

ENTERTAINMENT LAW: PUBLICITY RIGHTS, PUBLISHING LAW, MUSIC AND SOUND RECORDINGS

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PUBLICITY RIGHTS: BASICS AND RECENT CASES

I. DEFINITIONS AND DESCRIPTIONS.

A. A “right of publicity” is the right of each person to control the unauthorized use, generally for commercial purposes, of his or her identity and persona, such as name, voice, signature, photograph and likeness.

B. Matter of state law; there is no federal statute. More than half of the states have some form of statutory and/or common-law protection for the right of publicity; eighteen have some form of statutory protection: California (enacted 1972, revised 1985, 2008); Florida (enacted 1967); Illinois (enacted 1999); Indiana (enacted 1994); Kentucky (enacted 1984); Massachusetts (enacted 1974); Nebraska (enacted 1979); Nevada (enacted 1989); New York (enacted 1903, revised 1983); Ohio (enacted 1999); Oklahoma (enacted 1955, revised 1986); Rhode Island (enacted 1972, revised 1980); Tennessee (enacted 1984); Texas (enacted 1987); Utah (enacted 1909, revised 1981); Virginia (enacted 1904, revised 1977); Washington (enacted 1998); Wisconsin (enacted 1977).

II. LEGAL ANTECEDENTS.

A. Right of Privacy.

Most states, including Washington, recognize, in some form, most or all of the four rights of privacy, the fourth of which is the right to be free from the unauthorized use of one’s identity for the benefit of another person. *See* William L. Prosser, *Privacy*, 48 CAL. L. REV. 383 (1960).

The RESTATEMENT (SECOND) OF TORTS § 652C (1977) provides that: “One who appropriates to his own use or benefit the names or likeness of another is subject to liability to the other for invasion of his privacy.” This tort is generally thought to be the principal antecedent of the right of publicity. *See* 1 J. Thomas McCarthy, MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION, §§ 1:15, 28:6 (Rev. 2007).

Cases recognizing Washington privacy rights include *Eastwood v. Cascade Broadcasting Co.*, 106 Wn.2d 466, 722 P.2d 1295 (1986); *Mark v. Seattle Times*, 96 Wn.2d 473, 635 P.2d 1081 (1981), *cert. denied*, 457 U.S. 1124, 102 S. Ct. 2942, 73 L. Ed. 2d 1339 (1982); *Madison Square Garden Corp. v. Universal Pictures Co.*, 255 A.D. 459, 7 N.Y.S.2d 845 (1st Dep't 1938); *Marcraft Recreation Corp. v. Francis Devlin Co., Inc.*, 506 F. Supp. 1081 (D.C.N.Y. 1981).

B. The Right to the Publicity Value of a Performance.

See *Zacchini v. Scripps-Howard Broadcasting Co.*, 433 U.S. 562, 97 S. Ct. 2849, 53 L. Ed. 2d 965 (1977).

C. Copyright and Trademark Concepts.

The right of publicity laws of some states, such as California, reflect copyright principles. Others, such as Tennessee, incorporate trademark concepts.

III. WASHINGTON LAW.

Washington courts never recognized a Washington common law right of "publicity." See, e.g., *Joplin Enterprises v. Allen*, 795 F. Supp. 349, 351 (W.D. Wash. 1992).

In 1998, Washington adopted a statutory right of publicity. RCW 63.60 (the "Act").

A. Principal Provisions of RCW 63.60.

Every natural person has a property right in the use of his or her name, voice, image or other specified indicia of his or her unique persona. This right is freely transferable by *inter vivos* or testamentary transfer. The right survives the person's death regardless of whether it was exploited during his or her lifetime. RCW 63.60.010, .020 and .030.

For most, the right lasts for ten years after the person's death. However, for individuals whose "personas" have commercial value, the right lasts for 75 years after death. RCW 63.60.040.

Any person who, without consent, uses or authorizes the use of a natural person's name, voice, signature, photograph or likeness on tangible products or to advertise tangible products or services, or for fund raising or solicitation of donations, has infringed the right. In order to preclude an argument that has surfaced in other jurisdictions, Washington law makes it clear that a charitable purpose does not excuse an otherwise infringing use or activity. RCW 63.60.050.

Washington's Superior Courts are authorized to grant injunctions against infringement and have available a broad array of non-exclusive remedies for infringement, including destruction of the infringing material and statutory damages of \$1,500. Reasonable attorneys' fees, expenses and court costs may be recovered by the prevailing party. RCW 63.60.060.

There are several defenses (including comment, criticism, satire and parody, relating to matters of cultural, historical, political, religious, educational, newsworthy or public interest) that

accommodate the freedom of expression guarantees of the United States and Washington constitutions. Adapting one of the holdings of *New York Times Co. v. Sullivan*, 376 U.S. 254, 266, 84 S. Ct. 710, 11 L. Ed. 2d 686 (1964), RCW 63.60.070 makes it clear that protected expression does not lose its protection merely because it is presented in the form of a paid advertisement. RCW 63.60.070(2).

RCW 63.60.070(2) elaborates upon certain of these defenses and specifies several highly specific “safe harbors”: Single and original works of fine art not published in more than five copies and advertisements and sales of rare or fine products are excluded from the Act’s reach. Thus, an oil portrait of Elvis Presley, a sculpture of John Denver or a photograph of Ken Griffey Jr. (not published in more than five copies) would not be subject to the Act and therefore would not require the subject’s consent or constitute an infringement if published without consent. Similarly, literary works, theatrical works, musical compositions, films, radio, online and television programs, magazine articles, news stories, public affairs reports, sports broadcasts and accounts and political campaigns also are excluded from the Act’s ambit, so long as the use of the indicia of personality does not inaccurately claim or suggest an endorsement. An advertisement for any of the foregoing is also not subject to a claim of infringement.

RCW 63.60.070(3) precludes class actions. RCW 63.60.070(4) provides media protection and RCW 63.60.070(5) and (6) provide defenses for merely descriptive and/or incidental uses.

There are no published opinions under RCW 63.60.060(2), and only one unreported decision, *Dale v. Coors Brewing Co.*, 113 Wn. App. 1017 (Div. 1 2002), affirming a trial court’s decision that the plaintiff failed to establish liability or any damages and awarding defendant Coors Brewing Co. \$40,671 in attorney fees in defending the claim.

IV. COMPARISON OF WASHINGTON STATUTE WITH LAWS OF OTHER STATES.

There are substantial differences among states on various aspects of rights of publicity. Some of these differences are highlighted below.

- **Duration.**

The duration of post mortem rights vary, ranging up to 100 years (Indiana and Oklahoma). Tennessee law protects publicity rights indefinitely, so long as continuous commercial use is made of the persona. As noted above, Washington law provides a 10 year post mortem right for individuals and 75 years for those whose persona rights have commercial value. While there is no requirement of exploitation during a lifetime, as a practical matter, demonstrating commercial value may be easier if there is a track record of the same.

- **Retroactivity.**

Indiana is the most generous state on retroactivity, giving protection to persons who died at the beginning of last century. Washington’s statute applies retroactively to persons who died within 50 years prior to enactment.

Effective January 1, 2008, California has passed into law a controversial bill granting retroactive rights of publicity to deceased celebrities. (Previously, California granted rights of publicity only to celebrities who died after December 31, 1984.) The law was intended to give Marilyn Monroe's estate and the beneficiaries of other California celebrities who died within the last 70 years commensurate protections. New York has proposed but failed to pass similar legislation. The legislation abrogates 2007 federal court decisions in California and New York that rejected celebrity rights of publicity for Marilyn Monroe, who died in 1962, when neither state recognized postmortem rights of publicity. *See Shaw Family Archives Ltd. v. CMG Worldwide, Inc.*, 486 F. Supp. 2d 309 (S.D.N.Y. 2007), and the pending *The Milton H. Greene Archives, Inc. v. CMG Worldwide, Inc.*, No. 2:05-CV-2200 (C.D. Cal., filed March 25, 2005).

- **Damages.**

Recently, there have been substantial damage awards for infringement of rights of publicity. For instance, in 2005, a California jury awarded Russell Christoff \$15.6 million for the use of his picture on the label of Taster's Choice Coffee. In 2006, in *John Doe a/k/a Tony Twist v. Todd McFarlane and Todd McFarlane Productions, Inc.*, 207 S.W.3d 52 (Mo. App. E.D. 2006), the Missouri Court of Appeals affirmed a jury award of \$ 15 million to former professional hockey player Tony Twist for use of his name for a character in the "Spawn" comic book series.

Most states that statutorily protect publicity rights provide for punitive, exemplary or treble damages; these states include California, Florida, Indiana, Massachusetts, Nevada, New York, Oklahoma, Rhode Island, Texas, Utah and Virginia. *See, e.g., Waits v. Frito-Lay, Inc.*, 978 F.2d 1093 (9th Cir. 1992) (under California law, \$2.5 million in damages were awarded for the use of a sound-alike of singer Tom Waits in a Frito-Lay commercial), *cert. denied*, 506 U.S. 1080, 113 S. Ct. 1047, 122 L. Ed. 2d 355 (1993).

Washington provides for minimum or statutory damages of \$1,500, but not for punitive damages, which are against the state's public policy. Comparable damage provisions in other states range from \$750 in California and Nevada to \$2,500 in Texas.

- **Registration.**

Washington makes no provision for registration of rights of publicity. Four other states (California, Oklahoma, Nevada and Texas) provide for registration of the publicity rights of deceased individuals, thereby permitting registrants to put the public on notice as to who claims ownership of the decedent's rights and from whom consent must be obtained.

- **Consent.**

In every state, a person who wishes to use another's name, likeness, or other aspect of identity can do so if he or she obtains that person's consent, and most statutes specify the type of consent required in that jurisdiction. Some states (including Indiana, Kentucky, Massachusetts, Nevada, New York, Rhode Island, Texas, Virginia and Wisconsin) require written consent.

Others (including California, Indiana, New York, Oklahoma, Tennessee, Virginia and Wisconsin) require that the consent be prior to the otherwise infringing use. Washington is one of only three states (the others being Utah and Nebraska) in which there is no statutory requirement that the consent be either in writing or prior to the allegedly infringing use. No state other than Washington statutorily provides that consent that is only “implied” or “oral” is adequate.

- **Defenses.**

Most states that statutorily protect publicity rights also provide for some type of media or constitutionally required defenses: California, Florida, Indiana, Nebraska, Nevada, Oklahoma, Tennessee, Texas and Wisconsin. However, no state other than Washington has such a long list of statutory defenses and express safe harbors. Similarly, although courts in other jurisdictions have dismissed claims of infringement on the grounds that the alleged infringing use was merely “incidental,” no state other than Washington makes “incidental use” a statutory defense to an infringement claim. This is also true of the “merely descriptive” defense of RCW 63.60.070(5), which is derived in part from established defenses to claims of trademark infringement.

V. FIRST AMENDMENT DEFENSE.

In 2007, a federal circuit court of appeals rejected publicity rights claims of major league baseball players, holding that their publicity rights in their names and statistics, as used in fantasy baseball, are trumped by First Amendment free speech interests. *C.B.C. Distrib. and Mktg., Inc. v. Major League Baseball Advanced Media L.P.*, 505 F.3d 818 (8th Cir. 2007). Other circuits also have rejected players’ publicity rights claims on different theories. *See Baltimore Orioles, Inc. v. Major League Baseball Players Ass’n*, 805 F.2d 663 (7th Cir. 1986) (players’ rights were preempted by copyright law because their performances were works for hire within their scope of employment and were embodied within a fixed tangible form); *Cardtoons, L.C. v. Major League Baseball Players Ass’n*, 95 F.3d 959 (10th Cir. 1996) (trading cards with parody cartoons of major league baseball players accompanied by humorous text were protected by the First Amendment).

Where the First Amendment is raised as a defense to infringement, courts generally conduct a fact-specific balancing test that compares the competing interests of the person’s right of publicity with the public’s right to be informed. The outcome often depends upon where the use falls on the continuum ranging from “news” (like current events and political commentary) and “public interest” (like fiction or satire), to “commercial speech” (like advertising). Most courts will focus on the primary message of the work in question; if the purpose of the reference is to sell or advertise an unrelated product, it is likely the work will be considered commercial speech and granted little or no First Amendment protection. *See, e.g., Parks v. LaFace Records*, 329 F.3d 437 (6th Cir. 2003) (trier of fact could reasonably conclude that rapper’s song bearing as its title the name of civil rights icon Rosa Parks was a “disguised commercial advertisement”), *quoting Rogers v. Grimaldi*, 875 F.2d 994, 1004 (2d. Cir. 1989); *White v. Samsung Electronics Am., Inc.*, 971 F.2d 1395 (9th Cir. 1992), *reh’g denied en banc*, 989 F.2d 1512 (9th Cir. 1993), *cert. denied*, 508 U.S. 951, 113 S. Ct. 2443, 124 L. Ed. 2d 660 (1993).

In contrast, if the principal purpose of the reference seems to be art, parody or political speech, rather than to advertise an unrelated product, courts are more likely to find that the First Amendment prevails. *See, e.g., ETW Corp. v. Jireh Publishing, Inc.*, 332 F.3d 915 (6th Cir. 2003) (Tiger Woods' right of publicity yields to artist's First Amendment right to sell limited edition prints "The Masters of Augusta"); *Cardtoons, L.C.*, 95 F.3d 959 (parody baseball cards protected by First Amendment); *Frazier v. Boomsma*, 2007 WL 2808559, 84 U.S.P.Q.2d 1779 (D. Ariz. Sept. 27, 2007) (sale of t-shirts, buttons, magnets and bumper stickers expressing views on political topics protected by First Amendment, notwithstanding the fact they bore names of soldiers killed in Iraq and that the Arizona legislature had passed special right of publicity protections for deceased American soldiers).

News media have been given particularly wide latitude in publishing people's names and likenesses in contexts that have any arguable connection with news gathering and reporting. *See, e.g., Walter v. NBC Television Network, Inc., et al.*, 27 A.D.3d 1069 (2006) (newsworthiness exception should be broadly construed in a comedy routine – in this case, the "headlines" segment of *The Tonight Show* – "may fall within the ambit of the newsworthiness exception"); *Montana v. San Jose Mercury News, Inc.*, 34 Cal. App. 4th 790, 40 Cal. Rptr. 2d 639 (1995); *Namath v. Sports Illustrated*, 80 Misc.2d 531, 363 N.Y.S.2d 276 (1975). There is, however, no First Amendment right to sell photographs of naked news anchors. *Bosley v. Wildwett.com*, 310 F. Supp. 2d 914 (N.D. Ohio 2004).

VI. PREEMPTION BY COPYRIGHT LAW.

Under the supremacy clause of the U.S. Constitution, if there is a direct conflict between federal law and state law, then federal law controls. U.S. CONST., Art. VI. An interesting and sometimes difficult body of case law has developed that addresses the potential preemption by the federal Copyright Act of state right of publicity claims.

A. The Statutory Standard.

Section 301(a) of the Copyright Act provides a two-level test for preemption of state claims; there is preemption if: (1) the state right is "equivalent" to the exclusive rights of a federal copyright; *and* (2) the state right is "within the subject matter of copyright" as defined by the [Copyright] Act. 17 U.S.C. § 301. Application of this standard is fact specific.

B. Preemption Standard Applied.

1. Use of Names.

A claim for violation of a right of publicity in connection with use of an individual's name should not be subject to preemption. *See Ippolito v. Ono-Lennon*, 139 Misc.2d 230, 237, 526 N.Y.S.2d 877, 882 (N.Y. Sup. Ct. 1988) (holding no preemption because claim under New York's right of privacy/publicity statute involved "something more than rights equivalent to those under the Federal Copyright Act."), *aff'd*, 150 A.D.2d 300, 542 N.Y.S.2d 3 (App. Div. 1989).

2. *Use of Still Images.*

Similarly, claims arising from use of a photograph, likeness or other still image should not be subject to preemption by the Copyright Act. *See, e.g., Toney v. L'Oreal USA, Inc.*, 406 F.3d 905 (7th Cir. 2005) (copyright did not preempt Ms. Toney's claim that defendants continued to use her image beyond the expiration of their license); *Shamsky v. Garan, Inc.*, 167 Misc. 2d 149, 632 N.Y.S.2d 930 (1995) (holding that copyright law does not preempt claims of athletes against the unauthorized use of their photos on jerseys).

3. *Use of Voices.*

A distinctive singer's claim against those who use sound-alike performers in recorded music is not preempted. *See Midler v. Ford Motor Co.*, 849 F.2d 460 (9th Cir. 1988) (holding that Bette Midler's common law claim was not preempted, as her voice *per se* was not copyrightable); *Waits v. Frito-Lay, Inc.*, 978 F.2d 1093 (9th Cir. 1992) (following *Midler*, and holding that Tom Waits's claim was not preempted, because the elements of his claim were different in kind from a copyright infringement case challenging the unauthorized use of a song or recording). *But see Laws v. Sony Music Entertainment, Inc.*, 448 F.3d 1134 (9th Cir. 2006) (California statutory right of publicity preempted by the Copyright Act as applied to the particular facts because subject matter of a right of publicity in one's voice is not different from a copyright claim when the voice is embodied within a copyrighted sound recording). In *Laws*, the court distinguished *Midler* and *Waits* as cases in which the licensing party obtained only a license to the song and then imitated the artist's voice, rather than obtaining a license to use the artist's recording itself.

4. *Use of "Performance Values."*

In *Baltimore Orioles, Inc. v. Major League Baseball Players Ass'n*, 805 F.2d 663 (7th Cir. 1986), major league baseball players claimed that although the baseball teams owned the copyright to the telecasts of the games, broadcast of the players' performance without their express written consent violated their rights of publicity in their performances. The Seventh Circuit held that both conditions of preemption under § 301 of the Copyright Act, were satisfied; the claimed right was equivalent to the rights encompassed in a copyright and the claimed right fell within the subject matter of copyright.

In *Stanford v. Caesars Entertainment, Inc.*, 430 F. Supp. 2d 749 (W.D. Tenn. 2006), the court held that Crisper Stanford's right of publicity claims were preempted because it was not the plaintiff's image, voice, likeness and persona that were at issue, but rather plaintiff's role as the fictional character "Loose Slot Louie." Plaintiff's performance as this character was a dramatic work fixed in a tangible medium of expression and fell squarely within the ambit of copyright law and thus, the subject matter and equivalency requirements of preemption were met.

PUBLISHING AND LITERARY WORKS

I. COPYRIGHT PROVISIONS SIGNIFICANT FOR PUBLISHING.

A. Implications of “Original, Fixed Expression” for Literary Works.

1. Facts are not copyrightable; only their expression is. Facts do not originate with authors and are not protected by copyright. *See Feist Publication, Inc. v. Rural Tel. Serv. Co.*, 499 U.S. 340, 363, 111 S.Ct. 1282, 113 L.Ed.2d 358 (1991) (nothing remotely creative about arranging names alphabetically in a white pages directory).

a. Whether alone or as a part of a compilation, facts are not original and therefore may not be copyrighted. A factual compilation [a collection arrangement or assemblage of facts] is eligible for copyright if it features an original selection or arrangement of facts, but the copyright is limited to the particular selection or arrangement.

b. Fact-based works such as histories, biographies, directories and catalogues are protected by copyright. But the protection extends only to the original expression and not the underlying facts. Thus, anyone could write about facts of President Ford’s presidency, but his expression in his memoirs was subject to protection. *See Harper & Row, Publishers, Inc. v. Nation Enters.*, 471 U.S. 539, 544, 105 S.Ct. 2218, 85 L.Ed.2d 588 (1985) (unauthorized publication constituted an infringement).

2. Idea/expression continuum.

Ideas are not protected; only the particular expression of them is. *See Sid & Marty Krofft Television Productions, Inc. v. McDonald’s Corp.*, 562 F.2d 1157, 1163 (9th Cir. 1977). Courts have developed the notion of a continuum, with ideas at one end and concrete language or dialogue at the other.

a. Plot, theme and character are all forms of ideas, and generally not protected, apart from their concrete expression. *See Reyher v. Children’s Television Workshop*, 533 F.2d 87 (2d Cir. 1976), *cert. denied*, 429 U.S. 980 (1976); *Nichols v. Universal Pictures Corp.*, 45 F.2d 119 (2d Cir. 1930), *cert. denied*, 282 U.S. 902 (1931) (involving the play “Abie’s Irish Rose”).

b. “Scenes à faire” Doctrine:

i. “Scenes à faire” or “scenes for action” is a theatrical term meaning the climactic scene in a play or opera.

ii. As used in copyright law, the doctrine is that “a copyright owner can’t prove infringement by pointing to features of his work that are found in the defendant’s work as well but that are so rudimentary, commonplace, standard, or unavoidable that they do not serve to distinguish one work within a class of works from another.” *Bucklew v. Hawkins, Ash, Baptie & Co.*, 329 F.3d 923, 929 (7th Cir. 2003). The doctrine prevents the liability net from being cast too wide. *Id.*

iii. Implications for characters.

- Stock characters (e.g., a drunken bum, a fire-breathing dragon, a masked magician) are not copyrightable under this doctrine. *Rice v. Fox Broadcasting Co.*, 330 F.3d 1170, 1175-76 (9th Cir. 2003).

- An unexpectedly knowledgeable old wino with a specific name (“Cogliostro”), phony title (“Count”) with a specific age and appearance (faintly mosaic facial features) combine to create a distinctive character protected by copyright. *Gaiman and Marvels and Miracles, LLC v McFarlane*, 360 F.3d 644 (7th Cir. 2004) (aff’g protection given comic book characters).

- It is probably easier to protect a graphic character than a literary character: “The description of a character in prose leaves much to the imagination, even when the description is detailed.” *Gaiman*, 360 F.3d 644.

c. Spare retelling of historical events will not be protected.

3. Fixation.

Writing, computer file, video tape, audio cassette or other tangible medium sufficient for copyright protection. Speech is not protected, unless recorded.

4. Registration is on Copyright Form TX.

B. Titles Are Not Subject to Copyright Protection.

Planesi v. Peters, Register of Copyrights, 26 S. Ct. 1182 (Mem.) (2006), *aff’g* 2005 WL 1939885 (9th Cir. Aug. 15, 2005) (One-word name of Planesi’s board game, KINGMASTER, a chess variant, is not entitled to copyright protection).

C. Fair Use.

1. Transformative use is important. *See Bill Graham Archives v. Dorling Kindersley Ltd.*, 448 F.3d 605 (2d Cir. 2006) (use of Grateful Dead concert posters in geographical coffee table book was fair use because a form of historic scholarship, a transformative purpose “plainly different from the original purpose for which they [the posters] were created).

2. Sometimes it is necessary to copy an entire image to make “fair use” in a literary work. *Nunez v. Caribbean Int’l News Corp.*, 235 F. 3d 18, 24 (1st Cir. 2000).

D. Infringement.

“[T]he essence of infringement lies in taking not a general theme but its particular expression through similarities of treatment, details, scenes, events and characterization.” *Reyher*, 533 F.2d at 91. The more detailed a plot or character description is, the closer it lies to the expression end of the continuum and the more likely it is to be protected under copyright law. Similarity of ideas will help support a finding of infringement if there also is similarity of expression. *See Krofft, supra*, 562 F.2d at 1164.

a. In infringement context, copyright will protect the particular arrangement of words, literal copying or paraphrasing drawn from literal arrangement of protected work.

b. Writers will be required to show similarities in stylistic nuance, copying of elaborated plot and characters beyond stock features.

E. First Sale Doctrine as Applied to Audio Books.

The record rental exception to copyright’s first sale doctrine, 17 U.S.C. § 109(b) applies only to sound recordings of musical works, and not sound recordings of literary works (“audio books” or “books on tape”). *Brilliance Audio, Inc. v. Haight’s Cross Communications, Inc.* No. 05-1209 (6th Cir. filed Jan. 26, 2007).

F. Digital Developments.

1. The Google Book Search Project. Two facets:

a. Partner Program: a publisher controlling the rights in a book can authorize Google to scan the full text of the book into Google’s search database. In response to a query, the user receives bibliographic material and a link to relevant text. Links would enable purchase. No copyright issues; conducted under agreement between Google and copyright holder.

b. Library project: Google plans to scan into its search database materials from the libraries of Harvard, Stanford and Oxford, University

of Michigan and the New York Public Library. Each library is to receive digital copies of the books in its collections scanned by Google; probably agrees to use its copies only for purposes permitted under the Copyright Act. In response to search queries, users will be able to browse full text of public domain materials, but only a few sentences around the search term in books still covered by copyright. Authors and copyright owners can opt out. Google claims fair use.

2. Yahoo and Microsoft also have announced digitization projects – only public domain or opt-in works.

3. In February 2007, Random House and HarperCollins announced that they would let customers browse books on-line. Amazon.com Inc. has allowed customers to browse since 2003 and Google has done so since 2005.

II. ELEMENTS OF A PUBLISHING CONTRACT.

A. Author's Grant of Rights to Publisher.

Copyright is a bundle of rights that can be divided by type of right (print, publish, sell, lease, license, distribute, other rights such as to make derivative works based on work such as screenplays, dramatic rights (motion picture, animation, television, theatrical), movie rights), linguistic or by language (English, other), geographically (United States, all areas subject to copyright laws of United States, other countries, continents, the world), exclusive/nonexclusive, merchandise rights, forms of publication (hardcover, softcover, quality paperback, book club, mass market, electronic, multibook).

B. Copyright Ownership and Registration.

Copyright ownership and registration responsibility; proper notice of copyright; special care for joint works (co-authors, illustrator, photographer).

C. Warranty and Indemnification.

Author's warranty of authorship and sole ownership, non-assignment of work's originality (except for materials used by permission), non-infringement; no defamation, scandalous or obscene material and no violation of rights of privacy or otherwise contrary to law.

May be room for negotiation with respect to indemnification.

D. Manuscript Delivery and Acceptance.

Complete manuscript usually includes supplemental material (artwork, photographs).

Permission fees usually borne by writer; can be relatively expensive; negotiate sharing between author and publisher.

Satisfactory manuscript or reasons for rejection and an opportunity to revise.
Timely delivery.

E. Publisher's Duty to Publish.

Publishers generally retain right to determine the manner of publication and price.

Revisions other than copyediting to conform with style manual usually require author's approval.

Author may seek minimum print run and advertising/promotion.

Author's "walk" clauses.

F. The Money.

1. Prepublication advances or grants.
2. Royalties.

G. Subsidiary Rights.

Book club; mass market paperback; foreign rights and translations; audio rights/book-on-tape; serialization; dramatic; merchandising; new technology.

H. Revisions.

Typically, contracts contain a provision requiring author to prepare a revision at publisher's request.

Be aware of Section 201(c) of the Copyright Act of 1976, 17 U.S.C. § 201(c) which gives the publisher a limited privilege to publish revisions of collective works.

I. Termination.

Publisher-oriented clause will leave publisher in control of publication rights so long as any licensee has an edition in print, or alternatively, if an English language version is available; may permit reversion of certain rights upon author's request.

Writer-oriented clause will obligate publisher to keep book in print for at least two years after release.

Typically publisher will be obligated to notify author when book out-of-print, and author will be required to make request before rights revert.

Contract may also provide for termination on other conditions; *e.g.*, royalty statements not timely rendered and royalties not timely paid.

Writer will want reversion in the event of bankruptcy of publisher, *but see* 11 U.S.C. § 365(e).

J. Miscellaneous But Still Important.

Reserve for returns: typically permits publisher to withhold a specified percentage of royalties in anticipation of returns from booksellers during the next royalty period.

Royalty statements, typically semi-annually; royalties to be applied first to any unearned advance.

Author should request prompt payment (*e.g.*, 30 days) of author's share of proceeds due from sale of subsidiary rights.

Arbitration may be suggested for dispute resolution; may not be satisfactory for party that needs discovery.

K. Option on Next Work.

Publishers typically request a first option on next work. Option may not be enforceable if it does not contain sufficiently specific terms (more than an obligation to "negotiate terms in good faith" or "on terms to be mutually agreed").

MUSICAL WORKS AND SOUND RECORDINGS

A. Two Types of “Works of [Music] Authorship” or Music Copyrights.

1. Musical Works, including any accompanying words, 17 U.S.C. § 102(a)(2), or so-called “composition copyrights;” and
2. Sound Recordings, 17 U.S.C. § 102(a)(7).

B. Compositions.

1. Neither “musical works,” nor “composition” copyrights, nor “accompanying words” are defined in the 1976 Copyright Act.
2. Words and music can be separately protected or if music and accompanying words are an integrated whole, then the combination is also protected. The combination can be protectible even if the individual elements are not.
3. Public display right not applicable.
4. Idea/expression dichotomy as applied to music:
 - a. Melody – protectible;
 - b. Harmony – rarely protectible;
 - c. Rhythm – rarely protectible.

Rhythm and harmony are generally thought of as unprotectible ideas.

5. Exceptions:
 - a. Nondramatic musical compositions are subject to compulsory mechanical license upon specified conditions. 17 U.S.C. § 115.
 - i. Notice;
 - ii. Recorded nondramatic musical work;
 - iii. Released to the public (no first use);
 - iv. Statutory royalty rates (\$.091 for 5 minutes or less; \$1.75 for each additional minute or fraction thereof);
 - v. Audio only;

- vi. Does not apply to sampling;
- vii. Does not apply to synchronization license or movie rights.

b. The mechanical compulsory license encompasses “digital phonorecord delivery,” 17 U.S.C. § 115(c). This includes downloading of records over the Internet, telephone lines, satellites. Ringtones are subject to compulsory license. *In re Mechanical and Digital Phonorecord Delivery Rate Adjustment Proceeding*, No. RF 2006-1, (October 16, 2006).

6. Registration on Copyright Form PA.

7. Infringement:

a. Courts uniformly reject quantitative assessment; there is no “six note” or “six bar rule” or other limitation of a safe amount of melody to mimic or copy.

b. Courts take a qualitative approach; may deny protection to music if too close to other well-known phrases or would unreasonably limit other musicians’ ability to compose. Approach takes into account the limits of musical vocabulary.

8. Licensing of Performance Rights: There are collecting societies for performance rights: the American Society of Composers, Authors & Publishers (“ASCAP”) and Broadcast Music Inc. (“BMI”). The societies collect royalties for exploitation of nondramatic performance rights to virtually all domestic copyrighted music for authors who meet their criteria (“small performance rights”). The collecting societies license performance rights only, not reproduction rights.

9. Reproduction Rights: Multimedia production companies and motion picture producers may require as many as three reproduction licenses from owner of a composition:

- (1) synchronization right (whenever music is synchronized with moving images; *e.g.*, commercial);
- (2) rights to make copies for distribution or sale; and
- (3) mechanical right -- right to manufacture and distribute records (*e.g.*, to release a soundtrack in album form).

C. Sound Recordings.

1. Definition: “works that result from a series of musical, spoken or other sounds, but not including the sounds accompanying a motion picture or other audiovisual work, regardless of the nature of the material objects, such as disks, tapes, or other phonorecords, in which they are embodied.”
2. Sound recordings constitute copyrightable subject matter. 17 U.S.C. § 102(a)(7).
 - a. Protection is limited to sound recordings fixed on or after February 15, 1972. (Congress resisted efforts to extend copyright protection to recorded performances for a long time, and limited the rights it eventually granted.)
 - b. Copyright protection in a sound recording does not extend to imitations of sound recordings. *See* 17 U.S.C. § 114. “The reproduction right does not extend to the making or duplication of another sound recording that consists entirely of an independent fixation of other sounds, even though such sounds imitate or simulate those in the copyrighted sound recording” (such a duplication might infringe the right of publicity, however), but does encompass piracy. House Report at 106
 - c. Reproduction of sound recordings included in educational television and radio programs distributed through public broadcasting entities are exempt from liability for infringement. 17 U.S.C. § 114(d)(1).
3. Sound recordings are distinct from underlying works whose performances they embody (*e.g.*, poem or song).
 - a. A recorded performance may contain (1) a separately copyrighted musical composition; and (2) a sound recording of the musical composition.
 - b. To make a sound recording, the performer of a copyrighted work will need a license or compulsory license from the proprietor of the composition. *E.g.*, *Palladium Music, Inc. v. EatSleepMusic, Inc.*, 398 F.3d 1193 (10th Cir. 2005) (karaoke music sound recordings were derivative of underlying musical compositions and were not entitled to copyright protection absent licenses from owners of the underlying compositions).
4. There is no exclusive right to publicly perform sound recordings, *see* 17 U.S.C. § 106(4), except by means of a digital audio transmission. 17 U.S.C. § 106(6). Thus, artists do not receive royalties for radio performances. However, composers and publishers do.
5. Owners of recordings are required to allow performance on digital radio (including on Internet broadcast or webcasting) under compulsory license. 17

U.S.C. § 114. The transmission cannot be interactive or publish titles in advance (to avoid copying by users).

6. Under the Digital Millennium Copyright Act (“DMCA”), performance of a sound recording by means of a digital audio transmission is exempt from public performance royalties only if:

- a. Nonsubscription broadcast transmission;
- b. Conducted by an FCC-licensed broadcaster.

7. Record rental exception to copyright’s first sale doctrine.
17 U.S.C. § 109(b).

- a. *I.e.*, may not rent CD’s, cassettes and records of sound recordings.
- b. Exception applies only to sound recordings of musical works, and not sound recordings of literary works (“audio books” or “books on tape”).
Brilliance Audio, Inc. v. Haight Cross Communications, Inc. No. 05-1209 (6th Cir. filed Jan. 26, 2007).

8. Copyright preemption “as applied to the facts.” *See Laws v. Sony Music Entertainment, Inc.*, 448 F.3d 1134, 1139 (9th Cir. 2006) (claims of misappropriation of common law right to privacy and California statutory right of publicity preempted by the Copyright Act, not as a matter of law, but as applied to the particular facts, because subject matter of a right of publicity in one’s voice is not different from a copyright claim when the voice is embodied within a copyrighted sound recording).

- a. Sony obtained a license to sample Debra Laws’s recording of “Very Special,” in the song “All I Have” by Jennifer Lopez and L.L. Cool J, but did not seek permission from Laws.
- b. *Midler v. Ford Motor Co*, 849 F.2d 460 (9th Cir. 1988) and *Waits v. Frito-Lay, Inc.*, 978 F.2d 1093 (9th Cir. 1992), distinguished as cases in which the licensing party obtained only a license to the song and then imitated the artist’s voice, rather than obtaining a license to use the artist’s recording itself.

9. Registration is on Copyright Form SR. Registration on this form will cover both composition and particular recording.

10. Statutory Damages. Plaintiff can elect one statutory damage award for each work infringed; for purposes of calculating statutory damages, all parts of a derivative work or compilation constitute one work. 17 U.S.C. § 504(c)(1).

a. Section 504(c)(1) refers to copyrighted works, not infringing works. See *Warner Brothers Music Corp. v. RTV Commun. Group, Inc.*, 445 F.3d 538 (2d Cir. 2006) (where defendant produced 7 music CD's that infringed plaintiff's copyrights in 13 different songs, defendants were liable for 13 statutory damage awards, not 7 awards for 7 infringing compilations).

b. Statutory damages not dischargeable in bankruptcy if plaintiff follows right steps. See *In re Albarran*, No. SC-05-1398-MaSPa (9th Cir. July 24, 2006) (award of statutory damages for copyright infringement can constitute a debt for "injury" to property under Section 523(a) of the Bankruptcy Code, even without evidence of actual damages, and a nondischargeable debt for willful and malicious injury under Section 523(a)(6) of the Bankruptcy Code).

11. Renewal Rights. The renewal copyright of a work is the 67 year period that begins once the original copyright term of 28 years expires. See *Roger Miller Music, Inc. v. Sony/ATV Publishing LLC*, 477 F.3d, 383 (6th Cir. 2007) (citing 17 U.S.C. § 304(a)(1)(A) (renewal rights in country music singer Roger Miller's 1958-63 songs belonged to Sony because publishing agreements with Sony's predecessor-in-interest incorporated language evincing intent to transfer these rights and Sony paid Miller and his estate royalties during the original term and during the renewal term)).

a. The renewal term is distinct from the original copyright term and can therefore be transferred independently of the original copyrights. See *P.C. Films Corp. v. MGM/UA Home Video, Inc.*, 138 F.3d 453, 456-57 (2d Cir. 1998).

b. There is a strong presumption against conveyance of renewal copyright interests simultaneously with conveyance of the original copyright interest. See *Corcovado Music Corp. v. Hollis Music*, 981 F.2d 679, 684 (2d Cir. 1993). Thus, a valid transfer of a renewal right generally must expressly grant rights in the renewal copyright.

c. An author can assign the right to the renewal copyright before the renewal period commences and is valid against the world if the author is alive at the commencement of the renewal period. See *Miller Music Corp. v. Charles N. Daniels, Inc.*, 362 U.S. 373, 375 (1960). But if the author dies before vesting of the renewal copyright, the party to whom the renewal right was conveyed loses the entitlement to that interest. *Id.* at 378.

12. General release. A broad general release and grant of life story rights for the film "Flashdance" precluded claims for copyright infringement, unfair competition and infringement of state right of publicity for alleged recreations of

well-known scenes from “Flashdance” in music video for Jennifer Lopez song “I’m Glad.” *Marder v. Lopez*, 450 F.3d 445 (9th Cir. 2006).

D. Much of the Music News is Digital.

1. *Metro-Goldwyn-Mayer Studios Inc. v. Grokster, Ltd.*, 545 U.S. 913, 125 S.Ct. 2764, 162 L.Ed.2d 781 (2005) (the probable scope of infringement is staggering—100 million copies of the software in question downloaded and billions of files are shared across FastTrack and Gnutella networks each month).
2. RIAA pursuing individual infringers nationwide and especially on college campuses.
3. Online digitization project aims at the sampling market. *BMG Music v. Gonzalez*, 430 F.3d 888 (7th Cir. 2005).
4. Ringtone Opinion. *In re Mechanical and Digital Phonorecord Delivery Rate Adjustment Proceeding*, No. RF 2006-1, October 16, 2006 (ringtones made available for use on cellular telephone and similar devices qualify as digital phonorecord deliveries (“DPDs”) as defined in 17 U.S.C. § 115; whether a particular ringtone falls within the statutory scope of the statutory compulsory license depends primarily on whether what is performed is simply the original musical work (or a portion thereof) or a derivative work).