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Legally Speaking -- The Top Ten Intellectual Property Cases of the Past 25 Years

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Legally Speaking — The Top Ten Intellectual Property Cases of the Past 25 Years

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This column is a Fair Use of the concept of a Top Ten list. Popularized by David Letterman on late-night T.V., the Top Ten list has become a common tool for education, research, and even business. This month I will discuss the top 10 intellectual property cases of the last quarter century. Each of these cases was significant in that they established a precedent. Each case stood for something greater than which party won or lost, and each one has affected the fabric of our society in one fashion or another.

Like any other Top Ten list, the cases I select may not be the same as the ones that other people select. There is always one that someone thinks has been left out, and there are always questions about why a case was included. However, in my opinion, these cases are all significant for reasons that I will detail below. And now, here’s my Top Ten list:

1. 2 Live Crew v. Larry Flynt,* and The Wind Done Gone: Parody is protected under the First Amendment.
2. *Police: Facts can’t be copyrighted; there must be something original to obtain protection.
3. In re: Free-lance authors must be paid for their work if it is included in databases.
5. Eldred v. Ashcroft: Congress has the power to extend copyright duration.
6. *Dastar: You can’t use trademark laws to get around an expired copyright.

#1 Parody and the First Amendment

In the past 25 years, there have been three significant cases which found that parody was constitutionally protected under the First Amendment. These cases were Hustler Magazine v. Jerry Falwell,* Luther R. Campbell aka Luke Skywalker, et al. v. Acuff-Rose Music, Inc.,* and Suntrust Bank v. Houghton Mifflin Company.*

While Flynt v. Falwell was not about intellectual property, it laid the foundation for the other two cases.

Larry Flynt is the publisher of Hustler Magazine, and Jerry Falwell is a minister and an important public figure. In the November 1983 issue, there was a cartoon with a picture of Falwell. The cartoon was entitled “Jerry Falwell talks about his first time.” At the time, *Campari Liqueur* was running a real set of ads in which various celebrities talked about their first times. “Although it was apparent by the end of each interview that this meant the first time they sampled *Campari,* the ads clearly played on the sexual double entendre of the general subject of “first times.” Copying the form and layout of these *Campari* ads, Hustler’s editors chose respondent as the featured celebrity and drafted an alleged “interview” with him in which he states that his “first time” was during a drunken incestuous rendezvous with his mother in an outhouse. The *Hustler* parody portrays respondent and his mother as drunk and immoral, and suggests that respondent is a hypocrite who preaches only when he is drunk. In small print at the bottom of the page, the ad contains the disclaimer, ‘‘ad parody—not to be taken seriously.” The magazine’s table of contents also lists the ad as ‘‘Fiction; Ad and Personality Parody.’’

Soon after the cartoon appeared, Falwell sued Hustler Magazine and Larry Flynt for invasion of privacy, libel, and intentional infliction of emotional distress. The District Court found in favor of Flynt on the invasion of privacy and libel claims, finding that “the ad parody could not ‘reasonably be understood as describing actual facts about [respondent] or actual events in which [he] participated,” but awarded damages to Falwell for intentional infliction of emotional distress. The Court of Appeals affirmed this decision.

Upon appeal, the U.S. Supreme Court found unanimously for Larry Flynt. The Court found that parody is an important form of expression under the First Amendment. The opinion that “The appeal of the political cartoon or caricature is often based on exploration of unfortunate physical traits or politically embarrassing events... One cartoonist expressed the nature of the art in these words: ‘The political cartoon is a weapon of attack, of scar and ridicule and satire; it is least effective when it tries to put some politician on the back. It is usually as welcome as a bee sting and is always controversial in some quarters.’” The Court concluded that “it reflects our considered judgment that such a standard is necessary to give adequate ‘breathing space’ to the freedoms protected by the First Amendment.”

The Flynt case was an eloquent statement of the role of parody in the First Amendment. This case was depicted in the movie *The People vs. Larry Flynt,* which starred Woody Harrelson as Flynt and Courtney Love as his wife. (Harrelson was nominated for an Academy Award for Best Actor, and Love won Best Supporting Actress for her part in the film.) Richard Paul played the role of Jerry Falwell.

The next case to examine the role of parody was Campbell v. Acuff-Rose Music, Inc., also known as the 2 Live Crew case. Campbell was the leader of the hip-hop group 2 Live Crew, and wrote a parody of the Roy Orbison song “Oh, Pretty Woman.” 2 Live Crew felt that the pretty woman in Orbison’s song was really being exploited as a woman because of her body. The rap group pointed out society’s expectations of the role of women, using lyrics such as “Pretty Woman, you make me...” continued on page 59
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wanna beg, please. Oh, Pretty Woman." The purpose of the song was to point out our society's double standards with respect to women and sexuality, and to show that Orbison's song, rather than being a sweet rendition of a young man looking for a woman, was in fact both a product of and a perpetuating factor in our social fabric. The Supreme Court pointed out: "Judge Nelson, dissenting below, came to the same conclusion, that the 2 Live Crew song "was clearly intended to ridicule the white-bread original" and "reminds us that sexual congress with nameless streetwalkers is not necessarily the stuff of romance and is not necessarily without its consequences. The singers (there are several) have the same thing on their minds as did the lonely man with the nasal voice, but here there is no hint of wine and roses."

Although the District Court found in favor of 2 Live Crew, the Court of Appeals reversed. However, the U.S. Supreme Court felt that the parody was pretty clearly within the scope of Fair Use. The Court said:

While we might not assign a high rank to the parodic element here, we think it fair to say that 2 Live Crew's song reasonably could be perceived as commenting on the original or criticizing it, to some degree. 2 Live Crew juxtaposes the romantic musings of a man whose fantasy comes true, with degrading taunts, a bawdy demand for sex, and a sigh of relief from paternal responsibility. The later words can be taken as a comment on the naïveté of the original of an earlier day, as a rejection of its sentiment that ignores the ugliness of street life and the debasement that it signifies. It is this jarring of reference and ridicule that marks off the author's choice of parody from the other types of comment and criticism that traditionally have had a claim to fair use protection as transformative works.

After Flynt and 2 Live Crew, the concept of parody seemed to be pretty well established. However, there was still room for some additional refinement. SunTrust Bank is the trustee for the Margaret Mitchell Trust, which owns the copyright to the classic Southern novel "Gone with the Wind." In 2000, the trust sued for copyright infringement after finding out that Houghton Mifflin Company was planning to publish a work by first-time novelist Alice Randall entitled "The Wind Done Gone." The work took the situations and characters of Mitchell's novel and turned it on its head, retelling the story instead from the perspective of a black slave who was Scarlett O'Hara's half-sister. Randall's book was intended to show the historic problems of slavery and racism, and how Mitchell's book glamorized the slave owners and glossed over the problem of slavery.

The trust filed suit against Houghton Mifflin alleging copyright infringement, violation of trademark under the Lanham Act, and deceptive trade practices. The District Court granted a preliminary injunction banning the publication, sale, or distribution of Randall's novel. Upon appeal, the 11th Circuit examined "to what extent a critic may use a work to communicate her criticism of the work without infringing the copyright in that work," and reviewed the relationship between copyright and the First Amendment.

According to the opinion, "The case before us calls for an analysis of whether a preliminary injunction was properly granted against an alleged infringer who, relying largely on the doctrine of fair use, made use of another's copyright for comment and criticism. As discussed herein, copyright does not immunize a work from comment and criticism. Therefore, the narrower question in this case is to what extent a critic may use the protected elements of an original work of authorship to communicate her criticism without infringing the copyright in that work. As we turn to the analysis required in this case, we must remain cognizant of the First Amendment protections interwoven into copyright law."

The court analyzed the history of the Fair Use defense, and the previous parody cases, stating that, although parodies are often comic, it is more a matter of the commentary on the original. The court went on to say:

TWDG is more than an abstract, pure fictional work. It is principally and purposefully a critical statement that seeks to rebuff and destroy the perspective, judgments, and mythology of GWTW. Randall's literary goal is to explode the romantic, idealized portrait of the antebellum South during and after the Civil War. In the world of GWTW, the white characters comprise a noble aristocracy whose idyllic existence is upset only by the intrusion of Yankee soldiers, and, eventually, by the liberation of the black slaves. Through her characters as well

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as through direct narration, Mitchell describes how both blacks and whites were purportedly better off in the days of slavery: "The more I see of emancipation the more criminal I think it is. It's just ruined the darkness," says Scarlett O'Hara. Free blacks are described as "creatures of small intelligence...like monkeys or small children turned loose among treasured objects whose value is beyond their comprehension, they will either from perverse pleasure in destruction or simply because of their ignorance." Blacks elected to the legislature are described as spending "most of their time eating goobers and casing their unaccustomed feet into and out of new shoes."[Citations omitted.]

The Court of Appeals found that The Wind Done Gone was a commentary on the social situations described in Mitchell's book, and therefore were protected as parody under the First Amendment. It is important to remember that before the preliminary injunction granted in this case, no book in the history of the United States had ever been banned from publication by the government. Thanks to the relationship between parody and the First Amendment, The Wind Done Gone was able to be published, and was not a violation of copyright.

#2 Feist and Directors: Compilations of Facts Require Originality

One very important case in the last 25 years involved the question of what constitutes the creativity necessary to demonstrate originality. The case was Feist Publications, Inc. v. Rural Telephone Service Co., Inc. In the Feist case, Rural Telephone Service Company was exactly what it's name implies, i.e., a rural telephone company service. They are located in Kansas. As a telephone provider, Rural is required by Kansas law to publish a phone book annually, including both white and yellow pages. As with most phone companies, Rural gives away the books free to subscribers, but makes money by selling ads in the yellow pages.

Feist Publications, Inc., is a company whose business is publishing area-wide telephone books. Their books cover multiple communities, some of whom are served by different telephone utilities; in fact, the case before the U.S. Supreme Court involved a phone book that covered the area of 11 phone companies. As with Rural, Feist makes its money by selling yellow pages ads. Rural obtained information for the phone books by using their subscriber lists, while Feist licensed the rights to the numbers from the local phone providers. Of the 11 phone companies, only Rural refused to license their information to Feist. As a result, Feist simply copied the phone list and verified the information. As a result, Rural sued Feist for copyright infringement.

The District Court found in favor of Rural, stating that telephone directories were copyrightable material and that there was no fair use. The 10th Circuit Court of Appeals affirmed the decision. However, the U.S. Supreme Court was not inclined to rubber-stamp these results, stating that the lower courts had missed the point and had asked the wrong questions. According to the Supreme Court, the case involved the interplay between factual compilations and the originality requirement for copyrighted materials. Facts can't be copyrighted because they are not original. On the other hand, compilations of facts may be copyrighted.

The reason that facts are not copyrightable involves the originality requirement in copyright. In order to obtain a copyright, the material must be original. The amount of creativity involved is minimal, but there must be something original about the work. "The vast majority of works make the grade quite easily, as they possess some creative spark, "no matter how crude, humble or obvious" it might be."

However, the Court also reminded us: "The originality requirement is constitutionally mandated for all works." [Emphasis in original.]

On the other hand, compilations of facts usually are protected because the editor has selected and arranged them. It is this selection and arrangement that satisfies the originality requirement for copyright purposes.

In the Feist case, the Supreme Court found that the subscriber's names and phone numbers were facts, and therefore were not copyrightable. Rural argued that their phone book was a compilation, and therefore should be protected. However, the Court did not agree, ruling that the arrangement of facts did not meet the originality requirement. There were two reasons for non-originality. The arrangement was not picked by Rural, but was rather required by Kansas law. Also, the Court held that: "there is nothing remotely creative about arranging names alphabetically in a white pages directory. It is an age-old practice, firmly rooted in tradition and so commonplace that it has come to be expected as a matter of course. It is not original, it is practically inevitable. This time-honored tradition does not possess the minimal creative spark required by the Copyright Act and the Constitution."

The ruling in the Feist case settled the question of what constitutes originality for a compilation of facts, and helped to foster competition in the marketplace for telephone directories. However, this case has been very significant in terms of copyright law, having been cited in the 2 Live Crew and Tasini cases, as well as many other recent copyright decisions. It is for this reason that I picked Feist as one of the most significant IP cases of the last 25 years.

#3 Tasini and Free-Lance Authors

One of the most important copyright licensing cases of the past 30 years is the case of Tasini v. New York Times Co. This case is about the question of when a use constitutes Fair Use, and when it constitutes a copyright violation. However, the case is even more about the scope of licensing agreements, and the relationship between facially copyrightable and derivative works. Tasini involved the granting of copyright clearance to publications and the licensing of articles to research databases. The Tasini case revolves around the definition of "compilation" continued on page 62
tion of "collective work" under the copyright laws. The authors were free-lance writers, and the articles were not work-for-hire.48 If the database was a compilation of the collective work, then the publisher had the right to use the articles. If the database constituted a new work, the publishers didn’t have the rights.

Although the District Court found in favor of the publishers, the Second Circuit reversed. The U.S. Supreme Court found in favor of the authors, saying that inclusion of a work within a database does not constitute a medium-neutral compilation, but rather the creation of a new work, constituting a re-publication of the articles. In order to decide how databases fall under the law, the justices took a look at how the end user sees the information.

The ease of the publishers rested in part on a provision in the copyright law that states that copyright in original works does not depend on the format of the works.49 The publishers used the analogy of microfilm and microfiche, which have been popular methods of preserving newspapers and magazines since the 1950s.50 The Court bought the argument, finding that a microform copy shows the article in context with the original publication. By contrast, when we retrieve an article from a database, only the article itself appears. According to the decision:

In the Databases, by contrast, the Articles appear disconnected from their original context. In NEXIS and NYTO, the user sees the Jane Article apart even from the remainder of page 26. In GPO, the user sees the Article within the context of page 26, but clear of the context of page 25 or page 27, the rest of the Magazine, or the remainder of the days [sic] newspaper. In short, unlike microfilms, the Databases do not perceptibly reproduce articles as part of the collective work to which the author contributed or as part of any revision thereof.49

The court went on to compare the databases to an imaginary library.51 In this library, "[r]ather than maintaining intact editions of periodicals, the library would contain separate copies of each article. ... The library would store the folders containing the articles in a file room, indexed based on diverse criteria, and containing articles from different numbers of editions. In response to patron requests, an inhumanly speedy librarian would search the room and provide copies of the articles matching patron-specified criteria."

According to the Court:

Viewing this strange library, one could not, consistent with ordinary English usage, characterize the articles as part of a revision of the editions in which the articles first appeared. In substance, however, the Databases differ from the file room only to the extent they aggregate articles in electronic packages (the LEXIS/NEXIS Central discs or UMI CD-ROMs), while the file room stores articles in spatially separate files. The crucial fact is that the Databases, like the

hypothetical library, store and retrieve articles separately within a vast domain of diverse texts. Such a storage and retrieval system effectively overrides the Authors exclusive right to control the individual reproduction and distribution of each Article, 17 U.S.C. 106(1). (3), C.f. Ryan v. Carl Corp., 23 F.Supp. 2d 1146 (ND Cal. 1998)(holding copy shop in violation of 101(c)).

The Court effectively found that when the works were entered into a database, they were taken out of the context of their original publication and constituted unauthorized copies. The fact that one criteria of retrieval was the name of the publication was found not to be relevant.46

The practical effects of Tashin have been that articles, which had previously been available electronically, are now only available in print. At the same time, publishers have re-worked their consent forms to reflect this new reality. Some publishers that previously did not require copyright assignment from the authors are now requesting the rights. Other periodicals have simply asked the authors if they consent to the article being used electronically. If the author says no, the article is only available in print.

# The Commercial Copying Cases: Texaco, Kinko’s, and Michigan Document Services

Suppose that the library at Generic State University, a nonprofit student-assisted educational institution, makes copies of articles for faculty members. This practice is allowed under the Fair Use doctrine. However, suppose that the library at a corporation makes copies for their employees. Is that allowed?

Once a for-profit business is involved, the rules are different. In the case of American Geophysical Union et al. v. Texaco, Inc., the corporate library copied articles and sent them to scientists. The American Geophysical Union, a publisher of journals, sued for copyright violation. The District Court found that there was no Fair Use for the materials, and the Court of Appeals affirmed. Although the case was supposed to go to the U.S. Supreme Court, the parties eventually settled out of court.50 As a result, the Court of Appeals decision is the best statement of the law available on this issue.

The reason that the courts didn’t find Fair Use was because the articles were being copied by a for-profit entity. The scientists were going to use these articles to further their research, which would allow the company to make more money. As a result, their use of the materials was a commercial use, and not allowed by the Federal copyright laws. According to the Court of Appeals, “courts will not sustain a claimed defense of fair use when the secondary use can fairly be characterized as a form of ‘commercial exploitation,’ i.e., when the copier directly and exclusively acquires conspicuous financial rewards from its use of the copyrighted material.”53

Other cases have involved the manufacturing of course packs by organizations like Kinko’s Copies54 and Michigan Document Services55 continued from page 63

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17. Flynn at 48.
18. Flynn at 48.
20. Flynn at 47.
22. Chief Justice Rehnquist delivered the opinion of the Court, in which Brennan, Marshall, Blackmun, Stevens, O’Connor, and Scalia joined. Justice White filed an opinion concurring in the judgment, and Justice Kennedy took no part in the decision or decision of the case.
24. Flynn at 53-54.

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Services. As with the Texaco case, these cases held that the commercial nature of the businesses, and the fact that these copies were subsequently sold, meant that permission was needed. In the Kinko's case, it is pretty obvious that we are dealing with a for-profit entity. In the Michigan Document Services case, we are dealing with a division of a state-supported non-profit educational institution. However, the court found that the fact that the work is sold makes all the difference.

As a result of the Texaco case, a proprietary (private for-profit) educational institution such as the University of Phoenix would have to obtain copyright permission in order to make copies, even though a non-profit educational institution could do the same thing and have it be considered a Fair Use.

#5 Eldred v. Ashcroft and the Duration of Copyright

The duration of copyright depends on when the work was created or when it was published. The length of copyright also depends on whether a personal author created the work, or whether it was created as a work for hire by a corporate author. The first copyright act allowed works to be protected for 14 years, with the option of extending for another 14 years. The 1909 Act made the term 28 years. Since 1960, the copyright term has been extended 11 times. When the 1976 Copyright Act was passed, new copyrights were granted for the life of the author plus 50 years, while works that were registered before 1978 (when the 1976 Copyright Act became effective) would be protected for 75 years.

By 1993, however, the music and entertainment industry began to press for longer terms and more protection for the content owners. This intense lobbying resulted in the 1998 passage of the Digital Millennium Copyright Act and the ratification of the World Intellectual Property Organization treaty (WIPO). (WIPO is a specialized agency of the United Nations which deals with intellectual property.)

On October 7, 1998, the “Sonny Bono Copyright Term Extension Act” (also known as the Copyright Term Extension Act, or CTERA) was passed by the House and Senate, and subsequently signed into law by President Clinton. This statute extends the term of copyright protection for all materials by 20 years, including those that were created before the Act was passed. After the new law was passed, copyrights created before 1978 are given a life of 95 years. Works created after 1978 are protected for the life of the author plus 70 years. Works for hire are also covered by copyright for 95 years. This statute was subsequently challenged in the U.S. Supreme Court in the case of Eldred v. Ashcroft. However, the Court found that Congress did not abuse its power in passing the extension. The passage of the Sonny Bono Copyright Extension Act and the Digital Millennium Copyright Act made possible the complete implementation of the WIPO treaties.

The following chart, based on the work of Lolly Cassaway of the University of North Carolina at Chapel Hill (used by permission) illustrates how long copyright lasts.

<table>
<thead>
<tr>
<th>DATE OF WORK</th>
<th>WHEN COPYRIGHT PROTECTION BEGINS</th>
<th>TERM OF COPYRIGHT FOR PERSONAL AUTHOR</th>
<th>TERM OF COPYRIGHT FOR CORPORATE AUTHOR (WORKS FOR HIRE)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Published before January 1, 1923</td>
<td>In public domain</td>
<td>In public domain</td>
<td>In public domain</td>
</tr>
<tr>
<td>Published between January 1, 1923 to December 31, 1963</td>
<td>When published with copyright notice</td>
<td>• 28 years for initial term; could be renewed for 67 years • If not renewed, now in public domain</td>
<td>95 years</td>
</tr>
<tr>
<td>Published between January 1, 1964 and December 31, 1977</td>
<td>When published with copyright notice</td>
<td>95 years</td>
<td>95 years</td>
</tr>
<tr>
<td>Created on or after January 1, 1978</td>
<td>When work is fixed in tangible medium of expression</td>
<td>Life of author plus 70 years</td>
<td>95 years from publication or 120 years from creation, whichever is shorter</td>
</tr>
<tr>
<td>Created before January 1, 1978 but not published before December 31, 2002</td>
<td>1-1-78, the effective date of the 1976 Act which eliminated common law copyright</td>
<td>Life of the author plus 70 years or 12-31-2002, whichever is greater</td>
<td>If the item was created before January 1, 1907, it passed into the public domain on January 1, 2003. Otherwise, the term is 95 years</td>
</tr>
<tr>
<td>Created before January 1, 1978 but published before December 31, 2002</td>
<td>1-1-78, the effective date of the 1976 Act which eliminated common law copyright</td>
<td>Life + 70 years or 12-31-2047 whichever is greater</td>
<td>95 years</td>
</tr>
</tbody>
</table>

#6 Dastar, Trademark, and Expired Copyright: You get Just One Pull on the Litigation Lever

In recent years, the relationship between copyright and trademark has been the subject of litigation. The general rule has always been that trademark and copyright are mutually exclusive, i.e., you need to choose one or the other to protect your intellectual property. This issue was brought up in the recent litigation between OCLC and the Library Hotel (which settled out of court). The U.S. Supreme Court recently reaffirmed this principle unanimously in the case of Dastar Corporation v. 20th Century Fox Film Corporation.

Dastar involved General Dwight D. Eisenhower’s work Crusade in Europe, his written account of the European campaign during World War II. After Doubleday published the book, exclusive television rights were granted to 20th Century Fox, which in turn licensed Time Inc. to produce a television series. The series had 26 episodes, and was first broadcast in 1949. Although Doubleday renewed the copyright on the book in 1975, Fox did not renew the copyright on the TV series, which expired in 1977. In 1988, Doubleday granted Fox exclusive rights again in the book, which it granted to New Line Home Video. The original television series was re-mastered and released on home video.

In 1995, Dastar purchased tapes of the original version of the television series, which is in the public domain, and released their own version. Dastar changed the order of the series around, edited it down, added new material, and removed all references to (and images of) the book.

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Although the District Court and the 9th Circuit Court of Appeals held for Fox on trademark and unfair competition grounds under § 43(a) of the Lanham Act, the U.S. Supreme Court reversed. The basic ruling of the court was that creators must choose between forms of intellectual property. Once the creator has chosen copyright, he or she is precluded from using a federal trademark. After all, it wouldn’t be fair to allow unlimited choice of legal remedies. As law professor Ronald Raitt often says, “You get just one pull on the litigation lever.” The Dostar case stands for the principle that once copyright has expired you can’t use trademark to create an unlimited monopoly. If you choose copyright, your work enters the public domain upon expiration, and trademark law won’t be able to stop it. Anything else would be unfair to the consumer.

#7 Salinger and Wright: Is there Fair Use for Common Law Copyright?

One question of importance is whether the Fair Use doctrine applies to common law copyright. This issue was discussed in the cases of Salinger v. Random House and Wright v. Warner Books. Although Salinger won and Wright lost, both cases ultimately found that common law copyrights are subject to the Fair Use doctrine. The Salinger case involved J. D. Salinger, the court, and Ian Hamilton, the author of Catcher in the Rye, and Ian Hamilton, who had written an unauthorized biography entitled J. D. Salinger: A Writing Life.

In the Wright case, the widow of Richard Wright, author of Native Son and Black Boy, sued Warner Brothers over the creation of a biography by Margaret Walker entitled Richard Wright: Daemonic Genius.

Both cases involved unpublished materials (in both cases, letters), which at the time were subject to common law copyright rather than the Federal copyright statute. (Under the current law, unpublished materials are subject to the Federal copyright statute.) Because the Fair Use doctrine is more restrictive for common law copyright than for Federal copyright, something that might be Fair Use under the Federal copyright statute would not be allowed under common law copyright.

In the Salinger case, Hamilton argued that donation to libraries constituted publication, putting the letters within the purview of the Federal statute. The Second Circuit Court of Appeals found that donation to a library did not, in and of itself, constitute publication of the letters. The court recognized the availability of the Fair Use doctrine in the Salinger case, but noted that Fair Use was subject to greater restrictions under state common law copyright than under the Federal copyright statute. The court found in favor of Salinger because the excerpts Hamilton used were larger than the amount allowed by common law Fair Use principles.

In the Wright case, the court came to a slightly different conclusion. The trial judge found that a large part of the materials had been published, and were therefore subject to the Fair Use doctrine under the Federal copyright statute. Because the letters had been sold to a library, rather than simply being donated, the sale constituted a form of publication. This was particularly so, since “The sales contract specifically states that Yale purchased the right to use the Wright Archive,” and the University agreed to restrict access to only one manuscript not at issue here. It seems reasonable to conclude that for the purchase price, and pursuant to the sales contract, the University became free to share Wright’s work with interested scholars.” The trial judge then found that there was Fair Use under the Federal statute.

When the case was appealed, Mrs. Wright did not challenge the finding that sale to a library constituted publication. As a result, the Court of Appeals did not take up this issue; they dealt instead with the concept of fair use itself, regardless of whether the materials were subject to the Federal copyright statute or to common law copyright. According to the opinion:

Weighing the amalgam of relevant factors, we are convinced that defendants’ use of Wright’s works is fair. Dr. Walker’s biography of Richard Wright is a scholarly work, one that will surely contribute to the public’s understanding of this important Twentieth Century novelist. The book does not exploit the literary value of Wright’s letters or journals. Nor does it diminish the marketability of Wright’s letters or journals for future publication. While the biography draws on works that have characterized as unpublished for the purposes of this appeal, it takes only seven protected segments from Wright’s letters and journals. These portions are short and insignificant, with the possible exception of a fifty-five word description of the art of writing. This use is de minimus and beyond the protection of the Copyright Act.

In short, the court did not apply the Fair Use doctrine to the defendant’s materials.

Part of the difference between Wright and Salinger involves whether the letters were donated to a library (not constituting publication) or whether they were sold (which did constitute publication). Another difference between the cases involved privacy considerations, since J. D. Salinger was still alive while Richard Wright was not. However, regardless of whether the materials were sold, the appellate court found that Walker’s work was exactly the type contemplated by the Fair Use doctrine.

#8 John Fogerty: Run through the Jungle with the Old Man Down the Road

In 1969, the band Creedence Clearwater Revival (also known as CCR) recorded the song. The song was written by John Fogerty, the lead singer and guitarist of the band. The song was originally recorded in 1969 and was released on Creedence Clearwater Revival's album, “Green River.” The song was a huge commercial success, reaching number one on the Billboard Hot 100 chart and staying there for five weeks. The song has since become a classic and is considered one of the greatest rock songs of all time.

The song tells the story of a man who is tired of the world and wants to escape. He runs down the road, through the jungle, and into the swamp. The song is a call to freedom and adventure, and it has been covered by many other artists over the years.

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songs “Run through the Jungle” on one of the greatest albums of the classic rock era. The album, released by Fantasy Records, also called Cosmo’s Factory. Lead singer John Fogerty wrote “Run through the Jungle,” as well as most of the other music recorded by CCR. In order to obtain their recording contract, Fogerty and CCR had signed away their rights in all of their music. In the late 1960s and early 1970s, CCR was one of the biggest rock acts around. Their blues and soul-inspired southern rock influenced later musicians such as Lynard Skynard, the Allman Brothers, and Stevie Ray Vaughan.

The contract with Fantasy Records seemed to be working out. However, in 1972 CCR broke up. Once the band was no longer recording for Fantasy, the record company began putting the screws to Fogerty. For a 15-year period, Fogerty did not perform any of his songs, due to the record company’s demands for the payment of royalties. Fogerty finally began performing his work again in 1986, starting with a concert in Aleppo, Syria.

Meanwhile, the singer-songwriter had come out with new material. His 1985 album, Centerfield, is considered to be a masterful return from an old friend. One of the biggest hits on the album was a song called “The Old Man Down the Road.” The return of John Fogerty thrilled many of us, but not the people at Fantasy Records. Claiming that there was a similarity between “Run Through the Jungle” and “The Old Man Down the Road,” Fantasy sued Fogerty for plagiarism and copyright infringement.

When the case came to trial, Fogerty was forced to admit that there were substantial similarities between the songs, and that he had been exposed to “Run Through the Jungle” before he wrote “The Old Man Down the Road” (naturally, since he wrote the first song). These admissions seemed to fulfill the elements of a copyright infringement case. Fogerty’s only defense was that he had simply written songs in his own style, and that it was impossible for an artist to plagiarize himself. When the case came to trial, the jury ruled in favor of Fogerty, finding (as a ruling of fact) that one’s own style does not constitute plagiarism, and that it is not possible for an artist to plagiarize himself or herself.

Fogerty struck a blow for the rights of artists everywhere, showing that his work was more important than the label he recorded with. The day after I began writing this column, I was surprised to turn on CBS Sunday Morning and find a profile of John Fogerty, naturally, they talked about this case. Clearly Fogerty is one of the most significant musicians of our time; his case is also one of the most significant IP cases of the last 25 years. Thanks to Fogerty, we know that artists can’t be sued for doing their own work. You can’t plagiarize yourself, and an artist’s style doesn’t constitute copyright infringement.

#9 Betamax and Time-Shifting: Why TiVo is legal

In the early 1980s, when VCRs became popular, the U.S. Supreme Court was asked to decide whether using a VCR to record a television program was a violation of copyright. This opinion, popularly called the “Betamax case,” was Sony Corporation of America v. Universal City Studios, Inc. The Sony case involved the question of whether VCRs were legal and whether the U.S. Supreme Court decided that VCRs are indeed legal, and that viewers—without violating copyright—may legally record TV programs on a VCR in their own homes for their own use. The Court stated that this was merely a form of “time-shifting.”

The Court used as its basis the doctrine of Fair Use and the First Amendment. According to the Sony case, “the purpose of this use served the public interest in increasing access to television programming, an interest that’s consistent with the First Amendment policy of providing the fullest possible access to information through the public airwaves.”

Even though Betamax won in court, that wasn’t the end of the story. Betamax was locked continued on page 66
in a street battle with rival format VHS for the hearts, minds, and pocketbooks of American consumers. Unfortunately for Betamax, the VHS format won, despite the better clarity of the Betamax format. Today Betamax is remembered as the company that lost; however, those of us who know about intellectual property know that Betamax is really the company that won in court. Unfortunately, this proved to be a Pyrrhic victory, and the Betamax format now has passed into history. Time-shifting, however, is still a legal process, and in fact has been an issue in the peer-to-peer Internet file sharing cases. So Betamax may be gone, but it certainly is not forgotten.

#10 Diamond v. Chakrabarty: Live materials can be patented

The Chakrabarty case involves the question of whether genetic engineering can be patented. The case involved an interpretation of Title 35, Section 101, which states: “Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.” In 1972, Chakrabarty filed a patent application (assigned to his employer, General Electric Company), for “a bacterium from the genus Pseudomonas containing therein at least two stable energy-generating plasmids, each of said plasmids providing a separate hydrocarbon degradative pathway.” This human-made, genetically engineered bacterium is capable of breaking down multiple components of crude oil. Because of this property, which is possessed by no naturally occurring bacteria, Chakrabarty’s invention is believed to have significant value for the treatment of oil spills.

The patent examiner refused to register the patent, since the “invention” was a living organism, and the Patent Office Board of Appeals affirmed. However, the Court of Customs and Patent Appeals reversed, and the case went to the U.S. Supreme Court. The Supreme Court then began its analysis by looking at the types of items that could be patented, stating that:

Guided by these canons of construction, this Court has read the term “manufacture” in § 101 in accordance with its dictionary definition to mean “the production of articles of use from raw or prepared materials by giving to these materials new forms, qualities, properties, or combinations, whether by hand, labor or by machinery.” Similarly, “composition of matter” has been construed consistent with its common usage to include “all compositions of two or more substances and . . . all composite articles, whether they be the result of chemical union, or of mechanical mixture, or whether they be gases, fluids, powders or solids.” In choosing such expansive terms as “manufacture” and “composition of matter,” modified by the comprehensive “any,” Congress plainly contem-
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materials that are covered by the Federal copyright statute. The two cases also tell us that, while donation of unpublished items to a library does not constitute publication, sale of unpublished materials to a library may:

• **John Fogerty** showed us that an artist can’t plagiarize himself or herself; that style is an import part of our repertoire, and that you can’t sign away your right to individuality.

• **The Beamas case allows consumers to time-shift their favorite programs without violating copyright law. Because of this decision, we don’t become pirates every time we record a show.**

• **Chakravarty showed us that genetic engineering was indeed an invention, and can indeed be patented as being something new under the sun.**

Together these cases showed us what is allowed, what rights we have, and helped to define the field of intellectual property for the next hundred years. The significance of these cases is just now being seen, but they will affect our legal landscape for many years to come.

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74. Salinger at 100.
75. Wright at 109.
76. Wright at 110. The judge went on to say that even if the letters were considered unpublished, the use of quotations was allowed by the doctrine of Fair Use.
78. Wright II at 740.
79. Wright II at 113.
82. CBS Sunday Morning, March 6, 2005.
84. Sony at 421.
88. Chakravarty at 305, quoting the patent application.
89. Chakravarty at 305.
90. Chakravarty at 308-310.
91. This is a reference to Ecclesiastes 1:9, which reads: “The thing that hath been, it is that which shall be; and that which is done is that which shall be done; and there is no new thing under the sun.”

Cases of Note — Work for Hire

**Tarzan bundolo! Kree-ga kree-ga!**

by Bruce Strauch (The Citadel) <strauchb@citadel.edu>


The 1909 Copyright Act sounds aged and hoary, but since it wasn’t replaced until 1976 and that act didn’t take effect until 1978, there’s still plenty of lingering issues from the old act.

**Edgar Rice Burroughs** began publishing the famous Tarzan series in 1912 and as it took off, he formed **Edgar Rice Burroughs Inc. (ERB)** to manage his business.

**Burke Hogarth** was hired by a comics syndicate to illustrate Sunday strips from 1937 to 1950. His distinctive style became iconic.

In 1960, ERB contracted **Hogarth** to put together a series of Tarzan books. ERB contracted **Wason-Guptill** as publisher with the responsibilities of “designing and producing the book” and generally “supervising the Mr. Hogarth’s work.” ERB said in the writing “we cannot and do not presume to influence or control the work of Mr. Hogarth.”

**Hogarth** signed an agreement to produce each book for $2,500 up front and $2,500 on completion plus 50% of net monies realized.

I always have to pause and contemplate the ravages of inflation on the US dollar.

The book was to be copyrighted in name of ERB and Hogarth granted them this plus the renewal rights which are the big issue under the 1909 Act.

They published the first book in 1972 and the second in 1976 with piddling sales for each.

Then along came Walt Disney and suddenly big money was at stake. In 1994, ERB licensed the right to the **Tarzan** character to Disney for the animated movie. ERB got $1.5 million. **Hogarth** died in 1996. The movie came out in 1999. Hogarth’s heirs saw $5 signs and their lawyer demanded Disney cease-and-desist showing the movie as if it infringed their copyright in the books.

Now we can pause and imagine the Disney legal juggernaut leaping into action to crush these poor folks. Just how the movie infringed the books is never discussed. The case never got to that point.

Disney contended that **Hogarth**’s art work in the Books was a “work for hire” that ERB could validly license. The **Hogaths** lost at the district court level, and the case went to the Second Circuit. The issues under the 1909 Act were “work for hire” and the renewal term.

Renewal

The 1909 Act had a copyright term of 28 years and a renewal term of 28 years if applied for within one year of expiration. The author could assign copyright, and could assign the renewal prior to 27 years running. But until year 27, it was an “expectancy” which was vested by the author’s death prior to that date. The renewal right would then belong to the estate. See **Miller Music Corp. v. Charles N. Daniels, Inc., 362 U.S. 373, 374-78 (1960).**

And they say the only math lawyers can do is divide a settlement by three. Let’s prove them wrong. 1996 (date of Hogarth’s death) - 1972 = 24. We were yet to 27 years, and the family saw their opening.

Of course, given the unequal bargaining power of publisher and author, the author would hand over copyright plus renewal long before the exploitation of the work could determine its value. Hence the only fortuitous event — from the heirs’ perspective — was the author’s death prior to renewal.

The 1976 Act improved on safeguarding authors by permitting termination of the grant within a period of five years beginning at the end of thirty-five years from the date of expiration of the grant. 17 U.S.C. § 203(a)(3).

Of course, neither provision of the 1909 or 1976 Acts applied to “works for hire.”

Is Commissioned

Art a Work for Hire?

ERB said Hogarth was not an employee but rather an independent contractor commissioned to do some work. Over sixty years, the Second Circuit has considered the issue of someone paid to create a copyrightable work and found that the hiree was almost invariably the “author” under the “work for hire” doctrine. The Fifth Circuit calls it “an almost irrefutable presumption.” Easter Seal Society for Crippled Children v. Playboy Enterprises, 815 F.2d 323, 327 (5th Cir. 1987).

Yes indeed, that is a twisted sounding case. So much so that I actually looked it up. It involves the creation of a Mardi Gras parade to promote Easter Seals. The film then got into the hands of Playboy that used part of the parade sequence in an “adult” film “Candy, the Stripper.” Many of the volunteers in the scene were not pleased with the use and their recognizable faces.

The Fifth Circuit found the title “delightful” which is certainly a strange use of the

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