Entertainment Litigation

Know the Issues and Avoid the Courtroom

Editors
Peter Herbert, Esq.
Elissa D. Hecker, Esq.

New York State Bar Association Continuing Legal Education publications are intended to provide current and accurate information to help attorneys maintain their professional competence. Publications are distributed with the understanding that NYSBA does not render any legal, accounting or other professional service. Attorneys using publications or orally conveyed information in dealing with a specific client's or their own legal matters should also research original sources of authority.

We consider the publication of any NYSBA practice book as the beginning of a dialogue with our readers. Periodic updates to this book will give us the opportunity to incorporate your suggestions regarding additions or corrections. Please send your comments to: CLE Publications Director, New York State Bar Association, One Elk Street, Albany, NY 12207.

ISBN: 1-57969-220-6
Product Number: 4087

TABLE OF CONTENTS

DETAILED TABLE OF CONTENTS

FOREWORD

By Peter Herbert

More than 30 years of entertainment and intellectual property law experience indicated to me that litigated disputes usually involve certain fundamental issues that are central to a creative artist's career, and that a basic, practical guide to these common issues, would help creative artists and their representatives gain some insight as to how to avoid the courtroom. These issues are most easily identified by asking the question, "What does an entertainer or creative artist need for a healthy dispute-free career?" I would suggest the following:

- representatives who are free of conflicting interests;

- agreements that expressly require both parties to perform stated obligations as a condition of maintaining the relationship;

- agreements that clearly recite the terms of service, including the amount and conditions of compensation, the credits to be accorded the artist, the artist's copyright interest in his or her authored works and the circumstances under which the relationship may be terminated;

- protection for the artist's copyrightable works through proper registration and enforcement of rights; protection of the artist's name and likeness that has gained public recognition (commonly referred to as the "right of publicity") through licensing activity, quality controls and the monitoring and prevention of unauthorized uses;

- protection for the artist's trademarks, logos, domain names and other indicia that identify the artist as the source of goods or services;

- protection of the artist's reputation by assuring appropriate "credit" for work performed, including preventing others from taking credit for what the artist has created and from wrongfully trading off the name and reputation of the artist in relation to the work of others;

- effective merchandising of the artist's products and services through traditional and emerging technologies; and

- review of accounting statements provided under the artist's service and licensing agreements with third parties and collection of all amounts due under the terms of the underlying agreements.

While each industry, be it recording, music publishing, motion picture, television, live theatrical, book publishing, fine art or merchandising, has its own special customs and practices, these areas of protection are common to them all.

Just as the artist's transactional representative must fully appreciate the legitimate needs of the parties with whom the artist contracts, the litigator must understand and appreciate the legitimate positions of the adversary and educate the client as to its reasonable expectations. The bull-dog litigator who ignores this responsibility, believing that only trial by combat will maximize the client's advantages, even with the best of intentions, may blindly play a tune that is "tin" to a judge's ear. In the process, he or she may embroil the client in distracting and all-consuming litigation that can sap the client's creative energies and resources at the expense of his or her career. In most cases in which injury to reputation or professional integrity is not involved, constructive litigation should produce positive results for both parties by minimizing their respective losses. Other cases that do involve a potential injury to reputation or a compromise of fundamental values are not susceptible of easy practical resolution and must necessarily be pursued to conclusion.

The genesis of this handbook was the outline of a three-hour lecture on entertainment litigation that I delivered twice a year for more than 15 years to the students at Georgetown University Law Center. Salient principles were brought to life through discussions of cases in which I was personally involved over the years. Although some cases were of a more esoteric nature such as the interpretation of aspects of the Copyright Act (e.g., the meaning of a "posthumous work,"[1] the test of "joint authorship"[2] or the financial effects of the Act's termination provisions[3]), most involved the practical issues listed above, which are at the heart of protecting the artist's career.

Thus, it seemed that it would be useful to the legal and business community to offer a book that addresses, in a simple, accessible way, the

1 *Bartok v. Boosey & Hawkes, Inc*., 523 F.2d 941 (2d Cir. 1975).

2 *Childress v. Taylor*, 945 F.2d 500 (2d Cir. 1991).

3 *Harry Fox Agency, Inc. v. Mills Music, Inc.,* 543 F. Supp. 844 (S.D.N.Y. 1982), *rev'd*, 720 F.2d 733 (2d Cir. 1983), *rev'd*, 466 U.S. 903 (1984).

basic issues that inspire disputes in the entertainment and intellectual property arenas so that, with this knowledge and awareness, artists and their representatives could minimize the risk of litigation.

I am grateful to Elissa D. Hecker, Past Chair of the Entertainment, Arts and Sports Law Section of the New York State Bar Association, whose energy and insight sparked the interest of the Section in this project. Her enthusiasm and attention to all aspects of the project's development jump-started my own incentive to bring this book to life. I want to extend my gratitude to distinguished attorneys Robert Clarida, Judith Bresler, Peter Glass, Janna Glasser, Joel Hecker, Judith Prowda and Roger Deitz, and to my splendid and talented partners and associates at Hinckley, Allen & Snyder LLP in Boston, Providence and New Hampshire, specifically, intellectual property specialists Deborah Benson, Amy Spagnole and Brent Canning, all of whom responded to my call and generously offered their time and talent to make this book possible. And my thanks to Miriam Tauber and Brendon McKeon, the research assistants who contributed case synopses to the book. Finally, my heartfelt thanks to the New York State Bar Association, specifically, Daniel McMahon, Director of Publications, and Joan Fucillo, Senior Copy Editor, for their enthusiasm, extraordinary competence, meticulousness and unfailing good will throughout the process of transforning a rough manuscript into a finished book.

I hope this book will be seen as a work in progress, to be supplemented periodically as new developments, emerging areas and issues, and cases of practical significance occur, and that the book will bring further understanding to commonly litigated issues in the entertainment and intellectual property arenas, so that disputes may be creatively and promptly resolved.

ABOUT THE EDITORS

ELISSA D. HECKER, ESQ.

Elissa D. Hecker of the Law Office of Elissa D. Hecker, Irvington, New York, practices in the fields of copyright, trademark and business law. Her clients encompass a large spectrum of the entertainment world. In addition to her private practice, A Past Chair of the Entertainment, Arts and Sports Law (EASL) Section of the New York State Bar Association, Ms. Hecker is Editor of the *EASL Journal*, and Co-Chair and creator of the EASL Pro Bono Committee. She is also a frequent author, lecturer and panelist, a member of the Copyright Society of the U.S.A. (CSUSA) and a member of the Board of Editors for the Journal of the CSUSA. Ms. Hecker is the recipient of the New York State Bar Association's 2005 Outstanding Young Lawyer Award.

PETER HERBERT, ESQ.

Peter Herbert is a partner in the Boston law firm of Hinckley, Allen & Snyder LLP, where he concentrates his practice in the area of intellectual property and entertainment litigation, with a focus on copyright issues and disputes, an area in which he has been lead counsel in numerous landmark cases and cases of first impression. He was previously partner at the New York intellectual property law firm of Cowan, Liebowitz & Latman, P.C. Mr. Herbert's areas of expertise include copyright and trademark-related matters in the recording, music, fine art, publishing and motion picture industries, as well as in the fields of architecture, lighting and textiles.

Mr. Herbert is the former Chair of the Litigation Committee of the Entertainment, Arts and Sports Law Section of the New York State Bar Association. As an artist, he is currently expanding his practice to include the representation of individuals and entities in the field of fine art. He is a member of the Board of Directors of The Creative Center, Arts in Healthcare, an organization founded by his wife Geraldine that brings the experience of art-making to the bedside of patients with life threatening illness in hospitals and hospices.

He has lectured and presented at the Copyright Society of the United States, the Copyright Society of New York, the American Bar Association, the Practicing Law Institute and, annually, to the students of entertainment law at Georgetown University Law Center, where Mr. Herbert received his LL.B. Mr. Herbert resides in Gloucester, Massachusetts.

ABOUT THE AUTHORS

DEBORAH L. BENSON, ESQ.

Deborah Benson is a partner with Hinckley, Allen & Snyder LLP, where her practice is focused on trademark and copyright law. Her expertise includes all aspects of intellectual-property creation, acquisition, and use; trademark, trade name, copyright, false advertising, unfair competition, design patent and Internet disputes; intellectual property due diligence; extensive contract drafting; agreements relating to commissions, works-made-for-hire, licensing, permissions, assignments, publishing contracts, multimedia, asset transfers, and purchase and sale of content. Ms. Benson was the Chair and Founder of the Boston Bar Association Committee of Lawyers for the Arts and was the founder of Volunteer Lawyers for the Arts of Massachusetts, Inc. Ms. Benson was appointed to the Boston Bar Association Intellectual Property Steering Committee and was a past steering committee member of the New England Conservatory of Music Board of Overseers. She was also an elected member of the Boston Bar Association Council from 1989–1992. Ms. Benson is a frequent author and speaker on intellectual property legal topics and was named as one of Massachusetts Super Lawyers (Intellectual Property Category) in *Boston* Magazine for 2005 and 2006. Ms. Benson earned a B.M. Ed. Degree from the University of Massachusetts, Lowell and a J.D. degree from Seaton Hall University School of Law.

JUDITH BRESLER, ESQ.

Judith Bresler, a prominent lecturer and practicing attorney specializing in art law, and currently with the Sotheby's Institute of Art, is co-author of the award-winning treatise, *ART LAW: The Guide for Collectors, Investors, Dealers and Artists* (First, Second and Third Editions), acclaimed as the "industry bible" by *Forbes* magazine. She has taught art law as a member of the adjunct faculties of both New York Law School and the University of Pennsylvania Law School. She has served on the Board of Trustees of New York Law School and the Philadelphia Volunteer Lawyers for the Arts. She has served as Chair of the Art Law Committee and Chair of the Entertainment, Art and Sports Law Section (EASL) of the New York State Bar Association.

Ms. Bresler is currently Co-Chair of the Alternative Dispute Resolution Committee of EASL, is on the National Roster of the American Arbitration Association, is on the Roster of Neutrals of the New York State Supreme Court, Commercial Division and on the Roster of Neutrals for the Federal District Court, Eastern District of New York. She publishes

extensively on all aspects of the art market, and is a three-time winner of the Otto L. Walter Distinguished Writing Award.

BRENT R. CANNING, ESQ.

Brent Canning is a partner at the law firm of Hinckley, Allen & Snyder LLP. He focuses his practice on intellectual property and commercial litigation. He represents businesses and individuals in disputes before state and federal courts and arbitration panels. He is a frequent contributor to the *Providence Business News* and other publications in New England on issues relating to technology and intellectual property matters.

Mr. Canning received his Juris Doctorate, *cum laude*, from Roger Williams University School of Law and his Bachelor of Arts degree from New York University. Between 1996 and 1997 he served as a law clerk to Rhode Island Supreme Court Associate Justice John P. Bourcier. Mr. Canning is a member of the American and Rhode Island Bar Associations and the American Intellectual Property Law Association.

ROBERT CLARIDA, ESQ.

Robert Clarida is a partner at the New York firm of Cowan, Liebowitz & Latman in New York. His copyright practice includes both counseling and litigation for clients in a wide variety of industries, including music, fine art, photography, film, and software. He has helped untangle copyright problems in connection with works ranging from the writings of Dr. Martin Luther King, Jr. and the music of John Coltrane to the movie *Spiderman* and the song "Who Let the Dogs Out?" Mr. Clarida speaks and writes frequently on copyright issues, and is co-author of the annual review of copyright decisions published each year by the *Journal of the Copyright Society of the USA*. He teaches a seminar on emerging intellectual property issues at Columbia Law School, is the current co-chair of the Copyright Committee of the New York State Bar Association IP Section, former chair of the Copyright and Literary Property Law Committee of the Association of the Bar of the City of New York, a past Trustee of the Copyright Society of the USA, and former chair of the Copyright Law Committee of the American Intellectual Property Law Association. He is also the author of the forthcoming *Copyright Law Deskbook* (BNA).

Before joining Cowan, Liebowitz, Mr. Clarida taught music history and music theory at Dartmouth College, and wrote music for several dance companies in New York.

He earned his J.D. in 1993 from Columbia University, where he was a Harlan Fiske Stone scholar, after earning a Ph.D. in music composition from SUNY Stony Brook in 1987, and receiving a Fulbright fellowship to the Musicology Institute of Gothenburg University, Sweden. He also earned Master's and Bachelor's degrees in music composition. Mr. Clarida is admitted to the New York bar, and to the federal bars of the Southern, Eastern, Northern and Western Districts of New York, the Eastern District of Michigan, and to the U.S. Courts of Appeals for the First, Second and Ninth Circuits.

PETER GLASS, ESQ.

Peter Glass is an associate in the real estate group of Greenberg Traurig, LLP. His practice focuses on representing buyers, sellers and lenders in the acquisition and financing of commercial real property in the United States and abroad. He received his B.A. from Fairfield University and his J.D. from Brooklyn Law School.

JANNA GLASSER, ESQ.

Janna Glasser is an entertainment attorney and Vice President and General Counsel of Mona Lisa Sound, Inc., publishers of rock string sheet music. She has been in private practice for over 24 years and was Vice President of Legal Affairs at PolyGram Holding, Inc. for four years. She has served as an Adjunct Professor at Pace University School of Law. She is a member of the New York State Bar.

JOEL L. HECKER, ESQ.

Joel Hecker is Of Counsel to Russo & Burke in New York City, where he practices in every aspect of photography law and other areas involving copyright issues. Mr. Hecker acts as general counsel to hundreds of professional photographers, stock photo agencies, graphic artists and other photography and content-related businesses that he represents nationwide and abroad. He also lectures and writes extensively on issues of concern to these industries, including his monthly column "You And The Law" in *PhotoStockNotes*. He is a long time member and past Trustee of the Copyright Society of the U.S.A., a member of the Entertainment, Arts and Sports Law Section of the New York State Bar Association and member of the Copyright and Literary Property Committee of the Association of the Bar of the City of New York.

JUDITH B. PROWDA, ESQ.

Judith Prowda is an attorney, mediator and arbitrator in New York specializing in copyright, art and entertainment law. A Co-Founder and Co-Chair of the EASL Section's Committee on Alternative Dispute Resolution, Ms. Prowda was honored by the Bar for her outstanding contribution to the advancement of ADR in New York State. In addition, she is Secretary of the EASL Section and Chair of the Committee on Fine Arts. She is on the Roster of Neutrals, New York State Supreme Court Commercial Division and a member of the Commercial Panel of the American Arbitration Association.

Ms. Prowda is a Senior Lecturer at Sotheby's Institute of Art, where she teaches graduate courses in Art Law, as well as Ethics and Policy in the Art Profession. She is also an Adjunct Professor of Art Licensing at New York Law School. A graduate of Sarah Lawrence College, she received her J.D. from Fordham University School of Law and her LL.M. in Trade Regulation (concentrating in Intellectual Property) from New York University School of Law. She also received an M.A. in International Relations from Johns Hopkins University School of Advanced International Studies, an M.A. in French Literature from Middlebury College and a Certificate from l'Institut d'Etudes Politiques in Paris. Prior to studying law, she was a reporter at *Time* magazine and a French-English interpreter at the U.S. Department of State. In her spare time, she is a violinist in The Lawyers' Orchestra of the New York City Bar and The Broadway Bach Ensemble, and is an avid chamber musician.

AMY B. SPAGNOLE, ESQ.

Amy Spagnole is a partner with Hinckley, Allen & Snyder LLP. Her practice is focused in the area of intellectual property with special emphasis on trademark, copyright, unfair competition and Internet-related matters. Ms. Spagnole has extensive experience with respect to the creation, selection, acquisition, protection and enforcement of intellectual property rights, including trademark selection and clearance, trademark and copyright registration, trademark, trade name, copyright, false advertising, unfair competition and Internet domain name disputes and intellectual property due diligence, licensing, contract and agreement drafting. She is a member of the Rhode Island Bar Association Committee on Lawyers for the Arts and the Massachusetts Volunteer Lawyers for the Arts. A member of the advisory Board of the Arts and Business Counsel of Rhode Island, Ms. Spagnole is a frequent author and speaker on intellectual property legal topics. She was named as one of Massachusetts Super

Lawyers Rising Stars (Intellectual Property Law Category) in *Boston* Magazine for 2005, 2006 and 2007. Ms. Spagnole is an adjunct faculty member at Suffolk University Law School where she teaches a course in Trademark and Unfair Competition Law. She earned a B.A. degree from Syracuse University and a J.D. degree *magna cum laude* from Suffolk University Law School.