

Intellectual Property  
Law 470  
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**Supplementary Materials**  
**Part 3**

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**17 U.S.C. § 203. Termination of transfers and licenses granted by the author**

**(a) Conditions for Termination.**—In the case of any work other than a work made for hire, the exclusive or nonexclusive grant of a transfer or license of copyright or of any right under a copyright, executed by the author on or after January 1, 1978, otherwise than by will, is subject to termination under the following conditions:

(1) In the case of a grant executed by one author, termination of the grant may be effected by that author \* \* \*

(3) Termination of the grant may be effected at any time during a period of five years beginning at the end of thirty-five years from the date of execution of the grant \* \* \*

(5) Termination of the grant may be effected notwithstanding any agreement to the contrary, including an agreement to make a will or to make any future grant.

**(b) Effect of Termination.**—Upon the effective date of termination, all rights under this title that were covered by the terminated grants revert to the author \* \* \* but with the following limitations:

(1) A derivative work prepared under authority of the grant before its termination may continue to be utilized under the terms of the grant after its termination, but this privilege does not extend to the preparation after the termination of other derivative works based upon the copyrighted work covered by the terminated grant. \* \* \*

(4) A further grant, or agreement to make a further grant, of any right covered by a terminated grant is valid only if it is made after the effective date of the termination. \* \* \*

**WALT DISNEY PRODUCTIONS v. FILMATION ASSOCIATES**  
(C.D. Cal. 1986)

STOTLER, District Judge: \* \* \* Plaintiff Disney is a corporation that produces, among other things, animated films. Beginning in 1937, Disney produced a series of feature-length motion pictures, which it refers to as the “Disney Classics.” Included among these are pictures entitled “Pinocchio,” “Alice in Wonderland,” and “The Jungle Book.” The story of each of these pictures is based in part upon preexisting work, much of which is in the public domain.

Filmation is also in the business of producing animated films. In or prior to February, 1985, Filmation announced its intention to produce and distribute a series of fully animated feature-length films which it refers to as its “New Classics Collection.” Included among these are films entitled “The New Adventures of Pinocchio,” “Alice Returns to Wonderland,” and “The Continuing Adventures of the Jungle Book.” Filmation’s works are based in part upon the same preexisting sources as are Disney’s.

On April 10, 1985, Disney filed suit against Filmation, asserting eleven causes of action under the federal copyright and trademark laws, as well as California unfair competition laws. \* \* \*

**DISCUSSION**

**A. COUNT SIX: COPYRIGHT INFRINGEMENT**

In Count Six, Disney alleges that Filmation has infringed Disney’s exclusive right to reproduce its copyrighted works in copies. *See* 17 U.S.C. § 106(1).

Disney owns the copyrights to a fully-animated feature-length motion picture entitled “Pinocchio” and to a series of original designs and drawings of certain characters—named Pinocchio, Gepetto, and Stromboli—portrayed therein. These copyrights are valid and duly registered. \* \* \* Filmation has begun production of a fully-animated motion picture entitled “The New Adventures of Pinocchio,” which, contends Disney, utilizes a substantial amount of the aforesaid copyrighted materials. In the course of production, Filmation has produced a script, “story board,” “story reel,”<sup>2</sup> models, and designs, which are said to be tangible and permanent reproductions of characters and scenes, “constituting copies of material” copyrighted by Disney. \* \* \*

It is undisputed that Filmation has generated a substantial body of work preliminary to a “finished film.” It is also undisputed, however, that it has not completed its film “The New Adventures of Pinocchio.” Filmation contends that Count Six is not actionable until it has completed work on its motion picture. Alternatively, Filmation asserts it is entitled to judgment because any articles so far produced are not substantially similar to Disney’s copyrighted expressions.

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<sup>2</sup> A “story reel” is a working model used to create the final animated product. To create a story reel, Filmation first records a reading of the script. It then creates a “story board” comprising sketches of the various scenes in the film set in the order in which they will be portrayed and “shoots” the sketches to synchronize with the recorded dialogue track and a rough music track. By viewing the reel, the director can get a “feel” for the story line and pacing of the anticipated picture and can begin allocating responsibility for its animation. \* \* \*

### 1. Actionable “Copies”

Filmation argues that the materials so far created are only transitory steps en route to a fixed product, and that until its film is completed and ready for distribution, there exists no article that could be said to infringe any of Disney’s copyrights.

Filmation’s argument is refuted by the provisions of the 1976 Copyright Act. \* \* \* Under the Act, “[c]opies’ are material objects ... in which a work is fixed by any method now known or later developed, and from which the work can be perceived, reproduced, or otherwise communicated, either directly or with the aid of a machine or device.” 17 U.S.C. § 101. The definition “includes the material object ... in which the work is first fixed.” *Id.* Further, a work is “‘fixed’ in a tangible medium of expression when its embodiment in a copy ... is sufficiently permanent or stable to permit it to be perceived, reproduced, or otherwise communicated for a period of more than transitory duration.” *Id.* When the work is “prepared over a period of time, the portion of it that has been fixed at any particular time constitutes the work as of that time, and where the work has been prepared in different versions, each version constitutes a separate work.” *Id.* To constitute an actionable copy, therefore, an expression need only be a material object permanently case in some intelligible form. *See 2 Nimmer on Copyrights*, § 8.02(B), pp. 8-22—8-25 (1985).

The articles created by Filmation in the production of its film, including a script, story board, story reel, and promotional “trailer,” satisfy this definition, and thus can constitute copies for purposes of the Act. Because the right of reproduction affords a copyright owner protection against an infringer even if he does not also infringe the § 106(3) right of distribution, \* \* \* the fact that the articles may never be published or, indeed, may be prepared only for the use of Filmation’s animators, does not obviate the possibility of infringement. \* \* \* As explained by Professor Nimmer, “subject to the privilege of fair use, and subject to certain other exemptions, copyright infringement occurs whenever an unauthorized copy ... is made, even if it is used solely for the private purposes of the reproducer.” 2 *Nimmer*, § 8.02(C), p. 8-26. It is thus irrelevant that Filmation has not concluded or “realized” what it considers to be a final motion picture: the Act prohibits the creation of copies, even if the creator considers those copies mere interim steps toward some final goal.

It is similarly no defense to copying that some of Filmation’s expressions may be embodied in a medium different from that of plaintiff’s. \* \* \* Thus, Filmation’s materials, including scripts and story outlines, can infringe Disney’s copyright on “Pinocchio” even though they are not rendered as a motion picture.

This had been the law in the Ninth Circuit even under the Copyright Act of 1909. In *Walker v. University Books, Inc.*, 602 F.2d 859 (9th Cir.1979), plaintiff had copyrighted a set of fortune telling cards. She attempted unsuccessfully to strike a marketing deal with defendants, submitting to them a sample of her deck in the process. Afterward, she assigned her copyright to a third party. Plaintiff subsequently discovered that defendant planned to market a deck of cards similar to the ones she had supplied them in the course of negotiations. She received from defendants “certain blueprints,” which were produced before the date of the assignment (*id.*, at 863), but could adduce no evidence of a completed deck of cards produced and sold during the period in which she owned the copyright.

On appeal from summary judgment in defendant’s favor, the court of appeals rejected defendant’s argument that the blueprints were not themselves copies:

The district court viewed the making of the blueprints as merely a preliminary step or process directed towards the manufacture of [defendants'] finished product, their set of [cards].... However, the fact that an allegedly infringing copy of a protected work may itself be only an inchoate representation of some final product to be marketed commercially does not in itself negate the possibility of infringement.

*Walker*, 602 F.2d at 864. According to the *Walker* court, the operative question was not whether defendants considered the article a final product, but “whether they unauthorizedly utilized [plaintiff’s] work in the manufacture of their blueprints.” *Id.*

Finally, the absence of a completed motion picture does not preclude meaningful comparison of Disney’s character depictions and film with Filmation’s materials. Although Filmation contends that copyright infringement of a cartoon character cannot be based on a mere sketch that is not part of a story, there is no support for this proposition. It is true that courts generally have considered “not only the visual resemblances but also the totality of the characters’ attributes and traits,” 1 *Nimmer* § 2.12, p. 175, n. 16.2, and, thus, that the trier of fact would ordinarily evaluate a character in the context of a story. But where the work sued upon is not a “completed” story, but a series of depictions and other works, comparison of the expressions may be made in the form in which they are presented. *Walt Disney Productions v. Air Pirates*, 581 F.2d 751, 756 (9th Cir.1978) (comparison of graphic images of cartoon characters sufficient to allow action for copyright infringement).

## 2. *Substantial Similarity*

Filmation’s alternative argument—that its creations are not substantially similar as a matter of law—is unconvincing. \* \* \*

## CONCLUSION

Defendants’ motion for summary judgment is denied. \* \* \*

## *Notes and Questions*

1. For a modern version of the *Filmation* case, consider *Tiffany Design, Inc. v. Reno-Tahoe Specialty, Inc.*, 55 F. Supp. 2d 1113 (D. Nev. 1999). The plaintiff took an aerial photograph of the Las Vegas Strip, used a computer program to enhance it digitally, and sold the result as a postcard. Defendant scanned the postcard into his own computer, and lifted six pieces of the image for use in an image of its own. Although the court held that the defendant’s final image was not an infringing derivative work, it held that the act of scanning the plaintiff’s image into the defendant’s computer’s memory created an infringing copy. The existence of the image in the computer’s memory “long enough to allow viewing \* \* \* was sufficient to render it a ‘fixed’ work.” *Id.* at 1120-21.

2. How long should an image have to exist before it is “fixed” within the meaning of § 101 and so could possibly qualify as a “copy”?

**ITALIAN BOOK CO., INC., v. ROSSI**  
27 F.2d 1014 (S.D.N.Y. 1928)

THACHER, District Judge.

When Paolo Citorello, a Sicilian sailor, sang and played his guitar on a long ocean voyage, Sicilian folk songs he had heard and forgotten came back to his memory. He did not know how to read music, and such parts of the words and music as he could remember he sang and played by ear. What he could not remember he improvised. In this way he learned a song which he claimed as his own composition. At the end of the voyage he sang and played it to the representative of a company manufacturing phonograph records. The score was arranged for him by another, and upon his application a copyright was obtained, which he assigned to the plaintiff. The defendants have copied the copyrighted song, claiming that it is an old Sicilian folk song, the words of which were published as early as 1871.

How much of Citorello's composition was subconscious repetition of this old song, as he had heard it sung, and how much of it was original with him, no one can say. No doubt he had heard some variation of the old song and was trying to remember it, but the product differed in words and music from any version of it that has been proved although the theme was the same and the music quite similar. To the extent of such difference he was the author of the new arrangement of the words and music of an old song. That these differences were of some importance may be inferred from the plaintiff's commercial success in selling it and the defendants' desire to appropriate it. There must have been something which Citorello added which brought the old song back into popularity with his own people in this country, and sufficient, I think, to support his claim of copy right. \* \* \* Of course, the defendants could make their own improvisation of the old song, or could copy it without change. They were free to copy the original, but not to copy Citorello's variation. I am satisfied that they did not go back to the original, but simply appropriated the Citorello song, making colorable changes in a clumsy effort to conceal their infringement.

Decree for plaintiff in usual form.

**RUSSELL v. PRICE**  
612 F.2d 1123 (9<sup>th</sup> Cir. 1979)

Before GOODWIN and HUG, Circuit Judges, and THOMPSON, District Judge.

GOODWIN, Circuit Judge:

\* \* \* In 1913 [George Bernard] Shaw registered a copyright on his stage play "Pygmalion". The renewal copyright on the play, obtained in 1941 and originally scheduled to expire in 1969, was extended by Congressional action to the year 1988. Shaw died in 1950 and the plaintiffs, except for Janus Films, are current proprietors of the copyright. Janus Films is a licensee.

In 1938 a derivative version of the play, a motion picture also entitled "Pygmalion", was produced under a license from Shaw; neither the terms nor the licensee's identity appear in the record. The film was produced by Gabriel Pascal, copyrighted by Loew's, and distributed by Metro-Goldwyn-Mayer ("MGM"). For undisclosed reasons, the film's copyright was allowed to expire in 1966. When and if the original film rights agreement expired is also not disclosed.

In 1971 the play's copyright proprietors licensed Janus Films to be the exclusive distributor of the film "Pygmalion".<sup>4</sup> Shortly after discovering in 1972 that Budget Films was renting out copies of the 1938 film, Janus brought action against Budget in a California state court, alleging state causes of action in particular, unfair competition. That case ended in Budget's favor upon a determination that the action was essentially one for copyright infringement over which the state court lacked jurisdiction. The English copyright proprietors then executed a power of attorney in favor of their licensee Janus, and Janus promptly brought this action in federal district court in May 1975. \* \* \*

Defendants' main contention on the primary issue in this litigation is simply stated: Because the film copyright on "Pygmalion" has expired, that film is in the public domain, and, consequently, prints of that film may be used freely by anyone. Thus, they argue that their renting out of the film does not infringe the statutory copyright on Shaw's play.

\* \* \* [W]e reaffirm, without finding it necessary to repeat the rationale, the well-established doctrine that a derivative copyright protects only the new material contained in the derivative work, not the matter derived from the underlying work. 1 Nimmer on Copyright s 3.04 (1979). Thus, although the derivative work may enter the public domain, the matter contained therein which derives from a work still covered by statutory copyright is not dedicated to the public. \* \* \* The established doctrine prevents unauthorized copying or other infringing use of the underlying work or any part of that work contained in the derivative product so long as the underlying work itself remains copyrighted. Therefore, since exhibition of the film "Pygmalion" necessarily involves exhibition of parts of Shaw's play, which is still copyrighted, plaintiffs here may prevent defendants from renting the film for exhibition without their authorization.

\* \* \* The underlying statutory copyright in the instant case will expire in 1988. After that time Budget may freely distribute its copies of the 1938 film. The result we reach here does not conflict with the limited monopoly policy rooted in the Copyrights Clause of the constitution and advanced in the congressional acts.

For the foregoing reasons, we conclude that defendants' activities here infringed the subsisting copyright in Shaw's play and were properly enjoined.

Affirmed.

### *Notes and Questions*

1. Which of the plaintiff's exclusive rights had the defendants in *Russell* infringed?
2. Suppose there were no separate right to make derivative works contained in § 106. Would the rights of a copyright holder in fact be any different? Suppose P is the owner of a copyright on a literary work and D makes a motion picture based on the work. If there were no separate right to make derivative works, would D have infringed any of P's exclusive rights?

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<sup>4</sup>The source of the "Pygmalion" film prints which Budget rents was not before the trial court and is not relevant to our consideration of this case. We assume that Budget lawfully, apart from copyright considerations, acquired the prints it has distributed.

## APPENDIX TO OPINION OF THE COURT

The portions of The Nation article which were copied verbatim from “A Time to Heal,” excepting quotes from Government documents and quotes attributed by Ford to third persons, are identified in boldface in the text. \* \* \*

### THE FORD MEMOIRS BEHIND THE NIXON PARDON

In his memoirs, *A Time To Heal*, which Harper & Row will publish in late May or early June, former President Gerald R. Ford says that the idea of giving a blanket pardon to Richard M. Nixon was raised before Nixon resigned from the Presidency by Gen. Alexander Haig, who was then the White House chief of staff.

Ford also writes that, but for a misunderstanding, he might have selected Ronald Reagan as his 1976 running mate, that Washington lawyer Edward Bennett Williams, a Democrat, was his choice for head of the Central Intelligence Agency, that Nixon was the one who first proposed Rockefeller for Vice President, and that he regretted his “**cowardice**” in allowing Rockefeller to remove himself from Vice Presidential contention. Ford also describes his often prickly relations with Henry Kissinger.

*The Nation* obtained the 655-page typescript before publication. Advance excerpts from the book will appear in *Time* in mid-April and in *The Reader’s Digest* thereafter. Although the initial print order has not been decided, the figure is tentatively set at 50,000; it could change, depending upon the public reaction to the serialization.

Ford’s account of the Nixon pardon contains significant new detail on the negotiations and considerations that surrounded it. According to Ford’s version, the subject was first broached to him by General Haig on August 1, 1974, a week before Nixon resigned. General Haig revealed that the newly transcribed White House tapes were the equivalent of the “**smoking gun**” and that Ford should prepare himself to become President.

Ford was deeply hurt by Haig’s revelation: “**Over the past several months Nixon had repeatedly assured me that he was not involved in Watergate, that the evidence would prove his innocence, that the matter would fade from view.**” Ford had believed him, but he let Haig explain the President’s alternatives.

He could “**ride it out**” or he could resign, Haig said. He then listed the different ways Nixon might resign and concluded by pointing out that **Nixon could agree to leave in return for an agreement that the new President, Ford, would pardon him.** Although Ford said it would be improper for him to make any recommendation, he basically agreed with Haig’s assessment and adds, “**Because of his references to the pardon authority, I did ask Haig about the extent of a President’s pardon power.**”

“It’s my understanding from a White House lawyer,” Haig replied, “that a President does have authority to grant a pardon even before criminal action has been taken against an individual.”

But because Ford had neglected to tell Haig he thought the idea of a resignation conditioned on a pardon was improper, his press aide, Bob Hartmann, suggested that Haig might well have returned to the White House and told President Nixon that he had mentioned the idea and Ford seemed comfortable with it. “Silence implies assent.”

Ford then consulted with White House special counsel James St. Clair, who had no advice



one way or the other on the matter more than pointing out that he was not the lawyer who had given Haig the opinion on the pardon. Ford also discussed the matter with Jack Marsh, who felt that the mention of a pardon in this context was a “time bomb,” and with Bryce Harlow, who had served six Presidents and who agreed that **the mere mention of a pardon “could cause a lot of trouble.”**

As a result of these various conversations, Vice President Ford called Haig and read him a written statement: “I want you to understand that I have no intention of recommending what the President should do about resigning or not resigning and that nothing we talked about yesterday afternoon should be given any consideration in whatever decision the President may wish to make.”

Despite what Haig had told him about the “smoking gun” tapes, Ford told a Jackson, Mich., luncheon audience later in the day that **the President was not guilty of an impeachable offense. “Had I said otherwise at that moment,”** he writes, **“the whole house of cards might have collapsed.”**

In justifying the pardon, Ford goes out of his way to assure the reader that **“compassion for Nixon as an individual** hadn’t prompted my decision at all.” **Rather, he did it because he had** “to get the monkey off my back one way or the other.”

The precipitating factor in his decision was a series of secret meetings his general counsel, Phil Buchen, held with Watergate Special Prosecutor Leon Jaworski in the Jefferson Hotel, where they were both staying at the time. Ford attributes Jaworski with providing some **“crucial” information** *i.e.*, that Nixon was under investigation in ten separate areas, and that **the court process could “take years.”** Ford cites a memorandum from Jaworski’s assistant, Henry S. Ruth Jr., as being especially persuasive. Ruth had written:

“If you decide to recommend indictment I think it is fair and proper to notify Jack Miller and the White House sufficiently in advance so that pardon action could be taken before the indictment.” He went on to say: “One can make a strong argument for leniency and if President Ford is so inclined, I think he ought to do it early rather than late.”

Ford decided that court proceedings against Nixon might take six years, that **Nixon “would not spend time quietly in San Clemente,”** and **“it would be virtually impossible for me to direct public attention on anything else.”**

Buchen, Haig and Henry Kissinger agreed with him. Hartmann was not so sure.

Buchen wanted to condition the pardon on Nixon agreeing to settle the question of who would retain custody and control over the tapes and Presidential papers that might be relevant to various Watergate proceedings, but Ford was reluctant to do that.

At one point a plan was considered whereby the Presidential materials would be kept in a vault at a Federal facility near San Clemente, but the vault would require two keys to open it. One would be retained by the General Services Administration, the other by Richard Nixon.

The White House did, however, want Nixon to make a full confession on the occasion of his pardon or, at a minimum, express true contrition. Ford tells of the negotiation with Jack Miller, Nixon’s lawyer, over the wording of Nixon’s statement. But as Ford reports Miller’s response, Nixon was not likely to yield. **“His few meetings with his client had shown him that the former President’s ability to discuss Watergate objectively was almost nonexistent.”**

The statement they really wanted was never forthcoming. As soon as Ford's emissary arrived in San Clemente, he was confronted with an ultimatum by Ron Zeigler, Nixon's former press secretary. "Let's get one thing straight immediately," Zeigler said. "President Nixon is not issuing any statement whatsoever regarding Watergate, whether Jerry Ford pardons him or not." Zeigler proposed a draft, which was turned down on the ground that **"no statement would be better than that."** They went through three more drafts before they agreed on the statement Nixon finally made, which stopped far short of a full confession.

When Ford aide Benton Becker tried to explain to Nixon that acceptance of a pardon was an admission of guilt, he felt the President wasn't really listening. Instead, Nixon wanted to talk about the Washington Redskins. And when Becker left, Nixon pressed on him some cuff links and a tiepin "out of my own jewelry box."

Ultimately, Ford sums up the philosophy underlying his decision as one he picked up as a student at Yale Law School many years before. **"I learned that public policy often took precedence over a rule of law. Although I respected the tenet that no man should be above the law, public policy demanded that I put Nixon--and Watergate--behind us as quickly as possible."**

Later, when Ford learned that Nixon's phlebitis had acted up and his health was seriously impaired, he debated whether to pay the ailing former President a visit. **"If I made the trip it would remind everybody of Watergate and the pardon. If I didn't, people would say I lacked compassion."** Ford went:

**He was stretched out flat on his back. There were tubes in his nose and mouth, and wires led from his arms, chest and legs to machines with orange lights that blinked on and off. His face was ashen, and I thought I had never seen anyone closer to death.**

The manuscript made available to *The Nation* includes many references to Henry Kissinger and other personalities who played a major role during the Ford years.

*On Kissinger.* Immediately after being informed by Nixon of his intention to resign, Ford returned to the Executive Office Building and phoned Henry Kissinger to let him know how he felt. **"Henry,"** he said, **"I need you. The country needs you. I want you to stay. I'll do everything I can to work with you ."**

"Sir," Kissinger replied, "it is my job to get along with you and not yours to get along with me."

**"We'll get along,"** Ford said. **"I know we'll get along."** Referring to Kissinger's joint jobs as Secretary of State and National Security Adviser to the President, Ford said, **"I don't want to make any change. I think it's worked out well, so let's keep it that way."**

Later Ford did make the change and relieved Kissinger of his responsibilities as National Security Adviser at the same time that he fired James Schlesinger as Secretary of Defense. Shortly thereafter, he reports, Kissinger presented him with a "draft" letter of resignation, which he said Ford could call upon at will if he felt he needed it to quiet dissent from conservatives who objected to Kissinger's role in the firing of Schlesinger.

*On John Connally.* When Ford was informed that Nixon wanted him to replace Agnew, he told the President he had **“no ambition to hold office after January 1977.”** Nixon replied that that was good since his own choice for his running mate in 1976 was John Connally. “He’d be excellent,” observed Nixon. Ford says he had “no problem with that.”

*On the Decision to Run Again.* Ford was, he tells us, so sincere in his intention not to run again that he thought he would announce it and enhance his credibility in the country and the Congress, as well as keep the promise he had made to his wife, Betty.

Kissinger talked him out of it. “You can’t do that. It would be disastrous from a foreign policy point of view. For the next two and a half years foreign governments would know that they were dealing with a lame-duck President. All our initiatives would be dead in the water, and I wouldn’t be able to implement your foreign policy. It would probably have the same consequences in dealing with the Congress on domestic issues. You can’t reassert the authority of the Presidency if you leave yourself hanging out on a dead limb. You’ve got to be an affirmative President.”

*On David Kennerly, the White House photographer.* Schlesinger was arguing with Kissinger and Ford over the appropriate response to the seizure of the *Mayaguez*. At issue was whether airstrikes against the Cambodians were desirable; Schlesinger was opposed to bombings. Following a lull in the conversation, Ford reports, up spoke the 30-year-old White House photographer, David Kennerly, who had been taking pictures for the last hour.

“Has anyone considered,” Kennerly asked, “that this might be the act of a local Cambodian commander who has just taken it into his own hands to stop any ship that comes by?” Nobody, apparently, had considered it, but following several seconds of silence, Ford tells us, the view carried the day. **“Massive airstrikes would constitute overkill,”** Ford decided. **“It would be far better to have Navy jets from the Coral Sea make surgical strikes against specific targets.”** [FN23]

*On Nixon’s Character.* Nixon’s flaw, according to Ford, was **“pride.”** **“A terribly proud man,”** writes Ford, **“he detested weakness in other people. I’d often heard him speak disparagingly of those whom he felt to be soft and expedient. (Curiously, he didn’t feel that the press was weak. Reporters, he sensed, were his adversaries. He knew they didn’t like him, and he responded with reciprocal disdain.)”**

Nixon felt disdain for the Democratic leadership of the House, whom he also regarded as weak. According to Ford, **“His pride and personal contempt for weakness had overcome his ability to tell the difference between right and wrong,”** all of which leads Ford to wonder whether Nixon had known in advance about Watergate.

On hearing Nixon’s resignation speech, which Ford felt lacked an adequate plea for forgiveness, he was persuaded that **“Nixon was out of touch with reality.”**

In February of last year, when *The Washington Post* obtained and printed advance excerpts from H.R. Haldeman’s memoir, *The Ends of Power*, on the eve of its publication by Times Books, *The New York Times* called *The Post’s* feat “a second-rate burglary.”

*The Post* disagreed, claiming that its coup represented “first-rate enterprise” and arguing that it had burglarized nothing, that publication of the Haldeman memoir came under the Fair Comment doctrine long recognized by the courts, and that “There is a fundamental journalistic principle here--a First Amendment principle that was central to the Pentagon Papers case.”

In the issue of *The Nation* dated May 5, 1979, our special Spring Books number, we will discuss some of the ethical problems raised by the issue of disclosure.

## Substantial Similarity Exercise

In two copyright lawsuits, the courts considered a list of alleged similarities between the plaintiff's work and the defendant's work. Consider the lists of similarities, which are presented below. Which of the lists of similarities, if proved, do you think would be more likely to lead to a finding of copyright infringement?

### Similarities between "Stalag 17" and "Hogan's Heros"

*See Bevan v. Columbia Broadcasting System, Inc.*, 329 F.Supp. 601 (D.C.N.Y. 1971) :

1. Both are set in Nazi prisoner of war ('POW') camps, denominated as stalags;
2. The dramatic mood of both works is essentially a carefully balanced blend of the grim and the comic;
3. The principal POW guard 'Schultz' appears in both works; and both refer to the threat of sending him to combat duty for the Wehrmacht on the Russian front;
4. Sefton in *Stalag 17* and Colonel Hogan in *Hogan's Heroes* are counterparts;
5. Even comparatively minor characters have counterparts-- e.g. Reed in *Stalag 17* compares with Newkirk and others in *Hogan's*; and Harry and Stosh, with Newkirk and Carter;
6. Common themes pervade the two works—e.g. the discovery of German informers, the virtual 'impossibility' of escape from the camp, the baiting, taunting and outwitting of the camp officials, and ultimately the 'heroism' of the prisoners, who frequently save one or more of their fellows from the guards of Gestapo, by hiding them, smuggling them out of camp, etc.;
7. Various episodes are common to the two works—roll-call formations, sabotage of German trains, acquisition and concealment of prohibited provisions, etc.

### **Similarities between “Star Wars” and “Battlestar Galactica”**

*See Twentieth Century-Fox Film Corp. v. MCA, Inc.*, 715 F.2d 1327 (9<sup>th</sup> Cir. 1983)

1. The central conflict of each story is a war between the galaxy’s democratic and totalitarian forces.
2. In Star Wars the young hero’s father had been a leader of the democratic forces, and the present leader of the democratic forces is a father figure to the young hero. In Battlestar the young hero’s father is a leader of the democratic forces.
3. The leader of the democratic forces is an older man, displaying great wisdom, and symbolizing goodness and leadership, with a mysterious mystical ability to dominate a leader of the totalitarian forces.
4. An entire planet, central to the existence of the democratic forces, is destroyed.
5. The heroine is imprisoned by the totalitarian forces.
6. A leading character returns to the family home to find it destroyed.
7. The search by the totalitarians and the liberation attempt by the democratic forces are depicted in alternating sequences between the totalitarian and democratic camps.
8. There is a romance between the hero’s friend (the cynical fighter pilot) and the daughter of one of the leaders of the democratic forces.
9. A friendly robot, who aids the democratic forces is severely injured (Star Wars) or destroyed (Battlestar) by the totalitarian forces.
10. There is a scene in a cantina (Star Wars) or casino (Battlestar), in which musical entertainment is offered by bizarre, non-human creatures.
11. Space vehicles, although futuristic, are made to look used and old, contrary to the stereo-typical sleek, new appearance of space age equipment.
12. The climax consists of an attack by the democratic fighter pilots on the totalitarian headquarters.
13. Each work ends with an awards ceremony in honor of the democratic heroes.

**SID & MARTY KROFFT TELEVISION PRODUCTIONS, INC. v.**  
**McDONALD'S CORPORATION**  
562 F.2d 1157 (9<sup>th</sup> Cir. 1977)

Before CARTER, GOODWIN, and SNEED, Circuit Judges.

JAMES M. CARTER, Circuit Judge:

This is a copyright infringement action. Plaintiffs Sid and Marty Krofft Television Productions, Inc., and Sid and Marty Krofft Productions, Inc. were awarded \$50,000.00 in their action against defendants McDonald's Corporation and Needham, Harper & Steers, Inc. Defendants were found to have infringed plaintiffs' "H. R. Pufnstuf" children's television show by the production of their "McDonaldland" television commercials.

\* \* \* Defendants \* \* \* contend that their television commercials did not infringe upon plaintiffs' television series as a matter of law. \* \* \*

We believe that the district court's finding of infringement was not clearly erroneous. \* \* \*

Facts

In 1968, Sid and Marty Krofft were approached by the NBC television network to create a children's television program for exhibition on Saturday morning. The Kroffts spent the next year creating the H. R. Pufnstuf television show, which was introduced on NBC in September 1969. The series included several fanciful costumed characters, as well as a boy named Jimmy, who lived in a fantasyland called "Living Island," which was inhabited by moving trees and talking books. The television series became extremely popular and generated a line of H. R. Pufnstuf products and endorsements.

In early 1970, Marty Krofft, the President of both Krofft Television and Krofft Productions and producer of the show, was contacted by an executive from Needham, Harper & Steers, Inc., an advertising agency. He was told that Needham was attempting to get the advertising account of McDonald's hamburger restaurant chain and wanted to base a proposed campaign to McDonald's on the H. R. Pufnstuf characters. The executive wanted to know whether the Kroffts would be interested in working with Needham on a project of this type.

Needham and the Kroffts were in contact by telephone six or seven more times. By a letter dated August 31, 1970, Needham stated it was going forward with the idea of a McDonaldland advertising campaign based on the H. R. Pufnstuf series. It acknowledged the need to pay the Kroffts a fee for preparing artistic designs and engineering plans. Shortly thereafter, Marty Krofft telephoned Needham only to be told that the advertising campaign had been cancelled.

In fact, Needham had already been awarded McDonald's advertising account and was proceeding with the McDonaldland project. Former employees of the Kroffts were hired to design and construct the costumes and sets for McDonaldland. Needham also hired the same voice expert who supplied all of the voices for the Pufnstuf characters to supply some of the voices for the McDonaldland characters. In January 1971, the first of the McDonaldland commercials was broadcast on network television. \* \* \*

The three week jury trial began on November 27, 1973. The jurors were shown for their consideration on the question of infringement: (1) two H. R. Pufnstuf television episodes; (2) various

items of H. R. Pufnstuf merchandise, such as toys, games, and comic books; (3) several 30 and 60 second McDonaldland television commercials; and (4) various items of McDonaldland merchandise distributed by McDonald's, such as toys and puzzles. \* \* \*

A verdict in favor of plaintiffs was returned and damages of \$50,000.00 assessed. \* \* \*  
These appeals followed.

## I. INFRINGEMENT

### Proof of Infringement

It has often been said that in order to establish copyright infringement a plaintiff must prove ownership of the copyright and "copying" by the defendant. \* \* \* "Copying," in turn, is said to be shown by circumstantial evidence of access to the copyrighted work and substantial similarity between the copyrighted work and defendant's work. \* \* \* But an analysis of the cases suggests that these statements frequently serve merely as boilerplate to copyright opinions.

Under such statements, infringement would be established upon proof of ownership, access, and substantial similarity. Application of this rule, however, would produce some untenable results. For example, a copyright could be obtained over a cheaply manufactured plaster statue of a nude. Since ownership of a copyright is established, subsequent manufacturers of statues of nudes would face the grave risk of being found to be infringers if their statues were substantially similar and access were shown. The burden of proof on the plaintiff would be minimal, since most statues of nudes would in all probability be substantially similar to the cheaply manufactured plaster one.

Clearly the scope of copyright protection does not go this far. A limiting principle is needed. This is provided by the classic distinction between an "idea" and the "expression" of that idea. It is an axiom of copyright law that the protection granted to a copyrighted work extends only to the particular expression of the idea and never to the idea itself. *Mazer v. Stein*, 347 U.S. 201, 217-18 (1954); *Baker v. Selden*, 101 U.S. 99, 102-03 (1879). This principle attempts to reconcile two competing social interests: rewarding an individual's creativity and effort while at the same time permitting the nation to enjoy the benefits and progress from use of the same subject matter.

The real task in a copyright infringement action, then, is to determine whether there has been copying of the expression of an idea rather than just the idea itself. \* \* \* Only this expression may be protected and only it may be infringed.

The difficulty comes in attempting to distill the unprotected idea from the protected expression. No court or commentator in making this search has been able to improve upon Judge Learned Hand's famous "abstractions test" articulated in *Nichols v. Universal Pictures Corporation*, 45 F.2d 119 (2 Cir. 1930). \* \* \*

"Upon any work, and especially upon a play, a great number of patterns of increasing generality will fit equally well, as more and more of the incident is left out. The last may perhaps be no more than the most general statement of what the play is about, and at times might consist of only its title; but there 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." 45 F.2d at 121.

\* \* \* The test for infringement therefore has been given a new dimension. There must be ownership of the copyright and access to the copyrighted work. But there also must be substantial similarity not only of the general ideas but of the expressions of those ideas as well. Thus two steps in the analytic process are implied by the requirement of substantial similarity.

The determination of whether there is substantial similarity in ideas may often be a simple one. Returning to the example of the nude statue, the idea there embodied is a simple one a plaster recreation of a nude human figure. A statue of a horse or a painting of a nude would not embody this idea and therefore could not infringe. The test for similarity of ideas is still a factual one, to be decided by the trier of fact. \* \* \*

We shall call this the “extrinsic test.” It is extrinsic because it depends not on the responses of the trier of fact, but on specific criteria which can be listed and analyzed. Such criteria include the type of artwork involved, the materials used, the subject matter, and the setting for the subject. Since it is an extrinsic test, analytic dissection and expert testimony are appropriate. Moreover, this question may often be decided as a matter of law.

The determination of when there is substantial similarity between the forms of expression is necessarily more subtle and complex. As Judge Hand candidly observed, “Obviously, no principle can be stated as to when an imitator has gone beyond copying the ‘idea,’ and has borrowed its ‘expression.’ Decisions must therefore inevitably be ad hoc.” *Peter Pan Fabrics, Inc. v. Martin Weiner Corp.*, 274 F.2d 487, 489 (2 Cir. 1960). If there is substantial similarity in ideas, then the trier of fact must decide whether there is substantial similarity in the expressions of the ideas so as to constitute infringement.

The test to be applied in determining whether there is substantial similarity in expressions shall be labeled an intrinsic one depending on the response of the ordinary reasonable person. \* \* \* It is intrinsic because it does not depend on the type of external criteria and analysis which marks the extrinsic test. As this court stated in *Twentieth Century-Fox Film Corp. v. Stonesifer*, 140 F.2d 579, 582 (9 Cir. 1944):

“The two works involved in this appeal should be considered and tested, not hypercritically or with meticulous scrutiny, but by the observations and impressions of the average reasonable reader and spectator.”

Because this is an intrinsic test, analytic dissection and expert testimony are not appropriate.

This same type of bifurcated test was announced in *Arnstein v. Porter*, 154 F.2d 464, 468-69 (2 Cir. 1946). \* \* \* The court there identified two separate elements essential to a plaintiff’s suit for infringement: copying and unlawful appropriation. Under the *Arnstein* doctrine, the distinction is significant because of the different tests involved.

“(T)he trier of fact must determine whether the similarities are sufficient to prove copying. On this issue, analysis (‘dissection’) is relevant, and the testimony of experts may be received to aid the trier of facts. \* \* \* If copying is established, then only does there arise the second issue, that of illicit copying (unlawful appropriation). On that issue . . . the test is the response of the ordinary lay hearer; accordingly, on that issue, ‘dissection’ and expert testimony are irrelevant.” 154 F.2d at 468



(footnotes omitted).

We believe that the court in *Arnstein* was alluding to the idea-expression dichotomy which we make explicit today. When the court in *Arnstein* refers to “copying” which is not itself an infringement, it must be suggesting copying merely of the work’s idea, which is not protected by the copyright. To constitute an infringement, the copying must reach the point of “unlawful appropriation,” or the copying of the protected expression itself. We analyze this distinction in terms both of the elements involved idea and expression and of the tests to be used extrinsic and intrinsic in an effort to clarify the issues involved.

#### The Tests Applied

In the context of this case, the distinction between these tests is important. Defendants do not dispute the fact that they copied the idea of plaintiffs’ Pufnstuf television series basically a fantasyland filled with diverse and fanciful characters in action. They argue, however, that the expressions of this idea are too dissimilar for there to be an infringement. They come to this conclusion by dissecting the constituent parts of the Pufnstuf series characters, setting, and plot and pointing out the dissimilarities between these parts and those of the McDonaldland commercials.

This approach ignores the idea-expression dichotomy alluded to in *Arnstein* and analyzed today. Defendants attempt to apply an extrinsic test by the listing of dissimilarities in determining whether the expression they used was substantially similar to the expression used by plaintiffs. That extrinsic test is inappropriate; an intrinsic test must here be used. As the court in *Arnstein* stated:

“Whether (if he copied) defendant unlawfully appropriated presents, too, an issue of fact. The proper criterion on that issue is not an analytic or other comparison of the respective . . . compositions . . . . The plaintiff’s legally protected interest in the potential financial return from his compositions which derive from the lay public’s approbation of his efforts. The question, therefore, is whether defendant took from plaintiff’s works so much of what is pleasing to the (eyes and) ears of lay (persons), who comprise the audience for whom such popular (works are) composed, that defendant wrongfully appropriated something which belongs to the plaintiff. Surely, then, we have an issue of fact which a jury is peculiarly fitted to determine.” 154 F.2d at 472-73 (footnotes omitted).

Analytic dissection, as defendants have done, is therefore improper.

\* \* \* Since the intrinsic test for expression is uniquely suited for determination by the trier of fact, this court must be reluctant to reverse it. \* \* \*

As a finding of fact, a conclusion as to the question of copying is subject to the “clearly erroneous” standard. Fed.R.Civ.P. 52(a). But it follows that this court will be less likely to find clear error when the subjective test for copying of expression has been applied.

The present case demands an even more intrinsic determination because both plaintiffs’ and defendants’ works are directed to an audience of children. This raises the particular factual issue of the impact of the respective works upon the minds and imaginations of young people. As the court said in *Ideal Toy Corp. v. Fab-Lu Ltd.*, 261 F.Supp. 238, 241-42 (S.D.N.Y.1966), aff’d, 360 F.2d

1021 (2 Cir. 1966):

“In applying the test of the average lay observer, (children) are not to be excluded indeed they are the ‘far-flung faithful . . . audience.’ The television advertising campaign of plaintiff was directed toward acquainting these youngsters with . . . its new teenage and pre-teen dolls. The impression of the faces and general appearance of the dolls was upon them. . . . (T)he dolls create the same impression, both with respect to their appearances and the play uses for which they are suited. It is the youngsters who, on the basis of this impression, go to the stores with their parents or at home make their wishes known for the dolls they desire after television has made its impact upon them. In their enthusiasm to acquire . . . (the dolls) they certainly are not bent upon ‘detecting disparities’ or even readily observing upon inspection such fine details as the point at which the necks are molded” (citations and footnotes omitted).

The H. R. Pufnstuf series became the most popular children’s show on Saturday morning television. This success led several manufacturers of children’s goods to use the Pufnstuf characters. It is not surprising, then, that McDonald’s hoped to duplicate this peculiar appeal to children in its commercials. It was in recognition of the subjective and unpredictable nature of children’s responses that defendants opted to recreate the H. R. Pufnstuf format rather than use an original and unproven approach.

Defendants would have this court ignore that intrinsic quality which they recognized to embark on an extrinsic analysis of the two works. For example, in discussing the principal characters Pufnstuf and Mayor McCheese defendants point out:

“ ‘Pufnstuf’ wears what can only be described as a yellow and green dragon suit with a blue cummerbund from which hangs a medal which says ‘mayor’. ‘McCheese’ wears a version of pink formal dress ‘tails’ with knicker trousers. He has a typical diplomat’s sash on which is written ‘mayor’, the ‘M’ consisting of the McDonald’s trademark of an ‘M’ made of golden arches.”

So not only do defendants remove the characters from the setting, but dissect further to analyze the clothing, colors, features, and mannerisms of each character. We do not believe that the ordinary reasonable person, let alone a child, viewing these works will even notice that Pufnstuf is wearing a cummerbund while Mayor McCheese is wearing a diplomat’s sash.

Duplication or near identity is not necessary to establish infringement. \* \* \* [A]s Judge Learned Hand put it, copyright “cannot be limited literally to the text, else a plagiarist would escape by immaterial variations.” *Nichols v. Universal Pictures Corp.*, 45 F.2d 119, 121 (2 Cir. 1930).

We have viewed representative samples of both the H. R. Pufnstuf show and McDonaldland commercials. It is clear to us that defendants’ works are substantially similar to plaintiffs’. They have captured the “total concept and feel” of the Pufnstuf show. *Roth Greeting Cards v. United Card Co.*, 429 F.2d 1106, 1110 (9 Cir. 1970). We would so conclude even if we were sitting as the triers of fact. There is no doubt that the findings of the jury in this case are not clearly erroneous.

\* \* \* The judgment of the district court finding infringement is affirmed. \* \* \*

### *Notes and Questions*

1. Compare the “extrinsic” and “intrinsic” tests discussed in this case to the Learned Hand “abstractions” test. Are the two compatible? How does the “intrinsic” test, with its appeal to the reactions of the ordinary lay observer, account for the parts of the plaintiff’s work that constitute unprotectible ideas?

2. *Roth Greeting Cards v. United Card Co.*, 429 F.2d 1106 (9<sup>th</sup> Cir. 1970), mentioned near the end of the opinion, is the source of the “total concept and feel” formula. In that case, one manufacturer of greeting cards sued another for infringement. The court found infringement on the following basis:

It appears to us that in total concept and feel the cards of United are the same as the copyrighted cards of Roth. With the possible exception of one United card (exhibit 6), the characters depicted in the art work, the mood they portrayed, the combination of art work conveying a particular mood with a particular message, and the arrangement of the words on the greeting card are substantially the same as in Roth’s cards. In several instances the lettering is also very similar.

It is true, as the trial court found, that each of United’s cards employed art work somewhat different from that used in the corresponding Roth cards. However, ‘The test of infringement is whether the work is recognizable by an ordinary observer as having been taken from the copyrighted source.’

Is this test consistent with the Learned Hand test? Should a copyright holder have protection for the “total concept and feel” of the copyrighted work?

**WHITE v. SAMSUNG ELECTRONICS AMERICA, INC.**  
989 F.2d 1512 (9<sup>th</sup> Cir. 1993)

Before GOODWIN, PREGERSON and ALARCON, Circuit Judges.

\* \* \* [After the court's previous decision, printed in the casebook, the defendants filed a petition for rehearing and a suggestion for rehearing en banc; such a suggestion is circulated to all the judges of the circuit and a rehearing en banc takes place if a majority of the circuit's judges vote for it.]

The petition for rehearing is DENIED and the suggestion for rehearing en banc is REJECTED.

KOZINSKI, Circuit Judge, with whom Circuit Judges O'SCANNLAIN and KLEINFELD join, dissenting from the order rejecting the suggestion for rehearing en banc.

I

Saddam Hussein wants to keep advertisers from using his picture in unflattering contexts.<sup>1</sup> Clint Eastwood doesn't want tabloids to write about him.<sup>2</sup> Rudolf Valentino's heirs want to control his film biography.<sup>3</sup> The Girl Scouts don't want their image soiled by association with certain activities.<sup>4</sup> George Lucas wants to keep Strategic Defense Initiative fans from calling it "Star Wars."<sup>5</sup> Pepsico doesn't want singers to use the word "Pepsi" in their songs.<sup>6</sup> Guy Lombardo wants

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<sup>1</sup> See Eben Shapiro, *Rising Caution on Using Celebrity Images*, N.Y. Times, Nov. 4, 1992, at D20 (Iraqi diplomat objects on right of publicity grounds to ad containing Hussein's picture and caption "History has shown what happens when one source controls all the information").

<sup>2</sup> *Eastwood v. Superior Court*, 149 Cal.App.3d 409, 198 Cal.Rptr. 342 (1983).

<sup>3</sup> *Guglielmi v. Spelling-Goldberg Prods.*, 25 Cal.3d 860, 160 Cal.Rptr. 352, 603 P.2d 454 (1979) (Rudolph Valentino); see also *Maheu v. CBS, Inc.*, 201 Cal.App.3d 662, 668, 247 Cal.Rptr. 304 (1988) (aide to Howard Hughes). Cf. Frank Gannon, *Vanna Karenina*, in *Vanna Karenina and Other Reflections* (1988) (A humorous short story with a tragic ending. "She thought of the first day she had met VR\_\_SKY. How foolish she had been. How could she love a man who wouldn't even tell her all the letters in his name?").

<sup>4</sup> *Girl Scouts v. Personality Posters Mfg.*, 304 F.Supp. 1228 (S.D.N.Y.1969) (poster of a pregnant girl in a Girl Scout uniform with the caption "Be Prepared").

<sup>5</sup> *Lucasfilm Ltd. v. High Frontier*, 622 F.Supp. 931 (D.D.C.1985).

<sup>6</sup> Pepsico Inc. claimed the lyrics and packaging of grunge rocker Tad Doyle's "Jack Pepsi" song were "offensive to [it] and [ ...] likely to offend [its] customers," in part because they "associate [Pepsico] and its Pepsi marks with intoxication and drunk driving." Deborah Russell, *Doyle Leaves Pepsi Thirsty for Compensation*, *Billboard*, June 15, 1991, at 43. Conversely, the Hell's Angels recently sued Marvel Comics to keep it from publishing a comic book called "Hell's Angel," starring a character of the same name. Marvel settled by paying \$35,000 to charity and promising never to use the name "Hell's Angel" again in connection with any of its publications. *Marvel, Hell's Angels Settle Trademark Suit*, L.A. Daily J., Feb. 2, 1993, § II, at 1.

Trademarks are often reflected in the mirror of our popular culture. See Truman Capote, *Breakfast at Tiffany's* (1958); Kurt Vonnegut, Jr., *Breakfast of Champions* (1973); Tom Wolfe, *The Electric Kool-Aid Acid Test* (1968) (which, incidentally, includes a chapter on the Hell's Angels); Larry Niven, *Man of Steel, Woman of Kleenex*, in *All the*

an exclusive property right to ads that show big bands playing on New Year's Eve.<sup>7</sup> Uri Geller thinks he should be paid for ads showing psychics bending metal through telekinesis.<sup>8</sup> Paul Prudhomme, that household name, thinks the same about ads featuring corpulent bearded chefs.<sup>9</sup> And scads of copyright holders see purple when their creations are made fun of.<sup>10</sup>

Something very dangerous is going on here. Private property, including intellectual property, is essential to our way of life. It provides an incentive for investment and innovation; it stimulates the flourishing of our culture; it protects the moral entitlements of people to the fruits of their labors. But reducing too much to private property can be bad medicine. Private land, for instance, is far more useful if separated from other private land by public streets, roads and highways. Public parks, utility rights-of-way and sewers reduce the amount of land in private hands, but vastly enhance the value of the property that remains.

So too it is with intellectual property. 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.

The panel's opinion is a classic case of overprotection. Concerned about what it sees as a wrong done to Vanna White, the panel majority erects a property right of remarkable and dangerous

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*Myriad Ways* (1971); *Looking for Mr. Goodbar* (1977); *The Coca-Cola Kid* (1985) (using Coca-Cola as a metaphor for American commercialism); *The Kentucky Fried Movie* (1977); *Harley Davidson and the Marlboro Man* (1991); *The Wonder Years* (ABC 1988-present) ("Wonder Years" was a slogan of Wonder Bread); Tim Rice & Andrew Lloyd Webber, *Joseph and the Amazing Technicolor Dream Coat* (musical). Hear Janis Joplin, *Mercedes Benz*, on *Pearl* (CBS 1971); Paul Simon, *Kodachrome*, on *There Goes Rhyming Simon* (Warner 1973); Leonard Cohen, *Chelsea Hotel*, on *The Best of Leonard Cohen* (CBS 1975); Bruce Springsteen, *Cadillac Ranch*, on *The River* (CBS 1980); Prince, *Little Red Corvette*, on *1999* (Warner 1982); dada, *Dizz Knee Land*, on *Puzzle* (IRS 1992) ("I just robbed a grocery store--I'm going to Disneyland / I just flipped off President George--I'm going to Disneyland"); Monty Python, *Spam*, on *The Final Rip Off* (Virgin 1988); Roy Clark, *Thank God and Greyhound [You're Gone]*, on *Roy Clark's Greatest Hits Volume I* (MCA 1979); Mel Tillis, *Coca-Cola Cowboy*, on *The Very Best of* (MCA 1981) ("You're just a Coca-Cola cowboy / You've got an Eastwood smile and Robert Redford hair ..."). *Dance to Talking Heads, Popular Favorites 1976-92: Sand in the Vaseline* (Sire 1992); Talking Heads, *Popsicle*, on *id. Admire Andy Warhol, Campbell's Soup Can. Cf. REO Speedwagon, 38 Special, and Jello Biafra of the Dead Kennedys.*

The creators of some of these works might have gotten permission from the trademark owners, though it's unlikely Kool-Aid relished being connected with LSD, Hershey with homicidal maniacs, Disney with armed robbers, or Coca-Cola with cultural imperialism. Certainly no free society can demand that artists get such permission.

<sup>7</sup> *Lombardo v. Doyle, Dane & Bernbach, Inc.*, 58 A.D.2d 620, 396 N.Y.S.2d 661 (1977).

<sup>8</sup> *Geller v. Fallon McElligott*, No. 90-Civ-2839 (S.D.N.Y. July 22, 1991) (involving a Timex ad).

<sup>9</sup> *Prudhomme v. Procter & Gamble Co.*, 800 F.Supp. 390 (E.D.La.1992).

<sup>10</sup> E.g., *Acuff-Rose Music, Inc. v. Campbell*, 972 F.2d 1429 (6th Cir.1992); *Cliffs Notes v. Bantam Doubleday Dell Publishing Group, Inc.*, 886 F.2d 490 (2d Cir.1989); *Fisher v. Dees*, 794 F.2d 432 (9th Cir.1986); *MCA, Inc. v. Wilson*, 677 F.2d 180 (2d Cir.1981); *Elsmere Music, Inc. v. NBC*, 623 F.2d 252 (2d Cir.1980); *Walt Disney Prods. v. The Air Pirates*, 581 F.2d 751 (9th Cir.1978); *Berlin v. E.C. Publications, Inc.*, 329 F.2d 541 (2d Cir.1964); *Lowenfels v. Nathan*, 2 F.Supp. 73 (S.D.N.Y.1932).

breadth: Under the majority’s opinion, it’s now a tort for advertisers to *remind* the public of a celebrity. Not to use a celebrity’s name, voice, signature or likeness; not to imply the celebrity endorses a product; but simply to evoke the celebrity’s image in the public’s mind. This Orwellian notion withdraws far more from the public domain than prudence and common sense allow. It conflicts with the Copyright Act and the Copyright Clause. It raises serious First Amendment problems. It’s bad law, and it deserves a long, hard second look.

## II

Samsung ran an ad campaign promoting its consumer electronics. Each ad depicted a Samsung product and a humorous prediction: One showed a raw steak with the caption “Revealed to be health food. 2010 A.D.” Another showed Morton Downey, Jr. in front of an American flag with the caption “Presidential candidate. 2008 A.D.”<sup>12</sup> The ads were meant to convey—humorously—that Samsung products would still be in use twenty years from now.

The ad that spawned this litigation starred a robot dressed in a wig, gown and jewelry reminiscent of Vanna White’s hair and dress; the robot was posed next to a Wheel-of-Fortune-like game board. *See* Appendix. The caption read “Longest-running game show. 2012 A.D.” The gag here, I take it, was that Samsung would still be around when White had been replaced by a robot.

Perhaps failing to see the humor, White sued, alleging Samsung infringed her right of publicity by “appropriating” her “identity.” Under California law, White has the exclusive right to use her name, likeness, signature and voice for commercial purposes. Cal.Civ.Code § 3344(a); *Eastwood v. Superior Court*, 149 Cal.App.3d 409, 417, 198 Cal.Rptr. 342, 347 (1983). But Samsung didn’t use her name, voice or signature, and it certainly didn’t use her likeness. The ad just wouldn’t have been funny had it depicted White or someone who resembled her—the whole joke was that the game show host(ess) was a robot, not a real person. No one seeing the ad could have thought this was supposed to be White in 2012.

The district judge quite reasonably held that, because Samsung didn’t use White’s name, likeness, voice or signature, it didn’t violate her right of publicity. 971 F.2d at 1396-97. Not so, says the panel majority: The California right of publicity can’t possibly be limited to name and likeness. If it were, the majority reasons, a “clever advertising strategist” could avoid using White’s name or likeness but nevertheless remind people of her with impunity, “effectively eviscerat[ing]” her rights. To prevent this “evisceration,” the panel majority holds that the right of publicity must extend beyond name and likeness, to any “appropriation” of White’s “identity”—anything that “evoke[s]” her personality. *Id.* at 1398-99.

## III

But what does “evisceration” mean in intellectual property law? Intellectual property rights aren’t like some constitutional rights, absolute guarantees protected against all kinds of interference, subtle as well as blatant. They cast no penumbras, emit no emanations: The very point of intellectual property laws is that they protect only against certain specific kinds of appropriation. I can’t publish unauthorized copies of, say, *Presumed Innocent*; I can’t make a movie out of it. But I’m perfectly free to write a book about an idealistic young prosecutor on trial for a crime he didn’t

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<sup>12</sup> I had never heard of Morton Downey, Jr., but I’m told he’s sort of like Rush Limbaugh, but not as shy.

commit.<sup>14</sup> So what if I got the idea from *Presumed Innocent*? So what if it reminds readers of the original? Have I “eviscerated” Scott Turow’s intellectual property rights? Certainly not. 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.<sup>15</sup>

The majority isn’t, in fact, preventing the “evisceration” of Vanna White’s existing rights; it’s creating a new and much broader property right, a right unknown in California law.<sup>16</sup> It’s replacing the existing balance between the interests of the celebrity and those of the public by a different balance, one substantially more favorable to the celebrity. 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*. After all, that’s all Samsung did: It used an inanimate object to remind people of White, to “evoke [her identity].” 971 F.2d at 1399.<sup>17</sup>

Consider how sweeping this new right is. What is it about the ad that makes people think of White? 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. See Appendix. 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,

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<sup>14</sup> It would be called “Burden of Going Forward with the Evidence,” and the hero would ultimately be saved by his lawyer’s adept use of Fed.R.Evid. 301.

<sup>15</sup> In the words of Sir Isaac Newton, “[i]f I have seen further it is by standing on [the shoulders] of Giants.” Letter to Robert Hooke, Feb. 5, 1675/1676. Newton himself may have borrowed this phrase from Bernard of Chartres, who said something similar in the early twelfth century. Bernard in turn may have snatched it from Priscian, a sixth century grammarian. See *Lotus Dev. Corp. v. Paperback Software Int’l*, 740 F.Supp. 37, 77 n. 3 (D.Mass.1990).

<sup>16</sup> In fact, in the one California case raising the issue, the three state Supreme Court Justices who discussed this theory expressed serious doubts about it. *Guglielmi v. Spelling-Goldberg Prods.*, 25 Cal.3d 860, 864 n. 5, 160 Cal.Rptr. 352, 355 n. 5, 603 P.2d 454, 457 n. 5 (1979) (Bird, C.J., concurring) (expressing skepticism about finding a property right to a celebrity’s “personality” because it is “difficult to discern any easily applied definition for this amorphous term”).

Neither have we previously interpreted California law to cover pure “identity.” *Midler v. Ford Motor Co.*, 849 F.2d 460 (9th Cir.1988), and *Waits v. Frito-Lay, Inc.*, 978 F.2d 1093 (9th Cir.1992), dealt with appropriation of a celebrity’s voice. See *id.* at 1100-01 (imitation of singing style, rather than voice, doesn’t violate the right of publicity). *Motschenbacher v. R.J. Reynolds Tobacco Co.*, 498 F.2d 821 (9th Cir.1974), stressed that, though the plaintiff’s likeness wasn’t directly recognizable by itself, the surrounding circumstances would have made viewers think the likeness was the plaintiff’s. *Id.* at 827; see also *Moore v. Regents of the Univ. of Cal.*, 51 Cal.3d 120, 138, 271 Cal.Rptr. 146, 157, 793 P.2d 479, 490 (1990) (construing *Motschenbacher* as “hold [ing] that every person has a proprietary interest in his own likeness”).

<sup>17</sup> Some viewers might have inferred White was endorsing the product, but that’s a different story. The right of publicity isn’t aimed at or limited to false endorsements, *Eastwood v. Superior Court*, 149 Cal.App.3d 409, 419-20, 198 Cal.Rptr. 342, 348 (1983); that’s what the Lanham Act is for.

Note also that the majority’s rule applies even to advertisements that unintentionally remind people of someone. California law is crystal clear that the common-law right of publicity may be violated even by unintentional appropriations. *Id.* at 417 n. 6, 198 Cal.Rptr. at 346 n. 6; *Fairfield v. American Photocopy Equipment Co.*, 138 Cal.App.2d 82, 87, 291 P.2d 194 (1955).

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.<sup>18</sup>

This is entirely the wrong place to strike the balance. Intellectual property rights aren't free: They're imposed at the expense of future creators and of the public at large. Where would we be if Charles Lindbergh had an exclusive right in the concept of a heroic solo aviator? If Arthur Conan Doyle had gotten a copyright in the idea of the detective story, or Albert Einstein had patented the theory of relativity? If every author and celebrity had been given the right to keep people from mocking them or their work? Surely this would have made the world poorer, not richer, culturally as well as economically.

This is why intellectual 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: The relatively short life of patents; the longer, but finite, life of copyrights; copyright's idea-expression dichotomy; the fair use doctrine; the prohibition on copyrighting facts; the compulsory license of television broadcasts and musical compositions; federal preemption of overbroad state intellectual property laws; the nominative use doctrine in trademark law; the right to make soundalike recordings.<sup>20</sup> All of these diminish an intellectual property owner's rights. All let the public use something created by someone else. But all are necessary to maintain a free environment in which creative genius can flourish.

The intellectual property right created by the panel here has none of these essential limitations: No fair use exception; no right to parody; no idea-expression dichotomy. It impoverishes the public domain, to the detriment of future creators and the public at large. Instead of well-defined, limited characteristics such as name, likeness or voice, advertisers will now have to cope with vague claims of "appropriation of identity," claims often made by people with a wholly

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<sup>18</sup> Once the right of publicity is extended beyond specific physical characteristics, this will become a recurring problem: Outside name, likeness and voice, the things that most reliably remind the public of celebrities are the actions or roles they're famous for. A commercial with an astronaut setting foot on the moon would evoke the image of Neil Armstrong. Any masked man on horseback would remind people (over a certain age) of Clayton Moore. And any number of songs--"My Way," "Yellow Submarine," "Like a Virgin," "Beat It," "Michael, Row the Boat Ashore," to name only a few--instantly evoke an image of the person or group who made them famous, regardless of who is singing.

See also Carlos V. Lozano, *West Loses Lawsuit over Batman TV Commercial*, L.A. Times, Jan. 18, 1990, at B3 (Adam West sues over Batman-like character in commercial); *Nurmi v. Peterson*, 10 U.S.P.Q.2d 1775, 1989 WL 407484 (C.D.Cal.1989) (1950s TV movie hostess "Vampira" sues 1980s TV hostess "Elvira"); text accompanying notes 7-8 (lawsuits brought by Guy Lombardo, claiming big bands playing at New Year's Eve parties remind people of him, and by Uri Geller, claiming psychics who can bend metal remind people of him). Cf. *Motschenbacher*, where the claim was that viewers would think plaintiff was actually in the commercial, and not merely that the commercial reminded people of him.

<sup>20</sup> See 35 U.S.C. § 154 (duration of patent); 17 U.S.C. §§ 302-305 (duration of copyright); 17 U.S.C. § 102(b) (idea-expression dichotomy); 17 U.S.C. § 107 (fair use); *Feist Pubs., Inc. v. Rural Tel. Serv. Co.*, 499 U.S. 340, ---, 111 S.Ct. 1282, 1288, 113 L.Ed.2d 358 (1991) (no copyrighting facts); 17 U.S.C. §§ 115, 119(b) (compulsory licenses); *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*, 489 U.S. 141, 109 S.Ct. 971, 103 L.Ed.2d 118 (1989) (federal preemption); *New Kids on the Block v. News America Publishing, Inc.*, 971 F.2d 302, 306-308 (9th Cir.1992) (nominative use); 17 U.S.C. § 114(b) (soundalikes); *accord G.S. Rasmussen & Assocs. v. Kalitta Flying Serv., Inc.*, 958 F.2d 896, 900 n. 7 (9th Cir.1992); Daniel A. Saunders, Comment, *Copyright Law's Broken Rear Window*, 80 Cal.L.Rev. 179, 204-05 (1992). But see *Midler v. Ford Motor Co.*, 849 F.2d 460 (9th Cir.1988).



exaggerated sense of their own fame and significance. *See* \* \* \* notes 1-10 *supra*. Future Vanna Whites might not get the chance to create their personae, because their employers may fear some celebrity will claim the persona is too similar to her own.<sup>21</sup> The public will be robbed of parodies of celebrities, and our culture will be deprived of the valuable safety valve that parody and mockery create.

Moreover, consider the moral dimension, about which the panel majority seems to have gotten so exercised. Saying Samsung “appropriated” something of White’s begs the question: *Should* White have the exclusive right to something as broad and amorphous as her “identity”? Samsung’s ad didn’t simply copy White’s schtick—like all parody, it created something new.<sup>22</sup> True, Samsung did it to make money, but White does whatever she does to make money, too; the majority talks of “the difference between fun and profit,” 971 F.2d at 1401, but in the entertainment industry fun *is* profit. Why is Vanna White’s right to exclusive for-profit use of her persona—a persona that might not even be her own creation, but that of a writer, director or producer—superior to Samsung’s right to profit by creating its own inventions? Why should she have such absolute rights to control the conduct of others, unlimited by the idea-expression dichotomy or by the fair use doctrine?

To paraphrase only slightly *Feist Publications, Inc. v. Rural Telephone Service Co.*, 499 U.S. 340 (1991), it may seem unfair that much of the fruit of a creator’s labor may be used by others without compensation. But this is not some unforeseen byproduct of our intellectual property system; it is the system’s very essence. Intellectual property law assures authors the right to their original expression, but encourages others to build freely on the ideas that underlie it. This result is neither unfair nor unfortunate: It is the means by which intellectual property law advances the progress of science and art. We give authors certain exclusive rights, but in exchange we get a richer public domain. The majority ignores this wise teaching, and all of us are the poorer for it.

#### IV

The panel, however, does more than misinterpret California law: By refusing to recognize a parody exception to the right of publicity, the panel directly contradicts the federal Copyright Act. Samsung didn’t merely parody Vanna White. It parodied Vanna White appearing in “Wheel of Fortune,” a copyrighted television show, and parodies of copyrighted works are governed by federal copyright law.

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. *Fisher v. Dees*, 794 F.2d 432, 435 (9th Cir.1986). Federal copyright law also gives the copyright owner the exclusive right to create (or

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<sup>21</sup> If Christian Slater, star of “Heathers,” “Pump up the Volume,” “Kuffs,” and “Untamed Heart”—and alleged Jack Nicholson clone—appears in a commercial, can Nicholson sue? Of 54 stories on LEXIS that talk about Christian Slater, 26 talk about Slater’s alleged similarities to Nicholson. Apparently it’s his nasal wisecracks and killer smiles, *St. Petersburg Times*, Jan. 10, 1992, at 13, his eyebrows, *Ottawa Citizen*, Jan. 10, 1992, at E2, his sneers, *Boston Globe*, July 26, 1991, at 37, his menacing presence, *USA Today*, June 26, 1991, at 1D, and his sing-song voice, *Gannett News Service*, Aug. 27, 1990 (or, some say, his insinuating drawl, *L.A. Times*, Aug. 22, 1990, at F5). That’s a whole lot more than White and the robot had in common.

<sup>22</sup> *Cf. New Kids on the Block v. News America Publishing, Inc.*, 971 F.2d 302, 307 n. 6 (9th Cir.1992) (“Where the infringement is small in relation to the new work created, the fair user is profiting largely from his own creative efforts rather than free-riding on another’s work.”).

license the creation of) derivative works, which include parodies that borrow too much to qualify as “fair use.” See *Acuff-Rose Music, Inc. v. Campbell*, 972 F.2d 1429, 1434- 35 (6th Cir.1992).<sup>24</sup> When Mel Brooks, for instance, decided to parody *Star Wars*, he had two options: He could have stuck with his fair use rights under 17 U.S.C. § 107, or he could have gotten a license to make a derivative work under 17 U.S.C. § 106(b) from the holder of the *Star Wars* copyright. To be safe, he probably did the latter, but once he did, he was guaranteed a perfect right to make his movie.

The majority’s decision decimates this federal scheme. It’s impossible to parody a movie or a TV show without at the same time “evok[ing]” the “identit[ies]” of the actors.<sup>26</sup> 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. You can’t have a mock *Batman* commercial without a mock Batman, which means someone emulating the mannerisms of Adam West or Michael Keaton. See Carlos V. Lozano, *West Loses Lawsuit over Batman TV Commercial*, L.A. Times, Jan. 18, 1990, at B3 (describing Adam West’s right of publicity lawsuit over a commercial produced under license from DC Comics, owner of the Batman copyright).<sup>27</sup> 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.”

Our court is in a unique position here. State courts are unlikely to be particularly sensitive to federal preemption, which, after all, is a matter of first concern to the federal courts. The Supreme Court is unlikely to consider the issue because the right of publicity seems so much a matter of state law. That leaves us. It’s our 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 and Adam Wests 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. In a case where the copyright owner isn’t even a party—where no one has the interests of copyright owners at heart—the majority creates a rule that greatly diminishes the rights of copyright holders in this circuit.

## V

The majority’s decision also conflicts with the federal copyright system in another, more insidious way. Under the dormant Copyright Clause, state intellectual property laws can stand only

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<sup>24</sup> How much is too much is a hotly contested question, but one thing is clear: The right to make parodies belongs either to the public at large or to the copyright holder, not to someone who happens to appear in the copyrighted work.

<sup>26</sup> 17 U.S.C. § 301(b)(1) limits the Copyright Act’s preemptive sweep to subject matter “fixed in any tangible medium of expression,” but White’s identity--her look as the hostess of Wheel of Fortune--is definitely fixed: It consists entirely of her appearances in a fixed, copyrighted TV show. See *Baltimore Orioles v. Major League Baseball Players Ass’n*, 805 F.2d 663, 675 & n. 22 (7th Cir.1986).

<sup>27</sup> Cf. *Lugosi v. Universal Pictures*, 25 Cal.3d 813, 827-28, 160 Cal.Rptr. 323, 331-32, 603 P.2d 425, 433-34 (1979) (Mosk, J., concurring) (pointing out that rights in characters should be owned by the copyright holder, not the actor who happens to play them); *Baltimore Orioles*, 805 F.2d at 674-79 (baseball players’ right of publicity preempted by copyright law as to telecasts of games).

so long as they don't "prejudice the interests of other States." *Goldstein v. California*, 412 U.S. 546, 558 (1973). A state law criminalizing record piracy, for instance, is permissible because citizens of other states would "remain free to copy within their borders those works which may be protected elsewhere." *Id.* But the right of publicity isn't geographically limited. A right of publicity created by one state applies to conduct everywhere, so long as it involves a celebrity domiciled in that state. If a Wyoming resident creates an ad that features a California domiciliary's name or likeness, he'll be subject to California right of publicity law even if he's careful to keep the ad from being shown in California. See *Acme Circus Operating Co. v. Kuperstock*, 711 F.2d 1538, 1540 (11th Cir.1983); *Groucho Marx Prods. v. Day and Night Co.*, 689 F.2d 317, 320 (2d Cir.1982); see also *Factors Etc. v. Pro Arts*, 652 F.2d 278, 281 (2d Cir.1981).

The broader and more ill-defined one state's right of publicity, the more it interferes with the legitimate interests of other states. A limited right that applies to unauthorized use of name and likeness probably does not run afoul of the Copyright Clause, but the majority's protection of "identity" is quite another story. Under the majority's approach, any time anybody in the United States—even somebody who lives in a state with a very narrow right of publicity—creates an ad, he takes the risk that it might remind some segment of the public of somebody, perhaps somebody with only a local reputation, somebody the advertiser has never heard of. See note 17 *supra* (right of publicity is infringed by unintentional appropriations). So you made a commercial in Florida and one of the characters reminds Reno residents of their favorite local TV anchor (a California domiciliary)? Pay up.

This is an intolerable result, as it gives each state far too much control over artists in other states. No California statute, no California court has actually tried to reach this far. It is ironic that it is we who plant this kudzu in the fertile soil of our federal system.

## VI

Finally, I can't see how giving White the power to keep others from evoking her image in the public's mind can be squared with the First Amendment. Where does White get this right to control our thoughts? The majority's creation goes way beyond the protection given a trademark or a copyrighted work, or a person's name or likeness. All those things control one particular way of expressing an idea, one way of referring to an object or a person. But not allowing *any* means of reminding people of someone? That's a speech restriction unparalleled in First Amendment law.<sup>28</sup>

What's more, I doubt even a name-and-likeness-only right of publicity can stand without a parody exception. The First Amendment isn't just about religion or politics--it's also about

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<sup>28</sup> Just compare the majority's holding to the intellectual property laws upheld by the Supreme Court. The Copyright Act is constitutional precisely because of the fair use doctrine and the idea-expression dichotomy, *Harper & Row v. Nation Enterprises*, 471 U.S. 539, 560, 105 S.Ct. 2218, 2230, 85 L.Ed.2d 588 (1985), two features conspicuously absent from the majority's doctrine. The right of publicity at issue in *Zacchini v. Scripps-Howard Broadcasting Co.*, 433 U.S. 562, 576, 97 S.Ct. 2849, 2857-58, 53 L.Ed.2d 965 (1977), was only the right to "broadcast of petitioner's entire performance," not "the unauthorized use of another's name for purposes of trade." *Id.* Even the statute upheld in *San Francisco Arts & Athletics, Inc. v. United States Olympic Comm.*, 483 U.S. 522, 530, 107 S.Ct. 2971, 2977, 97 L.Ed.2d 427 (1987), which gave the USOC sweeping rights to the word "Olympic," didn't purport to protect all expression that reminded people of the Olympics.

protecting the free development of our national culture. 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. 971 F.2d at 1399.<sup>29</sup>

The majority dismisses the First Amendment issue out of hand because Samsung’s ad was commercial speech. \* \* \* So what? Commercial speech may be less protected by the First Amendment than noncommercial speech, but less protected means protected nonetheless. *Central Hudson Gas & Elec. Corp. v. Public Serv. Comm’n*, 447 U.S. 557 (1980). And there are very good reasons for this. Commercial speech has a profound effect on our culture and our attitudes. Neutral-seeming ads influence people’s social and political attitudes, and themselves arouse political controversy.<sup>30</sup> “Where’s the Beef?” turned from an advertising catchphrase into the only really memorable thing about the 1984 presidential campaign. Four years later, Michael Dukakis called George Bush “the Joe Isuzu of American politics.”

In our pop culture, where salesmanship must be entertaining and entertainment must sell, the line between the commercial and noncommercial has not merely blurred; it has disappeared. Is the Samsung parody any different from a parody on Saturday Night Live or in Spy Magazine? Both are equally profit-motivated. Both use a celebrity’s identity to sell things—one to sell VCRs, the other to sell advertising. Both mock their subjects. Both try to make people laugh. Both add something, perhaps something worthwhile and memorable, perhaps not, to our culture. Both are things that the people being portrayed might dearly want to suppress. See notes 1 & 29 *supra*.

Commercial speech is a significant, valuable part of our national discourse. The Supreme Court has recognized as much, and has insisted that lower courts carefully scrutinize commercial speech restrictions, but the panel totally fails to do this. The panel majority doesn’t even purport to apply the *Central Hudson* test, which the Supreme Court devised specifically for determining whether a commercial speech restriction is valid. The majority doesn’t ask, as *Central Hudson* requires, whether the speech restriction is justified by a substantial state interest. It doesn’t ask

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<sup>29</sup> The majority’s failure to recognize a parody exception to the right of publicity would apply equally to parodies of politicians as of actresses. Consider the case of Wok Fast, a Los Angeles Chinese food delivery service, which put up a billboard with a picture of then-L.A. Police Chief Daryl Gates and the text “When you can’t leave the office. Or won’t.” (This was an allusion to Chief Gates’s refusal to retire despite pressure from Mayor Tom Bradley.) Gates forced the restaurant to take the billboard down by threatening a right of publicity lawsuit. Leslie Berger, *He Did Leave the Office--And Now Sign Will Go, Too*, L.A. Times, July 31, 1992, at B2.

See also *Samsung Has Seen the Future: Brace Yourself*, Adweek, Oct. 3, 1988, at 26 (ER 72) (Samsung planned another ad that would show a dollar bill with Richard Nixon’s face on it and the caption ‘Dollar bill, 2025 A.D.’, but Nixon refused permission to use his likeness); Madow *supra* note 19, at 142-46 (discussing other politically and culturally charged parodies).

<sup>30</sup> See, e.g., Bruce Horowitz, *Nike Does It Again; Firm Targets Blacks with a Spin on “Family Values”*, L.A. Times, Aug. 25, 1992, at D1 (“The ad reinforces a stereotype about black fathers” (quoting Lawrence A. Johnson of Howard University)); Gaylord Fields, *Advertising Awards-Show Mania: CEBA Awards Honors Black-Oriented Advertising*, Back Stage, Nov. 17, 1989, at 1 (quoting the Rev. Jesse Jackson as emphasizing the importance of positive black images in advertising); Debra Kaufman, *Quality of Hispanic Production Rising to Meet Clients’ Demands*, Back Stage, July 14, 1989, at 1 (Hispanic advertising professional stresses importance of positive Hispanic images in advertising); Marilyn Elias, *Medical Ads Often Are Sexist*, USA Today, May 18, 1989, at 1D (“There’s lots of evidence that this kind of ad reinforces stereotypes” (quoting Julie Edell of Duke University)).

whether the restriction directly advances the interest. It doesn't ask whether the restriction is narrowly tailored to the interest. *See id.* at 566, 100 S.Ct. at 2351. These are all things the Supreme Court told us—in no uncertain terms—we must consider; the majority opinion doesn't even mention them.

Process matters. The Supreme Court didn't set out the *Central Hudson* test for its health. It devised the test because it saw lower courts were giving the First Amendment short shrift when confronted with commercial speech. \* \* \* The *Central Hudson* test was an attempt to constrain lower courts' discretion, to focus judges' thinking on the important issues—how strong the state interest is, how broad the regulation is, whether a narrower regulation would work just as well. If the Court wanted to leave these matters to judges' gut feelings, to nifty lines about “the difference between fun and profit,” 971 F.2d at 1401, it could have done so with much less effort.

Maybe applying the test would have convinced the majority to change its mind; maybe going through the factors would have shown that its rule was too broad, or the reasons for protecting White's “identity” too tenuous. Maybe not. But we shouldn't thumb our nose at the Supreme Court by just refusing to apply its test.

## VII

For better or worse, we *are* the Court of Appeals for the Hollywood Circuit. Millions of people toil in the shadow of the law we make, and much of their livelihood is made possible by the existence of intellectual property rights. But much of their livelihood—and much of the vibrancy of our culture—also depends on the existence of other intangible rights: The right to draw ideas from a rich and varied public domain, and the right to mock, for profit as well as fun, the cultural icons of our time.

In the name of avoiding the “evisceration” of a celebrity's rights in her image, the majority diminishes the rights of copyright holders and the public at large. In the name of fostering creativity, the majority suppresses it. Vanna White and those like her have been given something they never had before, and they've been given it at our expense. I cannot agree.