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# Bright Ideas

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## Message from the Chair

**Paul M. Fakler**

It seems like it was just a few months ago that I sat down to write my first Message from the Chair. As I look back at the almost two years that have actually passed since then, I am filled with a great appreciation for our wonderful Executive Committee and all of our Section's members. The Intellectual Property Law Section is unique among organizations of its kind, and that is attributable largely to the efforts of our various committee chairs and others who do the hard work it takes to plan and execute our Section's programs.

During the past two years, we have built upon the Section's strengths and taken them in some new directions. Many of these new directions have involved expanding the Section's presence, both nationally and internationally. For example, we had our first major meeting—last year's Fall Meeting—outside of New York State. The new location, in Philadelphia, re-invigorated the meeting, and we received overwhelmingly positive feedback.

The Section has also recently become a member of the SIPO-U.S. Bar Liaison Council, an organization that brings together representatives of China's State Intellectual Property Office with those of various United States-based intellectual property bar associations. Our participation in this organization will allow the Section to engage in meaningful discussion and outreach with respect to intellectual property issues in one of the most important international markets. We are also in the process of joining a similar group through which we will meet regularly with representatives of the European Patent Office. Through these affiliations, the Section will continue to raise its profile within the national and international legal communities and provide meaningful opportunities for our members to both learn about and impact future developments in international intellectual property law.

Turning to our traditional strengths, the Section has continued to produce top-notch programming that combines cutting-edge legal issues, top-notch presenters who are thought leaders on these issues, and reasonable registration fees. Our Annual Meeting in January was one of our most successful ever. Topics included the looming war—set to begin in 2013—over recording artists' right to terminate their assignments and recapture ownership of their sound recordings from the record companies; the legal issues involved in expanding brands into Europe; best practices for Rule 16 conferences in intellectual property cases, including ESI discovery agreements and protective orders; developments in Internet-based trademark infringement claims; the legal impact of social media and cloud computing; a review of the year's most important patent litigation decisions; and best practices for obtaining computer evidence in trade secret litigation. We also had the good fortune of a keynote speech

## Inside

by one of the top Department of Justice lawyers responsible for the government's headline-generating raid, mere days before the Meeting, on Megaupload and its founder, Kim Dotcom, for criminal copyright infringement.

This year marks the twentieth anniversary of the Section's founding, and we have been planning a gala dinner commemoration. We had planned to hold the dinner in April, but unforeseen complications have forced us to reschedule. The anniversary dinner event will now be held on Friday, September 14 at Gotham Hall in New York City. One benefit of the rescheduling is that we will be combining the dinner with the Fall Meeting, which also will be held in New York City this year. Please watch for further announcements, as you will not want to miss these events.

In closing, it has been a great honor and privilege to serve as Chair for the past two years. I would like to take this opportunity to thank my fellow officers, Vice-Chair Kelly Slavitt, Treasurer Charles Weigell, and Secretary Sheila Francis Jeyathurai, as well as the entire Executive Committee, for all of their hard work and for trying their best to make me look good during my tenure as Chair. As Kelly takes over as Chair, I look forward to watching and helping her put her own mark on the Section. I would also like to congratulate our newest incoming officer, Secretary-elect Erica Klein, who I know will make tremendous contributions as an officer. Finally, one of the great things about our Section is the continued involvement of past-Chairs. Although my time as Chair is now at a close, I look forward to continuing to work with the Section and seeing you all at future Section events.

**Paul M. Fakler**

# *Thank You*

**The Intellectual Property Law Section extends its gratitude to the following for their significant sponsorship over the past year:**

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# A Brave New World: Protecting Information (Including Trade Secrets) in the Cloud and in Social Media

By Robert B. Milligan and D. Joshua Salinas

## I. Introduction

The explosion of cloud computing has provided both large and small companies with many technological benefits, but with those well recognized benefits there are incumbent risks to valuable company data, including prized trade secrets. Companies utilizing cloud computing must employ effective measures to protect and secure their intellectual property. Vendor agreements with cloud providers should be carefully scrutinized to ensure that appropriate contractual provisions are in place to protect company data, including provisions addressing ownership, access, protection, and privacy from both a national and international perspective. Companies should attempt to incentivize their agreements with vendors to ensure that the company's business objectives, including secure data protection, are met.

Social media, which use cloud computing, have also provided companies with access to dynamic platforms for business growth. To effectively navigate in this new environment, companies must ensure that they adopt effective policies that foster creative expression yet protect company data and secrets, including employment policies, with clear direction and guidance for employees. Sensible executives will seek advice from competent counsel to ensure that the cost savings and financial opportunities in cloud computing, including social media, are not outweighed by the potential legal and business risks.

Cloud computing is a hot technology movement. Over forty-three percent of chief information officers expect to utilize cloud services within the next few years.[1] MarketsandMarkets estimates that the cloud computing market will grow from $37.8 billion in 2010 to $121.1 billion in 2015.[2] Cisco predicts that worldwide IP traffic in the cloud will increase twelvefold over the next five years and account for more than one-third of total data center traffic by 2015.[3] Verizon recently spent $1.4 billion to acquire cloud services provider Terremark Worldwide, Inc., which is expected to stimulate other rival carriers to enter the cloud industry.[4] However, the new cloud computing buzz is not new technology to many industry insiders. As Larry Ellison of Oracle stated, it is "[e]verything that we already do."[5]

Cloud computing is a metaphor for the Internet. It comes from the early days when network engineers used a cloud in their network design illustrations to indicate unknown domains. The engineer knew the domain was there, but the details of that domain were unknown. This network of clouds is how we view the Internet today. Cloud service users know their information is readily accessible but generally lack any interest in where that information is physically located. Cloud service users generally can access their information at any place, at any time, and on any device, as long as they have a network connection. Indeed, cloud computing is part of our everyday lives. If you have performed a Google search, checked Yahoo email, or signed in to Facebook, Twitter, or LinkedIn, you have reached into the cloud.

Cloud computing lacks a universal definition. Ask different people in the IT industry what cloud computing is and you will get different answers. The National Institute of Standards and Technology (NIST) has provided the most widely accepted definition: "Cloud computing is a model for enabling convenient, on-demand network access to a shared pool of configurable computing resources (e.g., networks, servers, storage, applications, and services) that can be rapidly provisioned and released with minimal management effort or service provider interaction."[6] The NIST also notes five essential characteristics of cloud computing services: on-demand self-service, broad network access, resource pooling, rapid elasticity, and measured service.[7]

Cloud computing has numerous technical benefits. Users typically pay the cloud provider for the services and resources they use. This pay-as-you-go infrastructure allows companies to reduce costs. Companies can avoid paying for costly equipment, personnel, and maintenance. For example, if a company needs additional storage space for its data, it can purchase more from the cloud provider. Without cloud computing, the company may have to pay for additional servers, allocate space for bulky servers, and hire additional IT staff, among other costs. Cloud computing also provides scalability. The ability to adapt and quickly respond to increased market demands is invaluable to small companies that lack the finances to significantly invest in expensive IT infrastructure. The on-demand access provides access wherever a cloud user has a network connection. This mobility and convenience is one of the reasons low-cost netbooks and tablet devices such as iPads have rapidly radically increased in popularity. Companies are embracing the cloud as a cost effective way to do business. It provides smaller companies with a better chance to compete.

Cloud computing involves three general service models. The simplest model is Infrastructure as a Service (IaaS). This involves basic storage and data hosting. The second model is Software as a Service (SaaS). In this model, the cloud provider provides the software to access, manage, and utilize the data. This is commonly seen with email (e.g., Gmail, Yahoo mail, Hotmail) and social media sites (e.g., Facebook, LinkedIn, Twitter). The third model is Platform as a Service. This model provides an operating system in which the company can develop and build its own applications. For example, Facebook allows third parties to build and distribute applications within its service. The main factor distinguishing the three models is the level of control the subscriber retains over its data.

While cloud computing is not new, expansive and accelerated network connectivity has fueled the ascent of this technology movement. Companies embracing cloud computing will move data previously stored in-house onto servers provided by third parties. However, moving confidential and proprietary information, such as trade secrets, raises numerous legal, security, and business concerns.

## II. Trade Secrets

A trade secret is any information not generally known that is economically valuable and that is subject to reasonable efforts to maintain its secrecy.[8] Many people think of secret formulas, such as the ingredients for Coca-Cola, KFC, or WD-40. Yet trade secrets also can include a wide variety of technical and nontechnical information. Common trade secrets include manufacturing methods, formulas, techniques, business and marketing plans, customer lists, and computer programs. There is no requirement to register or publish a trade secret to receive protection. In addition, a trade secret does not have to involve novel information. The heart of the trade secret's value is its secrecy.

A trade secret owner must take reasonable efforts to ensure the information's secrecy.[9] He or she must make actual efforts to protect the trade secret so that it is not lost through improper, illegal, or unethical means. The burden is on the trade secret owner to keep the information secret; the owner cannot expect others to keep the information secret.

Trade secret law protects against misappropriation, i.e., the illegal or unauthorized acquisition, disclosure, or use of information. Trade secrets are creatures of statute and are protected under several laws such as the Uniform Trade Secrets Act (UTSA), Economic Espionage Act of 1996 (EEA),[10] and the Computer Fraud and Abuse Act (CFAA).[11] Varying versions of the UTSA are enacted in forty-seven states.

Trade secret law holds third parties liable if they knew or had reason to know of misappropriation.[12] However, it generally does not protect against the accidental disclosure or the reverse engineering of a trade secret.[13] For example, if a trade secret is accidentally disclosed by a cloud provider or third party, it could potentially lose its trade secret status if the data leak is not promptly and effectively addressed.

Unlike patent, trademark, or copyright protection, there is no set duration for trade secret protection. A trade secret is protected as long as it is kept secret. However, once a trade secret is lost, it is lost forever. As we have seen in the post-Wikileaks world, once confidential information is disclosed, it can be distributed instantly online for hundreds of millions to see, access, and download.[14]

## III. Problems

An issue with new technology is that the law is constantly behind. "[Courts] try to keep up with technology and understand it, but things move so quickly."[15] The use of cloud computing raises several problems for trade secrets. Placing confidential information in the hands of a third-party cloud provider seems contrary to maintaining secrecy. Moreover, information placed into the cloud increases the risk that the information will be accidentally or intentionally disclosed to third parties.

A threshold issue is whether placing confidential information into the cloud diminishes its status as protectable information. Can trade secrets lose their protection in the cloud? The answer may vary depending on the nature of the information and who places the information in the cloud. Courts have used six factors to determine whether a piece of information is secret. These are: (1) the extent to which the information is known outside the company; (2) the extent to which the information is known by employees and others inside the company; (3) the extent of measures taken by the company to protect the secrecy of its information; (4) the value of the information to the company and competitors; (5) the amount of time, effort, and money expended by the company in developing the information; and (6) the ease or difficulty with which the information can be properly acquired or duplicated by others.[16]

A New York district court found a company's customer list was not a trade secret because the information at issue had already been disclosed in the cloud and was publicly accessible. In *Sasqua Group v. Courtney*,[17] an executive search consulting firm alleged that a former employee stole confidential customer information from a client database and later solicited those clients. The confidential database contained client contact information, individual profiles, resumes, descriptions of interactions with clients, and hiring preferences. The court focused on the sixth factor in the six-factor analysis, i.e., the ease with which the information could be acquired by others. The former employee demonstrated how easily she could find the same client database information by searching LinkedIn, Google, Bloomberg.com, and FX Week. The court found the client database did not constitute a trade secret because the information was easily accessible to the public online. In doing so, the court noted that the protection of certain information may no longer be viable in the twenty-first century in light of new technologies.[18]

A recent New Jersey district court case, however, found that trade secret information may not necessarily lose its trade secret status despite being posted on the Internet. In *Syncsort Inc. v. Innovative Routines, Int'l, Inc.*,[19] the plaintiff data transformation software company alleged that a competitor had improperly developed software when the competitor allegedly improperly acquired and used the plaintiff's trade secrets—confidential command language. The defendant argued that portions of the command language had been posted on the Internet and thus were no longer secret. Moreover, the defendant argued that entire copies of the plaintiff's Reference Guides regarding the command language had been posted temporarily on the Internet, once in Korea and once in Japan.

The court found that the Internet postings did not defeat the command language's trade secret status because (1) the parts of command language posted were insufficient to fully disclose the complete command language and (2) the Reference Guide posts in Korea and Japan were obscure and transient such that it was not made generally known to other competitors in the industry. The takeaway from the case is that the "secrecy" of information may be determined based on the surrounding circumstances and nature of the online disclosure rather than by the mere fact that the information was posted online.

Similarly, a current Northern District of California case, *PhoneDog v. Kravitz*,[20] involves a dispute over whether a Twitter account's followers constitute trade secrets even when they are publicly visible. The court denied the defendant's motion to dismiss and ruled that PhoneDog, an "interactive mobile news and reviews web resource," could proceed with its lawsuit against Noah Kravitz, a former employee, who it claims unlawfully continued using PhoneDog's Twitter account after he quit. The court held that PhoneDog had described the subject matter of the trade secret with "sufficient particularity" and satisfied its pleading burden as to Kravitz's alleged misappropriation by alleging that it had demanded that Kravitz relinquish use of the password and Twitter account but that he refused to do so. With respect to Kravitz's challenge to PhoneDog's assertion that the password and the account followers do, in fact, constitute trade secrets—and whether Kravitz's conduct constitutes misappropriation—the court ruled that such determinations require the consideration of evidence outside the scope of the pleading and should, therefore, be raised at summary judgment rather than on a motion to dismiss. This case merits attention.

Another issue arises when cloud providers use the hosted information for secondary purposes. For example, information containing customer lists or contact information is highly valuable for market studies and behavioral targeting. Providers can earn substantial revenues reselling this raw data to advertisers and other third parties.

Perhaps more threatening to trade secrets are cyber attacks. Hackers have recently targeted their attacks at corporate trade secrets and proprietary information. McAfee reported on the Night Dragon cyber attacks that have targeted oil and gas industry trade secrets.[21] IBM's X-Force cyber security team also reported that cyber criminals now pinpoint valuable corporate data.[22] There is a thriving criminal market for converting stolen trade secrets into cash.[23] In fact, criminal gangs in China, Russia, and the Ukraine will steal information for companies looking to undercut their rivals.[24] Hackers are eagerly awaiting more corporations to embrace cloud computing and to release prized data into the cloud.

The inherent risks in utilizing cloud computing were demonstrated last year with one of the largest security breaches in United States history—the March 2011 Epsilon security breach.[25] Epsilon is one of the largest permission-based email marketing companies. It sends over forty billion emails each year on behalf of over 2,500 clients. Its clients include US Bank, Capital One, Chase, Citi, JPMorgan, Best Buy, Hilton, Target, and Disney. On March 30, 2011, Epsilon detected an unauthorized entry into its customer databases. It discovered that hackers had obtained access to thousands of names and email addresses. As a result, these hackers now have the ability to send highly effective spear-phishing emails to their recently acquired targets.[26]

The following scenario could arise from the Epsilon or other cloud computing breaches: (1) hacker reviews improperly obtained customer information and discovers that the customer works at a large corporation or firm; (2) hacker crafts a well designed email posing as the company to which the client gave its email address (e.g., Best Buy, Target, Citi); (3) customer opens the email at work, clicks a provided link, and undetectable software is downloaded onto the customer's computer; and (4) undetectable software quietly sits inside the corporate network, searches for trade secrets or confidential information, and sends it back to the hacker. Security software company Symantec reports that in 2011 at least fifty companies in the defense and chemical industries were targeted by these spear-fishing attacks, which were specifically aimed at prized research and development information.[27]

Aside from the intentional theft by outside parties, trade secrets always have been susceptible to misappropriation by current or former employees. The typical case involves the disgruntled employee who discloses or uses trade secrets after termination. Yet, the use of cloud services such as social media increase the risks of both intentional and accidental disclosure by such employees.

A related issue involves the ownership of data. If a provider or employee modifies the data, do they have any ownership rights in it? Taking the case of a customer list, if an employee "friends" clients and adds them to a LinkedIn profile, does the contact belong to the employee or to the employer? If the employee leaves his or her employer, can he later contact previous clients? This issue was the underlying dispute in *TEK Systems v. Hammernik*.[28]

In *TEK Systems*, the plaintiff, an IT staffing firm, alleged that a former employee violated a non-solicitation agreement when the employee contacted previous clients on LinkedIn. The non-solicitation agreement lacked any social media restrictions. The issue was whether the employee violated the non-solicitation agreement when she allegedly contacted the clients through her personal social media account after she had gone to work for a competitor. The parties eventually stipulated to the enforcement of the non-solicitation agreement and the return of TEK Systems' documents. Unfortunately, no ruling or precedential decision arose from this case.

The ownership of a social media account is also at issue in the previously discussed *PhoneDog* case—specifically, whether the employer or employee owns the subject Twitter account. PhoneDog asserted a conversion claim, which Kravitz challenged on the ground that PhoneDog had not sufficiently alleged that it owns or has the right to immediately possess the Twitter account. Kravitz also argued that PhoneDog failed adequately to allege that he had knowingly or intentionally engaged in the alleged act of conversion. The court, however, found that these issues lie "at the core of [the] lawsuit" and that, accordingly, an evidentiary record had to be developed before the court could resolve such fact-specific issues.

In *Eagle v. Morgan*,[29] the court held that an employer may claim ownership of its former executive's LinkedIn connections where the employer required the executive to open and maintain the account; the executive advertised her and her employer's credentials and services on the account; and the employer had significant involvement in the creation, maintenance, operation, and monitoring of the account. Similar to *Sasqua Group*, the court found that the contact lists in the LinkedIn account could not constitute trade secrets because they were publicly accessible online. The takeaway in *Eagle*, however, is that employers should consider getting more involved in their employees' social-networking activities and utilize contracts to assign ownership in such accounts.

The nature of trade secrets as digital information within the cloud raises potential litigation concerns. For example, data is often transitory, moving between various servers and facilities. Trade secrets may move from state to state and even across international borders. Thus, difficulties may arise in establishing jurisdiction in cases of trade secret theft. Moreover, a cloud provider's obligation to comply with electronic discovery demands may compromise the integrity of trade secrets or confidential information if secrecy protections such as protective orders and confidentiality agreements are not employed.

Finally, problems may arise with data access continuity. What happens when the contract or subscription for cloud services terminates? The cloud provider may withhold data when a company fails to pay for services. Additionally, what happens when a small startup provider goes bankrupt or is purchased by another company? These and many of the problems discussed above may be addressed with effective and well drafted contracts as part of a well developed cloud computing strategy before placing your company's data in the cloud.

## IV. Solutions

The problems of storing data in the cloud are not insoluble. The first step is to conduct a trade secret audit or inventory before placing information in the cloud. Determine what information is sensitive and confidential. Highly valuable trade secrets can remain off the cloud and stored in-house on secured networks or in physical areas. Keeping information out of the cloud inherently reduces the risk it will not be disclosed on the cloud. When in doubt, do not make the information available on the cloud. To the extent you determine that certain trade secret information can be placed in a secure cloud, keep track of such data, as well as of the security measures in place to protect such data (encryption, confidentiality designations, written agreements, etc.) and of who has access to the data.

Once you decide to utilize cloud computing, take all prudent and necessary measures to select the correct provider. Perform diligent checks on all potential providers. Obtain references. Determine whether they have the capability to provide the type of services you desire. Conduct interviews with the providers. Find out their financial viability. View their security and privacy policies and find out how many security breaches they have experienced. Determine whether your data will be encrypted and whether your cloud provider subcontracts its services with third parties. Evaluate choice-of-law, choice-of-forum, and indemnification provisions carefully. Security rather than price should be your top priority. You may want to consider diversifying your portfolio of data stored on the cloud with multiple providers or backup locally all information stored in the cloud.

State law may require you to contract with the cloud provider to ensure that reasonable security procedures and practices are in place. California requires businesses that possess personal information about California residents to implement and maintain reasonable security procedures and practices.[30] Businesses that disclose this personal information to third parties (e.g., cloud providers) must contract with the third party to implement and maintain reasonable security procedures and practices. Massachusetts also requires contracts to implement and maintain appropriate security measures when providing personal information to cloud providers.[31] Nevada requires businesses to use encryption on data storage devices that contain personally identifiable information.[32]

After the provider is chosen and a trade secret audit or inventory has been conducted, the best way to protect trade secrets and other information is through well-drafted contracts and policies and periodic audits of the cloud provider. This includes contracts with both cloud providers and with the company's own employees who may access the information. First, define the ownership rights in the data. For example, you may want to explicitly state that the cloud provider and employees have no ownership rights in the data. The agreement can state that the provider and employees have limited access to the data only for certain reasons. Defining the limits of authorization also can help establish rights under the CFAA if the provider or employee violates the scope of their authorizations.

Next, define the scope of the protected information. Specifically indicate which information is considered trade secret or confidential. The Economic Espionage Act's language may be preferable because it provides a broad definition of a trade secret. Also include language protecting confidential and proprietary data. Prohibit the unauthorized use or disclosure of company data, including trade secrets and confidential and proprietary information. Contracts also can provide for injunctive relief, liquidated damages, arbitration, and attorneys' fees.

Companies also should control access to their data. Agreements with cloud providers should restrict the use of data to outside vendors or third parties and should hold the provider and any subcontractors liable for security breaches. This is especially important in light of the 2011 Epsilon security breach. Companies should require heightened security standards, such as ISO standards. These standards represent an international consensus on good-quality management practices. For example, they require quality audits, effective training, and corrective actions for problems. In addition, the Federal Trade Commission has provided five key principles for sound data security plans: (1) know the personal information you have; (2) scale down and keep only what you need; (3) protect the information you want to keep; (4) properly dispose of what you no longer need; and (5) create a plan to respond to security incidents.[33]

Contracts should include ongoing confidentiality obligations in case of termination, and they should require the return or deletion of any copies of the data (as appropriate) by the provider or employee after the termination of the agreement. Finally, there should be a provision prohibiting the withholding of data by the provider or employee in the case of a dispute.

As part of a comprehensive policy to address data protection in the cloud, companies should establish effective security and social media policies to prevent employee disclosure of information. Information security measures include password protection, email and electronic data policies, departmental trainings, and exit interviews to remind employees of confidentiality obligations.

Social media policies are even more critical today with explosion of social media in the workplace. Well-drafted and communicated policies can effectively reduce the amount of sensitive information disclosed both accidentally and intentionally on the Internet. Social media policies can restrict employees from posting confidential information on sites such as Facebook, Twitter, or LinkedIn. Employees should be educated about the implications of posting information to these sites through recurring training. For example, Facebook grants itself a license to any information posted on its site,[34] and Twitter grants itself a license to make any posted content available to other companies.[35] Employers should provide constant reminders to employees not to disclose confidential data on such sites.

Employers should, however, be very cautious in the drafting of their social media policy. An overly broad policy could violate employee rights. Employers must align their policies with the National Labor Relations Act (NLRA) to avoid the ire of the National Labor Relations Board (NLRB). Section 7 of the NLRA protects both unionized and non-unionized employees' right to engage in concerted activities in the United States. The NLRB has criticized several employers' social media policies for being overly broad and violative of employee rights.

In *NLRB v. American Medical Response of Connecticut*, an employer terminated an employee who allegedly posted negative remarks about her supervisor on Facebook.[36] The employer's policy prohibited employees from describing the company in any way on the Internet without its permission. The NLRB alleged that this policy violated the employees' right to engage in concerted activities and discuss her work environment. The parties eventually reached a settlement, and the NLRB thus did not officially rule on the legality of the employer's policy.

Several other social media-employment dispute cases caused the NLRB's Acting General Counsel to release a report on January 24, 2012.[37] In his report, Acting General Counsel Lafe E. Solomon analyzed fourteen recent social media-employment dispute cases and reaffirmed the NLRB's position that social media policies that restrict the ability of employees to discuss working conditions and wages are unlawful. In particular, Mr. Solomon found unlawful social media policies that (1) provide no clear guidance to employees as to what online communications and postings are appropriate; (2) do not provide specific examples of the types of confidential or sensitive information that are prohibited from online disclosure; and (3) "would reasonably tend to chill employees in the exercise of their section 7 rights." The underlying concern is that overbroad social media policies may cause employees to believe that their rights under section 7—to discuss their workplace environment and self-organize—are otherwise prohibited.

Employers should employ specifically tailored social media policies that protect trade secrets and confidential information. Indeed, the NLRB found an employer's social media policy that restricted employees from using or disclosing confidential and or proprietary information are lawful and compliant with the NLRA. However, the NLRB requires that these restrictions sufficiently describe and provide examples of what the employer considers proprietary, confidential, and / or trade secret information. Employers should distance the company from personal social media use by employees that attempts to associate the employee with the company. For example, employers should prohibit the use of company trademarks, graphics, or logos for personal use. Companies also should prohibit, or at least limit, the use of company-provided email addresses for personal social media activity. Companies must be vigilant to ensure that their cloud computing policies and agreements, including social networking policies, remain current with changing technology to protect their most valuable assets.

## V. Conclusion

Cloud computing provides significant benefits for the development and growth of businesses, but companies that embrace this technology and venture into the cloud must be careful and thoughtful. Companies should scrutinize what they put into the cloud and select reliable and security-conscious cloud providers. Well-drafted agreements and policies with both providers and employees can help reduce the risk of the disclosure of trade secrets in the cloud. A comprehensive cloud computing strategy can help companies realize the cost savings and financial opportunities in cloud computing, including social media, while ensuring that these benefits are not outweighed by the potential legal and business risks.

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# Of Archaic Pegs and Modern Holes: Supreme Court of Canada Addresses Linking and Protects Freedom of Expression Online

By Timothy C. Bourne

## I. Introduction

> Under new developments,…I've just met Michael Pilling, who runs OpenPolitics.ca. Based in Toronto, he, too, is being sued for defamation. This time by politician Wayne Crookes.
>
> We've decided to pool some of our resources to focus more attention on the appalling state of Canada's ancient and decrepit defamation laws and tomorrow, p2pnet will run a post from Mike [Pilling] on his troubles. He and I will also be releasing a joint press statement in the very near future.

The above quote is from an article entitled "Free Speech in Canada" that was posted on p2pnet, a news commentary website operated by Mr. Jon Newton.[1] Ultimately the post precipitated the recent important Supreme Court of Canada decision in *Crookes v. Newton* concerning potential defamation liability for linking.[2] Little did Mr. Newton know that the post would serve to modernize Canada's defamation law and affirm the right to freedom of speech online in Canada.

The underlined terms in the quoted text were hyperlinked to other websites. "OpenPolitics.ca" was hyperlinked to a website where ten articles were posted, and "Wayne Crookes" was hyperlinked to an article published anonymously on the website located at http://www.usgovernetics.com. It was these linked-to sites, not p2pnet, where the allegedly defamatory statements were found. Mr. Newton's site did not actually quote any of the allegedly defamatory words or express any view about Crookes.

Crookes was the president and sole shareholder of West Coast Title Search Ltd. He also was a political organizer previously associated with the Green Party of Canada and the Green Party of British Columbia. Crookes sued a number of individuals who he alleged were responsible for online articles incorporating defamatory statements about him. According to Crookes, the articles constituted an orchestrated smear campaign against him and other members of the Green Party. Alleging that three of the articles posted on the OpenPolitics.ca website and the article on the website located at http://www.usgovernetics.com were defamatory, Crookes sued Newton, alleging that posting hyperlinks to websites containing defamatory material constituted publication of the defamatory material.[3] The action was dismissed in a summary trial, and the appeal was dismissed as well, with one of the three judges on the panel dissenting.[4] The dissenting judge opined that publication had occurred given the number of views of Newton's website combined with the wording of the article, which she thought encouraged readers to follow the links.[5] Crookes appealed to the Supreme Court.

## II. The Supreme Court's Findings

The Supreme Court unanimously dismissed the appeal in three concurring sets of reasons. Madame Justice Abella, delivering the judgment of a majority of six judges, concluded that "a hyperlink, by itself, should never be seen as 'publication' of the content to which it refers."[6]

Madame Justice Abella relied upon *Klein v. Biben*,[7] and *MacFadden v. Anthony*,[8] two defamation cases that considered the issue of publication in contexts far removed from the Internet. Nonetheless, she followed the approach taken in those cases that merely referring to a third-party article did not constitute publication:

> I agree with this approach. It avoids a formalistic application of the traditional publication rule and recognizes the importance of communicative and expressive function in referring to other sources. Applying such a rule to hyperlinks, as [one of the concurring sets of reasons] demonstrate[s], has the effect of creating a presumption of liability for all hyperlinkers, an untenable situation in my view.[9]

In addition, merely referencing content was fundamentally different from publishing it, since the hyperlinker does not control the linked-to content, which will remain published irrespective of the hyperlinker's conduct.[10]

A number of factors affected the Court's reasoning. First, the Court recognized the evolution of the tort of defamation since the promulgation of Canada's Charter of Rights and Freedoms.[11] That constitutional document enshrines freedom of expression as a fundamental right. Second, technological developments influenced the outcome. The Court quoted from the recent copyright decision *SOCAN v. Bell*,[12] which held that the Internet's capacity to disseminate information "should be facilitated rather than discouraged."[13] Hyperlinks, the Court pointed out, are central to this function:

> The Internet cannot…provide access to information without hyperlinks. Limiting their usefulness by subjecting them to the traditional publication rule would have the effect of seriously restricting the flow of information and, as a result, freedom of expression. The potential "chill" in how the Internet functions could be devastating, since primary article authors would unlikely want to risk liability for linking to another article over whose changeable content they have no control. Given the core significance of the role of hyperlinking to the Internet, we risk impairing its whole functioning. Strict application of the publication rule in these circumstances would be like trying to fit a square archaic peg into the hexagonal hole of modernity.[14]

Accordingly, the majority carved out an exception to the general rule that any act that has the effect of transferring defamatory text to a third person constitutes publication.[15] Specifically, the majority held that only where the manner in which the hyperlinker refers to content in itself conveys defamatory meaning, liability may attach.[16] In such a case, the hyperlinker expresses an opinion rather than simply referring to other opinions.

It is on this issue that the concurring judgment of McLachlin CJ. and Fish J. diverges from Abella J. For them, publication via hyperlink occurs if the text indicates adoption or endorsement of the content of the hyperlinked text unless the website becomes defamatory after the text is published.[17] Such conduct, in their view, incorporates the defamatory content into the text. The judgment relied for this concept on *Hill v. Church of Scientology of Toronto*,[18] in which the Court held that "[b]oth the person who originally utters the defamatory statement, and the individual who expresses agreement with it, are liable for injury."[19]

## III. Implications

Some may interpret the *Crookes* decision as an unlikely defense by a traditional institution of a modern communications tool. However, the Supreme Court's primary motive was to stamp out a threat to a constitutionally protected right. The Internet context is not completely irrelevant, given the extent to which information and ideas are disseminated online.[20] But, ultimately, the Court likely would have come to a similar conclusion had Newton written an article in a scholarly journal and footnoted a reference considered to be defamatory without repeating the defamatory content.

At least one commentator has opined on the effect of *Crookes* on copyright law, specifically on the question of whether posting a hyperlink to a digital copy constitutes the unauthorized reproduction of a work in violation of the Copyright Act.[21] A controversial tariff proposed by Access Copyright, a collective of copyright owners, would require a hyperlinker to obtain a license in this circumstance. Expect the freedom of expression movement to influence whether the tariff is successfully challenged.

Most conjecture regarding the implications of *Crookes v. Newton* concerns the issue of third-party liability for defamatory content.[22] In Canada, there is no statutory equivalent to section 230 of the Communications Decency Act,[23] which provides immunity from liability to online intermediaries for content created by others. Therefore, the common law will likely fill the legislative void. Where does this leave Internet service providers, webhosts, and social media websites that are alleged to be liable for content to which they facilitate access?

In both *Crookes* and *SOCAN v. Bell*, the Supreme Court has signaled an aversion to intermediary liability. In *SOCAN*, the Society of Composers, Artists and Music Publishers of Canada (SOCAN) sought to impose liability for royalties upon Internet Service Providers (ISPs) for copyrighted music in Canada on the ground that the ISPs acted as conduits for the unauthorized copying of works owned by SOCAN members. The Supreme Court held that, depending on the circumstances, ISPs do not necessarily authorize such copying:

> An overly quick inference of "authorization" would put the Internet Service Provider in the difficult position of judging whether the copyright objection is well founded, and to choose between contesting a copyright action or potentially breaching its contract with the content provider.[24]

The Court expressly stated, however, that authorization *may* occur once an ISP is notified of infringing content and neglects to exercise its right to remove such content.[25] If and when the Court directly addresses the issue of intermediary liability for defamatory content, the outcome may be fact-specific and depend upon whether the intermediary could have controlled or prevented the publication.

These intermediary liability and copyright infringement issues demonstrate that while the Supreme Court has addressed whether liability attaches for certain online conduct—linking—questions remain. Hopefully the answers will be as practical and sensible as those provided in *Crookes v. Newton*.

## Endnotes


1. Jon Newton, "Free Speech in Canada," *p2pnet* (July 18, 2006), http://www.p2pnet.net/story/9387.
2. *Crookes v. Newton*, 2011 SCC 47, [2011] 3 S.C.R. 269 [*Crookes*].
3. *Crookes v. Wikimedia Foundation Inc*., 2008 BCSC 1424 (CanLII); [2009] 1 WWR 482; 88 BCLR (4th) 395.
4. *Crookes v. Newton*, 2009 BCCA 392 (CanLII).
5. *Id.* ¶¶ 70-71 *per* Prowse J.
6. *Crookes*, *supra* note 2, at ¶ 14 *per* Abella J.
7. 296 N.Y. 638 (1946).
8. 117 N.Y.S.2d 520 (Sup. Ct. 1952).
9. *Id.* at ¶ 25.
10. *Id.* at ¶ 26.
11. *Id.* at ¶¶ 32-33.
12. *Society of Composers, Authors and Music Publishers of Canada v. Canadian Assn. of Internet Providers*, 2004 SCC 45, [2004] 2 S.C.R. 427 (*SOCAN*).
13. *Id.* at ¶ 40 *per* Binnie J.
14. *Crookes*, *supra* note 2, at ¶ 36 *per* Abella J.
15. *Id.* at ¶ 16 *per* Abella J.
16. *Id.* at ¶ 40 *per* Abella J.
17. *Id.* at ¶ 48 *per* McLachlin CJ and Fish J.
18. [1995] 2 S.C.R. 1130.
19. *Id.* at ¶ 176.
20. *See, e.g.*, *Crookes*, *supra* note 2, at ¶ 34 *per* Abella J; *SOCAN*, *supra* note 10, at ¶ 40 *per* Binnie J.
21. Howard Knopf, "*Crookes v. Newton*-Hyperlinking is Not Publication—Implications for Access Copyright's Proposed Post-Secondary Tariff," Excess Copyright (Oct. 19, 2011), http://excesscopyright.blogspot.com/2011/10/crookes-v-newton-hyperlinking-is-not.html.
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23. 47 U.S.C. § 230.
24. *SOCAN*, *supra* note 12, at ¶ 127.
25. *Id.* at ¶ 110.



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# The Legal Remainder: Trademark Rights in the Wake of Statutory Copyright Termination

By Kathryn Feiereisel

## I. Introduction

The Constitution's Copyright Clause grants Congress 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."[1] Under the authority of this grant, Congress must balance the interests of authors and of the public in defining the scope of the limited copyright monopoly.[2] At the conclusion of the statutory period of copyright protection, authors' "writings" enter the public domain, and anyone may reproduce them or use them to create new artistic works.[3]

The Copyright Act of 1790 gave authors protection for fourteen years plus a renewal term of an additional fourteen years.[4] If an author did not renew her copyright, the work fell into the public domain.[5] The Copyright Act of 1909 extended the initial term of protection to twenty-eight years from a work's date of publication.[6] During the last year of this term, an author could renew her copyright for an additional twenty-eight years.[7]

In implementing the renewal term, Congress sought to correct an imbalance in bargaining between authors and publishers.[8] But this intention was largely undercut by the Supreme Court's decision in *Fred Fisher Music Co. v. M. Witmark & Sons*, which defeated the renewal term's remunerative purpose by designating it assignable.[9] Following *Fisher*, publishers routinely required authors to forfeit their renewal right at the outset of the contractual relationship.[10]

Congress's 1976 overhaul of copyright law changed the duration of copyright for most works of authorship to a single term of protection—life plus fifty years—and ushered in a statutory termination regime to replace the renewal system rendered ineffective by *Fisher*.[11] Under this regime, most contracts that transfer rights, title, and/or interest in a copyright—even grants made "in perpetuity" or "for the duration of the copyright and any renewals"—can be terminated by the author or her statutorily designated heirs after thirty-five, fifty-six, or seventy-five years.[12] This statutory termination right is inalienable.[13]

Upon the effective date of termination of a copyright, all rights under title 17 that were covered by the terminated grants revert to those owning termination interests under sections 203, 304(c), or 304(d).[14] Many contracts that contain terminable transfers of copyright, however, also encompass grants that fall at least partially outside the strictures of title 17; book publishing contracts, for instance, frequently enumerate a tangle of rights that at once overlie and extend beyond copyright. Moreover, rights protected by other areas of the law may arise from the copyrighted work that is the subject of a publishing contract. Trademark rights in a character or in a series title are two examples.[15]

This article examines the legal remainder that may follow an author's exercise of her statutory right to terminate a grant of copyright made to a book publisher. Specifically, it argues that trademark rights in certain aspects of an author's work may survive statutory termination of copyright; as a result, the Lanham Act has the potential to diminish termination's remunerative purpose. In the absence of Congressional action, private parties must carefully contract to avoid a stalemate wherein valuable rights are fragmented and thus not easily exploited by any party.

## II. Can Trademarks Survive Statutory Copyright Termination?

A threshold question is whether trademark rights in certain aspects of an author's work may survive statutory termination of a grant of copyright. The Copyright Act makes explicit that nothing in title 17 repeals or otherwise affects other federal statutes.[16] Further, sections 203 and 304(c)-(d) make clear that statutory termination of a copyright grant affects only those rights covered by the grants that arise under title 17.[17] Case law confirms that parallel claims under the Copyright Act and the Lanham Act are not per se impermissible.[18] But notwithstanding these general propositions, courts have long limited application of the Lanham Act in areas traditionally occupied by copyright or where copyright law "provides an adequate remedy."[19] An examination of case law occupying the (albeit muddled) legal ground where copyright and trademark collide as well as publishing industry practice suggests that trademark rights in certain aspects of an author's work will survive statutory termination.

### A. The Collision of Copyright and Trademark in Caselaw

Cases examining conflicts between copyright and trademark law suggests that trademark rights in certain aspects of an author's work may survive her exercise of the statutory termination right. While there is no law directly on point, courts have examined the interaction of the Lanham Act with copyright where different parties hold copyright and trademark in the same character and where a work's copyright has expired. This body of cases suggests that publishers may continue to exploit components of a work for trademark purposes even after an author terminates her grant of copyright in the work.

### 1. Copyright and trademark owned by different rights holders

Courts have faced a number of cases in which one party owns a valid trademark in a character and others own the copyright and / or another valid trademark in the same character. In *Tristar Pictures, Inc. v. Del Taco, Inc.*, for instance, the court determined that plaintiffs, producers of the 1998 film *The Mask of Zorro*, held a valid trademark in the character Zorro although they did not own a copyright in the Zorro character.[20] The court rejected the defendant's argument that "the mere existence of a competing copyright claim per se bars any trademark protection" and clarified that trademark and copyright "are neither mutually dependant nor mutually exclusive. Indeed, they do not necessarily affect each other at all."[21] Because trademark relates only a product's origin-identifying characteristics, the court explained, a trademark owner "need not own any other aspects of the item."[22]

The *Del Taco* court was, however, careful to note that copyright ownership can be relevant to trademark: "The fact that third parties may have rights to use an item in certain ways might affect the item's ability to identify the party claiming trademark protection."[23] The court went onto discuss *Universal City Studios, Inc. v. Nintendo Co.*, a case in which the plaintiff, Universal, alleged that Nintendo had infringed Universal's trademark rights to the King Kong character.[24] In *Nintendo*, the court noted that Universal did not own all possible rights to the King Kong character and that other parties owned copyrights to various King Kong products.[25] Considering the complex web of ownership interests in the King Kong character, the court held that, as a matter of law, Universal could not establish a fundamental requirement for trademark protection, namely, that in the eyes of consumers, King Kong indicates a single source of product origin.[26]

Similar conflicts have arisen in the context of trade dress. In *Nova Wines, Inc. v. Adler Fels Winery LLC*, the plaintiff showed that it had developed "a unique trade dress, over a substantial period of time, comprising the use of Marilyn Monroe's name and image on wine labels."[27] That entitlement conflicted with the Monroe Estate's rights in certain photographs of Marilyn Monroe, insofar as the defendant wished to license such photographs for use on a rival winery's labels.[28] The court concluded that the plaintiff was entitled to prevent the Estate "from exercising the narrow portion of its copyright interests consisting of licensing images of Marilyn Monroe for use on wine bottles."[29] The marginally diminished realm of permissible exploitation of the copyrightable works, the court explained, was narrowly tailored to harmonize copyright and trade dress interests and to prevent substantial likelihood of consumer confusion.[30]

Taken together, *Del Taco*, *Nintendo*, and *Nova Wines* suggest that under certain conditions, a publisher's ability to exercise trademark rights associated with a character or a series title will be unaffected by termination of the copyright interests from which the mark sprang. Specifically, trademark rights should survive termination if a publisher can show that the character or series title in question indicates that the publisher is the sole origin of the product and if the author's post-termination exploitation of her copyright will likely engender consumer confusion.

### 2. The Lanham Act and expired copyrights: from dictionaries to *Dastar*

In a number of instances, rights holders whose copyrights expired have asserted trademark claims in response to unauthorized use of their formerly copyrighted work. Courts deciding these questions have arrived at conflicting conclusions.

Judges have long flagged attempts by holders of expired copyrights to make an end-run around copyright law by appealing to the law of unfair competition.[31] In one early case, a court addressed this issue in the context of dictionaries; specifically, whether upon the expiration of Daniel Webster's copyright in his dictionary, another company could copy his work and sell it under the same title. Although the court expressed concern that the defendant's use of the *Webster's Dictionary* title would deceive the public and damage the plaintiff, it nevertheless opined:

> [T]his proceeding is an attempt to establish the doctrine that a party who has had the copyright of a book until it has expired, may continue that monopoly indefinitely, under the pretense that it is protected by a trade-mark, or something of that sort. I do not believe in any such doctrine, nor do my associates. When a man takes out a copyright, for any of his writings or works, he impliedly agrees that, at the expiration of that copyright, such writings or works shall go to the public and become public property.[32]

In a subsequent case on the same subject, another court held that "[t]o say that the public have the right to publish the book, and not the incidental right to use the name by which it is known, is in effect to destroy the public right, and to perpetuate the monopoly."[33] Thus the court afforded the defendant the right to publish a public domain edition of Webster's Dictionary under that name so long as he clearly indicated that he, and not the Merriam Company, had published the dictionary.[34]

Modern courts have come down on both sides of the "end-run around copyright" issue. In *Frederick Warne & Co. v. Book Sales Inc.*, the court held that components of a work that has passed into the public domain constitute valid trademarks under certain conditions.[35] *Frederick Warne* involved a dispute over Beatrix Potter's famous

Peter Rabbit books.[36] The plaintiff in *Frederick Warne* published the acclaimed children's series. After the copyright on the series expired, the defendant published several of the Peter Rabbit books as a volume.[37] The defendant incorporated numerous pieces of artwork from the Potter books into this collection, including the cover art and a design known as the "sitting rabbit" illustration.[38] Frederick Warne asserted trademark ownership over and sought to enjoin the defendant's use of these designs.[39] Book Sales defended on the grounds that its use of the illustrations was legal because they were components of public domain works.[40]

The court disagreed. So long as the designs had come to represent Frederick Warne's goodwill, it explained, the plaintiff's trademark rights in the artwork survived expiration of the copyright. According to the court:

> The fact that a copyrightable character or design has fallen into the public domain should not preclude protection under the trademark laws so long as it is shown to have acquired independent trademark significance, identifying in some way the source or sponsorship of the goods. Because the nature of the property right conferred by copyright is significantly different from that of trademark, trademark protection should be able to co-exist, and possibly to overlap, with copyright protection without posing preemption difficulties.[41]

The Ninth Circuit reached a different conclusion in *Comedy III Productions, Inc. v. New Line Cinema*.[42] At issue in *Comedy III* was whether a portion of the public domain film *Disorder in the Court* was a trademark capable of protection under the Lanham Act. New Line incorporated a clip of the Three Stooges' short into its film *The Long Kiss Goodnight*, and the plaintiff claimed trademark infringement.[43] The Ninth Circuit was not required to pass on the validity of the trademark in light of the expiration of the copyright because it determined that Comedy III's clip was not a trademark at all. In dicta, however, the court noted that "the Lanham Act cannot be used to circumvent copyright law. If material covered by copyright law has passed into the public domain, it cannot then be protected by the Lanham Act without rendering the Copyright Act a nullity."[44] And so the Supreme Court held—at least as to claims of "revere passing off" under the Lanham Act—in *Dastar Corp. v. Twentieth Century Fox Film Corp*.[45]

In *Dastar*, plaintiff Twentieth Century Fox ("Fox") produced a 26-episode television series called "Crusade in Europe" based on Dwight D. Eisenhower's written account of the Allied campaign in Europe during World War II.[46] The series, first broadcast in 1949, combined a narration of Eisenhower's book with footage from the United States Army, Navy, Coast Guard, and other sources.[47] In 1975, Doubleday renewed the copyright in Eisenhower's book.[48] Fox, however, failed to renew the copyright in the television series, and in 1977, "Crusade in Europe" passed into the public domain.[49]

In 1988, Fox reacquired the television rights in General Eisenhower's book and sublicensed the exclusive right to distribute the original "Crusade" series on video to SFM Entertainment ("SFM") and New Line Home Video, Inc. ("New Line").[50] Shortly thereafter, SFM and New Line commenced production and distribution of "Crusade" on video.[51]

In anticipation of the 1998 fiftieth anniversary of the German surrender at Reims, defendant Dastar released a video set comprised entirely of footage and narration copied directly from the "Crusade" television series and incorporating only minor edits.[52] Dastar created new packaging and a new title, selling its version as "World War II Campaigns in Europe." Dastar's "Campaigns" omitted any reference to the "Crusade" series, Fox, SFM, or New Line. Instead, the videos listed Dastar employees as the executive producer, producer, and associated producer and indicated that "Campaigns" was produced and distributed by Entertainment Distributing and presented by Dastar.[53]

Fox, SFM, and New Line filed sued Dastar, alleging that Dastar's sale of "Campaigns" "'without proper credit' to the Crusade television series constitute[d] 'reverse passing off' in violation of § 43(a) of the Lanham Act…."[54] The district court granted summary judgment for the plaintiffs, and the Ninth Circuit affirmed, finding that Dastar had engaged in an actionable "bodily appropriation" because it copied "substantially the entire Crusade in Europe series created by Twentieth Century Fox, labeled the resulting product with a different name and marketed it without attribution to Fox."[55] According to the Ninth Circuit, this conduct constituted reverse passing off.[56]

The Supreme Court reversed in a unanimous decision that turned on the meaning of the phrase "origin of goods" as used in section 43(a).[57] The Court announced that "origin of goods" "refers to the producer of the tangible goods that are offered for sale, and not to the author of any idea, concept, or communication embodied in those goods."[58]

Having rejected the notion that "origin of goods" is capable of "connoting the person or entity that originated the ideas or communications that 'goods' embody or contain," the Court examined whether communicative products—products valued not primarily for their physical qualities but for the intellectual content they convey—might be accorded special treatment.[59] In other words, the Court asked whether for a communicative product, "origin of goods" might be deemed to include not only the producer of the physical item (i.e., the video producer, Dastar) but also the creator of the content that the physical item conveys (i.e., the plaintiffs).

In the end, the Court determined that to so hold would be akin to finding that section 43(a) created a species of perpetual patent and copyright, an unacceptable result.[60] For "the right to copy, and to copy without attribution, once a copyright has expired…passes to the public"; allowing the plaintiffs to state a cause of action under section 43(a) "would create a species of mutant copyright law that limits the public's federal right to copy and to use expired copyrights."[61]

The Court acknowledged that the plaintiffs' claim would have had merit had Dastar bought some of New Line's Crusade videotapes and merely repackaged them as its own.[62] But Defendant's alleged wrongdoing was, in the Court's view, "vastly different."[63] Dastar took a creative work from the public domain, copied it, edited it and produced its very own series of videotapes; this course of action did not give rise to Lanham Act liability.[64]

There is widespread disagreement as to the scope and contours of *Dastar*. Some courts interpret *Dastar* as barring only claims under section 43(a)(1)(A).[65] Others read the decision as forbidding a trademark infringement action if a ruling in the markholder's favor would effectively create a perpetual copyright.[66] It does not, however, appear that *Dastar* precludes a plaintiff from asserting a Lanham Act claim that arises from the same underlying facts as would a claim for copyright infringement.[67]

For example, *Dastar* probably does not bar a trademark action by a book publisher against an author who has exercised her statutory right to terminate a grant of copyright to the publisher. Importantly, such an action could not—at least not for many years after termination—effectively prevent a copyrighted work from entering the public domain; the author (or her heirs or subsequent licensees) who terminates a copyright grant will hold the copyright for the duration of the statutory monopoly. Thus the public harm the *Dastar* Court sought to avoid—namely, a species of perpetual copyright—is not as immediate a concern in the case of statutory termination as opposed to expiration of copyright.[68]

Moreover, although the product at issue is communicative—a book or a comic book—the Court in *Dastar* specifically indicated that a book publisher is an "origin of goods" within the meaning of section 43(a): "The purchaser of a novel is interested not merely, if at all, in the identity of the producer of the physical tome (*the publisher*), but also, and indeed primarily, in the identity of the creator of the story it conveys (the author)."[69] The Lanham Act, the Court held, "should not be stretched to cover matters that are typically of no consequence to purchasers." But the Court ignored the scenario in which the purchaser of a communicative product is, in fact, interested in the identity of the producer of the good. Such is often the case with comic books and nonfiction book series. In the mind of the consumer, Spiderman is probably more strongly associated with Marvel Comics than with the artist behind the character. And a consumer would likely associate "For Dummies" with the reputable publishing house Wiley before he would think of the author of a single series title.[70]

That a publisher may have infused a seed work with goodwill cultivated over the course of decades strongly suggests that it would be unfair to strip the publisher of its trademark rights upon termination of copyright in the underlying work. Were it otherwise, an author (or her heirs or subsequent licensees) would benefit unacceptably from this goodwill through ongoing exploitation of the copyrighted work. Moreover, such a situation would engender confusion as to the origin of the products bearing the mark—precisely the type of confusion that the Lanham Act is supposed to prevent.[71] Even if an author's post-termination right to publish was accompanied by a mandatory disclaimer of the sort prescribed in *Ogilvie*, it is far from clear that such a measure would eliminate consumer confusion.[72] Moreover, courts have come to doubt the effectiveness of such disclaimers.[73] Thus, a court balancing an author or her heir's right to exploit a copyright against the public's right not to be deceived as to the origin of certain communicative products may very well find in favor of the public.

In sum, the goodwill publishers have built in such trademarks as graphic characters and series titles should be unaffected by the copyright status of the underlying works. This will require a carve-out for a thus-far ignored subset of communicative products—those whose purchasers are more interested in the good's physical origin than in its intellectual originator. Trademark rights in these products should survive an author's exercise of her statutory right to terminate copyright in the underlying work insofar as those trademarks operate in their source-signifying capacities.

### B. Contractual Termination of Copyright in the Book Publishing Industry

As courts attempt to define the contours of this developing area of law, they may look to custom for guidance. Industry practice in book publishing—specifically, the survival of certain trademark rights and rights in certain derivative works following contractual termination—also suggests that trademark rights in certain aspects of an author's work will survive statutory termination of copyright.

Termination clauses are a staple of book publishing contracts. Pursuant to such a clause, an author may terminate a publishing agreement if, for instance, her work is "out of print."[74] Book publishing contracts almost always provide that certain rights survive an author's contractual right to terminate.[75] These rights include the publisher's trademark rights and its rights in certain derivative works, especially those whose preparation has been licensed to third parties.[76] With respect to trademark rights, the rights to source identification used by the publisher in connection with the work usually survive contractual termination.[77] Unsurprisingly, the publisher's rights to its trademarks, trade names, logos, and imprints used in connection with the work are unaffected by an author's exercise of contractual termination.[78] But if a publisher of, for instance, comic books holds a trademark that protects a graphic character or a series title, these rights also typically survive contractual termination.

As noted, rights to certain derivative works also frequently subsist after a publishing agreement is terminated.[79] If the original agreement authorized the publisher to prepare or to license the preparation of derivative works, such as a motion picture or a sound recording, the publisher will reserve the right to exploit these works post-termination.[80] That a publisher would contract for the survival of rights in derivative works makes good sense considering the investment required to successfully exploit these rights; this is true whether the publisher prepares derivative works itself or whether it arranges, executes, and manages a licensing scheme. The exemptions in sections 203 and 304(c) for derivative works prepared under the authority of the statutorily terminable copyright grant indicate Congressional approval of this industry practice.[81]

As with derivative works, a publisher must incur considerable expense to strengthen its trademarks. Some of these trademarks will have their origins in copyrightable seed works that the publisher did not create. And yet these trademarks may be better recognized indications of a publisher-as-source than are the publisher's own logos. For instance, a graphic character such as Spiderman is probably more strongly associated with Marvel Comics in the mind of the consumer than is Marvel's logo, and a consumer would likely recognize the "For Dummies" mark before that of Wiley Publishing. If courts look to industry practice surrounding contractual termination, particularly as it applies to derivative works, in further refining statutory termination doctrine, they will likely find that trademark rights, do, indeed survive.

In sum, trademark rights should survive an author's termination of her grant to a publisher of copyright in the underlying work. Though more than a century of caselaw leaves the space where trademark and copyright collide still undefined, the Supreme Court's decision in *Dastar* probably does not preclude a publisher's post-termination exercise of trademark rights insofar as they identify the publisher as a product's origin. But while such a result would not necessarily grant the publisher a perpetual copyright in the underlying work,[82] it would frustrate Congress's aim in establishing statutory termination of copyright.

## III. Persistent Trademarks Will Frustrate Statutory Copyright Termination

In incorporating into the 1976 Act an inalienable and non-waiveable right to terminate a transfer of copyright, Congress intended to "safeguard[] authors against unremunerative transfers."[83] As one court interpreting section 304(c) declared, both the provision's legislative history and its plain language demonstrate Congress' intent to "relieve authors of the consequences of ill-advised and unremunerative grants that had been made before the author had a fair opportunity to appreciate the true value of his work product."[84] If trademark protection survives statutory termination of a grant in copyright—in other words, if a trademark "persists" post-termination—publishers will be in a position to defeat Congress's intent by rendering the rights that revert to the author effectively worthless.

A persistent trademark in a character would afford the publisher the right to bar publication of any work containing that character's image that would engender consumer confusion as to the source of the work. Similarly, a publisher who holds a persistent trademark in a series title could prevent an author, or her licensees, from publishing her work in connection with that title; such publication would result in a false designation of source where the series title has become tied to its longtime publisher in the purchaser's mind. Thus, if trademark rights survive statutory termination of a grant of copyright in the underlying work, an author may find herself in a situation strikingly similar to that of the *Fisher* plaintiff; to exploit her reverted copyright, the author may be forced to re-assign her rights to the original publisher, the holder of the persistent mark. One of three scenarios would likely emerge in these circumstances.

Under the first scenario, the author's bargaining power would exceed that of the publisher because of the value of the underlying work as compared to the persistent trademark standing alone. This situation is unlikely to materialize in the context of series titles and graphic representations of characters because both have the potential to command immense profits independent of the seed work. Marvel Comics could still license the iconic Superman crest to appear on products of all stripes even absent the right to tell the character's story. And a publisher could employ many other creators to continue a series under its trademarked title.

The more probable scenario is thus one in which the publisher enjoys superior bargaining power. Unable to either exploit her reverted rights or significantly inhibit the publisher's profits from the persistent trademark, the author will likely re-grant to the publisher on terms that do not fully account for the work's re-assessed value. A third potential scenario is stalemate. And if both the author and the publisher refuse to relinquish their rights to the splintered seed work, the public may stand to lose the most.

Thus, while Congress intended sections 203 and 304(c)-(d) to remedy disparities in bargaining power between publishers and authors, trademark law may leave creators in a *Fisher*-era bind. If publishers holding persistent trademarks demand reassignment on terms that do not reflect the seed work's enhanced value, they will have effectively thwarted Congress' purpose in enacting the right of statutory termination.

To avoid these pitfalls, authors and publishers can carefully contract at the outset of their relationship. For instance, the parties can negotiate accounting schemes to bypass scenarios wherein fragmented rights are not easily exploited by anyone. Authors should contract especially carefully to ensure that sections 203 and 304(c)-(d) achieve their renumerative purpose. Specifically, authors should seek to reserve the right to use, or license the use of, series titles or graphical images of characters in connection with the work at issue in the event of a reversion of rights, whether effected by contractual or statutory means. For example, a publisher may propose a "Title of Work" clause containing the following language:

> The rights in the title of the Work, and any series titles created by the Publisher used on or in connection with the Work, including without limitation any trademark, service mark or trade dress rights, shall belong solely to the Publisher, and the Authors hereby transfer and assign to the Publisher in perpetuity any rights the Authors may have in such series titles and trade dress.

In negotiations with the publisher, an author should request the following amendment to this clause:

> The Author has the right to use the title of the Work in connection with any rights reserved to the Author hereunder. In addition, in the event of a reversion of rights to the Author, the Author shall have the right to use the title of the Work in connection with the exercise or license of such reverted rights.

By paying proper attention to the issue in negotiations, creators and their publishers can ensure that section 203 and 304(c)-(d)'s renumerative purpose is better met and can avoid costly stalemates resulting from the splintering of rights in the original work.

## IV. Conclusion

In 1976, Congress established a statutory termination regime whereby an author can revoke her grant of copyright after thirty-five, fifty-six, or seventy-five years.[85] This statutory right to terminate copyright is inalienable; it applies even to grants made "in perpetuity" or "for the duration of the copyright and any renewals."[86] Upon the effective date of termination of a copyright, all rights under title 17 that were covered by the terminated grants revert to those owning termination interests under section 203, 304(c), or 304(d).[87]

An author's exercise of her statutory termination right almost always will result in a legal remainder of rights that at once overlie and extend beyond copyright's bounds. Trademark rights, for instance, may survive statutory termination of copyright, and their persistence may diminish statutory termination's remunerative purpose and result in stalemates surrounding splintered seed works.

In the absence of Congressional or judicial clarification of the status of trademarks in the wake of statutory termination of grants of copyright, authors and their publishers must carefully negotiate at the outset of the original contractual relationship. Without such action by private parties, it is likely that authors will once again find themselves in Fred Fisher's pre-1976 shoes.

## Endnotes

1. U.S. Const. art. I, § 8, cl. 8.
2. *Id. See also Sony Corp. of Am. v. Universal City Studios, Inc.*, 464 U.S. 417, 429 (1984) ("Congress…has been assigned the task of defining the scope of the limited monopoly that should be granted to authors…in order to give the public appropriate access to their work product.").
3. *See* 17 U.S.C. § 302.
4. Copyright Act of 1790, § 1, 1 Stat. 124 (1790) (current version at 17 U.S.C. § 101).
5. *Id.*
6. Copyright Act of 1909, §§ 23-24, Pub. L. No. 60-349, 35 Stat. 1075 (1909) (current version at 17 U.S.C. § 101).
7. *Id.*
8. *See* H.R. Rep. No. 60-2222, at 14 (1909).
9. 318 U.S. 643 (1943). *Fisher* involved an author's assignment of his renewal rights in the song "When Irish Eyes are Smiling." The Court held that an author's assignment of renewal rights is valid so long as the assignor is alive when the renewal window opens. *Id.* at 651.
10. *See Siegel v. Warner Bros. Entm't, Inc.*, 542 F. Supp. 2d 1098, 1140 (C.D. Cal. 2008) ("This re-valuation mechanism provided by the renewal term under the 1909 Act was largely frustrated by the Supreme Court's decision in *Fred Fisher Music*…allowing authors to assign away at the outset all of their rights to both the initial and the renewal term.").
11. 17 U.S.C. §§ 302(a), 203, 304(c)-(d). Section 203 applies to transfers made on or after January 1, 1978 and only to transfers made by the author. *Id.* § 203. Sections 304(c) and (d) apply to grants made prior to January 1, 1978 where the transfer conveyed an interest in the renewal term. *Id.* § 304(c)-(d).
12. 17 U.S.C. §§ 203, 304(c)-(d). The procedural requirements of the termination provisions are complex, and their details are beyond the scope of this article. In short, section 203 termination may be effected at any time during a period of five years beginning at the end of thirty-five years from the date of execution of the grant, or, if the grant covers the right of publication of the work, the period begins at the end of thirty-five years from the date of publication of the work under the grant or at the end of forty years from the date of execution of the grant, whichever term ends earlier. 17 U.S.C. § 203. Section 304(c) termination may be effected at any time during a period of five years beginning at the end of fifty-six years from the date copyright was originally secured, or beginning on January 1, 1978, whichever is later. 17 U.S.C. § 304(c). Finally, § 304(d) termination may be effected at any time during a period of five years beginning at the end of seventy-five years from the

date copyright was originally secured. *Id.* § 304(d). Under all of the termination provisions, both exclusive and nonexclusive licenses as well as outright transfers of copyright interest may be terminated. *Id.* §§ 203(a), 304(c). Moreover, none of the provisions apply to works made for hire or to transfers made by will. *Id.*

13. 17 U.S.C. §§ 203(a)(5), 304(c)(5) ("Termination of the grant may be effected notwithstanding any agreement to the contrary, including an agreement to make a will or to make any future grant.").

14. *Id.* §§ 203(b), 304(c)(6), 304(d)(1).

15. A character can function as a trademark if its image or name is a source identifier. 2 J. Thomas McCarthy, McCarthy on Trademarks and Unfair Competition § 10:42 (4th ed. 2004). Because characters are almost always inherently "arbitrary" and "fanciful," it is rarely necessary for them to have acquired secondary meaning to achieve trademark status. *Id.* Series titles likewise can serve as trademarks under certain circumstances. *See id.* § 10:6.

16. 17 U.S.C. § 301(d).

17. 17 U.S.C. §§ 203(b)(5), 304(c)(6)(E).

18. *See, e.g., Nintendo of Am., Inc. v. Dragon Pac. Int'l*, 40 F.3d 1007, 1011 (9th Cir. 1994) ("[W]hen a defendant violates both the Copyright Act and the Lanham Act, an award of [statutory and actual] damages is appropriate.").

19. *Shaw v. Lindheim*, 919 F.2d 1353, 1365 (9th Cir. 1990). *See also Dastar Corp. v. Twentieth Century Fox Film Corp.*, 539 U.S. 23, 34 (2003) ("Thus, in construing the Lanham Act, we have been careful to caution against misuse or over-extension of trademark and related protections into areas traditionally occupied by patent or copyright.") (internal quotation omitted).

20. *Tristar Pictures, Inc. v. Del Taco, Inc.*, No. CV 99-07655DDPEX, 1999 WL 33260839, at *3 (C.D. Cal. Aug. 31, 1999).

21. *Id.* at *2-3.

22. *Id.* at *3.

23. *Id.*

24. *Universal City Studios, Inc. v. Nintendo Co., Ltd.*, 578 F. Supp. 911, 914 (S.D.N.Y. 1983).

25. *Id.* at 925.

26. *Id.*

27. *Nova Wines, Inc. v. Adler Fels Winery LLC*, 467 F. Supp. 2d 965, 983 (N.D. Cal. 2006).

28. *Id.* at 971.

29. *Id.* at 983.

30. *Id. But see Bach v. Forever Living Prods. U.S., Inc.*, 473 F. Supp. 2d 1127 (W.D. Wash. 2007) (plaintiff holders of character copyright in the avian protagonist Jonathan Livingston Seagull successfully prevented defendant from appropriating him as their corporate logo).

31. *See Merriam v. Holloway Pub. Co.*, 43 F. 450 (C.C.E.D. Mo. 1890).

32. *Id.* at 451.

33. *Ogilvie v. G. & C. Merriam Co.*, 149 F. 858, 860 (C.C.D. Mass. 1907), *aff'd as modified*, 159 F. 638 (1st Cir. 1908).

34. *Id.* at 861.

35. *Frederick Warne & Co., Inc. v. Book Sales Inc.*, 481 F. Supp. 1191, 1196 (S.D.N.Y. 1979).

36. *Id.* at 1193.

37. *Id.* at 1194.

38. *Id.*

39. *Id.* at 1193-94.

40. *Id.* at 1196.

41. *Id.* at 1196-97.

42. 200 F.3d 593, 597 (9th Cir. 2000).

43. *Id.* at 594.

44. *Id.* at 595.

45. 539 U.S. 23 (2003).

46. *Id.* at 25-26. The series was produced under an exclusive grant of television rights made by Eisenhower's publisher, Doubleday Books. *Id.* at 26.

47. *Id.* at 26.

48. *Id.* Eisenhower prepared the book as a work made for hire; Doubleday thus owned the renewal right. *Id.*

49. *Id.*

50. *Id.*

51. *Id.* SFM obtained and restored the negatives of the original television series and repackaged the series on videotape; New Line distributed the videotapes. *Id.*

52. *Id.* at 26-27. Among these edits were the addition of new opening and closing sequences, credits, chapter-title sequences, and narrated introductions. *Id.*

53. *Id.* at 27. Entertainment Distributing is a company owned by Dastar. *Id.*

54. *Id.* Section 43(a) of the Lanham Act provides, in relevant part:

> Any person who, on or in connection with any goods or services, or any container for goods, uses in commerce any word, term, name, symbol, or device, or any combination thereof, or any false designation of origin, false or misleading description of fact, or false or misleading representation of fact, which is likely to cause confusion, or to cause mistake, or to deceive as to the affiliation, connection, or association of such person with another person, or as to the origin, sponsorship, or approval of his or her goods, services, or commercial activities by another person…shall be liable in a civil action by any person who believes that he or she is or is likely to be damaged by such act.

15 U.S.C. § 1125.

55. *Dastar*, 539 U.S. at 27-28.

56. *Id.* at 28.

57. *Id.* at 31-33.

58. *Id.* at 37.

59. *Id.* at 32-35.

60. *Id.* at 37.

61. *Id.* at 34.

62. *Id.* at 31. *See also Cable v. Agence France Presse*, 728 F. Supp. 2d 977, 981 (N.D. Ill. 2010) (denying defendant's motion to dismiss plaintiff's Lahnam Act Claim under *Dastar* because defendant merely took plaintiff's photos and repackaged them as their own without revision).

63. *Dastar*, 539 U.S. at 31.

64. *Id.*

65. *See, e.g., Zyla v. Wadsworth, Div. of Thomson Corp.*, 360 F.3d 243, 255 n.8 (1st Cir. 2004) ("The Court in *Dastar* left open the possibility that some false authorship claims could be vindicated under the auspices of § 43(a)(1)(B)'s prohibition on false advertising."); *Cathedral Art Metal Co., Inc. v. F.A.F., Inc.*, No. C.A.05-315S, 2006 WL 2583584, at *2 (D.R.I. Sept. 6, 2006) ("The language in proposed Count III tracks the language set forth in Subsection (B) of Section 43(a)(1) of the Lanham Act. Accordingly, Defendants' arguments arising out of the *Dastar* case and its consideration of Section 43(a)(1)(A) of the Lanham Act are not applicable here.").

66. *See, e.g., Fleischer Studios, Inc. v. A.V.E.L.A., Inc.*, 636 F.3d 1115 (9th Cir. 2011) ("If we ruled that A.V.E.L.A.'s depictions of Betty Boop

infringed Fleischer's trademarks, the Betty Boop character would essentially never enter the public domain. Such a result would run directly contrary to *Dastar*.").

67. *See, e.g.*, *Huebbe v. Oklahoma Casting Co*., No. CIV-06-306-D, 2009 WL 3245404 (W.D. Okla. Sept. 30, 2009) ("The Court does not interpret *Dastar* as precluding all copyright infringement plaintiffs from also asserting § 43(a) claims."); *Bach v. Forever Living Products U.S., Inc.*, 473 F. Supp. 2d 1110, 1116-17 (W.D. Wash. 2007) ("Plaintiffs' claims sound in both trademark and copyright law. This is not a case like *Dastar* or *Shaw* where the plaintiffs were attempting to use trademark law to prosecute plagiarism of their creative work."). However, it should be noted that for the Lanham Act to apply to a copyright-based claim, an aggrieved author must show more than a violation of the author's copyright-protected right to credit and profit from a creation; "[t]he author must make a greater showing that the designation of origin was false, was harmful, and stemmed from 'some affirmative act whereby [defendant] falsely represented itself as the owner.'" *Weber v. Geffen Records, Inc.*, 63 F. Supp. 2d 458, 463 (S.D.N.Y. 1999) (quoting *Lipton v. Nature Co.*, 71 F.3d 464, 473-4 (2d Cir. 1995)).

68. *Dastar*, 539 U.S. at 37.

69. *Id.* at 33 (emphasis added).

70. The application of this argument to the current comic and book publishing industries may be mitigated somewhat by the fact that statutory copyright termination does not apply to works made for hire. *See* 17 U.S.C. §§ 203(a), 304(c). Indeed, it is common practice for the artwork behind comic books and the writing contained in a nonfiction series such as "For Dummies" to be created on a work-for-hire basis. However, there will certainly be exceptions to this rule.

71. *See* 1 J. Thomas McCarthy, McCarthy on Trademarks and Unfair Competition § 3:4 (4th ed. 2004).

72. In *Ogilvie*, discussed above, the court afforded the defendant the right to publish a public domain edition of Webster's Dictionary under that name so long as he clearly indicated that he, not the Merriam Company, had published the dictionary. *Ogilvie v. G. & C. Merriam Co.*, 149 F. 858, 860 (C.C.D. Mass. 1907), *aff'd as modified*, 159 F. 638 (1st Cir. 1908).

73. *See Home Box Office, Inc. v. Showtime/The Movie Channel Inc.*, 832 F.2d 1311, 1316 (2d Cir. 1987) (holding that the burden of proof is on the defendant to show that its disclaimers would adequately reduce the likelihood of confusion caused by its advertising slogans). This burden of proof is not easily met, particularly in the Second Circuit. *See Toho Co., Ltd. v. William Morrow & Co., Inc.*, 33 F. Supp. 2d 1206, 1212-13 (C.D. Cal. 1998) (explaining that is unclear whether "UNAUTHORIZED" on the front and back covers of a book would negate the average consumer's confusion as to defendant's sponsorship of plaintiff's book and noting that the Second Circuit has "recognized a growing body of academic literature" that suggests that disclaimers are ineffective).

74. *See id.* It should be noted that the term "out of print" is always defined in publishing contracts, and definitions of this term tend to vary and are subject to negotiation. Typically, however, a work is considered "out of print" if it is unavailable for sale through either ordinary channels of book trade in the United States or through the publisher (or its licensee) during the year prior to an author's request for reversion pursuant to an "out of print" clause. Other typical contractual termination provisions involve failure to publish a work before a specified time following acceptance of a manuscript and failure to account royalties. *See id.*

75. *See id.* These rights, of course, must be enumerated in the contract to survive. Most boilerplate book publishing contracts enumerate these rights; thus, these rights will survive absent revision of the contract during negotiations with the author.

76. *See id.*

77. *See id.*

78. *See id.*

79. *See id.*

80. *See id.*

81. 17 U.S.C. §§ 203(b)(1), 304(c)(6)(A) ("A derivative work prepared under authority of the grant before its termination may continue to be utilized under the terms of the grant after its termination, but this privilege does not extend to the preparation after the termination of other derivative works based upon the copyrighted work covered by the terminated grant.").

82. A court could, for instance, create a carve-out for trademark use only until the underlying work enters the public domain.

83. H.R. Rep. No. 94-1476, at 124 (1976).

84. *Mills Music, Inc. v. Snyder*, 469 U.S. 153, 172-73 (1985).

85. 17 U.S.C. §§ 203, 304(c)-(d).

86. *Id.* §§ 203(a)(5), 304(c)(5).

87. *Id.* §§ 203(b), 304(c)(6), 304(d)(1).

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# Tattoos and the Law of Copyright

By Meredith Hatic

## I. Introduction

Humans have marked their bodies with tattoos for thousands of years, with the earliest examples appearing on female mummies dating from 2000 B.C.[1] Originally used as a therapeutic means of relieving joint pain and as a permanent form of amulet during pregnancy, tattoos evolved into a way of marking people as belonging to different classes, religious sects, and even professions.[2] While some cultures tattooed only criminals, others used the permanent markings as a fashion statement.[3] In America in the mid-1900s, tattoos developed a reputation as the mark of American countercultures, sailors, and World War II veterans.[4] Today, many of these religious and personal reasons continue to motivate the practice of tattooing.

Research reveals only two lawsuits that have been brought alleging copyright infringement of a tattoo. In the first, in 2005, tattoo artist Matthew Reed sued NBA star Rasheed Wallace for use of the tattoo Reed designed for and applied to Wallace in an advertising campaign for Nike.[5] Reed contended that both Nike and its advertising agency violated his copyright in the "Egyptian Family Pencil Drawing" tattooed on Wallace's arm.[6] The parties ultimately settled.[7]

The second case made it only slightly farther in the litigation process. In May 2011, Missouri tattoo artist Victor Whitmill sued Warner Brothers for unauthorized use of Whitmill's copyrighted tattoo on Ed Helms' face in the movie "The Hangover Part II."[8] Chief Judge Catherine D. Perry of the Eastern District of Missouri recognized Whitmill's copyright interest in the tattoo but found that the harm to the public interest that would result if the injunction were granted outweighed that interest.[9] Accordingly, the court denied Whitmill's motion for a preliminary injunction, ensuring release of the film.[10]

The Reed and Whitmill cases both implicated a number of interests: the copyright interests of the tattoo artist; the interests of the subject, including the right to control one's body; and the public interest in reaping the benefits of artistic creativity. The cases also illustrate two copyright infringement scenarios that may arise in relation to tattoos: (1) the copying of a copyrighted tattoo onto another "canvas" (in the Whitmill case, the copying of Whitmill's design onto Helms's face) and (2) the appearance of an original tattoo in a subsequent work (for example, Tyson's appearance in the movie and Wallace's appearance in the commercial, which could violate the owner's exclusive rights of reproduction and public display.[11]

Resolving the conflicts among these interests and resolving issues of tattoo infringement require first addressing the copyrightability of tattoos as well as the implications of copyright ownership in a work on a human subject.

This article focuses on original tattoo designs as opposed to tattoos featuring already copyrighted or trademarked images. I argue that when considering the issues that arise when a tattoo is copied onto another person or is featured in a subsequent work, courts should balance the interests of the artist, of the human subject, and of the public and should afford thinner copyright protection to tattoos than to other copyrighted works. I also suggest that specifying the respective rights of the tattoo artist and the subject in writing can help avoid disputes.

## II. Copyright Protection for Tattoos

### A. Types of Copyrightable Works

For purposes of copyright law, a work is created the first time it is fixed.[12] Ownership vests initially in the author who embodies an idea in a fixed, tangible medium of expression that is among the types of works eligible for copyright protection.[13] If an expressive work meets these statutory requirements, section 106 of the Copyright Act grants the author a number of exclusive rights in the work, including the rights of reproduction, the right of public display, and the right to create derivative works.[14] Section 102 of the Act lists the types of works that are eligible for copyright protection. Tattoos most likely fall into the category of pictorial, graphic, or sculptural works.[15] Such works include two-and three-dimensional works of "fine, graphic, and applied art, photographs, prints and art reproductions, maps, globes, charts, diagrams, models, and technical drawings, including architectural plans."[16] A tattoo is, literally, applied art (although copyright law contemplates a different meaning for the term "applied art").[17] A tattoo is graphic art applied to a three-dimensional canvas and thus may readily be classified as a pictorial, graphic, or sculptural work.

It seems unlikely that many tattoos would qualify as "works of visual art."[18] To be a work of visual art, the work must exist in a single copy or in a "limited edition of 200 copies or fewer that are signed and consecutively numbered by the author."[19] While an original tattoo that exists in a single "copy" could be deemed a work of visual art, an artist who applies the same image to more than one subject would have to sign and consecutively number each of the copies for the tattoo to remain a work of visual art. Given the "canvas" on which tattoo artists transcribe their work, it would be extremely burdensome to comply with these additional requirements. Therefore, any tattoo existing in more than a single copy would be unlikely to qualify as a work of visual art.

Whether a tattoo is a pictorial, graphic, or sculptural work or a work of visual art affects the associated copyright rights. An owner of a work of visual art is entitled to the exclusive rights under section 106 and, in addition, to the rights of attribution and integrity under section 106A.[20] An owner of a pictorial, graphic, or sculptural work, on the other hand, is only entitled to the exclusive rights under section 106, with the exception of the right to publicly perform the work.[21]

## III. Tattoos, Copyrights, and the Courts

### A. *Whitmill v. Warner Brothers*

In 2003, Victor Whitmill designed an original tattoo for the former heavyweight champion Mike Tyson.[22] On the day Whitmill applied the tattoo to Tyson's face, Tyson signed a "Tattoo Release Form" acknowledging that "all artwork, sketches and drawings related to [his] tattoo and any photographs of [his] tattoo are property of Paradox-Studio of Dermagraphics."[23] Although copyright ownership vests in the author at the time of fixation,[24] Whitmill did not register his work with the Copyright Office until April 2011.[25] In 2009, Tyson appeared in "The Hangover," a film released by Warner Brothers.[26] Whitmill did not object to Tyson's appearance in the film or to the use of Tyson's tattoo in the advertising and promotion for the film.[27] In 2011, Tyson appeared in "The Hangover Part II," the sequel to "The Hangover."[28] In "The Hangover Part II," one of the main characters, played by actor Ed Helms, appears in the film bearing a facial tattoo almost identical to Tyson's.[29]

"The Hangover Part II" is a comedy about a bachelor party in Thailand gone awry.[30] A running joke in both "The Hangover" and its sequel centers around the main characters' dicey run-ins with Mike Tyson, who plays himself.[31] Warner Brothers used footage of Helms sporting the tattoo in its trailer for the film and in other advertising and promotional materials.[32] Whitmill sued Warner Brothers for copyright infringement.[33] He sought a preliminary and a permanent injunction enjoining Warner Brothers from using the tattoo on Ed Helms's face "in the Movie and otherwise."[34] He also sought compensatory damages and an award of Warner Brothers' profits from the claimed infringement.[35]

Warner Brothers argued that tattoos are not copyrightable[36] and, in the alternative, that use of the tattoo in the film was fair use.[37] The court rejected both arguments, although, in the absence of a written opinion, its full reasoning is unclear.[38]

The Copyright Act provides that a work is "fixed in a tangible medium of expression" when the embodiment of the work in a material object is "sufficiently permanent…to permit it to be perceived, reproduced or otherwise communicated for a period of more than transitory duration."[39] Before *Whitmill*, no court had ever directly addressed the question of whether tattoos are copyrightable.[40] One issue regarding the copyrightability of tattoos is whether a human body qualifies as a "tangible medium of expression" for purposes of copyright protection.[41] Noted copyright scholar David Nimmer submitted an affidavit on behalf of Warner Brothers arguing that the human body cannot qualify as a "medium of expression" under the Copyright Act.[42]

As for fair use, the court ruled that the "tattoo" on Helms's face in the film was an exact copy that "did not comment on the artist's work or have any critical bearing on the original composition."[43] Because there was no change to or transformation of the tattoo, the court found there was no parody,[44] which would seem to overlook the fact that the new work made "ridiculous the style and expression of the original."[45] The court also noted that the use of the tattoo on Helms's face was not necessary to the movie plot and that Warner Brothers used the tattoo extensively in its marketing and promotion of the movie.[46] The court also found that Whitmill met his burden of proving irreparable harm by showing the "loss of control over his design."[47]

Ultimately, the court ruled that the balancing of the equities and the harm to the public if the injunction were granted weighed in favor of Warner Brothers.[48] Thus, even though the court found that Whitmill's copyright had been infringed, it denied the injunction based on the public interest.[49] On the merits, however, so long as the use of the tattoo is for purposes of criticizing or commenting on the original work, it should qualify as fair under section 107.[50] If subsequent authors are not allowed to copy tattoos in such plainly creative contexts it will impair the legitimate exercise of First Amendment rights—also an important public interest to which the court seems to have given insufficient weight.[51]

The *Whitmill* ruling demonstrates that the underlying policy behind the Copyright Act—to promote the progress of science and the useful arts for the public benefit—supports according significant weight to the public interest when determining whether to grant injunctive relief.

### B. *Reed v. Nike*

Tattoo artist Matthew Reed sued Nike and its advertising company after Nike used the design that he had created for NBA player Rasheed Wallace in an advertising campaign.[52] In 1998, Reed met with Wallace to discuss the design of the tattoo.[53] During the initial meeting, Wallace signed an Information and Release Document, which was the only written agreement between the parties and which did not mention any assignment of Reed's copyright interest in the work.[54] In a second meeting, Wallace made suggestions about the sketch Reed had drawn.[55] Reed applied the tattoo to Wallace's right arm over course of three sessions.[56] Wallace paid Reed $450, which Reed considered a low price but believed was fair given the exposure that would come from having his tattoo appear on an NBA player.[57]

In 2004, Reed learned that Wallace's tattoo was featured in a Nike advertising campaign.[58] Reed had not been contacted about the use of his artwork in the commercial.[59] Reed had registered a copyright in the "Egyptian Family Pencil Drawing" that was the basis of the tattoo he applied to Wallace's arm,[60] and he sued Nike and the advertising firm Weiden + Kennedy, alleging that it had "copied, reproduced, distributed, adapted and/or publicly displayed" his copyrighted work without his permission.[61]

Although Wallace and Reed had worked together to develop the design, their collaboration did not rise to the level of a joint work. Co-authorship requires that the authors *intend* that their individual contributions be merged into the work.[62] Nor were the requirements of a work made-for-hire met. Because Reed was the sole owner of the copyright, Wallace's use without Reed's permission was an infringement. At the same time, Wallace had a protectable interest in promoting his name and likeness, including his arm that featured the tattoo. The right of publicity is "the inherent right of every human being to control the commercial use of his or her identity."[63] While Reed undoubtedly held a copyright interest in the tattoo and thus had a right to prevent its unauthorized reproduction, public display, or the creation of derivative works, Wallace had a right to exploit his persona—including his tattoo—in commercial endorsements. Likewise, Nike had an interest in using Wallace as a spokesperson. Finally, the public arguably had an interest in viewing a work that incorporated an interesting tattoo on a popular basketball player.

Had the case been fully litigated, the court would have needed to consider all these competing interests, not just the artist's copyright rights. In tattoo cases, because of the nature of the medium in which the work is fixed, interests including the subject's publicity rights and the constitutional right to control one's body must figure into determining whether infringement occurred and into awarding appropriate injunctive relief.

## IV. Balancing the Interests

As discussed above, as long as tattoos meet the statutory requirements, they are entitled to at least some copyright protection. However, given the other interests implicated in tattoo cases (most notably the interest of a human subject in controlling his body), tattoos should not enjoy the same degree of copyright protection as other copyrighted works.

### A. Should Tattoos Enjoy Full Copyright Protection?

Tattoos present a unique problem not implicated in other forms of copyrightable works, primarily because the medium is a human body. Because of this some of the rights of copyright owners of tattoos necessarily will interfere (at least potentially) with the right to bodily autonomy.[64] For example, the artist's right to prepare derivative works based on the original work might suggest that he is free to alter or modify the tattoo.[65] But that right clearly conflicts with the subject's right to bodily autonomy.[66] If the tattoo is classified as a work of visual art, the copyright owner would have the right under section 106A of the Copyright Act to prevent any "intentional distortion, mutilation, or other modification" of the work that would prejudice his "honor or reputation."[67] If the artist were allowed to enforce this right against a subject who wished to modify or remove the tattoo, the enforcement would interfere with the subject's constitutional right to control his body. This conflict, unique to tattoo art, suggests that the copyright rights of tattoos should be enforced differently and to a lesser extent than those associated with other copyrightable works.

### B. Reconsidering the Rights

There are two ways to reconcile the rights of tattoo artists and human subjects. First, entering into a written agreement before the tattoo is applied would clarify ownership of the copyright in the tattoo and would allow the parties to determine what may be done with it. And, in appropriate cases, courts can recognize an implied license for the subject to appear in other expressive works.

#### 1. Writing requirement

Requiring a writing or a contract detailing who owns the copyright and specifying what the subject can do with the work would eliminate a great deal of confusion in copyright infringement cases involving tattoos. This solution seems best suited to disputes involving celebrity tattoos. Public figures and celebrities negotiate deals and sign contracts for everything from endorsement deals to public appearances to roles in television shows, movies, and advertisements. Requiring a celebrity to sign an agreement when he or she gets a tattoo would not be a significant burden for the celebrity. However, a writing requirement might impose an undue burden on tattoo artists, who often do not have an agent, a manager, or an attorney. But the burden may be outweighed by the benefit of ensuring that the parties' rights are clear.

In cases involving non-celebrities, a writing requirement still would not impose much of a burden on the subject. At least one state has a statutory requirement under its health law that the subject sign an informed consent form before receiving a "body art procedure."[68] At the time the subject signs the consent form, he could easily sign a basic agreement acknowledging that the artist (or tattoo parlor if the tattoo is a work made-for-hire) retains all intellectual property interests in the tattoo but that he is being granted a license to display the work in public.

In some cases a joint-work arrangement might be appropriate. The subject often will have the original idea for the tattoo and will collaborate with the artist to finalize the design.[69] For example, in the Rasheed Wallace case, Wallace presented the artist, Matthew Reed, with his idea for an arm tattoo featuring an Egyptian family.[70] Reed drew several sketches and, throughout the design development process, Wallace commented on and made suggestions covering the sketches of the design.[71]

Memorializing a joint-work understanding would eliminate many of the problems of an artist's exclusive ownership rights conflicting with the subject's right to bodily autonomy. Joint works require that both parties intend to merge their contributions into a unitary whole.[72] If the artist and subject collaborated during the design process, contributed copyrightable elements to the final product, and intended their efforts to be merged into a single piece, they would both be authors of the final product and would be co-owners with equal rights under copyright law.[73] As co-owners, each party could exploit, or license someone else to exploit, the work, provided that he accounts to the other co-owners for any profits derived from such use or licensing.[74]

### 2. Implied license

Where there is no written agreement and an artist claims infringement arising out of unauthorized use of the tattoo in another work, courts could recognize an implied license for the subject to appear in such works.[75] The existence of a license is an affirmative defense to a copyright infringement claim.[76] Courts have recognized an implied license where (1) the licensee requests the creation of the work; (2) the copyright owner creates the work and delivers it to the licensee; and (3) the copyright owner intends for the licensee to use the work the way he does.[77] Arguably, all of these factors are satisfied in the tattoo context: the subject commissions the tattoo; the artist creates the work and "delivers" it by literally applying it to the subject; and the subject bears the tattoo presumably as the artist intended he would.

Recognizing an implied license in a tattoo would eliminate several of the conflicts arising between the constitutional rights of a subject and the intellectual property rights of an artist. For instance, recognizing an implied license would allow a tattooed subject to appear in public or in other works (e.g., photos, commercials) without interfering with the artist's exclusive right to display the work publicly.

### C. Remedies

Although an award of damages in a tattoo infringement case presents problems of proof, injunctive relief presents constitutional problems and should be ordered sparingly, if at all. A court may grant a temporary or permanent injunction where it deems such relief reasonable to prevent infringement.[78] Under the Supreme Court's ruling in *eBay v. MercExchange*, courts must evaluate the four traditional injunctive relief factors before granting an injunction.[79] To be entitled to injunctive relief, a plaintiff must show that (1) it suffered an irreparable injury; (2) remedies available at law are inadequate to compensate for the injury; (3) the balance of the hardships favors the plaintiff; and (4) the public interest would not be disserved by a permanent injunction.[80] In the tattoo context, injunctive relief could be sought to prevent, *inter alia*, the unauthorized copying of the work, the release of subsequent works featuring the tattoo, and any modification or removal of the work. Such requests will create a significant conflict not only with the public interest in benefiting from artist creativity but also with the constitutional right to control one's body.

Injunctions that would interfere with a person's right to control his body should not be granted to plaintiffs in tattoo infringement cases. The artist should not be able to demand, for example, that a subject cover up the tattoo when appearing in public or in movies or advertisements or photos on the ground that it interferes with his exclusive right to display the work publicly. He also should not be entitled to an injunction requiring the removal of a tattoo that has been altered without his permission on the grounds that it has infringed his right to prepare derivative works or his right of integrity under section 106A.

In assessing requests to enjoin the release of works such as movies or advertisements that feature a copyrighted tattoo, courts should consider the public interest in addition to the interests of the owner and the subject. For example, in *Whitmill*, despite finding no fair use, the court recognized that the public interest in having "The Hangover Part II" released outweighed his interest in the work.[81]

## V. Conclusion

Considering the unique interests involved in original tattoos and the constitutional problems raised in the conflicts among these interests, copyright protection of tattoos must be treated differently than that of more traditional copyrightable works. Requiring, or at least encouraging, written instruments in conjunction with tattoo creation or, in the absence of a writing, recognizing implied licenses to display tattoos in appropriate circumstances will help mitigate these conflicts.

## Endnotes

1. *See* Cate Lineberry, *Tattoos: The Ancient and Mysterious History*, Smithsonian Magazine (Jan. 1, 2007), http://www.smithsonianmag.com/history-archaeology/tattoo.html.
2. *See id.*
3. *See id.*

4. Cassandra Franklin-Barbajosa, *Tattoo: Pigments of Imagination*, National Geographic Magazine (Dec. 2004), http://ngm.nationalgeographic.com/ngm/0412/online_extra.html.

5. Complaint Copyright Infringement Accounting, *Reed v. Nike*, CV 05 198, 2005 WL 1182840 (D. Or. 2005) (hereinafter "Reed Complaint").

6. *See* Associated Press, *Artist Sues Over Use of Tattoo*, espn.com (Feb. 16, 2005), http://sports.espn.go.com/espn/sportsbusiness/news/story?id=1992812.

7. *See* Noam Cohen, *On Tyson's Face, It's Art. On Film, a Legal Issue.*, N.Y. Times, May 20, 2011, http://www.nytimes.com/2011/05/21/business/media/21tattoo.html?pagewanted=2&seid=auto&smid=tw-nytimes (hereinafter "On Tyson's Face").

8. *See* Matthew Belloni, *Warner Bros. Settles 'Hangover II' Tattoo Lawsuit (Exclusive)*, The Hollywood Reporter (June 20, 2011, 1:39 PM), http://www.hollywoodreporter.com/thr-esq/warner-bros-settles-hangover-ii-203377.

9. *See* Yvette Joy Liebesman, *Copyright and Tattoos: Hangover II Injunction Denied, But the Copyright Owner Got Some Good News Too*, Technology & Marketing Law Blog (May 24, 2011), http://blog.ericgoldman.org/archives/2011/05/copyright_and_t.htm.

10. *See id.*

11. Two of a copyright owner's six exclusive rights include the right to reproduce and to display the work publicly. 17 U.S.C. §§ 106(1), 106(5). While Whitmill *could* have claimed an infringement of this right for Tyson appearing in the film, Whitmill has granted Tyson permission to make such appearances, but has denied Tyson the right to reproduce the work in other forms. *See* Liebesman, *supra* note 9.

12. 17 U.S.C. § 101.

13. *See Community for Creative Non-Violence v. Reid,* 490 U.S. 730 (1989). This principle tends to indicate that ownership vests in the artist who physically creates the work; however, parties other than the actual creator may be an author for purposes of copyright law and thus an owner.

14. 17 U.S.C. § 106.

15. 17 U.S.C. § 102(a)(5).

16. 17 U.S.C. § 101.

17. *See* 37 C.F.R. 1949 § 202.8; *see also Mazer v. Stein*, 347 U.S. 201 (1954).

18. *See* 17 U.S.C. § 101 (definition of "work of visual art").

19. 17 U.S.C. § 101.

20. 17 U.S.C. §§ 106, 106A.

21. 17 U.S.C. § 106.

22. *See* Matthew Heller, *Tyson Tattoo Creates Legal Headache for 'Hangover 2,'* On Point News (May 1, 2011), http://www.onpointnews.com/NEWS/Tyson-Tattoo-Creates-Legal-Headache-for-Hangover-2.html.

23. *See* Verified Complaint for Injunctive and Other Relief, *Whitmill v. Warner Bros. Entm't*, No. 4:11-cv-752, 2011 WL 2038147 (E.D. Mo. Apr. 28, 2011) (hereinafter "Whitmill Complaint").

24. *See Community for Creative Non-Violence v. Reid,* 490 U.S. 730 (1989).

25. *See* Warner Bro.'s Memo. In Opposition to Plaintiff's Motion for Prelim. Injunction, *Whitmill v. Warner Bros. Entm't,* No. 4:11-cv-752 (E.D. Mo. 2011) (hereinafter "Warner Brother's Memo").

26. *See id.*

27. *See id.*

28. *See id.*

29. *See id.*

30. *See The Hangover Part II (2011)*, Internet Movie Database (May 26, 2011), http://www.imdb.com/title/tt1411697/.

31. *See* On Tyson's Face, *supra* note 7.

32. *See id.*

33. *See* Whitmill Complaint, *supra* note 23.

34. *See id.*

35. *See id.*

36. *See* Warner Brother's Memo, *supra* note 25.

37. Kal Raustiala & Chris Sprigman, *Can You Copyright a Tattoo?*, Freakonomics (May 2, 2011, 2:00 p.m.), http://www.freakonomics.com/2011/05/02/can-you-copyright-a-tattoo/.

38. *See* Matthew David Brozik, *Tyson Tattoo Trouble*, Likelihood of Confusion (May 25, 2011), http://www.likelihoodofconfusion.com/ yson-tattoo-trouble/.

39. 17 U.S.C. § 101.

40. David Post, *For the "Life Imitates Law School Exam" File: Tattoo Copyright*, The Volokh Conspiracy (May 25, 2011, 11:16 a.m.), http://volokh.com/2011/05/25/for-the-life-imitates-law-school-exam-file-tattoo-copyright/. Without analyzing the issue, Judge Perry simply accepted tattoos as copyrightable works and moved on to the remainder of the analysis. *See* Brozik, *supra* note 38 (quoting Judge Perry as stating "Of course tattoos can be copyrighted…I don't think there is any reasonable dispute about that.").

41. *Id.*

42. Declaration of David Nimmer, *Whitmill v. Warner Bros. Entm't*, No. 4:11-cv-752 (E.D. Mo. May 20, 2011) (arguing that a live body cannot qualify as a "medium of expression" because recognizing a copyright in a body tattoo would allow an artist to, *inter alia*, "impose…a badge of involuntary servitude" and lawfully prevent the alteration or destruction of the tattoo). These statements seem odd considering that in his copyright treatise (*Nimmer on Copyright*), Nimmer claims the exact opposite. *See* Joe Mullin, *Tyson Tattoo Lawsuit: Studio's Defenses Are 'Silly', Says Judge*, paidContent.org (May 24, 2011, 5:20 p.m.), http://paidcontent.org/article/419-judge-shows-sympathy-for-plaintiffs-in-tyson-tattoo-case/.

43. *See id.*

44. *See id.*

45. *Rogers v. Koons*, 960 F.2d 301 (2d Cir. 1992).

46. *See* Liebesman, *supra* note 9.

47. *See* Mullin, *supra* note 42.

48. *See* Liebesman, *supra* note 9.

49. *See id.*

50. The policy behind finding uses such as these to be fair uses stems from the desire to promote both artist creativity as well as the freedom of speech and expression. *See Twentieth Century Music Corp.*, 422 U.S. at 156.

51. *See* Mullin, *supra* note 42.

52. *See* Heller, *supra* note 22.

53. *See* Reed Complaint, *supra* note 5.

54. *See id.*

55. *See id.*

56. *See id.*

57. *See id.*

58. *See id.*

59. *See id.*

60. *See id.*

61. *See id.*

62. 17 U.S.C. § 101; *see Erickson v. Trinity Theatre, Inc.*, 13 F.3d 1061, 1069 (7th Cir. 1994) (noting that the fact that several parties contributed contemporaneously is insufficient to satisfy the

intent requirement); *see also Kaplan v. Vincent*, 937 F. Supp. 307, 316 (S.D.N.Y. 1996) (outlining two factors helpful in determining whether the parties had the requisite intent: whether each party intended all parties be identified as co-authors and how the parties “regarded themselves in relation to the work”).

63. J. Thomas McCarthy, The Rights of Publicity and Privacy § 1:3 (2d ed. Mar. 2011); *see Abdul-Jabbar v. Gen. Motors Corp.*, 85 F.3d 407, 413 (9th Cir. 1996) (defining the right of publicity as meaning, in essence, “that the reaction of the public to name and likeness, which may be fortuitous or which may be managed and planned, endows the name and likeness of the person involved with commercially exploitable opportunities”) (citation omitted).
64. *See Planned Parenthood*, 505 U.S. at 851.
65. *See* 17 U.S.C. § 101.
66. *Perry v. St. Francis Hosp.*, 886 F. Supp. 1551, n.9 (E.D. Kan. 1995) (noting that Congress has defined “human organ” to include skin) (citing 42 U.S.C. § 247e(c)(1)).
67. 17 U.S.C. § 106A(a)(3)(A).
68. *See* Minn. Stat. § 146B.06(3) (2011).
69. *See* Reed Complaint, *supra* note 5.
70. *See id.*
71. *See id.*
72. 17 U.S.C. § 101.
73. 17 U.S.C. § 201(a).
74. *See Erickson v. Trinity Theatre, Inc.*, 13 F.3d 1061, 1068 (7th Cir. 1994).
75. In *Foad Consulting Grp. v. Musil Govan Azzalino*, 270 F.3d 821 (9th Cir. 2001) the Ninth Circuit recognized that the Copyright Act permits copyright holder to grant nonexclusive implied copyright licenses.
76. *See Worldwide Church of God v. Philadelphia Church of God, Inc.*, 227 F.3d 1110, 114 (9th Cir. 2000).
77. *See, e.g.*, *Asset Mktg. Syst. v. Gagnon* (9th Cir. 2008) (recognizing an implied unlimited license in a computer program where the three factors were satisfied).
78. 17 U.S.C. § 502.
79. 547 U.S. 388, 391 (2006). While this case arose in the patent context, the Court noted that the rule established in *eBay* is consistent with the treatment of injunctions under the Copyright Act. *Id.* at 392.
80. *See id.* at 391-92.
81. *See* Noam Cohen, *Citing Public Interest, Judge Rules for ‘Hangover II,’* N.Y. Times (May 24, 2011, 4:05 p.m.), http://mediacoder.blogs.nytimes.com/2011/05/24/citing-public-interest-judge-rules-for-hangover-ii/.

**Meredith Hatic is a second-year student at Fordham Law School. A version of this article won second prize in the Section’s 2011 Annual Law Student Writing Contest.**

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### *ANNOUNCING THE*

**Intellectual Property Law Section's**

# ANNUAL LAW STUDENT WRITING COMPETITION

To be presented at the **Annual Meeting of the Intellectual Property Law Section, January 2013, New York, NY** to the authors of the best publishable papers on subjects relating to the protection of intellectual property **not published elsewhere, scheduled for publication, or awarded another prize.**

**First Prize: $2,000**

**Second Prize: $1,000**

## COMPETITION RULES ARE AS FOLLOWS:

To be eligible for consideration, the paper must be written solely by students in full-time attendance at a law school (day or evening program) located in New York State or by students in full-time attendance at an out-of-state law school who are members of the Intellectual Property Law Section. (Non-members wishing to join the IP Section may do so at www.nysba.org/Join. First join NYSBA, then select the Intellectual Property Law Section.)

The deadline for submission of papers is December 7, 2012. An electronic copy must be submitted by e-mail to IntellectualProperty@nysba.org prior to 5:00 p.m. on December 7. An additional hard copy may also be submitted (postmarked by December 7) but is not required.

Papers will be judged by the Section and must meet the following criteria or points will be deducted: no longer than 35 pages, double-spaced (footnotes must be single-spaced); 12-point font; and a cover page indicating the submitter's name, law school and expected year of graduation, mailing address, e-mail address, telephone number, and employment information (if applicable). Papers should exhibit thorough and accurate legal research, logical thought process with clarity of expression and a well-grounded conclusion.

Winning papers may be published in the Section's publication *Bright Ideas*. Reasonable expenses will be reimbursed to the author of the winning paper for attendance at the Annual Meeting to receive the Award.

The judges reserve the right to: not consider any papers submitted late or with incomplete information, not publish papers, and/or determine that no entries are prizeworthy or publishable.

**Entries by e-mail and hard copy (optional) to: E-mail: IntellectualProperty@nysba.org Mail: Stephanie Bugos, NYSBA, One Elk Street, Albany, NY 12207.** Comments and/or questions may be directed to the Chair of the Section's Young Lawyers Committee: Natasha Azava, Law Offices of Peter Thall, 110 West End Avenue, Suite 7K, New York, NY 10023, (212) 245-6221, nazava@thallentlaw.com.

**Winners of the 2011 Annual Law Student Writing Competition**

First Place
**Kathryn Feiereisel**
Columbia Law School

Second Place
**Meredith Hatic**
Fordham Law School

NEW YORK STATE BAR ASSOCIATION
**INTELLECTUAL PROPERTY LAW SECTION**
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## Submission of Articles

Anyone wishing to submit an article, announcement, practice tip, etc., for publication in an upcoming issue of *Bright Ideas* is encouraged to do so. Articles should be works of original authorship on any topic relating to intellectual property. Submissions may be of any length.

Submissions should preferably be sent by e-mail to Jonathan Bloom, Editor-in-Chief, at the address indicated on this page. Submissions for the Fall 2012 issue must be received by July 1, 2012.


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## BRIGHT IDEAS



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