April 1998

Legally Speaking: Protection of Graphic Characters

Anne Jennings

InfoFacto, infofacto_aj@charleston.net

Follow this and additional works at: <https://docs.lib.purdue.edu/atg>

Part of the [Library and Information Science Commons](#)

Recommended Citation

Jennings, Anne (1998) "Legally Speaking: Protection of Graphic Characters," *Against the Grain*: Vol. 10: Iss. 2, Article 16.

DOI: <https://doi.org/10.7771/2380-176X.2835>

This document has been made available through Purdue e-Pubs, a service of the Purdue University Libraries. Please contact epubs@purdue.edu for additional information.

LEGAL ISSUES

Section Editors: **Anne Jennings** (InfoFacto) <infofacto_aj@charleston.net>
Jack Montgomery (University of Missouri, Columbia)
<MONTGOMERY@law.missouri.edu>

Legally Speaking – Protection of Graphic Characters

© 1998 Lloyd L. Rich

Introduction

Everyone knows **Bugs Bunny**, **Sherlock Holmes**, **Mickey Mouse**, **Superman**, **James Bond**, **Barney**, and the current **Disney** children's film hero or heroine. They are all characters; some are fictional characters while others are graphic characters. The primary characteristic differentiating a fictional from a graphic character is whether the character is depicted by a cartoon or other graphic representation or as a "word portrait." Thus, **Bugs Bunny** and **Mickey Mouse** are graphic characters and **James Bond** and **Sherlock Holmes** are fictional characters. This article will focus on the protection of graphic characters.

Characters have always been part of our culture; however in today's world of "hype" — bestsellers and box office smashes, electronic media, and licensing of characters' images for endless types of products and services — the exploitation of characters has become an industry. The global commercialization of characters encounter only minimal restrictions as in reality there are no frontiers, other than those imposed by governmental or legal barriers, restricting the commercial exploitation of characters. Characters move effortlessly from one medium to another and frequently assume new dimensions. An important difference between a graphic character and other categories of visual art is that a character has the ability to take on a "life of its own." This broadly expands the commercial value of the character because it provides the character with legal protection in a variety of different settings, postures and characterizations other than those in which the creator originally depicted the character.

Graphic characters, including their names and images, have traditionally been commer-

cialized in connection with a wide range of products and services, such as licensing programs for children's toys, posters, animated cartoons, fast food restaurants, and adult and children's clothing. Because character development and the exploitation of any particular character is driven by commercialization and profits, the issues of "property ownership" and "intellectual property protection" have become paramount.

Therefore, at the fundamental level, one must ask whether a character may be owned as intellectual property, and if the answer is yes, then how may that owner protect his/her property from being exploited by others. As characters have become increasingly more valuable, intellectual property and unfair competition law has evolved to provide fictional and graphic characters varying degrees, although with some uncertainty, of legal protection.

While the legal protection of graphic characters is currently more defined than that for fictional characters, courts are still inconsistent with regard to the specific body of intellectual property or unfair competition law that provides such protection. Therefore, the primary objective for the creator and/or owner of a particular character should be that of providing the type of legal protection that cloaks the character in a protective environment that combines the benefits of copyright, trademark and unfair competition law. The overlapping protection provided by these different bodies of law has led one commentator to reach the conclusion that the situation existing in many courts has resulted in the convergence of distinct bodies of law, such as copyright, trademark and unfair competition, into a new body of law formulated solely to protect characters.¹

The interplay of many factors has resulted in this convergence of the law. These factors

include: (1) the profits that can be made from the commercialization of characters who are able to take on a life of their own because they are capable of being transformed into new works that employ new postures, settings and characterizations that differ from those in which the character was originally depicted, (2) the ability of characters as entertainment products to function as marks that are recognized under federal, state and common law trademark law because they "suggest, if not clearly indicate, origin" of the products or services on which the character is used, and (3) the quality that a character develops through extended use, both in time and from the increased number of products and services on which the character is depicted, that leads the public to frequently relate to the character as being human.²

Protection of Graphic Characters

Suppose a writer and an artist are developing a comic book project. The main character is based on an idea that the creators believe has enormous commercial potential; not just as a character in a comic book, but hopefully in other media formats and merchandising activities. As the creators develop their character it takes on the essential characteristics that provide a character's uniqueness: a name, physical appearance, and attitude or character traits. Will the law protect the character in the comic book? If the character is used outside of the comic book, will it still be protected? After

all, in this age of hype and commercialization, it is very rare to see a popular cartoon character in only one medium. It is not unusual today to find a character that makes its first appearance in a comic book or in a film to be immediately, if not concurrently, licensed for toys, other products and services, and being exploited in other media formats.

Therefore, what should the creators do to

continued on page 45

Characters have always been part of our culture; however in today's world of "hype" ... the exploitation of characters has become an industry.

protect their character? Today, since the best way to protect the character is to use as broad-based a protection policy as possible, the creators should practice "overkill." This means the character should be protected by a combination of copyright, trademark and unfair competition laws.

Copyright Protection

The 1976 Copyright Act provides creators and/or owners of graphic characters copyright protection that is strong, but of limited duration. It is important to remember that the copyrightable expression of a character is much more than just the character's physical appearance, and that it includes the specific name, physical appearance, and character traits of that character.

Long lines of cases have found graphic characters to be protected by copyright law. However, the early cases failed to determine whether the unauthorized use of a graphic character would result in copyright infringement liability if the new work contained only the graphic character, and not the plot elements of the first work. There also existed a degree of uncertainty regarding copyright infringement liability if only a similarity in the depiction of the character existed without there also being a similarity in the personality of the character. In *Warner Bros., Inc. v. American Broadcasting Cos.*³ the court noted that "in determining whether a character in a second work infringes a cartoon character, courts have generally considered not only the visual resemblance but also the totality of the character's attributes and traits." A similar result was previously evidenced in *Detective Comics, Inc. v. Bruns Publications*⁴ where the court found that the character **Superman** was infringed in a competing comic book publication featuring the character **Wonderman**. The court found that the infringing work "appropriated the pictorial and literary details embodied in" the copyrights protecting **Superman**.

The more recent cartoon cases have been somewhat clearer in finding that the similarity in the graphic depiction of a character alone, without the plot elements, may be sufficient for a finding of copyright infringement; however, there still remains some uncertainty with respect to such a finding. In *Walt Disney Prods. v. Air Pirates*⁵ the infringers admitted copying the names and appearances, but placing them in very different situations than those used by **Disney**, of more than seventeen **Disney** cartoon characters for use in their adult, counter culture comic books. The court rejected the defendant's fair use defense, but noted that most of the previous cartoon character infringement cases "have considered the character's personality and other traits in addition to its image." This dictum once again

raised the issue of whether similarity of appearance by itself is sufficient for a finding of copyright infringement liability. However, in a number of cases where cartoon characters were reproduced as three-dimensional dolls or figures, copyright infringement was found without any regard to the issue of copying the plot or personality of the character.⁶ In those instances where copyright infringement was based solely on the appearance of the character, the similarity was "virtually exact."

One of the more difficult problems of applying copyright law analysis and protection to graphic characters is ascertaining how such protection will be extended to protect a particular character once that character has taken on a life of its own and the character is no longer existing in the original context in which it first appeared. Copyright law will find that copyright infringement has occurred when someone other than the rightful copyright owner of the character uses that character without permission, especially if such use copies the appearance and unique character traits that distinguishes the particular character.

In order to ascertain whether a graphic character is entitled to copyright protection, the courts usually apply the "character delineation" test. The critical issue in determining if such protection exists is whether the particular character is sufficiently and distinctively delineated so that it warrants

to the source of the products or services that carry the indicia of the character. The scope of protection is usually only a matter of degree regardless of whether character protection arises under federal trademark law (**Lanham Act**), state common law of trademarks or unfair competition, or those sections of the **Lanham Act** that protect against false descriptions and designations of origin.

Many commentators are of the opinion that trademark and unfair competition protection for a character is weaker than the protection provided under copyright law, but in actuality trademark and unfair competition protection may be stronger because they could provide the trademark owner with a perpetual monopoly in the use of the trademarked character. A perpetual monopoly could exist because the term of protection might last indefinitely if the use of a trademarked character is properly protected and maintained. This differs from protection under the Copyright Act which will only last for a finite time as set by statute, e.g., currently if the character is owned by the individual creator the duration of copyright protection will be the creator's life plus an additional fifty years, but if the character was created as a "work made for hire" protection would only last for seventy-five years. Furthermore, the stronger the trademark for a character becomes, the less willing the owner of the character is in allowing uses of the character, such as fair use, that may be permitted under copyright law.

At the fundamental level, one must ask whether a character may be owned as intellectual property ...

protection. Because copyright law does not protect ideas from infringement, but instead only protects the expression of those ideas, courts will not protect character types. Therefore, while a court would probably not extend copyright protection to any man with super powers, the courts have extended copyright protection to **Superman** without bestowing a monopoly on the mere character of a "super man." Therefore, the best way to protect a graphic character under copyright law is to ensure that the character's appearance and personality are specific and unique.

Protection Under Trademark and Unfair Competition Laws

Another way to protect the graphic character, even if the character is protected by copyright, is to protect it under trademark and unfair competition law. Federal, state and common law protection will protect the character from being used by another party without authorization when the character functions as a form of identification and commands public acceptance and recognition. This protection could prevent the exact duplication of the trademark owner's character or the imitation of that character where the likely result is to cause public confusion, mistake or deception with regard

Trademark law will not permit a graphic character to be trademarked solely for its own protection, however, it does permit the character's name and likeness to be trademarked when the function of that trademark is to indicate the source of the products and services bearing that mark. Trademarks perform a number of functions that are important to the public and include: (1) identifying one's products by permitting the trademark owner to use a mark to distinguish his/her products from those of another party, (2) signifying that all products and services that carry the mark come from one source, (3) signifying that all products and services that carry the trademark have a standard quality level, and (4) serving as the primary advertising and marketing vehicle for selling the products and services that bear the trademark.

As may be expected, there are both advantages and disadvantages to protecting a graphic character as a trademark. However, it is my opinion that the advantages far outweigh any disadvantages. On the positive side, to obtain a trademark, a character does not have to include the originality attributes that are required under copyright law. In addition, in order to prove trademark infringement, the trademark owner does not

continued on page 46

Legally Speaking from page 45

need to prove that the infringer had access to the character as is required under copyright law, but only that the mark was used by a party other than the owner of the mark without permission. Finally, the longer term of protection — potentially perpetual just as long as the registration requirements are fulfilled, the mark is not abandoned, or the mark loses its status as a trademark — especially for successful and highly marketable graphic characters, such as many of the **Disney** and **Warner Brothers** characters, is extremely valuable and profitable.

However, on the negative side, federal trademark protection for a character may be costly. This will be especially true if the character is extensively used or licensed for use in multiple media formats and in merchandising programs for many different categories of products and/or services. In this event protection may require that the character be registered as a mark in multiple trademark classes since each class represents a different category of goods or services, and registration in each specific trademark class requires an additional fee to be paid. As well, because trademark protection is territorial, the mark may need to be registered in countries other than just the United States to provide the maximum degree of protection as is possible. Furthermore, any changes

Long lines of cases have found graphic characters to be protected by copyright law.

in the appearance of the graphic character could destroy the original trademark protection and will therefore require additional trademark registrations to ensure that the current appearance of the graphic character remains protected.

Unfair competition laws involve a variety of different causes of action that primarily fall into three categories: (1) misrepresentation, (2) sponsorship, and (3) misappropriation. Although these categories are frequently viewed separately, they clearly overlap.

Misrepresentation occurs when a party represents that a particular character is associated with their product or service, when, in reality, it is not. **Sponsorship** occurs when a party indicates that a particular character has endorsed its product or service when it has not. **Misappropriation**, which may be most relevant with the protection of characters, occurs when a party in essence steals another's character in order to associate it with their product or service. Therefore, when one brings an unfair competition action, the injured party is claiming that their

character has been wrongly associated with another party's product, service, person, company, or idea. If such misuse of a graphic character occurs and it is determined under the "reasonable person standard" that the graphic character had been misrepresented, used falsely as a sponsor, or misappropriated, then the party engaged in such misuse could be found liable for trademark infringement.

Most courts have recognized trademark protection for graphic characters and have found trademark infringement liability under both trademark and unfair competition law. In *Fisher v. Star Co.*⁷ the cartoon characters **Mutt** and **Jeff** were protected by the court under trademark and unfair competition principles which found the Star Company liable for their unauthorized use of the characters.

Regardless of the particular cause of action the critical issue in proving trademark infringement is the "likelihood of confusion" and whether consumers are likely to be misled or confused as to the source of the products or services bearing the indicia of the trademarked character. For example, if ABC Company published its own comic book that used the names and likenesses of **Disney** or **Warner Brothers** cartoon characters, are consumers confused into believing that Disney or Warner Brothers published that comic book? Likelihood of confusion does not require that consumers actually purchased the infringing comic book, but only that they believed it was associated with, sponsored by or approved by Disney or Warner Brothers.

There have even been some instances where courts have protected characters under trademark and unfair competition law without requiring proof of deception. In these instances, the courts assumed a likelihood of confusion based solely on the alleged infringers' exploitation of a market created by the owner of the character. It appears likely that these courts were attempting to protect the trademark owners' good will and their ability to control the characters' and products' reputation. However, this does not imply, even though trademark owners' might differ, that every unauthorized use of a character by a party other than its owner should be actionable.

Convergence of Protection

During the past twenty years, character owners have been successful in extending protection for their increasingly valuable properties. Starting with a series of cases in the previously restrictive Ninth Circuit (which includes California), there commenced a new willingness by the courts that are influential in character protection to protect graphic characters. These courts broadened the scope of copyright protection by adopting the total "look and feel" approach from trademark and unfair competition doctrines and adapted it to copyright infringe-

ment analysis. In addition, the popularity of the character, at least implicitly, began to be factored into the substantial similarity copyright infringement analysis with the result that the "feel" of the character reduced the level of similarity needed to prove copyright infringement. In *Walt Disney Productions v. Air Pirates* the court appeared to commingle copyright and trademark law infringement criteria by stating that the Disney characters used by the defendants had "achieved a high degree of 'recognition' and 'identification'" and that these elements helped make the characters protectable under copyright law. In addition, the court seemed to rely upon subjective criteria that was more similar to the secondary meaning analysis frequently required in trademark infringement cases, rather than a more exacting review of the similarity of the characters.⁸

The question that still remains to be answered is whether the convergence of protection is the most appropriate way to protect graphic characters.

Conclusion

It appears that while the creator is still admiring the newly created graphic character, he/she should recognize the scope of legal protection available for the graphic character and should do all that is necessary or financially feasible to properly protect this potentially valuable graphic character.

Endnotes

¹ Michael Todd Helfand, "When Mickey Mouse Is as Strong as Superman: The Convergence of Intellectual Property Laws to Protect Fictional Literary and Pictorial Characters," 44 *Stanford L. Rev.* 623 (1992).

² *Id.* At 628.

³ 720 F.2d 231, 241 (2d Cir. 1983).

⁴ 111 F.2d 432 (2d Cir. 1940).

⁵ 581 F.2d 751 (9th Cir. 1978), *cert. denied*, 439 U.S. 1132 (1979).

⁶ *King Features Syndicate v. Fleischer*, 299 F. 533 (2d Cir. 1924) — *Sparky*; *Fleischer Studios v. Ralph A. Freundlich, Inc.*, 73 F.2d 276 (2d Cir.), *cert. denied*, 294 U.S. 717 (1934) — *Betty Boop*; and *United Features Syndicate v. Sunrise Mold. Co.*, 569 F.Supp 1475 (S.D. Fla. 1983) — *Peanuts* characters.

⁷ 231 N.Y. 414, 132 N.E. 133, *cert. denied*, 257 U.S. 654 (1921).

⁸ Helfand *supra* at 643-645.

PLEASE NOTE: This article is not legal advice. You should consult an attorney if you have legal questions that relate to your specific publishing issues and projects.

Lloyd L. Rich is an attorney practicing publishing and intellectual property law. He can be reached at 1163 Vine Street, Denver, CO 80206. Phone: (303) 388-0291; FAX: (303) 388-0477; Email: rich@csn.net; Web Site: <http://www.publaw.com>. Jennifer L. Fountain, a third year student at the University of Denver School of Law, provided the research for this article.