bros., Inc. v. ABC*, 720 F.2d 231, 235-36 (2d Cir. 1983) (comparing Ralph Hinkley to Superman) (“[Superman is] a tall, well-built, dark-haired, and strikingly handsome young man. . . . Although Hinkley is attractive, his physical appearance is not imposing: he is of medium height with a slight build and curly, somewhat unkempt, blond hair.”).

<sup>129</sup> The personality traits of a character include only those personality traits that are specifically created by writers and are depicted within the audiovisual work. These traits do not include those of the underlying actor. For instance, “Norm”’s personality traits include his jolly character. *See Rebecca Bricker, Take One*, *PEOPLE*, July 9, 1984, at 23, 23 (“I always play a jolly fat guy. I wanted to play a scuzzy character for a change.”). However, if George Wendt himself were to have a scuzzy personal character, such trait would not be included in “Norm”’s persona.

<sup>130</sup> It would be hard to argue whether trivial physical mannerisms, like scratching one’s head, or biting one’s nails, belong to the fictional persona or the human persona. However, if certain physical mannerisms are created specifically for the audiovisual work, the copyright holder has a strong property claim over those created mannerisms.

<sup>131</sup> *See* RESTATEMENT (THIRD) OF UNFAIR COMPETITION § 46 cmt. i (1995) (“[C]opyright in a film or videotape of a person’s performance does not extend to the personal likeness or other identifying characteristics of the performer . . . . Thus, the subject matter of the right of publicity generally lies outside the scope of copyright.”); *see also Harper & Row, Publishers, Inc. v. Nation Enters.*, 471 U.S. 539, 548 (1985) (“[C]opyright does not prevent subsequent users from copying from a prior author’s work those constituent elements that are not original . . . [including] works, facts, or materials in the public domain.”). *But see Margolis, supra* note 7, at 657 (“The law grants the copyright owner the exclusive use of his copyright, which includes the likeness of an actor in character just as it may include the costumes designed by another studio employee.”)

To illustrate, a robot displaying Vanna White's likeness<sup>132</sup> exploited a human persona. Although White played the role of the hostess of the *Wheel of Fortune* game show,<sup>133</sup> such a role does not constitute an abstract persona created by writers. Rather, that role depicted White's own "natural likeness,"<sup>134</sup> her own human persona. By contrast, a robot that displayed "Rocky Balboa"<sup>135</sup>—the hero of the *Rocky* movie series—but not Sylvester Stallone's peculiar facial features exploited a fictional persona. Instead of a five-foot-ten, muscular, English-speaking celebrity-actor, "Rocky" was specifically created for the first *Rocky* movie<sup>136</sup> to portray a simple-minded, thirty-year-old Philadelphia boxer, who tried to make "the big time" by fighting against the heavyweight champion.<sup>137</sup> Indeed, one court has recognized "Rocky" as "one of the most highly delineated . . . characters in modern American cinema."<sup>138</sup>

Unfortunately, not all characters can be distinguished that easily. Standing in between a human persona and a fictional persona is a *hybrid persona*, which is commonly found in characters in a television situation comedy. Examples of such persona include "Norm Peterson" from *Cheers*<sup>139</sup> and "Jerry Seinfeld" from *Seinfeld*.<sup>140</sup> Because this hybrid persona contains both the actor's human persona and the character's fictional persona,<sup>141</sup> determining whether works displaying such persona

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(footnote omitted)).

132 Vanna White's persona was the subject matter contested in *White I*. 971 F.2d 1395 (9th Cir. 1992); see discussion *supra* text accompanying notes 74-79.

133 See *White II*, 989 F.2d 1512, 1514 (9th Cir. 1993).

134 Heberer, *supra* note 124, at 745 ("Vanna White's natural likeness is indistinguishable from her likeness on *Wheel of Fortune* because she plays herself on the show.").

135 The copyright of the "Rocky" character was contested in *Anderson v. Stallone*. No. 87-0592 WDKGX, 1989 WL 206431, at \*1 (C.D. Cal. Apr. 25, 1989). In *Anderson*, the court held that the Copyright Act preempts both the plaintiff's unjust enrichment and unfair trade practice claims. See *id.* at \*5.

136 Although Sylvester Stallone played "Rocky," he also created "Rocky"'s fictional persona in his capacity as a writer. See *id.* at \*1 ("Sylvester Stallone wrote each script and played the role of Rocky Balboa, the dominant character in each of the movies."). Noticing these two different capacities is important, because a person may take up more than one capacity within a single project, and such capacity (or capacities) may eventually affect that person's rights in the creative work. For instance, an actor should have the exclusive right to use the audiovisual characters he played if he is also the copyright holder of the audiovisual work. However, this exclusive right originates from his capacity as a copyright holder, rather than his capacity as an actor.

137 See *ROCKY* (United Artists 1976).

138 *Anderson*, 1989 WL 206431, at \*7.

139 *Cheers* (Paramount Pictures 1982-1991); see discussion *infra* Part IV.

140 *Seinfeld* (Castle Rock Entertainment 1990-1998).

141 See discussion *infra* Part IV. Unlike the "Jerry" character, other characters in the show, such as "Kramer," "George," and "Elaine," present less difficulty when one has to distinguish between the fictional persona and the human persona. See *Jerry Seinfeld: Part Serious Artist, Part Arrested Adolescent, the Man Behind Mulva Is, at Heart, a Stand-up Guy*, PEOPLE EXTRA

exploit a human persona or a fictional persona is very difficult. Thus, Part IV proposes a “fictional persona” test to help determine the type of persona the allegedly infringing work exploited.<sup>142</sup>

#### A. Human Persona

For preemption to occur, both the subject matter and equivalent right prongs of the preemption provision must be satisfied.<sup>143</sup> If either prong fails, the state created right will not be preempted. To satisfy the subject matter prong, the contested subject matter must be both a “work[] of authorship”<sup>144</sup> and “fixed in [a] tangible medium of expression.”<sup>145</sup> A human persona fails both requirements.<sup>146</sup>

“[O]ne is not the ‘author’ of one’s face or appearance, no matter how much cosmetic surgery has been performed. Either God, fate or one’s parent’s genes ‘authored’ this work.”<sup>147</sup> Even when one’s persona is embodied in a copyrighted work, such as a motion picture or a television series, “such name and likeness does not become a work of authorship.”<sup>148</sup> Indeed, “it is ridiculous to regard the people who might be pictured in a photograph or painting as authors.”<sup>149</sup>

In addition, a human persona, “var[ying] with time and tribulation,”<sup>150</sup> cannot be “fixed” within the meaning of the Copyright Act.<sup>151</sup>

(Special *Seinfeld* Farewell Issue), Spring 1998, at 24, 26 [hereinafter *Part Serious Artist*] (“His TV costars were all actors who created characters distinct from themselves.”).

<sup>142</sup> See *infra* text accompanying notes 320-21.

<sup>143</sup> See *supra* text accompanying notes 91-93; see also 17 U.S.C. § 301(a) (1994) (preemption); LEAFFER, *supra* note 97, § 11.5; 2 MCCARTHY, *supra* note 35, § 11.13[A][2].

<sup>144</sup> 17 U.S.C. § 102(a) (subject matter of copyright).

<sup>145</sup> *Id.*

<sup>146</sup> See Paul Heald, *Federal Intellectual Property Law and the Economics of Preemption*, 76 IOWA L. REV. 959, 995 (1991) (“Federal protection of personal appearance, style, likeness, and reputation is simply not available under the categories currently listed in sections 102(a) or 103(a) of the Copyright Act.”).

<sup>147</sup> 2 MCCARTHY, *supra* note 35, § 11.13[C][2], at 11-73; see also *Burrow-Giles Lithographic Co. v. Sarony*, 111 U.S. 53, 58 (1884) (defining “author” as “he to whom anything owes its origin”).

<sup>148</sup> 1 NIMMER & NIMMER, *supra* note 87, § 1.01[B][1][c], at 1-23 (“Such name and likeness do not become a work of authorship simply because they are embodied in a copyrightable work such as a photograph.”).

<sup>149</sup> Shipley, *Three Strikes*, *supra* note 42, at 387.

<sup>150</sup> 1 MCCARTHY, *supra* note 35, § 5.5[B][3], at 5-49.

<sup>151</sup> 17 U.S.C. § 101 (1994) (definitions) (“A work is ‘fixed’ in a tangible medium of expression when its embodiment in a copy or phonorecord . . . is sufficiently permanent or stable to permit it to be perceived, reproduced, or otherwise communicated for a period of more than transitory duration.”); see also 2 MCCARTHY, *supra* note 35, § 11.13[C][2], at 11-73 (“[I]t is difficult to see how a person’s face, appearance or persona is a ‘fixed’ work.”); Heald, *supra* note 146, at 995 (“[A] person’s identity or persona is [not] . . . ‘fixed in any tangible medium of expression.’”); Michael J. McLane, *The Right of Publicity: Dispelling Survivability, Preemption and First Amendment Myths Threatening to Eviscerate a Recognized State Right*, 20 CAL. W. L. REV.

Indeed, any “[a]rgument[] that one’s persona may be captured in various tangible media and therefore may be protected by the Copyright Act reveal[s] a fundamental misconception of the nature and extent of the Act’s protection.”<sup>152</sup> Thus, a human persona does not come within the general scope of copyright<sup>153</sup> and fails the subject matter prong of the preemption test.<sup>154</sup> Accordingly, the Copyright Act does not preempt any state rights with respect to human persona.<sup>155</sup>

This conclusion is consistent with the holdings in *White v. Samsung Electronics America, Inc.*<sup>156</sup> and *Waits v. Frito-Lay, Inc.*<sup>157</sup> In both cases, an entertainer’s human persona was exploited. In *White*, because Vanna White’s role as the game show hostess did not constitute a fictional persona,<sup>158</sup> her human persona was evoked when Samsung Electronics combined together, on a single advertisement, the actress’s “dress, hair color, and pose turning a letter on distinctive and widely recognizable game board.”<sup>159</sup> White’s state right of publicity claim was

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415, 423 (1984) (“One’s [human] persona, in all its varying aspects, is incapable of reduction to tangible form.”).

152 McLane, *supra* note 151, at 423; *see also* Lugosi v. Universal Pictures, 603 P.2d 425, 448 (Cal. 1979) (“The intangible proprietary interest protected by the right of publicity simply does not constitute a writing. That interest may be valuable due to the individual’s creative intellectual labors, but the publicity value generated by these labors is not focused in a ‘physical rendering.’”); 1 NIMMER & NIMMER, *supra* note 87, § 1.01[B][1][c], at 1-23 (“A *persona* can hardly be said to constitute a ‘writing’ of an ‘author’ within the meaning of the Copyright Clause of the Constitution.” (footnote omitted)).

153 See 17 U.S.C. § 102(a) (subject matter of copyright) (text of statute cited *supra* note 92).

154 Since the subject matter prong fails, courts do not have to examine the equivalent right prong.

155 See *Benn v. Playskool, Inc.*, No. CV91 0121058 S, 1995 WL 155439, at \*5 (Conn. Super. Ct. Mar. 30, 1995) (holding that federal copyright law does not preempt state law claim for infringement of the right of publicity by unauthorized use of photo in advertising); *Shamsky v. Garan, Inc.*, 632 N.Y.S.2d 930, 935 (Sup. Ct. 1995) (holding that copyright law does not preempt athletes’ claims against the unauthorized use of their photos imprinted on a jersey); RESTATEMENT (THIRD) OF UNFAIR COMPETITION, *supra* note 131, § 46 cmt. i (“Claims for infringement of the right of publicity are thus not generally preempted by federal law.”). *But see* Margolis, *supra* note 7, at 632 (“[T]he studio who hired the actor should be able to control the use of a character it has developed, including images of the actor in role. The studio’s rights should surpass even the actor’s right of publicity.” (emphasis added) (footnote omitted)).

156 971 F.2d 1395 (9th Cir. 1992).

157 978 F.2d 1093 (9th Cir. 1992).

158 See *supra* text accompanying notes 132-34.

159 McCarthy, *supra* note 19, at 136. Judge Goodwin explained the court’s holding clearly:

Viewed separately, the individual aspects of the advertisement in the present case say little. Viewed together, they leave little doubt about the celebrity the ad is meant to depict. The female-shaped robot is wearing a long gown, blond wig, and large jewelry. Vanna White dresses exactly like this at times, but so do many other women. The robot is in the process of turning a block letter on a game-board. Vanna White dresses like this while turning letters on a game-board but perhaps similarly attired Scrabble-playing women do this as well. The robot is standing on what looks to be the Wheel of Fortune game show set. Vanna White dresses like this, turns letters, and does this on



therefore not preempted.<sup>160</sup> Likewise, in *Waits*, Tom Waits' "raspy, gravelly singing voice," which constitutes part of the singer's human persona, was misappropriated by Frito-Lay's radio commercial.<sup>161</sup> His state right of publicity claim was therefore not preempted.<sup>162</sup>

### B. *Fictional Persona*

Unlike a human persona, a fictional persona satisfies the subject matter prong of the preemption test. Since a fictional persona is, by definition, "independently created by,"<sup>163</sup> and "owes its origin,"<sup>164</sup> to writers, that persona constitutes a "work[] of authorship"<sup>165</sup> and may satisfy the constitutional originality requirement mandated by *Feist Publications, Inc. v. Rural Telephone Service Co.*<sup>166</sup> Moreover, because the embodiment of a fictional persona on film is "sufficiently permanent . . . to permit it to be perceived [or] reproduced [with the aid of a device] for a period of more than transitory duration,"<sup>167</sup> a fictional persona is "fixed in a tangible medium of expression"<sup>168</sup> and therefore fits within the scope of the Copyright Act.

Even though the subject matter prong is satisfied, the equivalent right prong must also be satisfied for preemption to occur. To determine whether the equivalent right prong is satisfied, courts have adopted two different approaches. The first approach utilizes Professor Nimmer's "extra elements" test.<sup>169</sup> Under that test, unless a state law

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the Wheel of Fortune game show. She is the only one.  
*White I*, 971 F.2d at 1399.

160 *See id.* ("Because White has alleged facts showing that Samsung and [the advertising agency] had appropriated her identity, the district court erred by rejecting, on summary judgment, White's common law right of publicity claim.")

161 *Waits*, 978 F.2d at 1100 ("Waits' claim . . . is for infringement of voice, not for infringement of a copyrightable subject such as sound recording or musical composition.")

162 *See id.* ("We rejected copyright preemption in *Midler* because voice is not a subject matter of copyright: 'A voice is not copyrightable. The sounds are not "fixed." . . . As a three-judge panel, we are not at liberty to reconsider this conclusion, and even if we were, we would decline to disturb it.' (quoting *Midler v. Ford Motor Co.*, 849 F.2d 460, 462 (9th Cir. 1988)).

163 *Feist Publications, Inc. v. Rural Tel. Serv. Co.*, 499 U.S. 340, 345 (1991) ("To qualify for copyright protection, a work must be original to the author. Original, as the term is used in copyright, means only that the work was *independently created* by the author . . . and that it possesses at least some minimal degree of creativity." (emphasis added) (citation omitted)).

164 *Burrow-Giles Lithographic Co. v. Saroni*, 111 U.S. 53, 58 (1884) (defining "author" as "he to whom anything owes its origin").

165 17 U.S.C. § 102(a) (1994) (subject matter of copyright).

166 499 U.S. 340, 346 (1991) ("Originality is a constitutional requirement."). For discussion of *Feist*, see *infra* text accompanying notes 333-35.

167 17 U.S.C. § 101 (definition of fixation); *see also id.* § 102(a) ("Copyright protection subsists . . . in . . . works . . . fixed in any tangible medium of expression, . . . from which they can be perceived, reproduced . . . with the aid of a machine or device.")

168 *Id.* § 102(a) (subject matter of copyright).

169 *See supra* text accompanying notes 109-11.

“contain[s] elements . . . that are *different in kind* from copyright infringement,”<sup>170</sup> that law will be preempted if it can be infringed upon by an act that would infringe upon one of the exclusive rights protected under the Copyright Act.<sup>171</sup>

The right to prepare derivative works of a fictional persona is apparently an exclusive right protected under the Copyright Act. The outcome of the preemption test therefore depends on whether the state created right contains elements that are different in kind from those of copyright. Actors, like those in *Wendt v. Host International, Inc.*,<sup>172</sup> would argue that the state created right “contain[s] elements, such as the invasion of *personal* rights.”<sup>173</sup> However, this argument confuses the litigated subject matter. Human persona is *not* at issue, fictional persona is. Since a fictional persona, by definition, does *not* contain any personal attributes of the actor, the state created right does not contain any extra elements, such as invasion of privacy, and is accordingly preempted by the Copyright Act.

The second approach utilizes the *Hines* test,<sup>174</sup> which provides that a state law will be preempted if it “stands as an obstacle to the accomplishment and execution of the full purposes and objectives of Congress.”<sup>175</sup> Since the ultimate goal of the copyright scheme is to “promote the Progress of Science and useful Arts,”<sup>176</sup> the state created right will be preempted if it stands as an obstacle to the accomplishment and execution of this constitutional goal.

### 1. Economic Incentives

Although courts generally prefer structural analysis to economic analysis in resolving the preemption question,<sup>177</sup> economic analysis is

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<sup>170</sup> *Wendt II*, 125 F.3d 806, 810 (9th Cir. 1997) (quoting *Wendt I*, Nos. 93-56318, 93-56510, 1995 WL 115571, at \*1 (9th Cir. Feb. 7, 1995)) (emphasis added).

<sup>171</sup> See *Harper & Row, Publishers, Inc. v. Nation Enters.*, 723 F.2d 195, 200 (2d Cir. 1983) (articulating the “extra elements” test), *rev'd*, 471 U.S. 539 (1985).

<sup>172</sup> 125 F.3d 806 (9th Cir. 1997).

<sup>173</sup> *Id.* at 810 (quoting *Wendt I*, 1995 WL 115571, at \*1) (emphasis added) (internal quotation marks omitted); see also *Beer & Pekowsky*, *supra* note 35, at 4 (“[T]he right of publicity is an economic rather than personal right . . .”).

<sup>174</sup> See *supra* text accompanying notes 119-20.

<sup>175</sup> *Hines v. Davidowitz*, 312 U.S. 52, 67 (1941).

<sup>176</sup> U.S. CONST. art. I, § 8, cl. 8.

<sup>177</sup> See, e.g., *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*, 489 U.S. 141, 156-57 (1989) (emphasizing the proper functions of federal courts, rather than the economic efficiency of federal patent law); see also *Heald*, *supra* note 146, at 967-68. Professor Heald suggested that there are two possible reasons for such disfavor. First, “[d]etermining whether a state statute is efficient will almost always be beyond the expertise of courts.” *Id.* at 968. Second, “[f]ederalism concerns militate withholding the inexact task of determining efficiency from the courts because the consequence of error is so high—the invalidation of state legislation.” *Id.*

appropriate in the copyright context, because the balance between federal and state law “is based on specific economic incentives and disincentives.”<sup>178</sup>

a. *Original Works*

The primary purpose of copyright is “to foster the creation and dissemination of intellectual works for the public welfare,”<sup>179</sup> thus advancing “the Progress of Science and useful Arts.”<sup>180</sup> Stimulation is provided by giving copyright holders exclusive rights to control and profit from the use of their intellectual creations.<sup>181</sup> These exclusive rights include the rights to reproduce, distribute, perform, and display the copyrighted works.<sup>182</sup> Granting such rights is necessary to prevent free riding<sup>183</sup> and to generate incentives for authors to create and disseminate works of social value.<sup>184</sup>

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178 Heald, *supra* note 146, at 967 (“Since that balance is based on specific economic incentives and disincentives, the preemption question quite appropriately lends itself to economic analysis.” (emphasis added)); see also Landes & Posner, *Economic Analysis*, *supra* note 104, at 325 (“Intellectual property is a natural field for economic analysis of law, and copyright is an important form of intellectual property.” (footnote omitted)).

179 REGISTER OF COPYRIGHTS, 87TH CONG., 1ST SESS., COPYRIGHT LAW REVISION 5 (Comm. Print 1961); see also *Sony Corp. of Am. v. Universal City Studios, Inc.*, 464 U.S. 417, 432 (1984) (“[T]he ultimate aim is . . . to stimulate artistic creativity for the general public good.” (quoting *Twentieth Century Music Corp. v. Aiken*, 422 U.S. 151, 156 (1975))).

180 U.S. CONST. art. I, § 8, cl. 8.

181 See *Sony*, 464 U.S. at 432 (“The immediate effect of our copyright law is to secure a fair return for an ‘author’s’ creative labor. But the ultimate aim is, by this incentive, to stimulate artistic creativity for the general public good.” (quoting *Twentieth Century Music Corp.*, 422 U.S. at 156)); see also *White II*, 989 F.2d 1512, 1513 (9th Cir. 1993) (Kozinski, J., dissenting) (“Private property, including intellectual property, . . . provides an incentive for investment and innovation.”); Litman, *The Public Domain*, *supra* note 104, at 970 (“To provide the author with a market in which she can seek compensation for her creation, we establish property rights in her work and allow her to sell or lease these rights to others.”).

182 See 17 U.S.C. § 106 (1994) (exclusive rights in copyrighted works).

183 Free riding occurs when an individual “engages in deceit to avoid paying the price that he himself regards as an appropriate measure of its value.” Earl R. Brubaker, *Free Ride, Free Revelation, or Golden Rule?*, 18 J.L. & ECON. 147 (1975). Economically, free riders act differently from individuals bargaining for private goods:

Acting in self-interest individuals normally seek to pay the lowest amount for which potential sellers can be induced to give up a good. Bargaining for a private good differs, however, in that the process culminates in a price that is mutually acceptable to both parties. The potential buyer of a private good may fail to reveal his full evaluation, but he does so with the knowledge that he will eventually ‘reveal’ an amount that will be acceptable to his trading partner, if, of course, an exchange is to take place. There seems no way for the individual potential purchaser of a collective good to adopt a similar approach to the bargaining process.

*Id.* at 153 n.10. For excellent discussions of free riding and public goods, see generally *id.*; Grady, *supra* note 41, at 98-100.

184 See Goldstein, *supra* note 82, at 216 (“The purpose of copyright is to attract private investment to the production of original expression.”); Landes & Posner, *Economic Analysis*, *supra*

Consider, for instance, the motion picture industry. The production cost in that industry is very high whereas the cost of reproduction is very low.<sup>185</sup> Because of this disparity between production and reproduction costs, the problem of free riding is acute.<sup>186</sup> Copyright protection is therefore needed to assure writers<sup>187</sup> a fair return on their investments in creation.<sup>188</sup> Providing writers, and thus producers (through

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note 104, at 335 (“Some copyright protection is necessary to generate the incentives to incur the costs of creating easily copied works . . .”); Stewart E. Sterk, *Rhetoric and Reality in Copyright Law*, 94 MICH. L. REV. 1197, 1207 (1996) (“By giving copyright protection to works of authorship, we increase the cost of copying, raise the return on creative authorship, and, at the margin, encourage more people to create.”); see also ANTHONY TROLLOPE, AN AUTOBIOGRAPHY 90 (Univ. Cal. Press 1947) (1883) (“[T]ake away from English authors their copyrights, and you would very soon take away from England her authors.”).

It should be noted that some authors may find it worthwhile to create their works even if their works are not accorded copyright protection. See Sterk, *supra*, at 1213 (“Not all ‘authors’ need copyright protection to induce them to create.”). For example, “giving copyright protection to personal snapshots or home videos is unlikely to have any impact on their volume. People who take snapshots and videos expect no financial return and would engage in the same behavior without regard to the availability of copyright protection.” *Id.* Similarly, Dr. Martin Luther King, Jr. would most likely still have made his famous “I Have a Dream” speech during the 1963 Civil Rights March in Washington even if the speech had not been accorded copyright protection. See *id.* at 1225 (“It seems obvious that King would have made that speech even if he had been informed explicitly that no copyright protection was available.”).

185 The low cost of reproduction can be demonstrated by the recording of television programs on videocassettes. See, e.g., Landes & Posner, *Economic Analysis*, *supra* note 104, at 326 (“While the cost of creating a work subject to copyright protection—for example, . . . [a] movie . . . is often high, the cost of reproducing the work, whether by the creator or by those to whom he has made it available, is often low.”).

186 Professor Sterk illustrated clearly the adverse impact of free riding on the authors’ incentives to create:

If the author of a creative work cannot prevent copying, any potential copyist has an incentive to reproduce the creative work so long as the market price for the work is greater than the marginal cost of reproduction. As a result, the market price for copies of the work would approach the marginal cost of reproduction. If copies were indistinguishable in quality from the original, the market price for the original, too, would approach the marginal cost of reproduction. At that price, however, the author would realize no financial return on his investment in creating the work. In this world, only authors unconcerned with financial return would produce creative works.

Sterk, *supra* note 184, at 1204 (footnotes omitted); see also Landes & Posner, *Economic Analysis*, *supra* note 104, at 326.

187 Throughout this Note, the term *writers* is used collectively to include all those creative artists that are responsible for creating the fictional persona of the audiovisual character.

188 See LEAFFER, *supra* note 97, § 1.8, at 16 (“Without a proper return on investment, a producer, for example, will not invest the millions of dollars it takes to create a movie, if it can be copied by a free rider who has none of the development costs.”); Wendy J. Gordon, *An Inquiry into the Merits of Copyright: The Challenges of Consistency, Consent, and Encouragement Theory*, 41 STAN. L. REV. 1343, 1389 (1989) (“Just as a farmer will not voluntarily cultivate land if any other person can come along and harvest the land, an author without copyright will not have sufficient pecuniary incentive to engage in the productive act of artistic creation.” (quoting S.J. Liebowitz, *Copyright Law, Photocopying, and Price Discrimination*, in 8 RESEARCH IN LAW AND ECONOMICS: THE ECONOMICS OF PATENT AND COPYRIGHTS 181, 184 (John Palmer & Richard O. Zerby, Jr. eds., 1986))); Sterk, *supra* note 184, at 1212 (“[C]opyright is most critical

contractual or work-made-for-hire arrangements),<sup>189</sup> with monopolies over their creative works not only enables them to recapture their investments,<sup>190</sup> but also raises their returns by increasing the reproduction costs through legal sanctions, thus preventing others from free riding on the writers' creative efforts.<sup>191</sup>

If, by asserting their state claims, actors were able to interfere with the copyright holders' exclusive use of the copyrighted works, such interference would prevent copyright holders from obtaining monopoly profits. Incentives generated under the existing copyright scheme would therefore be reduced,<sup>192</sup> and the market would shift rewards<sup>193</sup> for

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when the cost of copying is low relative to the cost of initial creation.”).

<sup>189</sup> Under the United States copyright system, the producer is considered the legal author and the first copyright holder of the audiovisual work unless writers reserve their copyright rights through contracts. See 17 U.S.C. § 201(b) (1994) (works made for hire); see also discussion *infra* Part III.B.3. However, this legal presumption of authorship is different in Europe:

In France, the authors are presumed, in the absence of contrary proof, to be the author of the script, the author of the adaptation, the author of the dialogue, the author of the music composed for the work, and the director. Germany does not define the motion picture authors in its statutory code; however, German jurisprudence looks first to the director, cameraman and cutter as the authors.

Laura A. Pitta, *Economic and Moral Rights Under U.S. Copyright Law: Protecting Authors and Producers in the Motion Picture Industry*, 12 ENT. & SPORTS LAW. 3, 6 (1995) (footnote omitted). Indeed, in 1993 the European Communities adopted a directive specifying that “[t]he principal director of a cinematographic or audiovisual work shall be considered as its author or one of its authors.” Council Directive 93/98/EEC of 29 October 1993 Harmonizing the Term of Protection of Copyright and Certain Related Rights, art. 2(1), 1993 O.J. (L 290) 9, 11.

<sup>190</sup> See HOUSE COMM. ON THE JUDICIARY, 88TH CONG., 1ST SESS., COPYRIGHT LAW REVISION, PART 2: DISCUSSION AND COMMENTS ON REPORT OF THE REGISTER OF COPYRIGHTS ON THE GENERAL REVISION OF THE U.S. COPYRIGHT LAW 342 (Comm. Print 1963) [hereinafter MPAA COMMENTS] (comments received from the Motion Picture Association of America, Mar. 2, 1962) (“When the motion picture is completed, the producer becomes the owner of a new copyrightable creation, the motion picture, and seeks to recoup his investment under the protection of his own copyright in that new creation.”).

<sup>191</sup> See Sterk, *supra* note 184, at 1207 (“By giving copyright protection to works of authorship, we increase the cost of copyright, raise the return on creative authorship, and, at the margin, encourage more people to create.”).

<sup>192</sup> See Langvardt, *supra* note 37, at 424 (“[T]he interests of the copyright owner stand at risk of being diminished by the *White* version of the right of publicity.”).

<sup>193</sup> Judge Kennedy expressed this point succinctly in his dissent in *Carson v. Here's Johnny Portable Toilets, Inc.*:

[T]he majority is awarding Johnny Carson a *windfall*, rather than vindicating his economic interests, by protecting the phrase “Here’s Johnny” which is merely associated with him. . . . There is nothing in the record to suggest that “Here’s Johnny” has any nexus to Johnny Carson other than being the introduction to his personal appearances. The phrase is not part of an identity that he created. . . . The phrase [did not] . . . originate[] with Johnny Carson . . . . [It] is not said by Johnny Carson, but said of him . . . . [It is said generally] by Ed McMahon in a drawn out and distinctive voice after the theme music to “The Tonight Show” is played, and immediately prior to Johnny Carson’s own entrance. . . .

[I]n awarding publicity rights in a phrase neither created by him nor performed by him, economic reward and protection is divorced from personal incentive to produce

the creation of the fictional persona<sup>194</sup> from writers to actors.<sup>195</sup> As a result, some writers “would find it worthwhile to abandon authorship for other pursuits,”<sup>196</sup> and our society would suffer,<sup>197</sup> as some writers would not use talents and expertise in ways corresponding to their abilities.<sup>198</sup>

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on the part of the protected and benefited individual. *Johnny Carson is simply reaping the rewards of the time, effort and work product of others.*

698 F.2d 831, 838-39 (6th Cir. 1983) (Kennedy, J., dissenting) (emphasis added) (citation and footnote omitted); see also Heberer, *supra* note 124, at 750 (“[White] not only protects Vanna White’s ability to be compensated for her own endeavors but also allows her to be compensated for the endeavors of others; based on the tenuous assertion that the defendants in some way appropriated her ‘persona.’”).

194 Cf. *Carson*, 698 F.2d at 839 (stating that the phrase “Here’s Johnny” was “neither created by him nor performed by him”); Langvardt, *supra* note 37, at 419 (“In effect[,] . . . the Ninth Circuit ruled that [Vanna] White was entitled to claim, as a protected attribute of her identity, someone else’s property.”); David A. Kaplan & Tessa Namuth, *I’d Like to Buy a Dollar*, NEWSWEEK, Apr. 5, 1993, at 54, 54 (“It’s really Norm and Cliff—and the clever folks who created them—who have a beef with the bars.” (emphasis added)); Michael C. Lasky & Howard Weingrad, *Is Permission Needed to Make His Day?; Right of Publicity Often Implicated by New Systems*, N.Y. L.J., Mar. 7, 1994, at S-1, S-1 (“[Even though t]he phrase, ‘Go ahead, make my day,’ is so indelibly linked with [actor Clint] Eastwood that its mere use . . . unquestionably evokes his image[,] . . . it is by no means his personal property [but] a scripted line from a movie . . . [which] belongs to the movie’s producers, not to Mr. Eastwood.”).

The actors’ minimal involvement in creating the fictional persona weakens tremendously the unjust enrichment theory on which many rights of publicity cases were based. See, e.g., *Zacchini v. Scripps-Howard Broad. Co.*, 433 U.S. 562, 576 (1977) (“The rationale for [protecting the right of publicity] is the straight-forward one of preventing unjust enrichment by the theft of good will.” (quoting Harry Kalven, Jr., *Privacy in Tort Law—Were Warren and Brandeis Wrong?*, 31 LAW & CONTEMP. PROBS. 326, 331 (1966))); *McFarland v. Miller*, 14 F.3d 912, 920 (3d Cir. 1994) (“Where an actor’s screen persona becomes so associated with him that it becomes inseparable from the actor’s own public image, the actor obtains an interest in the image which gives him standing to prevent mere interlopers from using it without authority.” (emphasis added)); *Carson*, 698 F.2d at 837 (“Vindication of the right [of publicity] will . . . tend to prevent unjust enrichment by persons . . . who seek commercially to exploit the identity of celebrities without their consent.”).

195 Cf. GIANNETTI, *supra* note 125, at 362 (“Perhaps more than any of the director’s other collaborators, the screenwriter has been brought forward from time to time as the main ‘author’ of a film.”); *id.* at 239 (“No matter what you do in film, it is, after all, bits and pieces for the director, and that’s marvelous for the director but it doesn’t allow the actor to learn to mold a part. In films, it’s the director who is the artist.” (statement of Actress Kim Stanley) (internal quotations omitted)).

196 Sterk, *supra* note 184, at 1207; see also Litman, *The Public Domain*, *supra* note 104, at 970 (“In a world in which such reproduction is not restrained, an author will be unable to recover the costs of creating a work and will therefore forgo the creative endeavor in favor of something more remunerative.”).

197 See Grady, *supra* note 41, at 102 (“For singing, [Tom] Waits receives an amount that . . . corresponds to a real social asset. Society would be poorer if Waits left singing and took up work as an auctioneer.”).

198 See *id.* at 99 (“A price lower than cost is economically inefficient, because it encourages people to use [resources] in ways that have lower values than those of the goods that might have been produced instead.”).

b. *Derivative Works*

The Copyright Act also grants copyright holders “the exclusive right . . . to prepare derivative works based upon the copyrighted work,”<sup>199</sup> which includes not only the rights to make movie-related merchandise and commercials but also the rights to make sequels,<sup>200</sup> prequels,<sup>201</sup> and spinoffs.<sup>202</sup> This right “enables the copyright owner to exploit markets other than the one in which the work was first published.”<sup>203</sup> In today’s motion picture industry, where movie costs may be enormous,<sup>204</sup> the right to prepare derivative works is much needed.<sup>205</sup> Indeed, for some expensive projects, “the prospect of profits from derivative works is necessary to create adequate incentives for production

199 17 U.S.C. § 106(2) (1994) (exclusive rights in copyrighted works).

200 A *sequel right* is a “right to make ‘subsequent stories employing the same characters in different plots or sequences.’” 3 NIMMER & NIMMER, *supra* note 87, § 10.14[L] (quoting Landon v. Twentieth Century-Fox Film Corp., 384 F. Supp. 450 (S.D.N.Y. 1974)); *see also* Kurtz, *Independent Legal Lives*, *supra* note 5, at 436 & n.42.

201 A *prequel* is similar to a sequel except that characters are employed “in a time setting before rather than contemporaneous with or after that of the earlier work.” Kurtz, *Independent Legal Lives*, *supra* note 5, at 436 n.42. “The prequel is a particularly useful device when many of the characters in the earlier work die at the end, making a sequel difficult.” *Id.* The increasing popularity of prequel in the entertainment industry can be demonstrated by the upcoming *Star Wars* prequels.

202 A *spinoff* is “a new television series based on a character appearing in an existing series.” 1 THOMAS D. SELZ ET AL., ENTERTAINMENT LAW § 5.05, at 5-25 (2d ed. 1992); *see also* Kurtz, *Independent Legal Lives*, *supra* note 5, at 436 & n.43; *see also* Warner Bros., Inc. v. CBS, 216 F.2d 945, 949 (9th Cir. 1954) (“[H]istorically and presently detective fiction writers have [carried] and do carry the leading characters with their names and individualisms from one story into succeeding stories . . . . The reader’s interest thereby snowballs as new ‘capers’ of the familiar characters are related in succeeding tales.”).

203 LEAFFER, *supra* note 97, § 8.5, at 227; *see also* Goldstein, *supra* note 82, at 227 (“Derivative rights affect the *level* of investment in copyrighted works by enabling the copyright owner to proportion its investment to the level of expected returns from all markets, not just the market in which the work first appears.”).

204 *See, e.g.*, “*City of Angels*” *Out to Show That It’s a High-Tech Heaven*, FIN. TIMES, Feb. 24, 1998, at 4 [hereinafter “*City of Angels*”] (stating that “the production cost of *Titanic* [is] about \$1.2m per minute of running time”); John Lippman, *Titanic Expected to Net \$200 Million, with High Estimates Near Twice That*, WALL ST. J., Feb. 23, 1998, at B7 (stating that “production costs [of *Titanic*] alone were more than \$200 million”).

205 Professor Sterk explained this point succinctly:

One argument for giving authors copyright in derivative works is that the prospect of profits from derivative works is necessary to create adequate incentives for production of the original. The argument is persuasive only in those situations when (1) the projected returns from the original work are too small to justify the costs of production, and (2) the projected returns from the derivative work are so large relative to the cost of producing the derivative work that the difference will more than make up the projected deficit on the original work alone. *These conditions may apply when the original work is an extraordinary high-budget movie with the potential for sales of toys, t-shirts, and the like . . . .*

Sterk, *supra* note 184, at 1215-16 (emphasis added).

of the original.<sup>206</sup>

If actors could challenge the copyright holders' use of the fictional persona, those highly valuable rights to develop derivative works<sup>207</sup> would be discounted.<sup>208</sup> The fear of right of publicity infringement claims would even "deter prospective licensees from obtaining licenses altogether,"<sup>209</sup> thereby preventing copyright holders from capitalizing on the popularity of their earlier projects.<sup>210</sup> Thus, when the interests of copyright holders conflict with those of actors, the state created right would prevent copyright holders from directing investment in areas where they could maximize their profits<sup>211</sup> and would greatly reduce the incentives generated by the copyright scheme.<sup>212</sup>

Utilizing Hegel's philosophy,<sup>213</sup> some courts and commentators

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206 *Id.* at 1215; *see also* Campbell v. Acuff-Rose Music, Inc., 510 U.S. 569, 593 (1994) ("[T]he licensing of derivatives is an important economic incentive to the creation of originals.").

207 *See* LEAFFER, *supra* note 97, § 8.5, at 227 ("Today, these derivative markets can often be more valuable than the market of first publication."); Bayard F. Berman & Joel E. Boxer, *Copyright Infringement of Audiovisual Works and Characters*, 52 S. CAL. L. REV. 315, 331 (1979) ("*Star Wars* is the largest grossing movie of all time, and *Star Wars* toys are setting records in the toy business."); Goldstein, *supra* note 82, at 209 ("One current, popular motion picture, selling about \$3,000,000 in tickets a day, will reportedly earn even more from sales of dolls, sheets, posters, books and a full range of character merchandise." (referring to *E.T. The Extra Terrestrial*)).

208 *See* Braatz, *supra* note 79, at 199 ("[I]t would reduce the value of licenses which copyright owners might grant to others."); Fred M. Weiler, Note, *The Right of Publicity Gone Wrong: A Case for Privileged Appropriation of Identity*, 13 CARDOZO ARTS & ENT. L.J. 223, 259-60 (1994) (stating that *Midler* impairs "[t]he income stream that flows to the copyright proprietor of the song, as well as the songwriter who licenses cover versions of the composition"); Jonathan A. Franklin, Book Note, *Einstein's Hair*, 19 MICH. J. INT'L L. 623, 627 (1998) ("[T]he right of publicity could chill the licensing for commercial non-media products in which the character is not easily distinguished from the individual playing the character because it would require licensing both the character and the individual."); *see also* *White II*, 989 F.2d 1512, 1518 (9th Cir. 1993) (Kozinski, J., dissenting) ("[T]he majority creates a rule that greatly diminishes the rights of copyright holders in [the Ninth Circuit].").

209 Braatz, *supra* note 79, at 199 ("[V]ague claims of 'appropriation of identity' would be brought by plaintiffs, and creativity would be curtailed by fear of litigation from such claims.").

210 *Cf.* Sterk, *supra* note 184, at 1227 ("Giving authors an exclusive right over derivative works . . . is entirely consistent with the notion that a work's creator deserves to share in all benefits generated by the work.").

211 *See* Goldstein, *supra* note 82, at 227 ("[B]y securing exclusive rights to all derivative markets, the statute enables the copyright proprietor to select those toward which it will direct investment.").

212 *See* Langvardt, *supra* note 37, at 424 ("[When the] celebrity's negative response prevent[s] the advertiser from proceeding with the plan to use a portion of the television show[,] . . . the copyright owner loses out on a licensing opportunity and the economic benefits it would have provided.").

213 Under Hegel's philosophy, artists' internal selves are abstract and can therefore only be defined through tangible objects like the artists' creative works. *See* GEORG HEGEL, PHILOSOPHY OF RIGHT ¶ 43 (T. M. Knox trans., Oxford Univ. Press 1967) (1821) ("Attainments, eruditions, talents, and so forth, are, of course, owned by free mind and are something internal and not external to it, but even so, by expressing them it may embody them in something external and alienate



have argued that the exclusive right to prepare derivative works is needed to protect the authors' personal identities<sup>214</sup> or goodwill.<sup>215</sup> However, as evidenced by the very limited moral rights protection offered by existing copyright law,<sup>216</sup> this Hegelian notion of copyright does not comport well within the current scheme.<sup>217</sup> In fact, the right to prepare derivative works is not granted to protect the authors' personal identities but rather to protect the copyright holders' investment by preventing distortion of their creative works.<sup>218</sup> Thus, the state created

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them."); see also *The Visual Artists Rights Amendment of 1986: Hearing on S. 2796 Before the Subcomm. on Patents, Copyrights & Trademarks of the Comm. on the Judiciary*, 99th Cong. 12-13 (1986) ("[A] work of fine art is a precious expression of the heart and mind of the artist . . .") (statement of Alfred Crimi, artist and member of the National Society of Mural Painters); Hamilton, Dormant Copyright Clause, *supra* note 87, at 24 ("The product is an extension and expression of that person."); Justin Hughes, *The Philosophy of Intellectual Property*, 77 GEO. L.J. 287, 343 (1988) ("Hegel argues that recognizing an individual's property rights is an act of recognizing the individual as a person."); Sterk, *supra* note 184, at 1240 ("For Hegel, property is the means by which personality is objectified. Property forms a medium through which a person obtains recognition by others." (footnote omitted)); cf. *Bleistein v. Donaldson Lithographic Co.*, 188 U.S. 239, 250 (1903) (Holmes, J.) ("The copy [from life] is the personal reaction of an individual upon nature. Personality always contains something unique. It expresses its singularity even in handwriting . . ."); Helfand, *supra* note 5, at 627-28 ("Creators and owners often identify so closely with their characters, intermingling their own personalities with those of their creations, that they become quasi-parents. In such a role, the creators seek to safeguard their 'children's' wellbeing."). For discussions and criticisms of the Hegelian justification for copyright, see generally Hamilton, Dormant Copyright Clause, *supra* note 87, at 23-25; Hughes, *supra*, at 330-50; Sterk, *supra* note 184, at 1239-44.

<sup>214</sup> See, e.g., Lawrence C. Becker, *Deserving to Own Intellectual Property*, 68 CHI.-KENT L. REV. 609, 610 (1993); Edward J. Damich, *The Right of Personality: A Common-Law Basis for the Protection of the Moral Rights of Authors*, 23 GA. L. REV. 1 (1988); Linda J. Lacey, *Of Bread and Roses and Copyrights*, 1989 DUKE L.J. 1532, 1541-42; Neil Netanel, *Alienability Restrictions and the Enhancement of Author Autonomy in United States and Continental Copyright Law*, 12 CARDOZO ARTS & ENT. L.J. 1, 13-23 (1994).

<sup>215</sup> See, e.g., *Walt Disney Prods. v. Air Pirates*, 581 F.2d 751 (9th Cir. 1978) (holding copyright infringement in a case where seventeen Disney cartoon characters were depicted graphically in the defendant's adult comic books as "active members of a free thinking, promiscuous, drug-ingesting counterculture" *Id.* at 753); *Universal City Studios v. J.A.R. Sales*, No. 82-4892-AAH (Bx), 1982 WL 1279, at \*5 (C.D. Cal. Oct. 20, 1982) ("Unless restrained, defendants' activities will . . . adversely affect the business reputation and goodwill of the plaintiffs . . . . Merchandising will suffer serious damage to its reputation with potential licensees of other types of merchandise bearing the name and likeness of 'E.T.' . . ." (emphasis added)); see also Kevin S. Marks, Comment, *An Assessment of the Copyright Model in Right of Publicity Cases*, 70 CAL. L. REV. 786, 800 (1982) ("Th[e] appropriation of goodwill notion is evident in the character cases.").

<sup>216</sup> See *infra* text accompanying note 260.

<sup>217</sup> See Hamilton, Dormant Copyright Clause, *supra* note 87, at 25 ("[It is] incorrect that United States copyright law is constructed on a Hegelian base."); Sterk, *supra* note 184, at 1239 ("Intellectual property rights are designed not so much to . . . allow the author to maintain a sense of identity.").

<sup>218</sup> See Alex Kozinski, *Mickey & Me*, 11 U. MIAMI ENT. & SPORTS L. REV. 465, 469 (1994) ("[I]f you have a lot of people creating their own versions of characters, [the personalities of the characters will change]. You end up diminishing the value of the product . . ."); Kurtz, *Indepen-*

right would impair the integrity of the current incentive scheme by taking away the copyright holders' rights "to mold the future of their characters, and to prevent their abuse or distortion."<sup>219</sup>

## 2. Psychological Incentives

The existing copyright scheme rewards laborers according to the market.<sup>220</sup> While producers, who finance,<sup>221</sup> organize,<sup>222</sup> and provide inspiration and motivation to their projects,<sup>223</sup> are rewarded with copyright in their creative works through the work-made-for-hire arrangement,<sup>224</sup> artists, including actors, are rewarded with salaries, plus whatever rights they reserve to themselves in their employment contracts.<sup>225</sup> Creating the impression<sup>226</sup> that people are rewarded according to what

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*dent Legal Lives*, *supra* note 5, at 473 ("[C]opying will not distort an author's work, but a purportedly creative use of the work can.").

219 Kurtz, *Independent Legal Lives*, *supra* note 5, at 437; see *Universal City Studios, Inc. v. Kamar Indus., Inc.*, No. H-82-2377, 1982 WL 1278, at \*1 (S.D. Tex. Sept. 20, 1982) ("[I]n order to maintain a consistent image and appeal for the 'E.T.' character consonant with that development in the movie, Steven Spielberg . . . has retained and exercises personal control over the nature and quality of all 'E.T.' items to be marketed."); Helfand, *supra* note 5, at 628 ("Owners and creators [of characters] seek greater legal protection in part to insure that no one harms the character by putting it in unflattering or disharmonious situations.").

220 See Hamilton, *Dormant Copyright Clause*, *supra* note 87, at 34-35 ("United States copyright law . . . leav[es] the authors] at the mercy of the market . . ."); see also *id.* at 5 ("Capitalism is the economic philosophy that underlies and explains United States copyright law.").

221 Some European systems distinguishing rights in creative works "based upon the nature of the right holder, creator or corporate financier." Pitta, *supra* note 189, at 3.

222 See BERGE VARMER, STUDY NO. 13: WORKS MADE FOR HIRE AND ON COMMISSION, COPYRIGHT LAW REVISION: STUDIES PREPARED FOR THE SUBCOMM. ON PATENTS, TRADEMARKS, AND COPYRIGHTS OF THE S. COMM. ON THE JUDICIARY 141 (1958) ("[I]t is with respect to [those works that are created by a numerous team of employees] that the contribution of the employer in assembling the group, furnishing the facilities and directing the project is especially significant.").

223 See Peter Jaszi, *On the Author Effect: Contemporary Copyright and Collective Creativity*, in *THE CONSTRUCTION OF AUTHORSHIP: TEXTUAL APPROPRIATION IN LAW AND LITERATURE* 34 (Martha Woodmansee & Peter Jaszi eds., 1994) ("[I]f the essence of 'authorship' lies in original, inspired creative genius[,] . . . then it is the 'employer's' contribution as the 'motivating factor' behind that work that matters, rather than the mere drudgery of the 'employee.'" (footnote omitted)); cf. *Community for Creative Non-Violence v. Reid*, 490 U.S. 730, 751 (1989) (stating that the crucial inquiry in a work-made-for-hire case is to determine whether "the hiring party's right to control the manner and means by which the product is accomplished").

224 See 17 U.S.C. § 201(b) (1994) (works made for hire).

225 For example, some composers and lyricists retain copyrights in the movie soundtracks they helped produce. See John M. Kernochan, *Ownership and Control of Intellectual Property Rights in Motion Pictures and Audiovisual Works: Contractual and Practical Aspects—Response of the United States to the ALAI Questionnaire, ALAI Congress, Paris, Sept. 20, 1995*, 20 COLUM.-VLA J.L. & ARTS 379 (1996) (providing a survey of contracts with respect to the ownership and control of authors' rights or copyright in relation to the making of theatrical films and other audiovisual works).

226 Cf. Sterk, *supra* note 184, at 1248 ("[T]he premise that rewards in a market system mirror intelligence, education, and effort . . . increases public acceptance of disparities in wealth and

they deserve,<sup>227</sup> this arrangement provides psychological incentives,<sup>228</sup> inducing people to work hard.<sup>229</sup> In a market economy, where “the principal importance of high compensation is as a signal designed to affect future behavior,”<sup>230</sup> these psychological incentives should not be overlooked.

### 3. Transaction Costs

Because an efficient, well-functioned market is essential to the copyright scheme,<sup>231</sup> transaction costs, which may result in a market failure,<sup>232</sup> “can become an obsession.”<sup>233</sup> Consider the motion picture

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power.”).

<sup>227</sup> Several courts and commentators have argued that there is a strong Lockean appeal in United States copyright law. See *Harper & Row, Publishers, Inc. v. Nation Enters.*, 471 U.S. 539, 546 (1985) (“The rights conferred by copyright are designed to assure contributors to the store of knowledge a fair return for their labors.”); *Mazer v. Stein*, 347 U.S. 201, 219 (1954) (“Sacrificial days devoted to such creative activities deserve rewards commensurate with the services rendered.”); Hughes, *supra* note 213, at 296-330 (“Reference to Locke’s *Two Treatises of Government* is almost obligatory in essays on the constitutional aspects of property. . . . For the Founding Fathers, Locke was a foundation for an elaborate vision opposed to a monarchy that was less absolute, but seemed no less irresponsible.” *Id.* at 296); see also Locke, *supra* note 67, § 27 (“Whatsoever then he removes out of the State that Nature hath provided, and left it in, he hath mixed his *Labour* with, and joynd to it something that is his own, and thereby makes it his *Property*.”). But see *Feist Publications, Inc. v. Rural Tel. Serv. Co.*, 499 U.S. 340, 354 (1991) (“Protection for the fruits of such [labor] . . . may in certain circumstances be available under a theory of unfair competition. But to accord copyright protection on this basis alone distorts basic copyright principles . . . .”); Hamilton, *Dormant Copyright Clause*, *supra* note 87, at 27-28 (rejecting Lockean justification for copyright law); Sterk, *supra* note 184, at 1234-37 (criticizing the Lockean justification for copyright law).

<sup>228</sup> See Sterk, *supra* note 184, at 1247-49.

<sup>229</sup> See *id.* at 1249 (“Whatever its ultimate truth value, widespread acceptance of the proposition that market participants deserve their rewards may generate advantages for society—in particular, *it may induce people to work harder*. Indeed, copyright protection in some form may be important as an incentive to creative activity.” (emphasis added) (footnote omitted)).

<sup>230</sup> *Id.* at 1248. F.A. Hayek explained this point succinctly:

The remunerations which the market determines are . . . not functionally related with what people *have* done, but only with what they *ought* to do. They are incentives which as a rule guide people to success, but will produce a viable order only because they often disappoint the expectations they have caused when relevant circumstances have unexpectedly changed.

2 F.A. HAYEK, *LAW, LEGISLATION AND LIBERTY* 116-17 (1976).

<sup>231</sup> See *supra* Part III.B.1-2.

<sup>232</sup> See Wendy J. Gordon, *Fair Use as Market Failure: A Structural and Economic Analysis of the Betamax Case and Its Predecessors*, 82 COLUM. L. REV. 1600, 1628 (1982) [hereinafter Gordon, *Fair Use as Market Failure*] (“A particular type of market barrier is transaction costs. As long as the cost of reaching and enforcing bargains is lower than anticipated benefits from the bargains, markets will form. If transaction costs exceed anticipated benefits, however, no transactions will occur.”); *id.* at 1629 (“[T]ransaction costs are likely to prevent at least some value-maximizing transfers from occurring if the copyright is enforced.” (footnote omitted)).

<sup>233</sup> PAUL GOLDSTEIN, *COPYRIGHT’S HIGHWAY: FROM GUTTENBERG TO THE CELESTIAL JUKEBOX* 218 (1994).

industry for example. Because “there [are] so many creative contributions to the finished product,”<sup>234</sup> “the work [may] not be adequately disseminated if the copyright ownership [is] not placed with the employer.”<sup>235</sup> “[T]hird persons wishing to use the entire work would find it cumbersome to deal with all of the employee-authors.”<sup>236</sup> “[B]usiness decisions related to exploitation of the film”<sup>237</sup> would also be difficult to make when “every decision had to be approved by every contributor to the film.”<sup>238</sup> Thus, when Congress revised the Copyright Act, the motion picture industry, which both consumes and owns an immense amount of copyrighted works,<sup>239</sup> lobbied heavily for the work-made-for-hire provision<sup>240</sup> to reduce transaction costs.<sup>241</sup>

Under this provision, works created by employees, called *works made for hire*,<sup>242</sup> are treated differently from works created by individual authors out of their own motivation.<sup>243</sup> The employer, instead of the

234 MPAA COMMENTS, *supra* note 190, at 359. These contributions include, for example, script, scenario, music, décor, and visual and sound effects. *See also* 5 NIMMER & NIMMER, *supra* note 87, § 23.01, at 23-5 (“[T]he production of a motion picture involves and requires the talents and energies of a great number of creative people . . .”).

235 Rochelle Cooper Dreyfuss, *The Creative Employee and the Copyright Act of 1976*, 54 U. CHI. L. REV. 590, 597 (1987).

236 VARMER, *supra* note 222, at 141.

237 Dreyfuss, *supra* note 235, at 597; *see* VARMER, *supra* note 222, at 141 (“Ownership in the employer seems most appropriate where the work is created by a more or less numerous team of employees, such as in the case of motion pictures . . .”); MPAA COMMENTS, *supra* note 190, at 358-59.

238 Dreyfuss, *supra* note 235, at 597.

239 *See* MPAA COMMENTS, *supra* note 190, at 341 (“In the course of . . . production, our producing companies not only create through their employees copyrightable source materials . . . which go into the films, but spend millions of dollars annually as consuming or adapting users to acquire such copyrighted or copyrightable source materials from authors or other owners.”).

240 *See* Dreyfuss, *supra* note 235, at 597; *see also* MPAA COMMENTS, *supra* note 190.

241 *See* GOLDSTEIN, *supra* note 233, at 218 (“[T]he very decision to extend copyright into corners where transaction costs appear to be insuperably high may galvanize the market forces needed to reduce transaction costs.”).

242 *See* 17 U.S.C. § 201(b) (1994). A *work made for hire* is defined as:

- (1) a work prepared by an employee within the scope of his or her employment; or (2) a work specially ordered or commissioned for use as a contribution to a collective work, as a part of a motion picture or other audiovisual work, as a translation, as a supplementary work, as a compilation, as an instructional text, as a test, as answer material for a test, or as an atlas, if the parties expressly agree in a written instrument signed by them that the work shall be considered a work made for hire.

*Id.* § 101 (definitions).

243 Section 201(b) provides:

- In the case of a work made for hire, the employer or other person for whom the work was prepared is considered the author for purposes of this title, and, unless the parties have expressly agreed otherwise in a written instrument signed by them, owns all of the rights comprised in the copyright.

*Id.* § 201(b). For discussions of the work-made-for-hire doctrine, see generally Dreyfuss, *supra* note 235; I. Hardy, *Copyright Law's Concept of Employment—What Congress Really Intended*,

employee-creator, is considered the legal author of the work,<sup>244</sup> and the producer, *rather than employee-artists*,<sup>245</sup> retains copyright in the movie or television series.<sup>246</sup> This provision not only reduces the heavy transaction costs that would prevent a creative work from disseminating adequately but uphold the current incentive scheme, for “an employee working for a salary has adequate incentive to create without giving the employee copyright protection.”<sup>247</sup> Indeed, because of the need to bear the risks of unsuccessful works,<sup>248</sup> the employers might not have enough incentives to create works in the first place if they could not retain copyright in those works.

If actors could interfere with the copyright holder’s use of fictional persona, such interference would upset the balance between employer-copyright holders and employee-artists and would decrease the effectiveness of the work-made-for-hire provision in reducing transaction costs. Moreover, since the work-made-for-hire provision was a compromise made out of a very long process of “negotiation among authors, publishers, and other parties with economic interests in the property

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35 J. COPYRIGHT SOC’Y 210 (1988); I. Hardy, *An Economic Understanding of Copyright Law’s Work-Made-for-Hire Doctrine*, 12 COLUM.-VLA J.L. & ARTS 181 (1988); *see also* Community for Creative Non-Violence v. Reid, 490 U.S. 730 (1989).

<sup>244</sup> *See* 17 U.S.C. § 201(b) (works made for hire). For an excellent collection of essays on authorship, *see generally* THE CONSTRUCTION OF AUTHORSHIP: TEXTUAL APPROPRIATION IN LAW AND LITERATURE, *supra* note 223.

<sup>245</sup> “The various creative services rendered in the production of a motion picture . . . usually are rendered on a ‘work for hire’ basis.” 5 NIMMER & NIMMER, *supra* note 87, § 23.01, at 23-5. An *independent contractor* is defined as “[o]ne who renders service in the course of self employment or occupation, and who follows employer’s desires only as to results of work, and not as to means whereby it is to be accomplished.” BLACK’S LAW DICTIONARY 770 (6th ed. 1990). Under the Copyright Act, copyright in works created by independent contractors are regarded as *commissioned works*. In those works, copyright subsists in the authors, rather than the employers, “unless the parties have expressly agreed otherwise in a written instrument signed by them.” 17 U.S.C. § 201(b); *see also* Community for Creative Non-Violence v. Reid, 490 U.S. 730 (1989).

<sup>246</sup> *Cf.* Marci A. Hamilton, *Appropriation Art and the Imminent Decline in Authorial Control over Copyrighted Works*, 42 J. COPYRIGHT SOC’Y 93, 116 (1994) [hereinafter Hamilton, *Appropriation Art*] (“In Europe, the *director* holds rights in the motion picture, even though the work is by necessity the product of a number of creative authors.”).

<sup>247</sup> Sterk, *supra* note 184, at 1229; *see* VARMER, *supra* note 222, at 139 (“It may . . . be argued that the present [work-made-for-hire arrangement] has worked satisfactorily in practice; that employee-authors are compensated for their work . . .”).

<sup>248</sup> *See* RONALD V. BETTIG, *COPYRIGHT CULTURE: THE POLITICAL ECONOMY OF INTELLECTUAL PROPERTY* 102 (1996) (“[O]f the average 350 or so films released each year in the United States, only ten or so will be major box-office hits. . . . [L]osses . . . on unsuccessful projects . . . are nevertheless a necessary cost of doing business.”); Landes & Posner, *Economic Analysis*, *supra* note 104, at 328 (“Uncertainty about demand is a particularly serious problem with respect to artistic works, such as books, plays, movies, and recordings.”); Margolis, *supra* note 7, at 652 (“When a production company embarks on a new motion picture, it may be taking a risk by using a certain actor, with hope that if the film is successful, the studio will be able to reap benefits through derivative works and licensing.”).

rights the statute defines,<sup>249</sup> courts have responsibility to honor this well-debated compromise<sup>250</sup> and protect the federally granted rights.<sup>251</sup> If courts abdicated this responsibility, they would encourage state legislatures to alter the balance struck by Congress by enacting state legislation that contradicts federal laws.

Many commentators have criticized the work-made-for-hire provision.<sup>252</sup> They argue that, because of the unfair bargaining position between the employer and the employee, employee-authors may not be adequately rewarded for their creative efforts under the Copyright Act.<sup>253</sup> However, if employee-artists are dissatisfied with this provision,

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249 Jessica D. Litman, *Copyright, Compromise, and Legislative History*, 72 CORNELL L. REV. 857, 859 (1987) (criticizing courts for ignoring the deals struck between participants in the drafting process); see also William M. Landes & Richard A. Posner, *The Independent Judiciary in an Interest-Group Perspective*, 18 J.L. & ECON. 875, 877 (1975) [hereinafter Landes & Posner, *Independent Judiciary*] (“[L]egislation is ‘sold’ by the legislature and ‘bought’ by the beneficiaries of the legislation.”); *id.* at 879 (referring to legislation as a “‘contract’ between the enacting legislature and the group that procured the legislation”).

250 See Frank H. Easterbrook, *The Supreme Court, 1983 Term—Foreword: The Court and the Economic System*, 98 HARV. L. REV. 4, 16 (1984) (“[T]he more detailed the law, the more evidence of interest-group compromise and therefore the less liberty judges possess.”); *id.* at 17 (arguing that it is appropriate for courts to “treat [a] statute as a contract” where it has been enacted under influence of competing interest groups); Landes & Posner, *Independent Judiciary*, *supra* note 249, at 894 (“In our view the courts do not enforce the moral law or ideals of neutrality, justice, or fairness; they enforce the ‘deals’ made by effective interest groups with earlier legislatures.”); see also *Duke Power Co. v. Carolina Env’t. Study Group, Inc.*, 438 U.S. 59 (1978) (indicating the Court’s reluctance to substitute its policy judgments for those of Congress); *Ferguson v. Skrupa*, 372 U.S. 726 (1963) (same); *Williamson v. Lee Optical of Okla.*, 348 U.S. 483 (1955) (same); *United States v. Carolene Prods. Co.*, 304 U.S. 144 (1938) (same).

251 Judge Kozinski explained this responsibility succinctly in *White II*:

It’s [the courts’] responsibility to keep the right of publicity from taking away federally granted rights, either from the public at large or from a copyright owner. We must make sure state law doesn’t give the Vanna Whites . . . of the world a veto over fair use parodies of the shows in which they appear, or over copyright holders’ exclusive right to license derivative works of those shows.

989 F.2d 1512, 1518 (9th Cir. 1993) (Kozinski, J., dissenting).

252 See Dreyfuss, *supra* note 235 (arguing for a re-examination of the existing arrangement); Leonard D. DuBoff, *An Academic’s Copyright: Publish and Perish*, 32 J. COPYRIGHT SOC’Y 17 (1984) (arguing that the existing arrangement is inconsistent with traditional practice); Hamilton, *Dormant Copyright Clause*, *supra* note 87, at 37-39 (“With the commissioned work-made-for-hire provision, Congress has stretched the term ‘author’ to the breaking point, making this provision inconsistent with the Copyright Clause’s limitation of rights to authors.” *Id.* at 38); see also *Scherr v. Universal Match Corp.*, 417 F.2d 497, 502 (2d Cir. 1969) (Friendly, J., dissenting) (“It would thus be quite doubtful that Congress could grant employers the exclusive right to the writings of employees regardless of the circumstances.”).

253 See Hamilton, *Dormant Copyright Clause*, *supra* note 87, at 37 (“[The work-made-for-hire provision] transformed a desultory industry practice into a set of required form contracts that shift the balance of power to the publishers, rather than the author.”); Marci A. Hamilton, Comment, *Commissioned Works as Works Made for Hire Under the 1976 Copyright Act: Misinterpretation and Injustice*, 135 U. PA. L. REV. 1281, 1308-11 (1987) (arguing that the unequal bargaining powers between publishers and artists allowed publishers to exploit works at the expense of artists); see also *Definition of Work Made for Hire in the Copyright Act of 1976: Hearing on S.*

they should reserve their rights in contracts<sup>254</sup> or should take collective action to “strike a new deal” with employer-producers through the political process. Since the enactment of the first copyright statute in 1790,<sup>255</sup> Congress has demonstrated that it “can and will act to provide copyright protection for such rights where it is persuaded that it should do so.”<sup>256</sup> Using state created rights to disrupt the federal arrangement, however, is *not* the proper way to strike a new bargain.

Apart from the work-made-for-hire provision, the Copyright Act also includes other mechanisms to help reduce transaction costs, such as the first sale doctrine,<sup>257</sup> the fair use privilege,<sup>258</sup> the preference of non-

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2044 *Before the Comm. on the Judiciary*, 97th Cong. 34 (1982) (statement of Ms. Robin Brickman, member of the Graphic Artists' Guild) (“The great majority of artists are not stars. The fact that James Michener can negotiate any contract that he wants is not only debatable but also irrelevant to the problems faced by professionals at all levels.”); *id* at 73 (statement of composer Elmer Bernstein on behalf of the Screen Composers of America) (testifying that, even though he is “considered to be probably one of the top composers in [his] field” and he “command[s] probably the highest fees that are paid to composers today,” if he refused to work unless there were no work-made-for-hire clause in his contract, he “would have to consider some other field of work”).

254 See 17 U.S.C. § 201(b) (1994) (stipulating that “parties [can] expressly agree[] otherwise in a written instrument signed by them” despite the work-made-for-hire arrangement).

255 Act of May 31, 1790, ch. 15, 1 Stat. 124.

256 Abrams, *supra* note 86, at 579. For example, the Sound Recording Amendment of 1971, 17 U.S.C. §§ 1(f), 5(n), 19, 20, 26, 101(e), *repealed by* 1976 Copyright Act, 90 Stat. 2541, was passed when “pirates were inflicting substantial losses on the [recording] industry by unauthorized recordings.” LEAFFER, *supra* note 97, § 3.19[C]; *see also* 17 U.S.C. §§ 102(a)(7), 106, 114. The Record Rental Amendment of 1984, Pub. L. No. 98-450, 98 Stat. 1727 (codified at 17 U.S.C. § 109(b)), was “directed against the increasing number of record stores renting records, cassettes and compact discs to their customers.” LEAFFER, *supra* note 97, § 8.14[A]. See generally David H. Horowitz, *The Record Rental Amendment of 1984: A Case Study in the Effort to Adapt Copyright Law to New Technology*, 12 COLUM.-VLA J.L. & ARTS 31 (1987), for an overview of the Amendment. In response to the lack of adequate protection for semiconductor chips and electronics industry, Congress enacted the Semiconductor Chip Protection Act of 1984. Pub. L. No. 98-620, 98 Stat. 3347 (codified at 17 U.S.C. §§ 900-914) (providing 10 years of protection for mask works fixed in semiconductor chip products upon registration or first commercial use, whichever occurs first). In 1990 the Copyright Software Rental Amendments Act of 1990 amended section 109(b) of the Copyright Act to prohibit the rental of computer software for direct or indirect commercial advantage. Pub. L. No. 101-650, 104 Stat. 5089 (codified at 17 U.S.C. § 109(b)). After the United States joined the Berne Convention, the Visual Artists Rights Act of 1990 was passed to increase moral rights protection to works of visual art. Pub. L. No. 101-650, 104 Stat. 5128 (codified at 17 U.S.C. § 106A) (providing rights of attribution and integrity in works of visual art). See generally Edward J. Damich, *The Visual Artists Rights Act of 1990: Toward a Federal System of Moral Rights Protection for Visual Art*, 39 CATH. U. L. REV. 945 (1990) [hereinafter Damich, *Visual Artists Rights Act*], for an overview of the Visual Artists Rights Act.

257 The first sale doctrine relinquishes the copyright owner’s control over a copy of the product once it is lawfully transferred to a first purchaser. *See Independent News Co. v. Williams*, 293 F.2d 510, 515-17 (3d Cir. 1961). That doctrine was codified in section 109(a) of the Copyright Act, which provides: “[T]he owner of a particular copy or phonorecord lawfully made under this title, or any person authorized by such owner, is entitled, without the authority of the copyright owner, to sell or otherwise dispose of the possession of that copy or phonorecord.” 17 U.S.C. § 109(a); *see also Allison v. Vintage Sports Plaques*, 136 F.3d 1443 (11th Cir. 1998) (holding that the first sale doctrine applies to the common law right of publicity).

etary damages over injunctive relief,<sup>259</sup> and the general antipathy to moral rights doctrines.<sup>260</sup> These mechanisms, when combined together, allow copyright interests to be freely alienable and therefore “ensure that . . . the marketplace will be unimpeded when a willing buyer encounters a willing seller.”<sup>261</sup> If actors could veto the copyright holder’s use of the fictional persona to create derivative works, the copyright interests in fictional characters would no longer be freely alienable, and the state created right would contradict the existing copyright scheme.

<sup>258</sup> See *infra* discussion Part III.B.4.a.

<sup>259</sup> See 17 U.S.C. § 502 (injunctions); *id.* § 504 (damages and profits); see also *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 578 n.10 (1994) (“[T]he goals of the copyright law, ‘to stimulate the creation and publication of edifying matter,’ are not always best served by automatically granting injunctive relief when parodists are found to have gone beyond the bounds of fair use.” (quoting Pierre N. Leval, *Toward a Fair Use Standard*, 103 HARV. L. REV. 1105, 1134 (1990))); *Abend v. MCA, Inc.*, 863 F.2d 1465, 1479 (9th Cir. 1988) (“[A]n injunction could cause public injury by denying the public the opportunity to view a classic film for years to come.”), *aff’d sub nom.* *Stewart v. Abend*, 495 U.S. 207 (1990); LEAFFER, *supra* note 97, § 9.8, at 300 (“[W]hen damages alone would be adequate, a preliminary injunction will not be issued.”); Leval, *supra*, at 1130-35.

In *Caulfield v. Board of Education*, the Second Circuit summarized the test for granting injunctions:

[To be entitled to an injunction,] there must be a showing of possible irreparable injury [to the copyright owner] and either (1) probable success on the merits or (2) sufficiently serious questions going to the merits to make them a fair ground for litigation and a balance of hardships tipping decidedly toward the party requesting the preliminary relief.

583 F.2d 605, 610 (2d Cir. 1978). For discussions of injunctions, see generally 4 NIMMER & NIMMER, *supra* note 87, § 14.06; LEAFFER, *supra* note 97, § 9.8.

<sup>260</sup> See GOLDSTEIN, *supra* note 233, at 165-96; Thomas F. Cotter, *Pragmatism, Economics, and the Droit Moral*, 76 N.C. L. REV. 1 (1997); Jane C. Ginsburg, *A Tale of Two Copyrights: Literary Property in Revolutionary France and America*, 64 TUL. L. REV. 991 (1990); Hamilton, *Dormant Copyright Clause*, *supra* note 87, at 40 (acknowledging the “general antipathy in United States law to moral right”); Roberta Rosenthal Kwall, *Copyright and the Moral Right: Is an American Marriage Possible?*, 38 VAND. L. REV. 1 (1985). *But see* Visual Artists Rights Act, 17 U.S.C. § 106A; CAL. CIV. CODE § 987 (West 1998) (California Art Preservation Act); N.Y. ARTS & CULT. AFF. LAW §§ 14.51-14.59 (McKinney 1984) (New York Artists’ Authorship Rights Act); Damich, *Visual Artists Rights Act*, *supra* note 256 (discussing the Visual Artists Rights Act); *but cf.* *Gilliam v. ABC*, 538 F.2d 14 (2d Cir. 1976) (stating in dictum that the edited version of the *Monty Python* comedy programs broadcasted by ABC impaired the integrity of the artists’ work). For overviews of moral rights, see generally CRAIG JOYCE ET AL., *COPYRIGHT LAW* § 7.07 (3d ed. 1994); 3 NIMMER & NIMMER, *supra* note 87, § 8D.

<sup>261</sup> Carl Settlemeyer III, Note, *Between Thought and Possession: Artists’ “Moral Rights” and Public Access to Creative Works*, 81 GEO. L.J. 2291, 2303 (1993); see also Hamilton, *Dormant Copyright Clause*, *supra* note 87, at 32 (expounding on the commodification theory of copyright law) (“The United States copyright system favors commodification and distribution of the product.”); Marci A. Hamilton, *Four Questions of Art*, 13 CARDOZO ARTS & ENT. L.J. 119, 121 (1994) (“[The United States copyright system] assigns value (through legal sanctions) to intangible property so that artists may negotiate the value of their works in the marketplace. . . . On this account, . . . [the copyright system] ensure[s] that artists can sell and profit from their original works of authorship.”).



#### 4. Limited Scope of Copyright Protection

Because copyright is granted “at the expense of future creators and of the public at large,”<sup>262</sup> the Copyright Act contains some features limiting the scope of protection,<sup>263</sup> such as the fair use privilege,<sup>264</sup> the right to parody,<sup>265</sup> the durational limits of protection,<sup>266</sup> and the idea-expression dichotomy.<sup>267</sup> Without these important features,<sup>268</sup> the state created right would “impoverish the public domain,”<sup>269</sup> thereby undermining the existing copyright scheme.

##### a. *Fair Use Privilege*

Section 107 of the Copyright Act provides that “the fair use of a copyrighted work . . . for purposes such as criticism, comment, news reporting, teaching . . . , scholarship, or research, is not an infringement of copyright.”<sup>270</sup> This fair use privilege “was traditionally de-

262 *White II*, 989 F.2d 1512, 1516 (9th Cir. 1993).

263 See *Abrams*, *supra* note 86, at 528 (“The various limitations on the scope of copyright protection are reflections of this primacy of the public interest and serve to mitigate the inherent dangers of the copyright monopoly.”); see also *id.* at 510 (“The interests of the public are paramount and the rights of the public and the public domain are accorded primacy over the secondary concerns of the authors.”); Marci A. Hamilton & Ted Sabety, *Computer Science Concepts in Copyright Cases: The Path to a Coherent Law*, 10 HARV. J.L. & TECH. 239, 262 (1997) (“Copyright policy generally favors extending the copyright monopoly only to the extent that doing so will spur further original creations. The statute . . . explicitly recognizes certain exceptions to the copyright holder’s monopoly where exercise of those rights would not induce more authorship in the field.”) (footnote omitted).

264 See discussion *infra* Part III.B.4.a.

265 See discussion *infra* Part III.B.4.a.

266 See discussion *infra* Part III.B.4.b.

267 See discussion *infra* Part III.B.4.b.

268 Judge Kozinski was concerned about the lack of these copyright features in *White II*:

No fair use exception; no right to parody; no idea-expression dichotomy. [The right of publicity] impoverishes the public domain, to the detriment of future creators and the public at large. . . . Copyright law specifically gives the world at large the right to make “fair use” parodies, parodies that don’t borrow too much of the original. . . . The majority’s decision decimates this federal scheme. It’s impossible to parody a movie or a TV show without at the same time “evoking” the “identities” of the actors. . . . The public’s right to make a fair use parody . . . [is] useless if the parodist is held hostage by every actor whose “identity” he might need to “appropriate.”

989 F.2d 1512, 1516-18 (9th Cir. 1993) (Kozinski, J., dissenting) (citations omitted).

269 *Id.* at 1516.

270 17 U.S.C. § 107 (1994) (codifying the fair use privilege); see also *Folsom v. Marsh*, 9 F. Cas. 342 (C.C.D. Mass. 1841) (No. 4901) (articulating for the first time the concepts that evolved into the fair use doctrine). For comprehensive discussions of fair use, see generally LEAFFER, *supra* note 97, § 10 (discussing fair use); WILLIAM PATRY, *THE FAIR USE PRIVILEGE IN COPYRIGHT LAW* (2d ed. 1995); William W. Fisher III, *Reconstructing the Fair Use Doctrine*, 101 HARV. L. REV. 1661 (1988); Leval, *supra* note 259; William F. Patry & Shira Perlmutter, *Fair Use Misconstrued: Profit, Presumptions, and Parody*, 11 CARDOZO ARTS & ENT L.J. 667 (1993).

Though the Copyright Act does not explicitly define fair use, it lists four criteria that are to

defined as ‘a privilege in others than the owner of the copyright to use the copyrighted material in a reasonable manner without his consent.’”<sup>271</sup> Such privilege “permits courts to avoid rigid application of the copyright statute when, on occasion, it would stifle the very creativity which that law is designed to foster.”<sup>272</sup> Such privilege also “eliminates the transaction costs that might prevent subsequent authors from quoting copyrighted work to enrich their own.”<sup>273</sup>

Included as a fair use is the right to parody,<sup>274</sup> which many commentators regard as the necessary First Amendment restraint on copyright law.<sup>275</sup> “A *parody* is an imitation of a serious piece of literature,

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be applied to determine whether a particular use is “fair”:

- (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 a copyrighted work.

17 U.S.C. § 107 (fair use).

271 *Harper & Row, Publishers, Inc. v. Nation Enters.*, 471 U.S. 539, 549 (1985) (quoting HORACE G. BALL, *LAW OF COPYRIGHT AND LITERARY PROPERTY* 260 (1944)); *see* LEAFFER, *supra* note 97, § 10.1, at 317 (“The doctrine of fair use is a judicially created defense to a suit for copyright infringement which allows a third party to use a copyrighted work in a reasonable manner without consent of the copyright owner.”).

272 *Iowa State Univ. Research Found., Inc. v. ABC*, 621 F.2d 57, 60 (2d Cir. 1980); *see* *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 579 (1994) (stating that the fair use privilege “guarantee[s] . . . breathing space within the confines of copyright”); *Patry & Perlmutter, supra* note 270, at 668 (“In brief, fair use is a critical safety valve of copyright. Flexibility and sensitivity in application are essential to its successful functioning.” (footnote omitted)).

273 *Sterk, supra* note 184, at 1211; *see id.* at 1211-12; *see also* *American Geophysical Union v. Texaco*, 60 F.3d 913, 931 (2d Cir. 1994) (“[A] particular unauthorized use should be considered ‘more fair’ when there is no ready market or means to pay for the use, while such an unauthorized use should be considered ‘less fair’ when there is a ready market or means to pay for the use.”); *Fisher v. Dees*, 794 F.2d 432, 437 (9th Cir. 1986) (“The parody defense to copyright infringement exists precisely to make possible a use that generally cannot be bought.”); LEAFFER, *supra* note 97, § 10.5, at 320 (“[S]ome copyright owners are less than eager to see their work ridiculed and will not license their work for this purpose. Consequently, the parodist must rely on the defense of fair use . . . where biting criticism and ridicule may have offended the sensibilities of a copyrighted owner.”); *Gordon, Fair Use as Market Failure, supra* note 232, at 1627-32 (arguing that the fair use privilege is needed as a result of a market failure); *Landes & Posner, Economic Analysis, supra* note 104, at 357-58 (same); Jason M. Vogel, Note, *The Cat in the Hat’s Latest Bad Trick: The Ninth Circuit’s Narrowing of the Parody Defense to Copyright Infringement in Dr. Seuss Enterprises v. Penguin Books USA, Inc.*, 20 CARDOZO L. REV. 287 (1998) (discussing market failure in satires).

274 “[P]arody is not specifically mentioned in the preamble as a sanctioned fair use, but the categories of criticism and comment are broad enough to include parody.” LEAFFER, *supra* note 97, § 10.5, at 320; *see also* 17 U.S.C. § 107 pmb1. (mentioning “criticism” and “comment” as sanctioned fair uses).

275 *See* *Floyd Abrams, First Amendment and Copyright*, 35 J. COPYRIGHT SOC’Y 1, 4 (1987) (“[T]he question is not whether these copyright doctrines are available to accommodate First Amendment values; it is whether they are, in fact, interpreted in a manner consistent with those values.”); *Michael A. Chagares, Parody or Piracy: The Protective Scope of the Fair Use Defense*

music, or composition for humorous or satirical effect.”<sup>276</sup> The right to parody allows the parodist to “expose[] the mediocre and pretentious in art and society.”<sup>277</sup> By “forcing [the public] to examine a serious text from a comic standpoint,”<sup>278</sup> the right to parody is a *productive* use<sup>279</sup> that “fosters the creativity protected by the copyright law.”<sup>280</sup>

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to *Copyright Infringement Actions Regarding Parodies*, 12 COLUM.-VLA J. L. & ARTS 229, 230-31 (1988); Harriette K. Dorsen, *Satiric Appropriation and the Law of Libel, Trademark, and Copyright: Remedies Without Wrongs*, 65 B.U. L. REV. 923, 924-25 (1985); Charles C. Goetsch, *Parody as Free Speech—The Replacement of the Fair Use Doctrine by First Amendment Protection*, 3 W. NEW ENG. L. REV. 39, 40-42 (1980); Patry & Perlmutter, *supra* note 270, at 709 (“Commentators too have noted that parody furthers First Amendment values as well as copyright values.”); David F. Shipley, *Conflicts Between Copyright and the First Amendment After Harper & Row, Publishers v. Nation Enterprises*, 1986 BYU L. REV. 983 (arguing that copyright law has an inherent capacity to accommodate free speech interests); Julie Bisceglia, *Parody and Copyright Protection: Turning the Balancing Act into a Juggling Act*, 34 COPYRIGHT L. SYMP. (ASCAP) 1, 4-6, 33-36 (1987); *cf.* Harper & Row, Publishers, Inc. v. Nation Enters., 471 U.S. 539, 558-60 (1985) (“[I]t should not be forgotten that the Framers intended copyright itself to be the engine of free expression. . . . Courts and commentators have recognized that copyright, and the right of first publication in particular, serve this countervailing First Amendment value.” (emphasis added)); Hamilton, Dormant Copyright Clause, *supra* note 87, at 42 (“[T]he Copyright Clause and the First Amendment are built on shared premises.”).

<sup>276</sup> LEAFFER, *supra* note 97, § 10.14, at 338 (footnote omitted); *see* Goetsch, *supra* note 275, at 39 (“Parody is a distinct literary form that achieves its ends by imitating the expression and ideas of serious works in a satiric manner.”).

<sup>277</sup> LEAFFER, *supra* note 97, § 10.14, at 338.

<sup>278</sup> *Id.*; Dorsen, *supra* note 275, at 924 (“[S]atire is a potent form of social commentary which attempts to expose the foibles and follies of society in direct, biting, critical, and often harsh language—tempered by humor.”).

<sup>279</sup> “Productive uses are those that build on the works of others, by adding their own socially valuable creative element.” LEAFFER, *supra* note 97, § 10.5, at 320; *see also id.* (“[A] productive use should be impeded only when it is so excessive as to undermine unduly the incentive to produce copyrighted works.”); Landes & Posner, *Economic Analysis*, *supra* note 104, at 360 (“A productive use is one that lowers the cost of expression and tends to increase the number of works, while a reproductive one simply increases the number of ‘copies’ of a given work, reduces the gross profits of the author, and reduces the incentives to create works.”). *See* generally LEAFFER, *supra* note 97, § 10.5, for a discussion of fair use as a productive use. *See also* Campbell v. Acuff-Rose Music, Inc., 510 U.S. 569, 579 (1994) (“[T]he goal of copyright, to promote science and the arts, is generally furthered by the creation of transformative works. Such works thus lie at the heart of the fair use doctrine’s guarantee of breathing space within the confines of copyright . . . .” (citation and footnote omitted)).

<sup>280</sup> *Rogers v. Koons*, 960 F.2d 301, 310 (2d Cir. 1992) (“[P]arody and satire are valued forms of criticism, encouraged because this sort of criticism itself fosters the creativity protected by the copyright law.”); *see also* Warner Bros., Inc. v. ABC, 720 F.2d 231, 242 (2d Cir. 1983) (“It is decidedly in the interests of creativity, not piracy, to permit authors to take well-known phrases and fragments from copyrighted works and add their own contributions of commentary or humor.”); *Elsmere Music, Inc. v. NBC*, 623 F.2d 252, 253 (2d Cir. 1980) (*per curiam*) (“[I]n today’s world of often unrelieved solemnity, copyright law should be hospitable to the humor of parody . . . .”); *Berlin v. E.C. Publications, Inc.*, 329 F.2d 541, 545 (2d Cir. 1964) (“[A]s a general proposition, we believe that parody and satire are deserving of substantial freedom—both as entertainment and as a form of social and literary criticism.”); Hamilton & Sabety, *supra* note 263, at 263 (“[Fair use] spurs even further creative development by fostering a competitive environment.”).

Although “celebrity images are among the basic semiotic and symbolic raw materials out of which individuals and groups ‘establish their presence, identity and meaning,’”<sup>281</sup> most celebrities would hardly “welcome or even willingly tolerate mockery.”<sup>282</sup> Since “[e]ffective parody . . . often requires quotation from the original,”<sup>283</sup> “allowing [actors] to retain a veto over such uses raises a real threat of censorship.”<sup>284</sup>

281 Madow, *supra* note 37, at 143; *see also* Dorsen, *supra* note 275, at 925 (“[S]atirists criticize our society by directing their sharp barbs at well-known people, well-known commercial enterprises or trademarks, and popular literary figures or works.”); Gretchen A. Pemberton, *The Parodist’s Claim to Fame: A Parody Exception to the Right of Publicity*, 27 U.C. DAVIS L. REV. 97, 122 (1993) (“A parody of a celebrity usually exposes the weakness or falseness of a particular idea or value that the celebrity symbolizes.”).

282 Patry & Perlmutter, *supra* note 270, at 688; *see* Fisher v. Dees, 794 F.2d 432, 437 (9th Cir. 1986) (“[P]arodists will seldom get permission from those whose works are parodied. Self-esteem is seldom strong enough to permit the granting of permission even in exchange for a reasonable fee.”); LEAFFER, *supra* note 97, § 10.14, at 339 (“[S]ome copyright owners are less than eager to see their work ridiculed and will not license their work for this purpose.”); Gordon, *Fair Use as Market Failure*, *supra* note 232, at 1632 (“Section 107 places first among the purposes for which fair use is appropriate ‘criticism’ and ‘comment,’ uses that a copyright owner might be reluctant to license.”).

283 Sterk, *supra* note 184, at 1212; *see also* Campbell v. Acuff-Rose Music, Inc., 510 U.S. 569, 580-81 (1994) (“Parody needs to mimic an original to make its point . . . .”); *id.* at 588 (“When parody takes aim at a particular original work, the parody must be able to ‘conjure up’ at least enough of that original to make the object of its critical wit recognizable.”); *White II*, 989 F.2d 1512, 1516 (9th Cir. 1993) (Kozinski, J., dissenting) (“It’s impossible to parody a movie or a TV show without at the same time ‘evoking’ the ‘identities’ of the actors. You can’t have a mock *Star Wars* without a mock Luke Skywalker, Han Solo and Princess Leia, which in turn means a mock Mark Hamill, Harrison Ford and Carrie Fisher.” (citation omitted)); Goetsch, *supra* note 275, at 40 (“A parodist must copy and appropriate material from the serious work in order to establish the identity of the other work, to recall its characteristics, and to produce satiric effects which are often created by the ludicrous juxtaposition of serious and comic material.”); *Fisher*, 794 F.2d at 435 n.2 (“To ‘conjure up’ the original work in the audience’s mind, the parodist must appropriate a substantial enough portion of it to evoke recognition.”); Pemberton, *supra* note 281, at 122 (“Parodists need access to images that mean something to our society in order to criticize or expose the truth about our society.”).

284 Patry & Perlmutter, *supra* note 270, at 688. Professor Madow put this point forcefully: [T]he power to license is the power to suppress. When the law gives a celebrity a right of publicity, . . . it gives her (or her assignee) a substantial measure of power over the production and circulation of meaning and identity in our society: power, if she so chooses, to suppress readings or appropriations of her persona that depart from, challenge, or subvert the meaning she prefers; power to deny to others the use of her persona in the construction and communication of alternative or oppositional identities and social relations; power, ultimately, to limit the expressive and communicative opportunities of the rest of us. The result is a potentially significant narrowing of the space available for alternative cultural and dialogic practice.

Madow, *supra* note 37, at 145-46; *see also* *White II*, 989 F.2d at 1519 (Kozinski, J., dissenting) (“Parody, humor, irreverence are all vital components of the marketplace of ideas. The last thing we need, the last thing the First Amendment will tolerate, is a law that lets public figures keep people from mocking them, or from ‘evok[ing]’ their images in the mind of the public.” (quoting *White I*, 971 F.2d 1395, 1399 (9th Cir. 1992))); *L.L. Bean, Inc. v. Drake Publishers, Inc.*, 811 F.2d 26, 34 (1st Cir. 1987) (“Denying parodists the opportunity to poke fun at symbols and names which have become woven into the fabric of our daily life, would constitute a serious curtailment

Unless the state created right contains a right to parody or a fair use privilege,<sup>285</sup> such a right would void the public of the “informative criticism and humorous comment”<sup>286</sup> and would stifle the creativity that copyright law is designed to foster.<sup>287</sup>

b. *Durational Limits and the Idea-Expression Dichotomy*

Although incentives are necessary to induce creativity, “any copyright protection beyond that necessary to compensate the author for lost opportunities would generate no additional incentive to create.”<sup>288</sup> Indeed, “an incentive for one author provides a barrier to others.”<sup>289</sup> Overprotecting authors would not only “discourage production of additional copies even when the cost of producing those copies was less than the price consumers would be willing to pay”<sup>290</sup> but would also impoverish the public domain<sup>291</sup> to the detriment of future authors<sup>292</sup> by

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of a protected form of expression.”); Gordon, *Fair Use as Market Failure*, *supra* note 232, at 1632-35 (using market failure to explain the importance of fair use to promote the flow of information); Sterk, *supra* note 184, at 1212 (“[W]ithout the [fair use] doctrine, authors would be able to suppress unwanted parody or criticism of their own work.”).

<sup>285</sup> In fact, some courts and commentators suggest that the right of publicity inherently contains a fair use privilege or the right to parody. See *Groucho Marx Prods., Inc. v. Day & Night Co.*, 523 F. Supp. 485, 493 (S.D.N.Y. 1981) (“[P]arody, burlesque, satire and critical review might be immune from the right of publicity because of their contribution as entertainment and as form of literary criticism.”), *rev’d on other grounds*, 689 F.2d 317 (2d Cir. 1982); *Gugliemi v. Spelling-Goldberg Prods.*, 603 P.2d 454, 460 (Cal. 1979) (“The right of publicity derived from public prominence does not confer a shield to ward off caricature, parody and satire. Rather, prominence invites creative comment.”); 2 MCCARTHY, *supra* note 35, § 8.16[B][5], at 8-108 (“Entertainment parodies and imitations such as those presented on stage should not be barred by use of the Right of Publicity.”); Randall T.E. Coyne, *Toward a Modified Fair Use Defense in Right of Publicity Cases*, 29 WM. & MARY L. REV. 781 (1988) (calling for a fair use defense in the right of publicity); Pemberton, *supra* note 281; see also *Zacchini v. Scripps-Howard Broad. Co.*, 433 U.S. 562, 573 (1977) (“[T]he State’s interest [in permitting a right of publicity] is analogous to the goals of patent and copyright law . . .”).

<sup>286</sup> *Patry & Perlmutter*, *supra* note 270, at 689; see also *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 579 (1994) (“[Parody] can provide social benefit, by shedding light on an earlier work, and, in the process, creating a new one.”); *White II*, 989 F.2d at 1518 (9th Cir. 1993) (Kozinski, J., dissenting) (“The public’s right to make a fair use parody and the copyright owner’s right to license a derivative work are useless if the parodist is held hostage by every actor whose ‘identity’ he might need to ‘appropriate.’”).

<sup>287</sup> See *Iowa State Univ. Research Found., Inc. v. ABC*, 621 F.2d 57, 60 (2d Cir. 1980); see also *White II*, 989 F.2d at 1517 (Kozinski, J., dissenting) (“By refusing to recognize a parody exception to the right of publicity, the panel directly contradicts the federal Copyright Act.”); Gordon, *Fair Use as Market Failure*, *supra* note 232, at 1632 (“[The fair use doctrine] is particularly important in a field where advancement of knowledge is the ultimate goal.”).

<sup>288</sup> Sterk, *supra* note 184, at 1205.

<sup>289</sup> Kurtz, *The Methuselah Factor*, *supra* note 15, at 439.

<sup>290</sup> Sterk, *supra* note 184, at 1205.

<sup>291</sup> The *public domain* is a term of art used in intellectual property law to denote the “true commons comprising elements of intellectual property that are ineligible for private ownership.” Litman, *The Public Domain*, *supra* note 104, at 975 (footnote omitted). See generally *id.* for an

making creation of new, original works very expensive.<sup>293</sup> Because “society can benefit from creative endeavor only to the extent the creations are made publicly available,”<sup>294</sup> it is important to “strike[] a balance between providing incentives to create and protecting the public domain from being stripped of the raw materials needed for new creations.”<sup>295</sup>

The durational limits of copyright protection reflect such balance.<sup>296</sup> The Constitution mandates that copyright protection exist

excellent discussion of the public domain. See *supra* note 104 for the importance of the public domain to future creators.

292 Judge Kozinski explained this point succinctly:

Overprotecting intellectual property is as harmful as underprotecting it. Creativity is impossible without a rich public domain. Nothing today, likely nothing since we tamed fire, is genuinely new: Culture, like science and technology, grows by accretion, each new creator building on the works of those who came before. *Overprotection stifles the very creative forces it's supposed to nurture.*

*White II*, 989 F.2d at 1513 (Kozinski, J., dissenting) (emphasis added); see also Kurtz, *Independent Legal Lives*, *supra* note 5, at 472 (“Forbidding the[] use [of characters] will diminish the pool from which all artists must draw. There have been hundreds of Romeos and Juliets, and Shakespeare’s were not the first.” (footnote omitted)); Litman, *The Public Domain*, *supra* note 104 (challenging the assumption that more protection necessarily makes for a more desirable intellectual property regime).

293 See Landes & Posner, *Economic Analysis*, *supra* note 104, at 335 (“[T]oo much protection can raise the costs of creation for subsequent authors to the point where those authors cannot cover them even though they have complete copyright protection for their own originality.”); Sterk, *supra* note 184, at 1207 (“[E]xpanded copyright protection increases the cost to authors by requiring them to obtain permission when they seek to build upon existing work.”).

294 Coyne, *supra* note 285, at 814.

295 Kurtz, *The Methuselah Factor*, *supra* note 15, at 439-40 (footnote omitted); LEAFFER, *supra* note 97, § 2.12, at 58 (“[T]he court must strike a balance between two conflicting interests. If the idea is defined too broadly, it will create a bottleneck impeding production of future works. . . . [I]f the idea is defined too narrowly, future authors will not have sufficient economic incentive to create new works.”); Landes & Posner, *Economic Analysis*, *supra* note 104, at 326 (“Striking the correct balance between access and incentives is the central problem in copyright law.”); Jessica Litman, *Mickey Mouse Emeritus: Character Protection and the Public Domain*, 11 U. MIAMI ENT. & SPORTS L. REV. 429, 435 (1994) (“[I]t is . . . important to make sure that our copyright law does not provide protection so strong that it enables the [copyright holder] . . . to block—or even delay—the creation of new works and the exploitation of new media by tying up the raw material everyone needs to use.”); see also *White II*, 989 F.2d 1512 at 1516 (Kozinski, J., dissenting) (“[I]ntellectual property law is full of careful balances between what’s set aside for the owner and what’s left in the public domain for the rest of us.”); Litman, *The Public Domain*, *supra* note 104, at 969 (“Nurturing authorship is not necessarily the same thing as nurturing authors. When individual authors claim that they are entitled to incentives that would impoverish the milieu in which other authors must also work, we must guard against protecting authors at the expense of the enterprise of authorship.”).

296 See U.S. CONST. art. I, § 8, cl. 8 (granting authors the exclusive right to their writings “for limited Times” (emphasis added)); 17 U.S.C. §§ 302-304 (1994) (specifying copyright duration in various situations). For discussions of durational limits of copyright, see generally LEAFFER, *supra* note 97, § 6.1-.4; 1 NIMMER & NIMMER, *supra* note 87, § 1.05[A][1]; Marci A. Hamilton, *Copyright Duration Extension and the Dark Heart of Copyright*, 14 CARDOZO ARTS & ENT. L.J. 655 (1996) [hereinafter Hamilton, *Copyright Duration Extension*]; Landes & Posner, *Economic*

only “for *limited* Times.”<sup>297</sup> Following this mandate, the Copyright Act limits copyright protection to the life of the author plus seventy years.<sup>298</sup> Once the copyright term expires, the creative works fall into the public domain,<sup>299</sup> and the public is free to use the original work to help create future works.

Unlike the Copyright Act, the state created right “offers no protections against the monopoly existing for an indefinite time or even in perpetuity.”<sup>300</sup> Thus, actors, when teamed up with copyright holders, could retain monopoly over fictional characters even if the copyright in the audiovisual characters expires.<sup>301</sup> This extended (or even perpetual) monopoly would defeat the original purpose of the Copyright Clause,<sup>302</sup> which was to reduce the monopoly power of the publishing industry.<sup>303</sup>

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*Analysis, supra* note 104, at 361-63 (discussing the economic rationale for durational limits of copyright protection); William F. Patry, *The Copyright Term Extension Act of 1995: Or How Publishers Managed to Steal the Bread from Authors*, 14 CARDOZO ARTS & ENT L.J. 661 (1996).

<sup>297</sup> U.S. CONST. art. I, § 8, cl. 8 (emphasis added); *see also* 1 NIMMER & NIMMER, *supra* note 87, § 1.05[A][1], at 1-66.13 (“A federal copyright statute that purported to grant copyright protection in perpetuity would clearly be unconstitutional.” (footnote omitted)).

<sup>298</sup> Recently, Congress has extended copyright protection for an additional 20 years. *See* 17 U.S.C. § 302(a) (1994) (duration of copyright), *as amended by* Copyright Term Extension Act of 1997, S. 505, 105th Cong. (1997). Several commentators have criticized this duration extension. *See* Hamilton, *Copyright Duration Extension, supra* note 296; Hamilton, Dormant Copyright Clause, *supra* note 87, at 44; Peter Jaszi, *Goodbye to All That—A Reluctant (and Perhaps Premature) Adieu to a Constitutionally-Grounded Discourse of Public Interest in Copyright Law*, 29 VAND. J. TRANSNAT’L L. 595 (1996); Patry, *supra* note 296.

<sup>299</sup> *See* Kurtz, *The Methuselah Factor, supra* note 15, at 440 (“The copyright owner receives exclusive rights for a period of time in return for creating the work in the first place and enriching the public domain once the copyright term expires.”); Hamilton, Dormant Copyright Clause, *supra* note 87, at 36 (“[Once copyright expires], the product is utterly divorced from the producer. It moves to a new home in the public domain, where it can be fodder for anyone and any project, regardless of the first or the second author’s attitudes, beliefs, or inclinations.”).

<sup>300</sup> *Carson v. Here’s Johnny Portable Toilets, Inc.*, 698 F.2d 831, 840 (6th Cir. 1983) (Kennedy, J., dissenting); *see also* Apfelbaum, *supra* note 116, at 1573 (“There is . . . no uniformity among the states in terms of durational limits accorded the right of publicity.”).

<sup>301</sup> Because the copyright in a fictional character generally lasts longer than the life of an actor, such situation would not happen unless the right of publicity was inheritable, or unless the actor played the character shortly before the copyright term expires. For the state of post mortem rights under the right of publicity, *see* 2 MCCARTHY, *supra* note 35, § 9.5[A]. *See also* CAL. CIV. CODE § 990(h) (West Supp. 1998) (providing post mortem rights for 50 years after the death of the person identified); FLA. STAT. ANN. § 540.08(4) (West 1997) (providing post mortem rights for forty years after the death of the person identified); IND. STAT. ANN. § 32-13-1-8 (Burns 1995) (providing post mortem rights for 100 years after the death of the person identified).

<sup>302</sup> For an excellent historical overview of the Copyright Clause, *see* MARK ROSE, *AUTHORS AND OWNERS: THE INVENTION OF COPYRIGHT* (1993). *See also* Hamilton, Dormant Copyright Clause, *supra* note 87, at 9-18 (tracing the historical roots of the Copyright Clause).

<sup>303</sup> *See* Hamilton, Dormant Copyright Clause, *supra* note 87, at 14 (“Despite the lack of evidence at the Convention regarding the Framers’ intent, statements by George Washington . . . and by others regarding the state copyright laws that predated the Convention indicate that the Clause was intended to be an integral aspect of the mission to effect liberty.”); *id.* at 16 (“The Framers’ choice of language in the Copyright Clause echoes a theme that resonates throughout the Consti-

Even worse, because the state created right contains no idea-expression dichotomy<sup>304</sup> limiting the scope of its protection,<sup>305</sup> actors may even take works out of the public domain by establishing associative links with those works through performance.<sup>306</sup> Thus, the state created right upsets the balance between providing incentives

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tution: all concentrated forms of power are antithetical liberty. Whether it be the government, a church, or an industry, the American constitutional scheme is predicated on the division and decentralization of power.”); *see also* Hamilton, *Copyright Duration Extension*, *supra* note 296, at 659 (“The British Statute of Anne, the precursor to the American Copyright Clause, was adopted for the purpose of reducing the monopoly power of the publishing industry and decentralizing that power by placing it in the hands of individual authors.”).

304 The *idea-expression dichotomy* “is the term of art used in copyright law to indicate the elements in a copyrighted work which the grant of the copyright monopoly does not take from the public.” Abrams, *supra* note 86, at 563. That dichotomy “‘strike[s] a definitional balance . . . by permitting free communication of facts while still protecting an author’s expression.”” Harper & Row, Publishers, Inc. v. Nation Enters., 723 F.2d 195 (2d Cir. 1983), *rev’d*, 471 U.S. 539 (1985). For excellent discussions of the idea-expression dichotomy, *see generally* Amy B. Cohen, *Copyright Law and the Myth of Objectivity: The Idea-Expression Dichotomy and the Inevitability of Artistic Value Judgments*, 66 IND. L.J. 175 (1990); Robert A. Gorman, *Fact or Fancy? The Implications for Copyright*, 29 J. COPYRIGHT SOC’Y 560 (1982); Leslie A. Kurtz, *Speaking to the Ghost: Idea and Expression in Copyright*, 47 U. MIAMI L. REV. 1221 (1992); Edward Samuels, *The Idea-Expression Dichotomy in Copyright Law*, 56 TENN. L. REV. 321 (1989). *See also* Sheldon v. Metro-Goldwyn Pictures Corp., 81 F.2d 49, 54 (2d Cir. 1936) (“[I]t is convenient to define such a use by saying that others may ‘copy’ the ‘theme,’ or ‘ideas,’ or the like, of a work, though not its ‘expression.’”); Nichols v. Universal Pictures Corp., 45 F.2d 119, 121 (2d Cir. 1930) (“[T]here is a point in this series of abstractions where they are no longer protected, since otherwise the playwright could prevent the use of his ‘ideas,’ to which, apart from their expression, his property is never extended.”); Landes & Posner, *Economic Analysis*, *supra* note 104, at 347-49 (discussing the economic rationale for the idea-expression dichotomy).

305 *See White II*, 989 F.2d 1512, 1516 (9th Cir. 1993) (Kozinski, J., dissenting) (“[N]o idea-expression dichotomy. [The right of publicity] impoverishes the public domain, to the detriment of future creators and the public at large.”); *see also* Feist Publications, Inc. v. Rural Tel. Serv. Co., 499 U.S. 340 (1991) (refusing to extend copyright to listings in white pages in a telephone directory); Mazer v. Stein, 347 U.S. 201 (1954) (upholding copyright in statuettes used in the form of lamp bases only to the extent that artistic expression was discernible); Baker v. Selden, 101 U.S. 99 (1879) (introducing the idea-expression dichotomy); Nichols v. Universal Pictures Corp., 45 F.2d 119 (2d Cir. 1930) (holding that copyright protects only fictional characters that are sufficiently delineated); LEAFFER, *supra* note 97, § 2.12, at 57 (“Once an abstract idea is disclosed to the public, it becomes a part of our common reservoir of knowledge, and it will not matter whether the originator has spent vast sums of money developing it, advertising it, or making it popular.”).

306 For instance, Hamlet is a fictional character that resides in the public domain and is freely available for the public to use to create new, original works. However, if an actor could assert right of publicity in that character after a distinguished performance, that character would no longer remain in the public domain and would therefore be unavailable to the general public. *Cf.* Price v. Hal Roach Studios, Inc., 400 F. Supp. 836, 845 (S.D.N.Y. 1975) (“[I]f the court were to protect performances from imitation, ‘[i]t would have to hold that . . . for instance . . . Sir Laurence Olivier could prohibit anyone else from adopting some innovations which he brought to the performance of Hamlet.”” (quoting Supreme Records v. Decca Records, 90 F. Supp. 904, 909 (S.D. Cal 1950))); Lugosi v. Universal Pictures, 603 P.2d 425, 432 (Cal. 1979) (“Merely playing a role under the foregoing circumstances creates no inheritable property right in an actor, absent a contract so providing.”).



and protecting the public domain.<sup>307</sup> By tying up the raw materials needed for the creation of new, original works,<sup>308</sup> that right “clog[s] the channels of creativity and commerce and curtail[s] the ability of new authors to pursue their own works.”<sup>309</sup> The state created right therefore directly conflicts with the constitutional goal of “promot[ing] the progress of Science and useful Arts.”<sup>310</sup>

### 5. Summary

By controlling the copyright holders’ rights to exploit their creative works in creating new derivative works, the state created right reduces both the economic<sup>311</sup> and psychological incentives<sup>312</sup> generated under the existing copyright scheme. The state created right also renders the Copyright Act inefficient to reduce transaction costs and therefore reduces the alienability of copyright interests.<sup>313</sup> In addition, the right disregards several important features of the Copyright Act, such as the fair use privilege, the right to parody, durational limits of protection, and the idea-expression dichotomy, and therefore impoverishes the public domain to the detriment of future creators.<sup>314</sup> Thus, any state rights with respect to fictional persona “stand[] as an obstacle to the accomplishment and execution of the full purposes and objectives of”<sup>315</sup> the Copyright Act and are accordingly preempted.

In sum, under both Nimmer’s “extra elements” test and the *Hines* test, the Copyright Act preempts state rights with respect to fictional persona.<sup>316</sup> Since “[p]reemption cases are really instances of statutory

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<sup>307</sup> In *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*, the Supreme Court made clear that federal law preempts state laws protecting materials that Congress intended to put in the public domain:

Where the public has paid the congressionally mandated price for disclosure, the States may *not* render the exchange fruitless by offering patent-like protection to the subject matter of the expired patent. ‘It is self-evident that on the expiration of a patent the monopoly created by it ceases to exist, and the right to make the thing formerly covered by the patent becomes public property.’

489 U.S. 141, 152 (1989) (quoting *Singer Mfg. Co. v. June Mfg. Co.*, 163 U.S. 169, 185 (1896)) (emphasis added).

<sup>308</sup> See *supra* note 104.

<sup>309</sup> Kurtz, *The Methuselah Factor*, *supra* note 15, at 440.

<sup>310</sup> U.S. CONST. art. I, § 8, cl. 8.

<sup>311</sup> See discussion *supra* Part III.B.1.

<sup>312</sup> See discussion *supra* Part III B.2.

<sup>313</sup> See discussion *supra* Part III.B.3.

<sup>314</sup> See discussion *supra* Part III.B.4.

<sup>315</sup> *Hines v. Davidowitz*, 312 U.S. 52, 67 (1941).

<sup>316</sup> Even though copyright holders have exclusive rights in the fictional persona, the Copyright Act extends protection “only to the material contributed by the author of such work . . . and does not imply any exclusive right in the preexisting material.” 17 U.S.C. § 103(b) (1994) (derivative works). Thus, the copyright in a fictional persona grants *only* the exclusive right in the *portion* of

interpretation,”<sup>317</sup> courts should limit the right of publicity to reflect such preemption.<sup>318</sup>

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the character that is independently created. See Hamilton, *Appropriation Art*, *supra* note 246, at 104 (“The derivative work right makes it necessary to dissect every text into its constituent parts: ideas, facts, nonoriginal expression, public domain material, pre-existing copyrighted material, and finally original expression.”); Litman, *The Public Domain*, *supra* note 104, at 975 (“Where a work of authorship is based on preexisting sources, copyright will protect only the portions of it that are original.”); see also *Feist Publications, Inc. v. Rural Tel. Serv. Co.*, 499 U.S. 340, 348 (1991) (“The mere fact that a work is copyrighted does not mean that every element of the work may be protected.”); 1 NIMMER & NIMMER, *supra* note 87, § 3.06.

<sup>317</sup> NOWAK & ROTUNDA, *supra* note 84, § 9.1, at 319.

<sup>318</sup> Despite this limitation, actors can adequately protect their human personae through state rights of publicity. In addition, actors can protect their interests by reserving their rights in contracts. See Dreyfuss, *supra* note 235, at 627 (arguing that academics could protect their interests by buying back from universities the right to control the copyrights to their work, or by refusing to assign the copyrights to the universities in the first place). In the Copyright Act, Congress made it clear that, even under the work-made-for-hire arrangement, “parties [can] expressly agree[] otherwise in a written instrument signed by them.” 17 U.S.C. § 201(b) (works made for hire). Contracts that reserve rights to the actors would, therefore, not pose any preemption problems. Moreover, “authors sell or assign that right to publishers by means of contractual agreements all the time.” I. Trotter Hardy, *Contracts, Copyright and Preemption in a Digital World*, 1 RICH. J.L. & TECH. 2, ¶ 25 (Apr. 17, 1995) <<http://www.urich.edu/~jolt/v1i1/hardy.html>>. These agreements have, indeed, become “the revenue-generating means of [the] authors’ creative efforts.” *Id.* ¶ 26.

Apart from contracts, actors can also protect their interests by seeking trademark protection under section 43(a) of the Lanham Act, which provides:

Any person who, on or in connection with any goods or services, or any container for goods, uses in commerce any word, term, name, symbol, or device, or any combination thereof, or any false designation of origin, false or misleading description of fact, or false or misleading representation of fact, which—(A) is likely to cause confusion, or to cause mistake, or to deceive as to the affiliation, connection, or association of such person with another person, or as to the origin, sponsorship, or approval of his or her goods, services, or commercial activities by another person, or (B) in commercial advertising or promotion, misrepresents the nature, characteristics, qualities, or geographic origin of his or her or another person’s goods, services, or commercial activities, shall be liable in a civil action by any person who believes that he or she is or is likely to be damaged by such act.

15 U.S.C. § 1125(a) (1994). See generally Lisa Von Eschen, *Trademark Protection and Free Expression: The Reach of Section 43(a) of the Lanham Act*, 1990 ANN. SURV. AM. L. 531, for a discussion of the statute. Indeed, that cause of action is not new to practitioners, for it has been invoked in many right of publicity cases “as an additional provision on which to base recovery.” Salomon, *supra* note 25, at 1196; see, e.g., *Wendt I*, Nos. 93-56318, 93-56510, 1995 WL 115571, at \*1 (9th Cir. Feb. 7, 1995); *Waits v. Frito-Lay, Inc.*, 978 F.2d 1093 (9th Cir. 1992); *White I*, 971 F.2d 1395 (9th Cir. 1992). Given the courts’ “ever willing[ness] to entertain unconventional notions concerning the likelihood of confusion while also relaxing secondary meaning requirements,” Leaffer, *supra* note 12, at 453, section 43(a) of the Lanham Act provides more than adequate protection for the actor’s personal interests that are not protected by state rights of publicity as a result of copyright preemption. See *Carson v. Here’s Johnny Portable Toilets, Inc.*, 698 F.2d 831, 839 (6th Cir. 1983) (Kennedy, J., dissenting) (“The existence of a cause of action under section 43(a) of the Lanham Act . . . does much to undercut the need for policing against unfair competition through an additional legal remedy such as the right of publicity.”).

## IV. "FICTIONAL PERSONA" TEST

Since the Copyright Act only preempts state rights with respect to fictional persona, the actor's state right of publicity claim is not preempted if the allegedly infringing work displays the actor's unique personal attributes, such as name, voice, and likeness.<sup>319</sup> However, if the contested work merely *evokes* the actor's human persona, courts have to determine whether the state claim involves a fictional persona and, thus, whether writers have established a fictional persona in the audiovisual character. To help make such determination, this Part proposes a "fictional persona" test: *A fictional persona is established if an average lay observer<sup>320</sup> can recognize from the audiovisual character a personality that is substantially different from the actor's human persona.*<sup>321</sup> Since the test "is based on the subjective reactions of lay observ-

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319 See discussion *supra* Part III.

320 It should be noted that an average lay observer, rather than an intended audience, is used in this test. Cf. *Arnstein v. Porter*, 154 F.2d 464, 473 (2d Cir. 1946) ("The question . . . is whether defendant took from plaintiff's works so much of what is pleasing to the ears of lay listeners, *who comprise the audience for whom such popular music is composed*, that defendant wrongfully appropriated something which belongs to the plaintiff." (emphasis added)). The *Arnstein* court stated that the audience test was appropriate for determining substantial similarity because what is at stake is not so much the musician's "reputation but his interest in the potential financial returns from his compositions which derive from the lay public's approbation of his efforts." *Id.* The reasons are twofold. First, "[t]he Copyright Act is intended to protect writers from the theft of the fruits of their labor, not to protect against the general public's 'spontaneous and immediate' impression that the fruits have been stolen." 4 NIMMER & NIMMER, *supra* note 87, § 13.03[E][2], at 13-94 (footnote omitted). Second, "[t]he ordinary observer inquiry was designed to determine general aesthetic similarities between the copyrighted work and the alleged copy." Howard Root, Note, *Copyright Infringement of Computer Programs: A Modification of the Substantial Similarity Test*, 68 MINN. L. REV. 1264, 1285 (1984); see also William E. Hilton, *Quantifying Originality: A Logical Analysis for Determining Substantial Similarity in Computer Software Copyright Infringement Actions*, 31 IDEA 269, 295 (1991) (stating that "functional aspects of a copyrighted work should [not] be thrown into the vague determination of substantial similarity without any effort to identify and remove protection of functional aspects from the copyrighted work"). For discussions of the ordinary observer test, see generally 4 NIMMER & NIMMER, *supra* note 87, § 13.03[E]; LEAFFER, *supra* note 97, § 9.6[B].

321 This test was derived from the substantial similarity test used in most copyright infringement cases. See, e.g., *Computer Assocs. Int'l, Inc. v. Altai, Inc.*, 982 F.2d 693, 701-12 (2d Cir. 1992); *Sid & Marty Krofft Television Prods., Inc. v. McDonald's Corp.*, 562 F.2d 1157, 1162-69 (9th Cir. 1977); *Ideal Toy Corp. v. Fab-Lu Ltd.*, 360 F.2d 1021, 1022-23 (2d Cir. 1966); *Arnstein v. Porter*, 154 F.2d 464, 468-72 (2d Cir. 1946); *Lotus Dev. Corp. v. Paperback Software Int'l*, 740 F. Supp. 37, 54-70 (D. Mass. 1990); *Steinberg v. Columbia Pictures Indus., Inc.*, 663 F. Supp. 706, 711-14 (S.D.N.Y. 1987); *Ideal Toy Corp. v. Kenner Prods. Div. of Gen. Mills Fun Group, Inc.*, 443 F. Supp. 291, 301-05 (S.D.N.Y. 1977). But see Amy B. Cohen, *Masking Copyright Decisionmaking: The Meaninglessness of Substantial Similarity*, 20 U.C. DAVIS L. REV. 719, 732 (1987) [hereinafter Cohen, *Masking Copyright Decisionmaking*] (criticizing the substantial similarity test and proposing fair use considerations as an alternative to the test) ("Instead of using some objective standards or criteria based on economic impact or quantity, courts were to determine infringement on an unpredictable, impressionistic basis."). See generally Jeffrey D. Coulter, *Computers, Copyright and Substantial Similarity: The Test Reconsidered*, 14 J. MARSHALL J.

ers<sup>322</sup> and the distinction between a human persona and a fictional persona is fact-based,<sup>323</sup> the inquiry is to be made without any expert testimony, detailed analysis, or dissection.<sup>324</sup> Instead, “the trier of fact is to fall back on an immediate, visceral reaction to the two [personae] and should consider their total concept and feel.”<sup>325</sup>

The outcome of this “fictional persona” test is consistent with the preemption analysis in Part III. The fact that an average lay observer can recognize from the audiovisual character a personality that is substantially different from the actor’s human persona not only suggests that the character contains an “independently created”<sup>326</sup> persona that constitutes a “work[] of authorship”<sup>327</sup> but also that the embodiment of that persona on film is “sufficiently permanent . . . to permit it to be perceived [or] reproduced for a period of more than transitory duration.”<sup>328</sup> Such persona is therefore “fixed”<sup>329</sup> within the meaning, and falls within the scope, of the Copyright Act.

Furthermore, granting exclusive rights to exploit such a persona is consistent with the existing copyright scheme. Under the scheme, authors are rewarded with copyright only if their works are “original.”<sup>330</sup>

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COMPUTER & INFO. L. 47 (1995), for the history and development of the substantial similarity test.

<sup>322</sup> LEAFFER, *supra* note 97, § 9.6[B], at 296.

<sup>323</sup> See *Krofft*, 562 F.2d at 1164 (“The test for similarity of ideas is . . . a factual one, to be decided by the trier of fact.”).

<sup>324</sup> See *id.* at 1164-65; *Arnstein*, 154 F.2d at 473 (“The proper criterion on [the misappropriation] issue is not an analytic or other comparison of the respective musical compositions as they appear on paper or in the judgment of trained musicians.”); LEAFFER, *supra* note 97, § 9.6[B], at 296 (“Under the ordinary observer . . . test, neither expert testimony, detailed analysis, nor dissection are a proper basis for determining whether works are substantially similar.”).

<sup>325</sup> LEAFFER, *supra* note 97, § 9.6[B], at 296.

<sup>326</sup> *Feist Publications, Inc. v. Rural Tel. Serv. Co.*, 499 U.S. 340, 345 (1991).

<sup>327</sup> 17 U.S.C. § 102(a) (1994) (subject matter of copyright).

<sup>328</sup> *Id.* § 101 (definition of fixation).

<sup>329</sup> *Id.* § 102(a) (subject matter of copyright).

<sup>330</sup> “Originality is a constitutional requirement.” *Feist*, 499 U.S. at 346; see also ROSE, *supra* note 302, at 2 (“Copyright is founded on the concept of the unique individual who creates something original and is entitled to reap a profit from those labors.”); Goldstein, *supra* note 82, at 216 (“[Copyright] implies a floor for investment by requiring that, to be protected, a work be original with the author and not copied from some other source.”); Hamilton, *Dormant Copyright Clause*, *supra* note 87, at 21 (“Copyright protection is not a cattle prod to get the herd moving but rather a gold star for achievement that marks an original work with approval.”); Litman, *The Public Domain*, *supra* note 104, at 967 (“[C]opyright’s paradigm of authorship credits the author with bringing something wholly new into the world.”); *id.* at 975 (“[O]riginality determines the boundaries of copyright.”). For discussions of *Feist* and the constitutional originality requirement, see generally Dennis S. Karjala, *Copyright and Misappropriation*, 17 U. DAYTON L. REV. 885 (1992); Leo J. Raskind, *Assessing the Impact of Feist*, 17 U. DAYTON L. REV. 331 (1992); Russ VerSteege, *Rethinking Originality*, 34 WM. & MARY L. REV. 801 (1993); Russ VerSteege, *Sparks in the Tinderbox: Feist, “Creativity,” and the Legislative History of the 1976 Copyright Act*, 56 U. PITT. L. REV. 549 (1995).

A persona that looks and feels substantially like the actor's human persona would hardly be original.<sup>331</sup> Such a persona, therefore, does not merit copyright protection, regardless of the amount of effort writers have put into creating that persona.<sup>332</sup> In *Feist Publications, Inc. v. Rural Telephone Service Co.*,<sup>333</sup> the Supreme Court made clear that the "sweat of the brow" theory—the notion that industrious collection of facts is rewarded with copyright protection<sup>334</sup>—has no place in the existing copyright scheme.<sup>335</sup> Because the writers failed to make the personality of the character substantially different from the actor's human persona, they must bear "the penalty . . . for marking [their character] too indistinctly,"<sup>336</sup> i.e., losing copyright protection. By contrast, a persona that is substantially different from the actor's human persona is not only original but is a new expression that is of social value. Thus, it is consistent with the Copyright Act and the constitutional goal of "promot[ing] the Progress of Science and useful Arts"<sup>337</sup> to reward with copyright protection those writers that have created a new and original persona.

To illustrate the "fictional persona" test, consider, for example, "Norm Peterson" from *Cheers*. Under the "fictional persona" test, a robot that displayed "Norm" but not George Wendt's facial features exploited a fictional persona if an average lay observer can recognize a personality that is substantially different from Wendt's own human persona. Thus, the robot would exploit a fictional persona if an average lay observer made the following observation at trial:

[T]here's no confusing Norm Peterson with George Wendt, the actor who portrays him. Instead of a suit and tie with a slept-in look, Wendt wears an Air Jordan T-shirt, shorts and running shoes. His calves are solid, and he moves like the natural athlete he is. This bears repeating: George Wendt is a lifelong jock. Granted, a large one.<sup>338</sup>

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331 See discussion *supra* Part III.A; cf. Berman & Boxer, *supra* note 207, at 330-31 ("[T]he more 'human' the character is who is depicted in the movie or television work, the less likely that he or she will be found to be in the event of copyright infringement, sufficiently delineated to merit separate copyright protection.").

332 See Hamilton, *Appropriation Art*, *supra* note 246, at 112 ("The individual who spends years of effort or, more appropriately in this day of pop culture oligopoly, millions of dollars, to produce a work that is not original gets no copyright protection.").

333 499 U.S. 340 (1991).

334 *Id.* at 352 (describing the "sweat of the brow" theory as "the underlying notion that copyright was a reward for the hard work that went into compiling facts").

335 See *id.* at 352-54 (rejecting the "sweat of the brow" theory).

336 *Nichols v. Universal Pictures Corp.*, 45 F.2d 119, 121 (2d Cir. 1930).

337 U.S. CONST. art. I, § 8, cl. 8.

338 Jim Harmon, "Norm!" *Close-Up: George Wendt*, *RUNNER'S WORLD*, Dec. 1991, at 43, 43.

In fact, there is no question that “Norm” is a fictional persona,<sup>339</sup> for the actor admitted so himself.<sup>340</sup> Thus, in *Wendt v. Host International, Inc.*,<sup>341</sup> since the robots have different names<sup>342</sup> and facial features,<sup>343</sup> the robots exploit the fictional personae of “Norm” and “Cliff.” Based on the preemption analysis in Part III, the actors’ state claims are therefore preempted by the Copyright Act,<sup>344</sup> and Paramount Pictures should have prevailed.

This conclusion on the preemption issue is different from that of the Ninth Circuit in *Wendt*. Declining to address the issue,<sup>345</sup> the court held that, as long as the restaurants “sought to appropriate [the actors’] likenesses for their own advantage,”<sup>346</sup> the actors’ likenesses could still be appropriated even though the names and “facial features [of the robots] are totally different.”<sup>347</sup> However, under the “fictional persona” test, courts would not reach this holding. If the robots displayed none of the actors’ human personae, they exploited only the audiovisual characters’ fictional personae.<sup>348</sup> The actors’ state claims would therefore be preempted. Since the restaurants had obtained a license from Paramount Pictures to run *Cheers*-themed bars,<sup>349</sup> the restaurants should have been able to display “Norm” and “Cliff” in their bars.

Although most audiovisual characters can be easily dealt with, because these characters were created specifically for the audiovisual works and were therefore substantially different from the actors’ human personae, there are still some hard cases in which “there will be factual difficulty in deciding whether defendant’s use primarily identifies the actor or identifies a role associated with the actor.”<sup>350</sup> The “Jerry Seinfeld” character from *Seinfeld*, for example, presents one of these hard cases.

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339 See Kaplan & Namuth, *supra* note 194, at 54 (“Of course . . . Wendt presumably ha[s] a real li[f]e apart from [his] NBC persona[.]”).

340 See *Behind the Scenes at Cheers*, *supra* note 128, at 57 (statement of George Wendt) (“I’m like Norm in one respect. . . . Beer is my life. . . . Every year I have to gain seventy-five pounds to play Norm. I put it on before we start the shows and I take it off after we’ve finished.”); Brickner, *supra* note 129, at 23 (statement of George Wendt) (“I always play a jolly fat guy. I wanted to play a scuzzy character for a change.”).

341 125 F.3d 806 (9th Cir. 1997).

342 The robots were called Bob and Hank, instead of “Norm” and “Cliff” (or “George” and “John”).

343 See *Wendt II*, 125 F.3d at 811.

344 See *supra* Part III.B.

345 See *Wendt I*, Nos. 93-56318, 93-56510, 1995 WL 115571, at \*1 (9th Cir. Feb. 7, 1995) (“At the outset, we wish to make it clear that this is not a preemption case.”).

346 *Wendt II*, 125 F.3d at 811.

347 *Id.*

348 See *supra* text accompanying notes 123-31.

349 See *Wendt I*, 1995 WL 115571, at \*3.

350 1 MCCARTHY, *supra* note 35, § 4.13[E], at 4-81.

Consider the following account:

[W]asn't Jerry just playing Jerry on *Seinfeld* all those years? Real Jerry was a thin, immature, neatnik comedian from New York. Ditto TV Jerry. Real Jerry loves cereal and Superman, same as you-know-who. Real Jerry, 44 years old, has never married. TV Jerry—bachelor to the bone.

Yet there are differences between the man and his Must See alter ego. TV Jerry drove a Saab and most likely made a tidy five-figure income. Real Jerry owns some 25 Porsches and probably spends five figures on car wax. Then there's his disposition. TV Jerry can be a smug, self-absorbed fellow (remember when he drugged a date so he could play with her vintage toys?). But Real Jerry, by most accounts, is the opposite: loyal, generous and a pretty decent guy.<sup>351</sup>

Obviously, there are many overlapping characteristics between the fictional persona of the "Jerry Seinfeld" character and Jerry Seinfeld's human persona, since the actor was supposed to play himself in the television show. Nonetheless, there are still many differences between the two personae. If the producer could introduce substantial evidence documenting the difference between the created persona<sup>352</sup> and the actor's human persona, the producer would have a strong property claim over the fictional persona of the "Jerry Seinfeld" character. After all, the distinction between human persona and fictional persona is fact-based and thus depends on factual evidence introduced at trial.

#### CONCLUSION

In this Information Age, where copying technologies are becoming better and cheaper every day,<sup>353</sup> copyright protection provides a very important incentive to induce authors to create and disseminate works of social value.<sup>354</sup> As new computer digital technology allows simula-

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<sup>351</sup> *Part Serious Artist*, *supra* note 141, at 26.

<sup>352</sup> *Cf.* *Castle Rock Entertainment, Inc. v. Carol Publ'g Group, Inc.*, 150 F.3d 132, 139 (2d Cir. 1998) ("[The characters in *Seinfeld*] and events spring from the imagination of Seinfeld's authors . . ."); Mike Flaherty & Mary K. Schilling, *The Seinfeld Chronicles: An Obsessive-Compulsive Viewer's Guide to All 148 Episodes*, ENT. WKLY., May 30, 1997, at 24, 24 ("You have a lot of brilliant minds examining a thought or ethical question from every possible angle." (referring to writing *Seinfeld*)).

<sup>353</sup> *See* I. Trotter Hardy, *The Proper Legal Regime for "Cyberspace"*, 55 U. PITT. L. REV. 993, 1005 (1994) ("Photocopying machines at one time threatened to turn every individual into a mass publisher, but cyberspace seems actually to have achieved that distinction in a way that photocopying never really did."); Eugene Volokh, *Cheap Speech and What It Will Do*, 104 YALE L.J. 1805, 1808-33 (1995) (arguing that the production and reproduction costs of information have been greatly reduced by the Internet).

<sup>354</sup> *See* LEAFFER, *supra* note 97, § 1.9, at 18 ("Without effective protection for authors, the supply of works of authorship may diminish such that we will be left with sophisticated copying

tions of real people—including deceased celebrities—and the proliferation of new multimedia derivative works incorporating preexisting copyrighted materials,<sup>355</sup> control over commercial exploitation of images becomes a very important question. Thus, courts should be careful to accord images the exact amount of protection Congress has meticulously balanced.<sup>356</sup> By providing the “fictional persona” test, which distinguishes fictional persona from human persona, this Note attempts to provide a tool through which courts can resolve conflicts between actors and copyright holders in a manner consistent with the Copyright Act.

Since state commercial laws are “peculiarly susceptible to disruption by preemption issues”<sup>357</sup> and business planners who run the entertainment industry are “particularly concerned with the predictability and stability of”<sup>358</sup> those laws, uncertainty on the preemption issue increases both the cost of contracting<sup>359</sup> and the litigation expense.<sup>360</sup> A consistent resolution of the preemption issue, therefore, not only preserves scarce, valuable resources but also “promote[s] the Progress of Science and useful Arts,”<sup>361</sup> a constitutional goal cherished by the Framers.

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techniques but with nothing worth copying.”).

<sup>355</sup> See McCarthy, *supra* note 19, at 146-47 (stating that the “rotoscoping” process allows Diet Coke to insert images of deceased actors into its television advertisements); Beer & Pekowsky, *supra* note 35 (stating that “reanimation technology” allows well-known figures to be featured in creative works); Lasky & Weingrad, *supra* note 194 (“Multimedia works frequently use preexisting stock photographs or film clips.”). For example, in the movie *Forrest Gump*, the images of actor Tom Hanks are inserted into old footage of Presidents Kennedy, Johnson, and Nixon. FORREST GUMP (Paramount Pictures 1994).

<sup>356</sup> See HOWELL, *supra* note 5, at 174 (“[N]o court should lightly dismiss characters in the popular media as too trivial to be deserving of careful reasoning under one or more legal theory.”).

<sup>357</sup> Harold R. Weinberg & William J. Woodward, Jr., *Legislative Process and Commercial Law: Lessons from the Copyright Act of 1976 and the Uniform Commercial Code*, 48 BUS. LAW. 437, 438 (1993).

<sup>358</sup> *Id.*

<sup>359</sup> See *id.* (“[U]ncertainty as to the applicable law raises the costs of contracting because lawyers attempt to comply with the competing regimes rather than risk a faulty transaction.”); see also Leaffer, *supra* note 12, at 454 (“Buyers and sellers should be able to know exactly what intangible property is being transferred and how much it is worth if the property right is relatively certain in dimension and scope.”).

<sup>360</sup> See *id.* (“Uncertainty [in the preemption issue] adds directly to the costs of transacting business . . .”).

<sup>361</sup> U.S. CONST. art. I, § 8, cl. 8.

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