U.S. COPYRIGHT AND PUBLISHING LAW[1]

Workshop on Intellectual Property Issues in the Publishing Industry

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I. Copyright.

Congress has the power. . . "to promote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries."[2]

The Copyright Act of 1976, as amended (the "Copyright Act") which became effective January 1, 1978, is the primary body of U.S. statutory law pertaining to copyright today.[3] The Copyright Act of 1909, as amended, continues to govern most causes of action pertaining to works created before January 1, 1978.[4]

A. Basic Copyright Principles.

1. Original Works. Copyright protection exists in original works of authorship fixed in a tangible medium of expression, from which the original work can be perceived, reproduced, or otherwise communicated, either directly or with a machine or device. Works of authorship include:

- literary works, including computer software programs;
- musical works, including accompanying words;
- dramatic works, including accompanying music;
- pantomimes and choreographic works;

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[2] U.S. CONST. Art. I, § 8, cl. 8.

[3] 17 U.S.C.A. §§ 101-702 (West 2005).

[4] 17 U.S.C. § 1 et seq. (1909).

- pictorial, graphic and sculptural works;
- motion pictures and audiovisual works;
- sound recordings; and
- architectural works.[5]

Copyright protection does not extend to ideas, procedures, processes, systems, methods of operation, concepts, principles, or discoveries.[6] Works of the United States government are not eligible for copyright protection, but the United States may own copyrights transferred to it.[7]

2. Creation. Copyright exists upon creating and fixing an original work of authorship in a tangible medium. When pen is put to paper, an image captured on film, original art created, or characters typed into an electronic data file, copyright subsists in the original work.

3. Registration. A copyrighted work does not have to be registered with the United States Copyright Office for it to have protection. Doing so is a prerequisite to bringing suit for infringement.[8] Timely doing so (for a published work within three months after first publication or prior to an infringement, and for an unpublished work prior to infringement), allows the copyright owner to sue an infringer for statutory damages and attorneys' fees, in addition to seeking other relief.[9]

4. Term.

a. Generally. For works created on or after January 1, 1978, copyright subsists from creation until 70 years after the author's death.

b. Joint Works. For joint works prepared by two or more authors who did not do work for hire, copyright subsists from the moment of creation until 70 years after the last surviving author's death.

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[5] 17 U.S.C.A. § 102(a) (West 2005).

[6] 17 U.S.C.A. § 102(b) (West 2005).

[7] 17 U.S.C.A. § 105 (West 2005).

[8] 17 U.S.C.A. § 411(a) (West 2005).

[9] 17 U.S.C.A. § 412 (West 2005). Copyright registration forms, for different types of works of authorship, may be downloaded from the U.S. Copyright Office website at http://www.copyright.gov.

c. Works Made For Hire. For works made for hire, copyright subsists for a term of 95 years from the year of its first publication or a term of 120 years from the year of first creation, whichever expires first.[10]

B. Copyright Ownership.

1. Original Creation. The creator of a copyrighted work is the original owner of copyright in that work, unless it is a "work made-for-hire" or ownership is transferred by contract. The authors of a joint work are co-owners of copyright in the work.[11]

2. Work-Made-For-Hire.

a. Employees. Copyrighted material created by employees as part ("within the scope") of their employment duties is owned by the employer.

b. Specially Commissioned Works; Independent Contractors. One who specially commissions another person to create an original work owns the copyright in that work if (i) the work is commissioned or used as one or more of nine specified types of works, and (ii) the commissioning (hiring) party and the creator both agree, in a writing signed by them, that the work is a "work-made-for-hire." These nine types of works are:

(i) a contribution to a collective work (a work in which a number of individual copyrighted works are assembled into a collective whole),

(ii) part of a motion picture or other audiovisual work,

(iii) a translation,

(iv) a supplementary work (an addition or supplement to another work to introduce, illustrate, conclude, explain, comment upon, or assist in the use of the other work),

(v) a compilation (an assembly of pre-existing materials which are selected, coordinated or arranged such that the resulting work as a whole is an original work, including a collective work),

[10] 17 U.S.C.A. §§ 302(a), (b), and (c) (West 2005).

[11] 17 U.S.C.A. § 201 (West 2005).

(vi) an instructional test (a literary, pictorial, or graphic work prepared for publication with the purpose of systematic instructional use),

(vii) a test,

(viii) answer material for a test,

(ix) an atlas.[12]

3. Transfer by Contract. Copyright ownership in an original work of authorship may be transferred upon creation or thereafter by assignment, conveyance, or other disposition. Unless the transfer is by operation of law, it must be made by a written and signed instrument of conveyance, or note or other memorandum of transfer.[13]

C. Exclusive Rights of Copyright. Subject to certain exceptions in the Copyright Act, copyright ownership provides the owner of the copyrighted work with the exclusive rights:

(i) to reproduce the work in copies or phonorecords,

(ii) to prepare derivative works based on the work,[14]

(iii) to distribute copies or phonorecords to the public by sale or other transfer of ownership, or by rental, lease or lending,

(iv) for literary, musical, dramatic and choreographic works, pantomimes, motion pictures and other audiovisual works, to perform and, for such works and pictorial, graphic, or sculptural works, to publicly display the copyrighted work, and

(v) for sound recordings, to perform the copyrighted work publicly or by means of a digital audio transmission.[15]

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[12] 17 U.S.C.A. § 101 (West 2005).

[13] 17 U.S.C.A. § 204(a) (West 2005).

[14] A derivative work is a work "based upon one or more preexisting works, such as a translation, musical arrangement, dramatization, fictionalization, motion picture version, sound recording, art reproduction, abridgment, condensation, or any other form in which a work may be recast, transformed, or adapted. A work consisting of editorial revisions, annotations, elaborations, or other modifications which, as a whole, represent an original work of authorship, is a derivative work." 17 U.S.C.A. § 101 (West 2005).

D. Fair Use of Copyrighted Works: Copyright vs. Freedom of Speech. Copyright law defines authors' exclusive rights to control the exploitation of their works. The First Amendment prohibits Congress from passing laws which abridge free speech. The First Amendment does not invalidate all laws that in some measure abridge free speech; copyright law is one example. There must be (and is) a constitutional balance between the copyright interest, on the one hand, and the free speech interest, on the other, for the two interests to co-exist (even if not always peaceably):

- This balance is based upon an idea-expression dichotomy; copyright may not be claimed in or for an idea; it may be claimed in the particular expression of that idea.

  - Idea = free speech.

  - Original work of authorship = copyrightable expression.

- This balance is difficult. So is fair use.

1. Section 107 of the Copyright Act. The fair use of a copyrighted work, for "criticism, comment, news reporting, teaching (including multiple copies for classroom use), scholarship, or research, is not an infringement of copyright." Factors to be considered in determining whether a particular use is fair include:

> "(1) the purpose and character of the use, including whether such use is of a commercial nature or is for nonprofit educational purposes;
>
> (2) the nature of the copyrighted work;
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> (3) the amount and substantiality of the portion used in relation to the copyrighted work as a whole; and
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> (4) the effect of the use upon the potential market for or value of the copyrighted work."[16]

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[15] 17 U.S.C.A. § 106 (West 2005). The Copyright Act's fair use provisions permit limited use of copyrighted material for certain activities. See Section D. infra. Other exceptions and limitations to the exclusivity provisions of Section 106 are prescribed in Sections 107 to 120 of the Copyright Act, which are beyond the scope of these materials.

[16] 17 U.S.C.A. § 107 (West 2005).

2. Fair Use Doctrine. Section 107 of the Copyright Act is the first codification of the case law pertaining to fair use; it "is intended to restate the present judicial doctrine of fair use, not to change, narrow, or enlarge it in any way."[17] Fair use has been called "the most troublesome in the whole law of copyright."[18]

There is no need to utilize the fair use defense unless there is copyright infringement; that is, "substantial similarity" between the original work and the allegedly infringing work. In the case of textual content, substantial similarity can exist with "comprehensive non-literal similarity" (overall similarity in structure and organization) or "fragmented literal similarity" (detailed similarity in specific language).[19] Attribution is no defense.

3. The Four Factors. These factors are non-exclusive and illustrative.

a. Purpose and Character of the Use.

The primary focus of the judicial inquiry is whether the new work is transformative, in that it adds something new or synergistic to the original work. Does the new work alter the first with "new expression, meaning, or message?" "… the more transformative the new work, the less will be the significance of other factors, like commercialism, that may weigh against a finding of fair use."[20]

b. The Nature of the Copyrighted Work.

The more creative a copyrighted work, the more difficult it is to invoke the fair use doctrine; the more factually-based a work, the more likely, depending upon the other factors, that a use will be fair.

c. The Amount and Substantiality Used.

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[17] H.R. REP. NO. 94-1476, at 67 (1976). Beyond a very broad statutory explanation of what fair use is and some of the criteria applicable to it, the courts must be free to adapt the doctrine to particular situations on a case-by-case basis.

[18] Dellar v. Samuel Goldwyn, Inc., 104 F.2d 661, 662 (2d Cir. 1939).

[19] See Twin Peaks Prods. v. Publ'ns. Int'l, 996 F.2d 1366, 1372 (2d Cir. 1993) (Book about successful television series, which contained detailed plot summaries, held to be substantially similar to series' protectible elements and not fair use).

[20] Campbell v. Acuff-Rose Music, Inc., 510 U.S. 569, 579 (1994) (Musical group 2 Live Crew's rap parody of Roy Orbison's rock ballad, "Oh, Pretty Woman," held to be fair use under Section 107).

This portion of the analysis focuses on the amount of the copyrighted work used. The more used, the less likely fair use can be successfully evoked. Additionally, even though a small portion of a work is used, if it is the most important, critical piece of the work a court may conclude that it is not fair use.[21]

Debunk the myths (for example, any use of less than ____words is fair use, or any use of a sound clip or musical recording of less than __ seconds is fair use).

d. Effect of Use On Market or Value of the Copyrighted Work.

The effect on the market is "undoubtedly the single most important element of fair use."[22] The court must assess whether the secondary product:

- reduces consumer/market interest in the original copyrighted work;
- is in markets that the copyright holder intends to enter;
- is in derivative markets that the copyright holder "may potentially" reasonably enter.
  - The law recognizes a copyright proprietor's affirmative choice to not occupy a particular market.[23]

4. Parody. A parody is a literary or artistic work that imitates the characteristic style of an author or a work for comic effect or ridicule. The "... heart of any parodist's claim ... is the use of some elements of a prior author's composition to create a new one that, at least in part, comments on [the original]."[24]

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[21] Harper & Row, Publishers, Inc. v. Nation Enters., 471 U.S. 539, 550 (1985)(Magazine article containing approximately 300 words "verbatim excerpts" from President Ford's then soon-to-be-published memoirs, which constituted 13% of the article and used the "most interesting and moving parts of the entire manuscript," was held not to be fair use under Section 107).

[22] Castle Rock Entm't v. Carol Publ'g Group, 955 F. Supp. 260, 270 (S.D.N.Y. 1997), aff'd 150 F.3d 132 (2d Cir. 1998), citing Harper & Row, 471 U.S. at 566. (Trivia book published about the successful television show, Seinfeld, held not to be fair use; although the information in the trivia book was factual in nature, in the case of Seinfeld those 'facts' are creative, protected copyrighted expression).

[23] Carol Publ'g Group, 955 F. Supp. at 272.

[24] Campbell, 510 U.S. at 580.

- Parody, like comment and criticism, may claim fair use under Section 107. Parody is initially evaluated under the transformative factor; once it passes muster under this factor it still must constitute fair use under the remaining factors.

- Publisher (Houghton Mifflin) of The Wind Done Gone successfully defended copyright infringement claim by the owner of copyright in Gone With the Wind, based on The Wind Done Gone being a lawful parody and other fair use defense factors being met.[25]

II. Motion Pictures and Characters.

A. Motion Pictures. Section 102(a)(6) of the Copyright Act expressly includes "motion pictures and other audiovisual works" within the definition of works of authorship.[26]

The Copyright Act defines "motion pictures" as "audiovisual works consisting of a series of related images which, when shown in succession, impart an impression of motion, together with accompanying sounds, if any."[27]

The Copyright Act defines "audiovisual works" as "works that consist of a series of related images which are intrinsically intended to be shown by the use of machines or devices such as projectors, viewers, or electronic equipment, together with accompanying sounds, if any, regardless of the nature of the material objects, such as films or tapes, in which the works are embodied."[28]

B. Characters. The Copyright Act does not specifically enumerate characters as a class of copyrightable works under Section 102(a), although arguably they fall within the pictorial, graphic, and sculptural works category. Under common law, copyright may subsist in characters apart from the copyright in the underlying literary or visual work. Infringement cases where the court refuses to grant characters copyright status do so because the characters, in the court's view,

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[25] Suntrust Bank v. Houghton Mifflin Co., 268 F.3d 1257, 1267 (11th Cir. 2001) (Notwithstanding usage by The Wind Done Gone of "numerous characters, settings and plot twists" from Gone With The Wind, the court determined that The Wind Done Gone was highly transformative and parodic and that its author substantially criticized the original work).

[26] 17 U.S.C.A. § 102(a)(6) (West 2005).

[27] 17 U.S.C.A. § 101 (West 2005).

[28] 17 U.S.C.A. § 101 (West 2005).

are not sufficiently developed; in one such case the court stated that some of the characters at issue were "no more than stage properties."[29]

In cases according characters copyright status, the characters are well developed, with a combination of strong behavioral and physical characteristics (as opposed to just character type),[30] and more often depicted in a cartoon, television show, or other visual medium.[31] Characters which are more fairly described as a character type, or character idea, are unlikely to be protected by copyright.[32]

III. Publishing Torts: Defamation and Invasion of Privacy.

A. Defamation. Printed or broadcast statements are defamatory when they are false and harm the subject's reputation. The Restatement (Second) of Torts defines defamation as any communication which "tends so to harm the reputation of another as to lower him in the estimation of the community or to deter third persons from associating or dealing with him."[33] Defamation claims have been traditionally divided into two separate actions: libel, the written form of defamation, and slander, the spoken form. Today and in part because of the convergence of print and electronic media, both claims are considered defamation.[34]

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[29] Nichols v. Universal Pictures Corp., 45 F.2d 119, 121-122 (2d Cir. 1930) (Court refusing to find copyright subsisted in a character where common element between plaintiff's and defendant's plays was theme, and not protectible characters; "… the less developed the characters, the less they can be copyrighted; that is the penalty an author must bear for marking them too indistinctly.").

[30] Melville B. Nimmer and David Nimmer, Nimmer on Copyright, § 2.12 (2005) (hereinafter "Nimmer").

[31] See Warner Bros. Inc. v. Am. Broad. Cos., Inc., 720 F.2d 231 (2d Cir. 1983) (Second Circuit holding that principal character in The Great American Hero television series, who exhibited very different physical and behavioral characteristics from the Superman character, was non-infringing).

[32] See Nimmer, supra note 30, at § 2.12; see also Gaiman v. McFarlane, Nos. 03-1331, 03-1461, 2004 U.S. App. LEXIS 3396 at *41-42 (7th Cir. Feb. 10, 2004) (Combination of "expressive content" for a stock comic book character "drawn and named and given speech" created joint work with copyright held by writer and artist).

[33] Restatement (Second) of Torts § 559 (1977).

[34] Mark A. Fischer, E. Gabriel Perle and John Taylor Williams, Perle & Williams on Publishing Law § 5.01 (4th ed. 2000) (hereinafter "Perle & Williams").

1. Elements of a Defamation Claim.

a. A factual statement (not opinion) must be published or broadcast to a third party.

b. The statement must be about a particular living person or extant corporate entity, who or which is identifiable to the average reader or listener.

c. The statement must be false.

d. The plaintiff's reputation must be damaged.

e. A claimant's status as a public or private figure, and whether or not the publicized matter is of public or private concern, dictates the publisher's degree of fault necessary for liability. Public figures have less protection than private figures and, in order to recover must generally show that the publisher published the defamatory statement with malice.[35] The courts have held that the standard of intent required for defamation of private figures is a matter of state law,[36] and the trend has been that as to private figures publishers can be held liable based on proof of negligence.

2. Sliding Scale of Standard of Intent for Author/Publisher Liability.

Status of Claimant	Matter Involving	Standard of Intent for Author/Publisher Liability
public official/figure ➡	official conduct/matter of public concern ➡	actual malice (knowledge or reckless disregard of falsity)
public official/figure ➡	private matter ➡	trend toward same standard as above
private figure ➡	public matter ➡	negligence/possibly more
private figure ➡	private matter ➡	typically negligence

Public officials typically include persons in the various governmental branches at federal to local levels, as well as persons who publicly (who

[35] New York Times Co. v. Sullivan, 376 U.S. 254 (1964). "The constitutional guarantees require, we think, a federal rule that prohibits a public official from recovering damages for a defamatory falsehood relating to his official conduct unless he proves that the statement was made with 'actual malice' – that is, with knowledge that it was false or with reckless disregard of whether it was false or not." 376 U.S. 254, 279-280.

[36] Gertz v. Robert Welch, Inc., 418 U.S. 323 (1974). "We hold that, so long as they do not impose liability without fault, the States may define for themselves the appropriate standard of liability for a publisher or broadcaster of defamatory falsehood injurious to a private individual." 418 U.S. 323, 347.

are in the public's eye) wield power and influence such as celebrities and corporate titans.

3. Defamation (Fact vs. Opinion). Statements which are opinions, as opposed to factual assertions, are not actionable as they are protected by the First Amendment. Often it is unclear whether a particular statement is one of fact or opinion. In determining whether a statement is fact or opinion, the courts evaluate all of the circumstances surrounding the statement and the context it is made in.[37]

B. Invasion of Privacy (Four Types). The Restatement (Second) of Torts provides that a person's right of privacy is invaded by:

"(a) unreasonable intrusion upon the seclusion of another, or

(b) appropriation of the other's name or likeness, or

(c) unreasonable publicity given to the other's private life, or

(d) publicity that unreasonably places the other in a false light before the public."[38]

1. Intrusion into Seclusion. Intrusion into seclusion is the intentional intrusion, "…physically or otherwise, upon the solitude or seclusion of another or his private affairs or concerns, …, if the intrusion would be highly offensive to a reasonable person."[39] This often occurs in the context of news gathering, and publication is not a requirement; it is the intrusive news gathering that is tortuous.[40]

2. Misappropriation of Name or Likeness. The tort of misappropriating one's name or likeness is the unauthorized use of one's name, likeness, voice or photograph as part of or

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[37] See Ollman v. Evans, 750 F.2d 970 (D.C. Cir. 1984), cert. denied, 471 U.S. 1127 (1985). In evaluating whether a statement is fact or opinion, courts must analyze (i) the common usage or meaning of the defamatory words, (ii) whether the statement can objectively be characterized as either true or false, (iii) the full context of the statement within the article in which it appeared, and (iv) the broader context of the statement and whether it appeared in a writing that would be more typically or read to be opinion. 750 F. 2d 970, 979-983.

[38] Restatement, Second, Torts § 652A (1977).

[39] Restatement, Second, Torts § 652B (1977).

[40] Perle & Williams, Section 6.03[B](3).

to advertise a product or service, or to promote a commercial enterprise.[41] Often the use is tantamount to an express or implied advertisement or commercial endorsement.

A claim's success can turn on whether the use is primarily for commercial purposes, or instead considered to be a matter within the public interest and therefore protected by the First Amendment. In order to qualify for First Amendment treatment, the use must be truthful and accurate, the matter must be one of "legitimate public concern"[42], and the use must not imply that the subject endorses the product.[43]

3. Disclosure of Private Facts. The public disclosure of private and embarrassing facts involves the publication of material which is not of public concern and which would be highly offensive to a reasonable person.

a. Truth is not a defense.

b. The offending material must not be of legitimate, public concern. If the plaintiff is a private figure, it is more difficult, compared to the plaintiff being a public figure, for a defendant to credibly assert that the material is within the public concern.

c. The subject must be alive and identifiable to third parties.

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[41] See, e.g., Cal. Civ. Code § 3344 (2005), which requires consent prior to using a person's name, voice, signature, photograph, or likeness, in any manner, on or in products or goods or for purposes of advertising or selling, or soliciting purchases of, products or services. A person violating the statute is liable to the injured party in an amount equal to the greater of $750 or the actual damages suffered as a result of the unauthorized use, profits attributable to the unauthorized use that are not taken into account in computing the actual damages, and potentially punitive damages and attorney's fees and costs.

[42] See Dickerson & Assoc. v. Dittmar, 34 P. 3d 995 (2001) The elements of invasion of privacy by misappropriation in Colorado are: "(i) the defendant uses the plaintiff's name or likeness; (2) the use of the plaintiff's name or likeness was for the defendant's own purposes or benefit, commercially or otherwise; (3) the plaintiff suffered damages; and (4) the defendant caused the damages incurred." 34 P. 3d 997. In this case, the Colorado Supreme Court held that the use of the photo and name of a convict by an investigator in an article he wrote about his investigation of her and the related court proceedings, were matters of public concern and the use was privileged.

[43] See also Cal. Civ. Code § 3344(d)(2005), which provides that "…a use of a name, voice, signature, photograph, or likeness in connection with any news, public affairs, or sports broadcast or account, or any political campaign, shall not constitute a use for which consent is required under subdivision (a)". See Montana v. San Jose Mercury News, 40 Cal. Rptr. 2d 639 (Cal. App. Dist. 1995)(Professional athlete could not sustain action against San Jose Mercury News when paper sold as posters reproductions of newspaper pages containing his photograph, and posters did not state or imply that athlete endorsed the paper); see also Dora v. Frontline Video, 18 Cal. Rptr. 2d 790 (Cal. App. Dist. 1993) (Claimant surfer could not prevail under Section 3344 against defendant producer of documentary on surfing, because surfing has such an influence on popular culture as to be a matter within the public interest).

d. The matter must become one of public knowledge; there must be a public broadcast.

e. The disclosure must be highly offensive to the general community.

4. False Light. Publishing false facts or statements which place or characterize a person or entity in a highly unfavorable light to a reasonable person, is an invasion of privacy.

a. The publication must be false.

b. Here also, the degree of fault necessary to impose liability is predicated on the status of the claimant as a private or public figure and whether the matter is one of public concern.

c. Respected commentators identify four editorial situations which give rise to false light claims: "(1) the distortion of facts; (2) the omission of relevant details; (3) embellishment through the addition of imagined details or dialogue; and (4) fictionalization."[44]

C. Practical Comments.

1. Copyright and Rights. Be cognizant about copyright and the exclusive rights attendant thereto, as you create and license others to exploit your original works of authorship.

2. Fair Use. Be sensitive to fair use, and the difference between copyright infringement (an unlawful taking) and fair use (a de minimus, transformative, equitable use of third party material without economic impact to the copyright proprietor or his licensee).

3. Publishing Torts. Be aware of and sensitive to defamation and invasion of privacy liability, particularly if your work of fiction is based on or linked to true facts. Most problems do not arise from intentional acts, but simply from a manuscript, article or photo not being carefully researched or vetted prior to publication.

4. Careful Review. Perform expert, careful manuscript review if the nature of the work raises these issues. Build this process into your schedule.

5. Remember. It is easier to stay out of trouble than to get out of trouble.

[44] Perle & Williams, § 6.03[B](3).