November 2013

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

Bryan M. Carson J.D., M.I.L.S.
Western Kentucky University, bryan.carson@wku.edu

Follow this and additional works at: http://docs.lib.purdue.edu/atg

Part of the Library and Information Science Commons

Recommended Citation
DOI: https://doi.org/10.7771/2380-176X.4809

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

by Bryan M. Carson, J.D., M.I.L.S. (Coordinator of Reference and Instructional Services, Librarian for Philosophy, Religion, & Russian/Eastern European Studies, Western Kentucky University Libraries, 1 Big Red Way, Bowling Green, Kentucky 42101; Phone: 270-745-5007; Fax: 270-745-2275) <bryan.carson@wkul.edu>

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 vs. Larry Flynt and The Wind Done Gone: Parody is protected under the First Amendment.
   2. Feist Publications vs. Rimes: Facts can't be copyrighted; there must be something original to obtain protection.
   3. Tassin vs. Free-lance authors must be paid for their work if it is included in databases.
   5. Eldred vs. Ashcroft: Congress has the power to extend copyright duration.
   6. Dastar vs. Cheetah Girls: You can't use trademark laws to get around an expired copyright.
   8. Can John Fogerty Plagiarize Himself?
   9. Time-shifting and the Betamax case.

#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 and Larry C. Flynt vs. Jerry Falwell,13 Luther R. Campbell v. America's Most Wanted 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." The at the time, Campari Liquor 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 scorn 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 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 vs. 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
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."33

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 naiveté 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 Joined to 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.34 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."35

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 continued on page 60
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 darkies,” says Scarlett O’Hara.25 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 previous 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 Directorys: 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.34 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 book 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 copyrightable 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).36

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.37

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 numbers alphabetically in a white pages directory. It is an age-old practice, firmly rooted in tradition and common practice that it has come to be expected as a matter of course. It is not only unoriginal, it is practically inevitable. This time-honored tradition does not possess the minimal creative spark required by the Copyright Act and the Constitution.”38

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.39 This case is about the question of when a use constitutes Fair Use, and when it constitutes a copyright violation. However, the case is more about the scope of licensing agreements, and the relationship between facially complete 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 "authorized reproduction" (see page 62)

Legally Speaking Endnotes


Legally Speaking Endnotes continued on page 62

against-the-grain.com
Legally Speaking
from page 58

The court found that the works had been placed into databases, which were taken out of the context of their original publication and constituted unauthorized copies. The fact that one criterion of retrieval was the name of the publication was found not to be relevant.

The practical effects of Tasini 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 publishers 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 non-profit 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. 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 the use of the copyrighted material.”

Other cases have involved the manufacturing of course packs by organizations like Kinko’s Copies and Michigan Document.

Legally Speaking Endnotes
continued from page 60


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 consideration or decision of the case.


24. Flynn at 53-54.

legally endnotes continued on page 64
Legally Speaking
from page 62

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, which 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 CTEA) 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 reconfirmed 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 T.V. 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.

Against the Grain / April 2005

<http://www.against-the-grain.com> 63

continued on page 64
Legally Speaking  
from page 63

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 an unfair competition cause. 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 that. 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 author of Cather 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 ruled 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 solicited, the fact that they were not published under the Fair Use doctrine did not prevent the court from finding a violation of the Fair Use doctrine.

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 surely will 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 been 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 minimis and beyond the protection of the Copyright Act.

In short, this is not a reprise of Salinger and New Era. The biographer’s use of Wright’s expressive works is modest and serves either to illustrate factual points or to establish Dr. Walker’s relationship with the author, not to “enliven” her prose.

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 but Richard Wright was not. However, regardless of whether the materials were published, the appellate court found that Walker’s use 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 Credence Clearwater Revival (also known as CCR) recorded the
Legally Speaking
from page 64

songs “Run through the Jungle” on one of the greatest albums of the classic rock era. The album, released by Fantasy Records, was 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 using 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 et al. 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 is 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 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 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 results 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-

plated that the patent laws would be given wide scope. . . .

This is not to suggest that § 101 has no limits or that it embraces every discovery. The laws of nature, physical phenomena, and abstract ideas have been held not patentable. Thus, a new mineral discovered in the earth, or a new plant found in the wild is not patentable subject matter. Likewise, Einstein could not patent his celebrated law that E=mc²; nor could Newton have patented the law of gravity. Such discoveries are “manifestations of . . . nature, free to all men and reserved exclusively to none.”

Judged in this light, respondent’s microorganism plainly qualifies as patentable subject matter. His claim is not to a hitherto unknown natural phenomenon, but to a nonnaturally occurring manufacture or composition of matter—a product of human ingenuity “having a distinctive name, character [and] use.”

The Chakrabarty case was significant in that it permitted the fruits of genetic engineering to be patented. In our scientific world, new strains of wheat are created, roses are bred, and bacteria are produced for useful purposes. These products of the mind and of the laboratory are protected under patent laws for 20 years after the date of filing. Because of the importance of genetic engineering, the Chakrabarty case is clearly one of the most significant Intellectual Property cases of the past quarter century.

Conclusion

So there you have it, ten of the most significant IP cases of our generation.

- Flynt, 2 Live Crew, and The Wind Done Gone cases held that Fair Use and the First Amendment protected parody, thereby enhancing our free speech rights.
- Feist held that factual compilations could only be protected if the selection and arrangement of facts meets the originality requirements of the copyright statute.
- In the Tasini case, databases were held not to be a compilation, but rather to be a new work, as a result, free-lance writers need to be paid if their work is included in a database.
- Texaco, Kinko’s, and Michigan Document Services held that commercial users must pay royalties for making copies. This is a case that has great significance today for the proprietary (for-profit) higher education sector.
- Eldred v. Ashcroft was significant because it ruled that Congress has the power to extend copyright duration. As a result of the Copyright Term Extension Act, Sonny Bono’s name will forever be linked with copyright.
- Dastar reminds us that you can’t use trademark laws to get around an expired copyright; after all, “you get just one pull on the litigation lever.”
- Salinger and Wright reminds us that, while Fair Use is a valid defense for materials that are subject to common law copyright, the scope of the doctrine is smaller than it is for

continued on page 67

54. John Naughton, “Mickey Mouse threatens to block all ideas in future,” The Observer, February 24, 2002, at 8 (Business).
55. Naughton at 8.
60. CTEA.
61. CTEA.
62. Eldred.
66. Dastar.
67. This information is taken directly from the Opinion of the Dastar Court.
69. This endnote is dedicated to Ronald D. Raitt, Professor of Law at the University of Toledo. Professor Raitt was my Civil Procedure professor in law school, and has had a very large influence on my career. He is an absolutely amazing teacher and mentor. Professor Raitt has been a faculty member since 1966, teaching in the area of Civil Procedure, Evidence, and Products Liability. Professor Raitt, a graduate of the University of Nebraska, has been a pilot in the United States Air Force, Assistant U.S. Attorney and Minority Counsel, Antitrust and Monopoly Subcommittee of the Judiciary Committee of the United States Senate. “You get just one pull on the litigation lever” is one of his favorite expressions.
70. Salinger.
71. Wright.

Legally Speaking Endnotes continued on page 67

<http://www.against-the-grain.com>
Legally Speaking

from page 66

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 Beauxcase allows consumers to time-
shift their favorite programs without violat-
ing copyright law. Because of this decision,
we don’t become pirates every time we record
a show.
• Chakrabarty showed us that genetic engineer-
ing was indeed an invention, and can indeed
be patented as being something new under
the sun.91

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.

Legally Speaking Endnotes

continued from page 66

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.
20 U.S.P.Q.2d (BNA) 1892 (2d Cir. N.Y. 1991) (hereafter “Wright II.”)
78. Wright II at 740.
79. Wright at 113.
82. CBS Sunday Morning, March 6, 2005.
84. Sony at 421.
85. Sony at 425. The Sony decision is quoting Columbia Broadcasting System, Inc. v. Demo-
88. Chakrabarty at 305, quoting the patent ap-
plication.
89. Chakrabarty at 305.
90. Chakrabarty 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
heary, 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 publish-
ing the famous Tarzan series in 1912 and as it took off, he
formed Edgar Rice
Burroughs Inc. (ERB)
to manage his business.

Burne Hogarth was
hired by a comics syn-
dicate to illustrate Sun-
day strips from 1937 to
1950. His distinctive
style became iconic.

In 1960, ERB contracted
Hogarth to put to-
gather a series of Tarzan books. ERB con-
tacted Wason-Guptill as publisher with the
responsibilities of “designing and producing
the book” and generally “supervising 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 un-
der 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 sud-
denly 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 it in-
fringed their copyright in the books.

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

Disney contends that Hogarth’s art work
in the Books was a “work for hire” that ERB
could validly license. The Hogarth 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 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
voided by the author’s death prior to vesting
date. The renewal right would then be-
longo 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
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 fruitful 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

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

Is Commissioned Work a Work for Hire?

ERB said Hogarth was not an employee
but rather an independent contractor commis-
sioned to do specific 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 irre-
rebutable 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 I actually looked it up. It involves
the creation of a Mardi Gras parade to pro-
mote Easter Seals. The film was initially shot
in the hands of Playboy that used part of the parade sequence in the song “Cardy, the Striper.” Many of the volunteers in the scene were not pleased with the use and their recogniz-
able faces.

The Fifth Circuit found the title “delight-
ful” which is certainly a strange use of the...