

Transformative Use Comes of Age in Right of Publicity Litigation

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The threshold to celebrity has lowered dramatically in recent years. With a cell phone and enough bravado, celebrity status can now be minted instantaneously. Equally instantaneous is the ability of others to superimpose and manipulate a celebrity's likeness. This tension is not new, but the rapidly changing technological landscape in the digital age presents complicated legal considerations for both celebrities and those who use their images and likenesses.

With today's new media, celebrity can be created faster and diffused more widely, creating unprecedented value in a celebrity's image, persona, and likeness. Collectively referred to as the "right of publicity," the ability to exploit one's image has become an increasingly valuable commodity, often eclipsing the value of the celebrity's principal occupation. Indeed, for today's reality stars—many of whose fame is rooted in no particular skill set per se, but who are "famous for being famous"—it is the *only* commodity.

Accordingly, celebrities today have focused on developing their principal career as well as developing and exploiting their rights of publicity across other fields and media, along with their related copyright and trademark rights. Vigilant protection against the unauthorized invasion of publicity rights is important to the success of this strategy. Aggressive enforcement of this right is frequently met with stiff resistance by those claiming a First Amendment right in the use of a celebrity's image, likeness, and persona.

To balance the right of publicity with countervailing First Amendment concerns, courts have recently imported a "transformative use" test from copyright law's fair use doctrine, which itself has a spotty history (see Figure 1). Recent examples include decisions in *Hilton v. Hallmark Cards*¹ and *No Doubt v. Activision Publishing, Inc.*² These two cases illustrate two different but equally imperfect applications of the "transformative use" test.

Against this backdrop lie myriad other legal issues, including trademark, copyright, contract, and ownership disputes. This article will examine these issues and the considerations facing both celebrities seeking to protect their rights and the public's desire to appropriate celebrity names and likenesses.

Overview of the Right of Publicity

Origins

While celebrity has arguably been around for millennia, a legally cognizable "right of publicity" was only first recognized in the United States in 1953 when Judge Frank first coined the phrase in *Haelan Laboratories, Inc. v. Topps Chewing Gum, Inc.*³ *Haelan* involved a dispute between two baseball card manufacturers

over the use of baseball players' images on baseball cards. *Haelan* (having just recently acquired the Bowman baseball card company) entered into exclusive contracts with a group of baseball players to appear only on Bowman cards. Topps, a competitor, knew of these negative covenants but nevertheless used the same baseball players' images on their cards. Judge Frank reasoned that to the extent Topps induced these players' breaches with *Haelan*, it tortiously interfered with their exclusive contracts. Judge Frank went even further and extrapolated from New York's privacy statutes⁴ to hold Topps liable under a newly-minted "right of publicity." Judge Frank wrote:

[I]n addition to and independent of that right of privacy (which in New York derives from statute), a man has a right in the publicity value of his photograph

This right might be called a "right of publicity." For it is common knowledge that many prominent persons (especially actors and ball-players), far from having their feelings bruised through public exposure of their likenesses, would feel sorely deprived if they no longer received money for authorizing advertisements, popularizing their countenances, displayed in newspapers, magazines, busses, trains and subways. This right of publicity would usually yield them no money unless it could be made the subject of an exclusive grant which barred any other advertiser from using their pictures.⁵

Statutory Development

Over the last 48 years since *Haelan*, 19 states have created a statutory right of publicity and 28 more recognize the right via common law (see Figure 1). For example, New York continues to follow the approach taken by Judge Frank in *Haelan*, enforcing the right under the penumbra of New York's privacy statutes:

§ 50. Right of privacy

A person, firm or corporation that uses for advertising purposes, or for the purposes of trade, the name, portrait or picture of any living person without having first obtained the written consent of such person, or if a minor of his or her parent or guardian, is guilty of a misdemeanor.

§ 51. Action for injunction and for damages

Any person whose name, portrait, picture or voice is used within this state for advertising purposes or for the purposes of trade without the written consent first obtained as above provided may maintain an equitable action in the supreme court of this state against the person, firm or corporation so using his name, portrait, picture or voice, to prevent and restrain the use thereof; and may also sue and recover damages for any injuries sustained by reason of such use and if the defendant shall have knowingly used such person's name, portrait, picture or voice

in such manner as is forbidden or declared to be unlawful by section fifty of this article, the jury, in its discretion, may award exemplary damages.⁶

California has specifically codified the right of publicity:

Any person who knowingly uses another's name, voice, signature, photograph, or likeness, in any manner, on or in products, merchandise, or goods, or for purposes of advertising or selling, or soliciting purchases of, products, merchandise, goods or services, without such person's prior consent, or, in the case of a minor, the prior consent of his parent or legal guardian, shall be liable for any damages sustained by the person or persons injured as a result thereof. . . .

As used in this section, "photograph" means any photograph or photographic reproduction, still or moving, or any videotape or live television transmission, of any person, such that the person is readily identifiable.⁷

A list of the other relevant state statutes is set forth in Figure 1.

The Right of Publicity Reaches the U.S. Supreme Court

In 1978, the U.S. Supreme Court directly considered the right of publicity for the first and only time in *Zacchini v. Scripps-Howard Broadcasting Co.*⁸ In *Zacchini*, Hugo Zacchini, a performer famous for his human cannonball act, brought an action for the unauthorized filming and subsequent airing of his entire 15-second performance by a local television station.⁹ In his action, filed in Ohio state court, Zacchini alleged that:

[H]e is "engaged in the entertainment business," that the act he performs is one "invented by his father and . . . performed only by his family for the last fifty years," that respondent "showed and commercialized the film of his act without his consent," and that such conduct was an "unlawful appropriation of plaintiff's professional property."¹⁰

The defendant moved for summary judgment, which was granted by the trial court. The Ohio Court of Appeals unanimously reversed, reasoning that the news station had no First Amendment privilege to show the entire performance without compensating Zacchini.¹¹

The Ohio Supreme Court reinstated the trial court's ruling, holding that while a performer has the right to the "publicity value of his performance," nevertheless a television station has a privilege to report in its newscasts matters of "legitimate public interest."¹²

The U.S. Supreme Court granted certiorari to determine "whether the First and Fourteenth Amendments immunized [the television station] from damages for its alleged infringement of [Zacchini's] state-law 'right of publicity.'"¹³

Ultimately, the U.S. Supreme Court held that Zacchini had the right to be compensated for the time and effort involved in his performance in order to protect the "economic incentive for him to make the investment required to produce a performance of interest to the public."¹⁴

Because the right of publicity is a state law doctrine, *Zacchini* offers little practical guidance to those advising celebrities. Moreover, the remedy sought by *Zacchini* is quite disparate from how celebrities assert and protect their right of publicity today. Few celebrities today have a single discrete act from which they derive their entire income. Rather, today's celebrity income stream is far more diverse. Most celebrities assert right of publicity claims to protect against

invasion in areas outside their primary niche or skill set. For example, many of today's most well-compensated sports stars earn a significant portion of their income from endorsement deals with perfume, sneaker, and soft drink companies, with some celebrity athletes even extending their careers into film and music.

Postmortem or Descendible Rights

Yet another complicating factor in the analysis of publicity rights is their longevity, which does not necessarily end upon the celebrity's death.¹⁵ Only a handful of jurisdictions recognize a statutory postmortem or descendible right of publicity, as set forth in Figure 2. Complex choice of law and venue issues often arise in the context of the postmortem right, which are beyond the scope of this article, but which underscore the economic value of the right and the importance of protecting against unauthorized, uncompensated uses.

Fifteen Minutes of Fame

Not coincidentally, the right of publicity developed concurrent with the proliferation of the "new media" of 1950s television. As courts strengthened the legal protections of the right of publicity, technology buttressed the value of those rights in the emerging corollary product endorsement income streams available to famous musicians, athletes, and actors. In turn, celebrities and companies alike quickly seized on these new earning opportunities.

In the past 10 years, the communication revolution on Internet, social networking, video games, on demand, and mobile platforms has once again changed the face of celebrity. Now more than ever, success bred from talent and that from fame have become even more disconnected, with one no longer a prerequisite for the other. Indeed, today, the "traditional" musical, athletic, and thespian celebrities are now joined by an equally marketable new breed of "reality" stars who often are "famous just for being famous." Putting aside the perceived gulf in talent between traditional actors and today's reality stars, the fact remains that, no matter the origin of the fame, celebrity monetization activities have never been more active, or lucrative. Nor has the pressure ever been greater to monetize fame as quickly as possible before the proverbial "15 minutes" expire. Thus, the current challenge for celebrities, regardless of how they made it into the spotlight, is to exploit their celebrity while simultaneously protecting against unauthorized, uncompensated uses.

From the Pope to Pop Culture

As discussed above, the importance and proliferation of celebrity has tracked the development of communications technology. The easier it has become to communicate on a mass basis, the easier it has become to sell products. As newspaper readership began to rise dramatically in the mid-1800s, so did revenues and expenditures in the emerging advertising business. As companies placed more and more ads, they soon realized the value of celebrity sponsorship. In fact, one of the world's first celebrity endorsements came from the Pope himself. In 1863, the Vin Mariani beverage company began an ad campaign using the celebrity endorsement of both Popes Leo XIII and Pius X.

As the branding and marketing benefits of celebrity became obvious to retailers and celebrities alike, the value of such endorsements increased. Because of the nexus between products and sponsorship, right of publicity law first resembled trademark law, protecting the relationship between celebrities and endorsed products as a function of sponsor identification. Thus, many of the seminal right of publicity cases have involved the touchstone of trademark law—source identification.¹⁶

The right of publicity, at its core, is predicated on fame. Where there is no fame, there is no right of publicity. For example, the actor that portrayed the character “Johnny Cage” in the video game “Mortal Kombat” was unsuccessful in his attempt to invoke a right of publicity to enjoin the video game manufacturer from using his persona, name, and likeness in subsequent versions of the game.¹⁷ The plaintiff, Daniel Pesina, had modeled the movements for the character Johnny Cage for the coin-operated arcade versions of Mortal Kombat and Mortal Kombat II, and claimed that because he had not consented to the use of his persona, name, and likeness in the home versions of the game, his right of publicity had been violated.¹⁸

The court rejected Pesina’s claims, finding that he had no protectable right of publicity because he was not a widely known martial artist, not known by the public, not recognized by the public as the model for Johnny Cage, and had not become so associated with the character that the character invoked his identity.¹⁹ The court held that, absent a showing of a right of publicity independent of the character, Pesina could only prevail if he could show that his identity had become “inextricably intertwined” in the public mind with the character, which he failed to do.²⁰

The Right of Publicity and the First Amendment

Weighing against robust recognition of celebrities’ rights of publicity is the public’s First Amendment right to discuss, comment on, and even lampoon them. This tension has yielded some

inconsistent results. Increasingly, to resolve this tension, some courts, particularly California state courts and the Ninth Circuit Court of Appeals (which handles appeals for California federal district court cases), have imported aspects of the “fair use” defense from the Copyright Act to allow certain uses of a celebrity’s likeness where the use is “transformative.” The “transformative use” test may be an uncomfortable and imperfect fit in many respects, and has varied in its application, discussed in detail below. Indeed, it is even somewhat controversial in its application in copyright cases, as discussed in the sidebar on page 34.

The Emergence of the Transformative Use Test in Right of Publicity Cases

Comedy III Productions v. Gary Saderup

In *Comedy III Productions, Inc. v. Gary Saderup, Inc.*, the California Supreme Court was confronted with a right of publicity dispute that involved an artist’s use of the images of the Three Stooges on T-shirts.²¹ Rather than attempting to resolve the case on solely First Amendment grounds, the court imported, for the first time, the “transformative use” test borrowed from the “fair use” defense in copyright law.

The defendant, Gary Saderup, had created a drawing of the Three Stooges that he used to create lithographic prints and silk screen images on T-shirts. Comedy III, the owner of all rights to the Three Stooges, sued for misappropriation of the right of publicity. The trial court found that, despite his commercial use of the Three Stooges’ images, Saderup’s portraits were entitled to First Amendment protection because they were “expressive works and not an advertisement for or endorsement of a product.”²²

Reversing the trial court, the California Supreme Court upheld Comedy III’s right of publicity claims against Saderup’s First Amendment defense. In so doing, the California Supreme Court minted the so-called

Figure 1

STATES WITH A STATUTORY RIGHT OF PUBLICITY/PRIVACY



*Texas has codified the right of publicity only for deceased individuals but recognizes the right for living individuals under the common law tort of misappropriation.

“transformative use” test and held:

When artistic expression takes the form of a literal depiction or imitation of a celebrity for commercial gain, directly trespassing on the right of publicity without adding significant expression beyond that trespass, the state law interest in protecting the fruits of artistic labor outweighs the expressive interests of the imitative artist.

On the other hand, when a work contains significant transformative elements, it is not only especially worthy of First Amendment protection, but it is also less likely to interfere with the economic interest protected by the right of publicity. As has been observed, works of parody or other distortions of the celebrity figure are not, from the celebrity fan’s viewpoint, good substitutes for conventional depictions of the celebrity and therefore do not generally threaten markets for celebrity memorabilia that the right of publicity is designed to protect.²³

Hoffman v. Capital Cities/ABC

Later the same year, the Ninth Circuit applied the *Comedy III* “transformative use” test in *Hoffman v. Capital Cities/ABC, Inc.*²⁴ In *Hoffman*, Dustin Hoffman brought suit against a magazine and its publisher for the magazine’s unauthorized use of a still photograph from the motion picture *Tootsie*, in which Hoffman played a cross-dressing actor seeking to reinvent his career. Los Angeles Magazine (LAM) used Hoffman’s face as it appeared in the movie to create a computer-generated image that falsely depicted him wearing women’s clothes from a fashion designer (rather than the clothes he wore in the film) as part of an article entitled “Grand Illusions.” In addition to Hoffman’s image, the magazine used computer technology to alter other famous film stills to make it appear that the actors were wearing spring 1997 fashions.

The court rejected Hoffman’s claims on First Amendment grounds finding the use transformative. In a footnote, the court noted:

Even if we were to consider LAM an “artist” and the altered “Tootsie” photograph “artistic expression” subject to the *Comedy III* decision, there is no question that LAM’s publication of the “Tootsie” photograph contained “significant transformative elements.” Hoffman’s body was eliminated and a new, differently clothed body was substituted in its place. In fact, the entire theory of Hoffman’s case rests on his allegation that the photograph is not a “true” or “literal” depiction of him, but a false portrayal. Regardless of the scope of *Comedy III*, it is clear to us that it does not strip LAM of First Amendment protection.²⁵

In upholding the importance of transformative use to its First Amendment analysis, the court found that “the article as a whole [was] a combination of fashion photography, humor, and visual and verbal editorial comment on classic films and famous actors [and] [a]ny commercial aspects [were] ‘inextricably entwined’ with expressive elements, and so they cannot be separated out ‘from the fully protected whole.’”²⁶ Thus, the court concluded that LAM was entitled to the full First Amendment protection accorded noncommercial speech, which could be defeated only by proof of actual malice.²⁷ Because *Comedy III* was decided after oral argument in *Hoffman*, other courts have been dismissive of its precedential value as applied to transformative use.²⁸

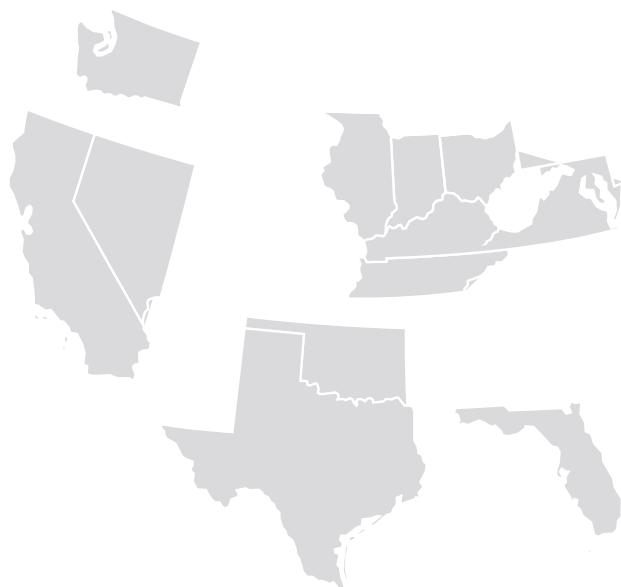
Comedy III’s Transformative Use Test Applied: Winter, Kirby, Keller, and ETW

Winter v. DC Comics

The California Supreme Court revisited the tension between the right of publicity and the First Amendment in *Winter v. DC Comics*, a case which provided it one of the first opportunities to apply the new transformative use test.²⁹ In *Winter*, two musicians, Edgar and Johnny Winter, sued DC Comics for misappropriation of their statutory right of publicity³⁰ in response to a series of comic books featuring two villainous half-worm, half-human characters named the “Autumn brothers,” whose

Figure 2

STATES WITH A POSTMORTEM OR DESCENDIBLE RIGHT OF PUBLICITY



- California** - (70 years) Cal. Civ. Code § 3344.1
- Florida** - (40 years) Fla. Stat. Ann. § 540.08(5)
- Illinois** - (50 years) 765 Ill. Comp. Stat. Ann. 1075/30(b)
- Indiana** - (100 years) Ind. Code Ann. § 32-36-1-8(a)
- Kentucky** - (50 years) Ky. Rev. Stat. Ann. § 391.170(2)
- Nevada** - (50 years) Nev. Rev. Stat. § 597.790 (1)
- Ohio** - (60 years) Ohio Rev. Code Ann. § 2741.02(A)(2)
- Oklahoma** - (100 years) Okla. Stat. Ann. tit. 12, § 1448(G)
- Tennessee** - (10 years after death) Tenn. Code Ann. § 47-25-1101-04*
- Virginia** - (20 years) Va. Code Ann. § 8.01-40(B)
- Texas** - (50 years) Tex. Prop. Code Ann. § 26.012(d)
- Washington** - (75 years) Wash. Rev. Code § 63.60.040

*Can continue in perpetuity contingent on use.

physical characteristics included long white hair and albino features similar to that of the real life Winter brothers, as well as the same first names.³¹

Applying the *Comedy III* transformative use test, the court held that the Winter brothers' claim was barred by the First Amendment as a matter of law. The court found that the comic depictions at issue were:

not just conventional depictions of plaintiffs but contain[ed] significant expressive content other than plaintiffs' mere likenesses. Although the fictional characters Johnny and Edgar Autumn are less-than-subtle evocations of Johnny and Edgar Winter, the books do not depict plaintiffs literally. Instead, plaintiffs are merely part of the raw materials from which the comic books were synthesized. To the extent the drawings of the Autumn brothers resemble plaintiffs at all, they are distorted for purposes of lampoon, parody, or caricature. And the Autumn brothers are but cartoon characters—half-human and half-worm—in a larger story, which is itself quite expressive.³²

Kirby v. Sega of America

In a similar case, the California Court of Appeals applied the transformative use test to again defeat a right of publicity claim. In *Kirby v. Sega of America, Inc.*, the plaintiff was a musician and dancer, known for saying the phrase “ooh la la.”³³ Kierin Kirby sued Sega over its creation and use of “Ulala,” the main character in the defendant's game, “Space Chanel 5.” Although there were similarities between the two, the court held Ulala to be “more than a mere likeness or literal depiction of Kirby” and therefore a transformative use, reasoning, “Ulala contains sufficient expressive content to constitute a ‘transformative work.’”³⁴

Keller v. Electronic Arts

On the other hand, where a video game manufacturer used the exact same jersey number, height, weight, and home state as a former quarterback for Arizona State University, a California federal district court found the depiction of the plaintiff “far from the transmogrification of the Winter brothers.”³⁵ The court also distinguished this use from that approved in *Kirby*, because the game's setting was identical to where the public found the plaintiff during his collegiate career: on the football field.³⁶

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ETW v. Jireh Publishing

The Ninth Circuit's transformative use test has been adopted sparingly by other circuits thus far. In one notable application involving a dispute between the licensing agent for Tiger Woods, ETW Corp., and an artist who had created a painting incorporating three literal likenesses of Woods, the court employed the transformative use test and found for the defendant-artist.³⁷

The artist's portrayal of Woods was literal, but depicted him in different poses in the foreground, with the Augusta National Clubhouse behind him and the likenesses of other famous golfing champions looking down on him.³⁸ In applying the *Comedy III* transformative use test, the Sixth Circuit found the painting protected under the First Amendment, despite its commercial purpose, because it was a “panorama” of Woods's historic 1997 victory at the world-famous Masters Tournament and conveyed a message about the significance of Woods's achievement through images suggesting that Woods would eventually join the ranks of the world's best golfers.³⁹

No Doubt v. Activision Publishing, Expanding the Application of the Right of Publicity?

As discussed above, as communications technology has developed, so has the reach and value of the right of publicity. For example, musicians can exploit their image, likeness, and persona not only in product endorsements but in multimedia products such as interactive video games. Indeed, games like Rock Band, Guitar Hero, DJ Hero, and Band Hero have given artists a lucrative new medium in which they can exploit not only their copyright and trademark rights, but also their rights of publicity. The boundaries of this right were brought into focus in the dispute between rock band No Doubt with Activision Publishing, the manufacturer of Band Hero.

Band Hero is a game that allows players to simulate performing in a rock band, in time with popular songs. By choosing from a number of playable characters, known as “avatars,” players can “be” a guitarist, a singer, or a drummer.⁴⁰

No Doubt agreed to appear in Band Hero and licensed three No Doubt songs to be used in the game, subject to No Doubt's approval over the choice of songs.⁴¹ Additionally, No Doubt agreed to participate in one day of game production services “for the purposes of photographing and scanning Artist's likeness, and capturing Artist's motion-capture data . . . so that the band members' Band Hero avatars would accurately reflect their appearances, movements, and sounds.”⁴²

Approximately two weeks prior to the release of Band Hero, No Doubt became aware of an “unlocking” feature of the game that would permit players to use No Doubt's avatars to perform any of the songs included in the game, including songs recorded by other artists that No Doubt maintained it never would have performed.⁴³ No Doubt claimed it never consented to any of these additional uses of their personas and was not compensated for these unauthorized uses.⁴⁴

When No Doubt complained about the additional exploitation of their likenesses, Activision admitted that it had hired actors to impersonate No Doubt in order to create the representations of the band members' performances of the additional musical works other than the No Doubt songs licensed for the game.⁴⁵ When Activision refused to remove these unauthorized uses of No Doubt's persona, No Doubt sued for

violation of the right of publicity, and Activision asserted the transformative use test applied to its defense.

After a detailed discussion of *Comedy III*, *Winter*, and *Kirby*, the court rejected Activision's defense.⁴⁶ The court held that because Activision intentionally used these literal reproductions and did not permit players to alter the No Doubt avatars in any respect, the use involved "immutable images of the real celebrity musicians, in stark contrast to the 'fanciful, creative characters' in *Winter* and *Kirby*."⁴⁷

"Real" Celebrities of Los Angeles County: Hilton v. Hallmark Cards

Along the celebrity continuum of Mr. Pesina (who provided the movement for the Mortal Kombat games) and No Doubt, somewhere in between lies an entirely new set of celebrities—reality stars. "Famous for being famous," reality stars, for the most part, lack the foundational skill set of celebrity musicians, actors, or athletes. Lacking any original context for their fame like most of the celebrities in the cases discussed above, the exact scope of the right of publicity for a reality star can be quite ambiguous, and recently filed cases will explore the borderlines.

The recent litigation between Paris Hilton and Hallmark Cards puts this ambiguity into focus. Paris Hilton is a hotel family heiress, who became known as a tabloid celebrity for her flamboyant lifestyle. In recent years, she has leveraged and monetized her socialite status into a number of sponsorships and endorsements, including jeans, perfume, shoes, hair extensions, nightclubs, wine, and beer. She has appeared in films as "herself" and recorded an album of music. She even leveraged her socialite status to appear in a reality television show called "The Simple Life," alongside her friend and fellow socialite Nicole Ritchie. The premise of the show was to place Hilton and Ritchie in situations for which their privileged upbringings had not prepared them. For example, in an episode called "Sonic Burger Shenanigans," Hilton was employed as a waitress. As in most episodes, Hilton frequently employed her well-known catchphrase, "that's hot," to indicate she found something interesting or amusing.

Soon after the episode aired, Hallmark released a birthday card with a caption on the front cover of the card that read, "Paris's First Day as a Waitress," that used an image of Hilton's face from the "Sonic Burger Shenanigans" episode. The card depicted a cartoon waitress, complete with apron, serving a plate of food to a restaurant patron. An oversized photograph of Hilton's head was superimposed on the cartoon waitress's body. Hilton said to the customer, "Don't touch that, it's hot." The customer asked, "What's hot?" Hilton replied, "That's hot." The inside of the card read, "Have a smokin' hot birthday."⁴⁸

Hilton sued Hallmark, asserting three causes of action, including misappropriation of her right of publicity under California law. Hallmark raised the First Amendment as a defense, asserting its use of Hilton's image was transformative. The court rejected Hallmark's contention that it was entitled to the defense as a matter of law, distinguishing Hallmark's use from that in *Winter*, finding the latter a "total, phantasmagoric conversion of the musicians into the comic book characters" with a larger story that was completely absent from the Hallmark card that the court considered just a

spoof.⁴⁹ Specifically, the court noted the differences between the "half-human, half-worm" cartoon representations in *Winter* and Hallmark's use of a cartoon body of a generic woman.⁵⁰ Lastly, in rejecting Hallmark's argument that the defense could be determined in its favor as a matter of law, the court concluded that the worm-like versions of the musicians in *Winter* did things that the actual musicians did not do, such as "engage in wanton acts of violence, murder, and bestiality for pleasure," whereas Hilton was performing precisely the act she did in the "The Simple Life."⁵¹

Hilton appears to fall somewhere between the artistic and fanciful depictions in the *Winter* and *Kirby* cases and the more literal uses of an image and person in *Keller* and *No Doubt*. While not a transformation of Hilton's image onto a fictional character, it was an attempt at parody, poking fun at Hilton's celebrity. And, of course, one cannot parody someone or something without clearly identifying the subject of the parody. How a court would come out in such a case like *Hilton* remains unclear because the parties ultimately settled out of court. However, as reality television expands and produces more and more "reality stars," similar issues will eventually be litigated on their merits.

Conclusion: Lost in Hollywood—The Future of Right of Publicity

The critical takeaway from *Hilton* and *No Doubt* for celebrities and aspiring celebrities is that fame, regardless of its origin, is a commodity to be managed and protected. It is important to seek out and exploit opportunities for monetization, but perhaps even more important to protect against unauthorized uses that erode their overall celebrity value. On the other hand, the takeaway for those who use celebrity images or likenesses is that the First Amendment allows the use of a person's image provided that they make a significant transformative or creative contribution of their own, as seen in *Hoffman* and *Winter*. However, whether the user may successfully invoke the transformative use test as a matter of law and thereby avoid a jury trial on the issue remains for case-by-case adjudication. ■

Endnotes

1. 580 F.3d 874 (9th Cir. 2009).
2. 192 Cal. App. 4th 1018 (2011).
3. 202 F.2d 866, 868 (2d Cir. 1953).
4. N.Y. CIV. RIGHTS LAW §§ 50, 51 (McKinney 2009).
5. *Haelan*, 202 F.2d at 868. In a contemporaneous case, a New York state court awarded similar rights to baseball players whose images were used without their consent on the defendant's popcorn and chewing gum products on right of privacy grounds, but without using the phrase "right of publicity." *Jansen v. Hilo Packing Co.*, 202 Misc. 900, 901 (N.Y. Sup. Ct. 1952).
6. N.Y. CIV. RIGHTS LAW §§ 50, 51.
7. CAL. CIV. CODE § 3344 (West 2011). California still maintains a common law right of publicity identical to the statutory right except that it does not require scienter. *No Doubt*, 192 Cal. App. 4th at 1028.
8. 433 U.S. 562 (1977).
9. *Id.* at 564.
10. *Id.*
11. *Id.*
12. *Id.* at 565.
13. *Id.* at 576.
14. *Id.* at 575–76 (finding that "[m]uch of [the act's] economic value lies in the 'right of exclusive control over the publicity given to his

performance'; if the public can see the act free on television, it will be less willing to pay to see it at the fair").

15. See *Memphis Dev. Found. v. Factors Etc., Inc.*, 616 F.2d 956 (6th Cir. 1980) (recognizing that under Tennessee law, "[t]he famous have an exclusive legal right during life to control and profit from the commercial use of their name and personality").

16. See *Newcombe v. Adolph Coors Co.*, 157 F.3d 686, 691 (9th Cir. 1998) (use of baseball pitcher's image in printed beer advertisement); *Abdul-Jabbar v. Gen. Motors Corp.*, 85 F.3d 407, 409 (9th Cir. 1996) (use of basketball star's former name in television car commercial); *Waits v. Frito-Lay, Inc.*, 978 F.2d 1093, 1097-98 (9th Cir. 1992) (use of imitation of singer's voice in radio snack food commercial); *White v. Samsung Elecs. Am., Inc.*, 971 F.2d 1395, 1396 (9th Cir. 1992) (use of a female-shaped robot wearing a long gown, blonde wig, large jewelry, and turning letters in what appeared to be the "Wheel of Fortune" game show set); *Midler v. Ford Motor Co.*, 849 F.2d 460, 461 (9th Cir. 1988) (use in television car commercial of "sound-alike" rendition of song singer had recorded).

17. *Pesina v. Midway Mfg. Co.*, 948 F. Supp. 40, 43 (N.D. Ill. 1996).

18. *Id.*

19. *Id.* at 43.

20. *Id.*; see also *DeClemente v. Columbia Pictures Indus., Inc.*, 860 F. Supp. 30, 52-53 (E.D.N.Y. 1994) (finding no right of publicity claim where "no reasonable jury can find on the evidence presented[] that [the

plaintiff's] public personality as 'The Karate Kid' was so notorious to the public that it 'had become closely and widely identified with the person who bears it'").

21. 25 Cal. 4th 387, 391 (2001).

22. *Id.* at 396.

23. *Id.* at 405 (footnote and citations omitted).

24. 255 F.3d 1180 (9th Cir. 2001).

25. *Id.* at 1184.

26. *Id.* at 1185.

27. Hoffman was ultimately unable to prove that the magazine had actual malice in its creation of the altered *Tootsie* photograph. *Id.* at 1189.

28. See *No Doubt v. Activision Publ'g, Inc.*, 192 Cal. App. 4th 1018, 1035 (2011), discussed *infra*.

29. 30 Cal. 4th 881 (2003).

30. CAL. CIV. CODE § 3344 (West 2011).

31. *Winter*, 30 Cal. 4th at 886.

32. *Id.* at 890.

33. 144 Cal. App. 4th 47, 51 (2006).

34. *Id.* at 59.

35. *Keller v. Elec. Arts, Inc.*, Civ. No. 09-1967, 2010 U.S. Dist. LEXIS 10719, *16-*18 (N.D. Cal. Feb. 8, 2010).

36. *Id.* at *16.

37. *ETW Corp. v. Jireh Publ'g, Inc.*, 332 F.3d 915, 938 (6th Cir. 2003).

38. *Id.* at 918.

“Transformative Use” in Copyright’s “Fair Use” Analysis

Under the Copyright Act, there is a statutory “fair use” doctrine. The “fair use” doctrine, 17 U.S.C. § 107, exempts certain unauthorized uses of copyrighted material from infringement liability, as follows:

Notwithstanding the provisions of sections 106 and 106A, the fair use of a copyrighted work, including such use by reproduction in copies or phonorecords or by any other means specified by that section, for purposes such as criticism, comment, news reporting, teaching (including multiple copies for classroom use), scholarship, or research, is not an infringement of copyright.

Under § 107, there is a list of four nonexhaustive statutory factors to be assessed and balanced in analysis by the court:

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

While “transformative use” is not mentioned in the statutory factors, it has been imported into the first factor, which often has been deemed as the “heart of the fair use inquiry.”⁵² The purpose of the fair use doctrine is “to fulfill copyright’s very purpose, [t]o promote the Progress of Science and useful Arts.”⁵³ In *Campbell v. Acuff-Rose Music, Inc.*, for the first time the Supreme Court announced that also relevant to this inquiry is whether the use is “transformative,” i.e., whether it “adds something new, with a further purpose or different character, altering the first with new expression, meaning, or message.”⁵⁴ Thus:

Although such transformative use is not absolutely necessary for a finding of fair use, the goal of copyright, to promote science and the arts, is generally furthered by the creation of transformative works. *Such works thus lie at the heart of the fair use doctrine’s guarantee of breathing space within the confines of copyright, and the more transformative the new work, the less will be the significance of other factors, like commercialism, that may weigh against a finding of fair use.*⁵⁵

A work is not transformative if, “[r]ather than making some contribution of new intellectual value and thereby fostering the advancement of the arts and sciences, [it] is likely to be used simply for the same intrinsic purpose as the original.”⁵⁶ That is, the fair use doctrine is a means of balancing “the interests of authors and inventors in the control and exploitation of their writings and discoveries on the one hand, and society’s competing interest in the free flow of ideas, information, and commerce on the other hand.”⁵⁷

Various uses have been upheld as transformative fair use.⁵⁸ Other uses have been rejected as nontransformative.⁵⁹ In *United States v. American Society of Composers, Authors and Publishers (In re AT&T Wireless)*, the court denied AT&T’s argument in summary judgment that preview clips of ringtones and ringbacktones were transformative since “the music segments used in [AT&T’s] previews are exact copies of ASCAP music.”⁶⁰ In *In re AT&T Wireless*, the court rejected AT&T’s analogy to cases like *Bill Graham Archives v. Dorling Kindersley Ltd.* and *Kelly v. Arriba Soft Corp.*⁶¹ because sampling a ringtone for the purpose of listening to it before purchase was a purely commercial use and could not be fairly described as “criticism, comment, news reporting, teaching . . . scholarship or research,” and because “unlike [AT&T’s] deliberate use of ASCAP music . . . to sell [AT&T’s] own product,

39. *Id.* at 936.
40. *No Doubt v. Activision Publ'g, Inc.*, 192 Cal. App. 4th 1018, 1023 (2011).
41. *Id.* at 1024.
42. *Id.*
43. *Id.* Additionally, two of *No Doubt's* members could be unlocked individually at the seventh level of the game, and the remaining members could be unlocked at level nine. The band also learned that female lead singer Gwen Stefani's avatar could be made to sing in a male voice, and the male band members' avatars could be manipulated to sing songs in female voices. The individual band member avatars could be made to perform solo, without their band members, as well as with members of other groups.
44. *Id.*
45. *Id.*
46. *Id.* at 1035.
47. *Id.* at 1033.
48. *Hilton v. Hallmark Cards*, 580 F.3d 874, 879 (9th Cir. 2009).
49. *Id.* at 887.
50. *Id.* at 891.
51. *Id.* The court distinguished *Hoffman's* application of the transformative use test, noting that the depiction in *Hoffman* contained composite transformative elements, whereas the depiction in *Hallmark* more closely resembled *Hilton's* appearance in "The Simple Life." *Id.* at 892.
52. *On Davis v. The Gap, Inc.*, 246 F.3d 152, 174 (3d Cir. 2001).

53. *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 575 (1994) (internal quotation marks omitted) (holding that commercial purpose of petitioner's parody did not raise presumption of market harm and did not render use presumptively unfair).
54. *Id.* at 579.
55. *Id.* (emphasis added) (footnote and citations omitted).
56. *Am. Geophysical Union v. Texaco, Inc.*, 60 F.3d 913, 923 (2d Cir. 1994) (holding systematic copying of scientific journal articles was not fair use).
57. *Sony Corp. v. Universal City Studios, Inc.*, 464 U.S. 417, 429 (1984).
58. *See Campbell*, 510 U.S. 569 (rap parody of Roy Orbison's "Oh, Pretty Woman"); *Bill Graham Archives v. Dorling Kindersley Ltd.*, 448 F.3d 605 (2d Cir. 2006) (use of copyrighted posters in biography for an "entirely different" purpose than the original); *NXIVM Corp. v. Ross Inst.*, 364 F.3d 471, 477-78 (2d Cir. 2004) (use of quotes from business training seminar manuals in websites featuring critical analyses of seminars); *Kelly v. Arriba Soft Corp.*, 336 F.3d 811, 818-21 (9th Cir. 2003) (display of thumbnail images of photographs in search engine results); *L.A. News Serv. v. CBS Broad., Inc.*, 305 F.3d 924, 941-42 (9th Cir. 2002) (inclusion of a clip in video montage was transformative, whereas rebroadcasts of three-second clip to promote defendant's coverage was a "less transformative use"); *Ty, Inc. v. Publ'ns Int'l Ltd.*, 292 F.3d 512 (7th Cir. 2002) (use of Beanie Baby photos in an evaluative and critical

the thumbnails produced by the search engine in *Kelly* . . . did not serve to advertise the defendant's product."⁶²

The theme that can be teased out of these case-by-case analyses is that for a proposed use to be transformative, it must: (1) constitute critique or commentary; (2) alter the work to imbue it with "new expression, meaning, [and] message"; and (3) make a significant contribution of new intellectual value, thereby fostering the advancement of the arts and sciences, which is the core principle underlying the Copyright Act.⁶³ Further, because transformative use "lie[s] at the heart of the fair use doctrine's guarantee of breathing space within the confines of copyright," where transformation is found, other factors, including commercialism and the fictional character of the work now usually carry less weight "against a finding of fair use."⁶⁴ Moreover, the transformative nature of the work diminishes any adverse effect on the market because it is not used "for the same intrinsic purpose as the original."⁶⁵

The "transformative use" test in copyright law, however, is not without its detractors. Many commentators believe that it makes little sense given the author's right to make derivative works, and perhaps even conflicts with such rights.⁶⁶

To be sure, the doctrine has been applied imperfectly and inconsistently, sometimes even within the same court. Consider, for example, the issue of whether the work itself must be transformed or whether a mere change of context is sufficient to render a copy a fair use. In *Bill Graham Archives*, where there was no change in the images themselves but the defendant rather just presented them in a different context from the original, nevertheless, transformation was found.⁶⁷ By contrast, a decision from the same court in *On Davis v. The Gap, Inc.*, seems to follow the argument that something is not transformative unless the thing is itself transformed.⁶⁸ Other factors, such as the biographical nature of the use in *Bill Graham Archives* compared to the pure commercial use in *On Davis* clearly influenced the result of

how the court addressed the "transformative use" question.

Compare also, the pair of decisions of *Sandoval v. New Line Cinema Corp.*,⁶⁹ and *Ringgold v. Black Entertainment Television, Inc.*⁷⁰ In *Sandoval*, the defendant used a visual image owned by the plaintiff in furtherance of the pursuit of a distinct visual aesthetic and mood in the film, which was held to be sufficiently transformative to be a fair use because of the different context in which the work was placed.⁷¹ By contrast, in *Ringgold*, a visual image of plaintiff's copyrighted quilt was used similarly to create a mood in a televised scene, but was held not to be transformative as it did not alter the work.⁷² Yet another pairing that could be compared is *John Lennon v. Promise Media Corp.*,⁷³ and the *In re AT&T Wireless* litigation discussed above. In *Lennon*, 15 seconds of the song "Imagine" were used featuring the lyrics "Nothing to kill or die for/And no religion too," which were juxtaposed with a military parade for Joseph Stalin. The court decided that because the song, which was itself unaltered, was put to a different purpose, i.e., for critiquing not the song itself, but rather for exploring the theme in the context of a debate regarding the role of religion in public life, it was held to be sufficiently transformative to constitute a fair use.⁷⁴ By contrast, where similar length excerpts of copyrighted songs were used in the *In re AT&T Wireless* case, the excerpts were held to be used for a purely commercial purpose to advertise and sell the defendant's own products, and thus not a fair use.⁷⁵ The surrounding circumstances in each of these cases clearly influenced which way the courts ruled on the "transformative use" question.

Accordingly, given the somewhat inconsistent, controversial, and results-driven use of the transformative use test in the copyright fair use analysis, the question remains: will courts using the doctrine in right of publicity cases fare any better at laying out consistent rules of the road? Only time will tell. ■

collector's guide); *Nunez v. Caribbean Int'l News Corp.*, 235 F.3d 18, 23 (1st Cir. 2000) (reprinting of modeling photographs of beauty queen as part of an informative newspaper article); *Video-Cinema Films, Inc. v. CNN, Inc.*, 60 U.S.P.Q.2d (BNA) 1415, 1420 (S.D.N.Y. 2001) (use of 10- to 20-second clips from a famous actor's films in for-profit television news reports of his death); *Hofheinz v. A&E Television Networks*, 146 F. Supp. 2d 442, 448 (S.D.N.Y. 2001) (use of 20 seconds of film footage in biography of actor).

59. *Elvis Presley Enters. v. Passport Video*, 349 F.3d 622, 628–29 (9th Cir. 2003) (biographical documentary including songs, photographs, and numerous clips ranging from several seconds to a minute); *Video Pipeline, Inc. v. Buena Vista Home Entm't*, 342 F.3d 191, 199 (3d Cir. 2003) (creation of movie trailers by copying short segments of movies and posting on Internet); *On Davis v. The Gap, Inc.*, 246 F.3d 152, 174 (2d Cir. 2001) (display of copyrighted jewelry in clothing advertisement “in the manner it was made to be worn”); *A&M Records, Inc. v. Napster, Inc.*, 239 F.3d 1004, 1015 (9th Cir. 2001) (retransmitted copyrighted sound recordings in online medium); *Infinity Broad. Corp. v. Kirkwood*, 150 F.3d 104, 106–08 (2d Cir. 1998) (rebroadcast of radio transmissions over telephone); *Video-Cinema Films, Inc. v. Lloyd E. Rigler-Lawrence E. Deutsch Found.*, 78 U.S.P.Q.2d (BNA) 1538, 1545 (S.D.N.Y. 2005) (one-minute clip, even though part of new compilation, because it did not “transform or add new meaning to the performance”); *Schiffer Publ'g, Ltd. v. Chronicle Books, LLC*, 73 U.S.P.Q.2d (BNA) 1090, 1100 (E.D. Pa. 2004) (photographs copied from design books to create historical reference book of design patterns held not transformative because both books shared the common purpose of informing designers and artists about patterns and fabrics); *Viacom Int'l Inc. v. Fanzine Int'l Inc.*, 56 U.S.P.Q.2d (BNA) 1363, 1367 (S.D.N.Y. 2000) (reproduction of animated television characters in magazine without any text or commentary).

60. 599 F. Supp. 2d 415, 424 (S.D.N.Y. 2009). One of the authors, David Leichtman, was counsel for ASCAP in this case.

61. See cases cited *supra* note 58.

62. *In re AT&T Wireless*, 599 F. Supp. 2d at 424–28.

63. *Campbell*, 510 U.S. at 578; *Am. Geophysical*, 60 F.3d at 923.

64. *Campbell*, 510 U.S. at 578.

65. *Am. Geophysical*, 60 F.3d at 923.

66. See, e.g., 2 PAUL GOLDSTEIN, GOLDSTEIN ON COPYRIGHT § 12.2.2.1(c), 12:39–40 (3d ed. Supp. 2010).

67. 448 F.3d at 609.

68. 246 F.3d at 174.

69. 973 F. Supp. 409 (S.D.N.Y. 1997), *aff'd on other grounds*, 147 F.3d 215 (2d Cir. 1998).

70. 126 F.3d 70 (2d Cir. 1997).

71. 973 F. Supp. at 413.

72. 126 F.3d at 78.

73. 556 F. Supp. 2d 310 (S.D.N.Y. 2008).

74. *Id.* at 316–17.

75. *U.S. v. Am. Soc'y of Composers, Authors & Publishers (ASCAP)*, 599 F. Supp. 2d 415, 424–28 (S.D.N.Y. 2009).