

## Facenda Jr. v. NFL Films, Inc.: “Voice of God” Case Settled After Third Circuit Ruling

Anastasios Kaburakis and Steve McKelvey

*“Pro football, the game for the ear and the eye ... This sport is more than a spectacle, it is a game for all seasons ... X's and O's on the blackboard are translated into imagination on the field.”*

This 13 seconds of digitally-altered audio, incorporated by National Football League Films, Inc. into “The Making of Madden NFL '06,” lies at the heart of the lengthy legal saga between the estate of John Facenda and NFL Films (*Facenda Jr. v. N.F.L. Films, Inc.*, 542 F.3d 1007 (3<sup>rd</sup> Cir. 2008)). The Third Circuit’s decision is instructive on three key fronts. First, it highlights the continued challenge facing courts to consistently apply the existing federal jurisprudence of trademark infringement to cases of false endorsement involving famous persons. Second, in a case of first impression for the Third Circuit, it establishes the applicable standard of proof in such false endorsement cases as a “likelihood of confusion,” as opposed to the much more rigorous standard of actual confusion. Third, a determination of “likelihood of confusion” necessarily entails (at least within the Third Circuit) a genuine issue of material fact, and not one that can be decided by a judge in a summary judgment.

*Anastasios Kaburakis, PhD, is an assistant professor in the Department of Kinesiology and Health Education at Southern Illinois University Edwardsville. His research interests include intellectual property issues in video games and new media, gaming law, and international comparative sport law and policy.*

*Steve McKelvey, JD, is an associate professor and graduate program director in the Department of Sport Management at the University of Massachusetts, Amherst. His research interests include legal issues in sport marketing and sport sponsorship, ambush marketing, and sport sponsorship and consumer attitudes.*

ment motion. Although the case was remanded back to the lower court for a trial on the “likelihood of confusion” issue, the parties subsequently settled in February 2009. Terms of the settlement were not disclosed (“Facenda family,” 2009).

### Background

For decades, Facenda narrated NFL documentary films with a voice and cadence so unique that, over time, he earned the moniker “the voice of God.” In April 1984, prior to his death, Facenda negotiated a release with NFL Films allowing use of his previously recorded narrations in future NFL Films productions “provided, however, such use does not constitute an endorsement of any product or service” (*Facenda*, 2008, p. 6). Shortly before its release of the video game “Madden NFL '06,” NFL Films, in conjunction with licensee EA Sports, produced and aired on NFL Network a 22-minute show entitled “The Making of Madden NFL '06.” The show included a visual “countdown” box informing viewers how many days remained before the game’s release for retail sale. The show, which included nothing but positive and favorable comments on the upcoming videogame, included 13 seconds of Facenda’s voice delivering the passage emphasized above.

Shortly thereafter, John Facenda, Jr., as executor of his father’s estate, filed suit in U.S. District Court claiming false endorsement under the federal Trademark (Lanham) Act and violation of Facenda’s statutory right of publicity under Pennsylvania Law (*Facenda Jr. v. N.F.L. Films, Inc.*, 2007)). The District Court granted summary judgment in favor of the Facenda estate on both counts. NFL Films, Inc. appealed to the U.S. Court of Appeals for the Third Circuit.

### Documentary ... or Commercial?

Pivotal to the Third Circuit’s *de novo* review of the lower court decision was a determination of whether the show was, as argued by the NFL, merely a documentary which constituted informational and/or artistic expression protectable under the First Amendment or, as argued by the estate of Facenda, a “commercial” for the upcoming release of EA Sports’ latest edition of “Madden NFL '06”.

In analyzing the NFL’s First Amendment claim, the appellate court utilized the Second Circuit’s test in *Rogers v. Grimaldi* (1989), which weighed “the public interest in avoiding consumer confusion” against “the public interest in free expression” (p. 999). By digitally synthesizing Facenda’s voice excerpts, the NFL attempted to connect its history to the modern video game. It argued that any commercial promotion was “inextricably intertwined” with artistic and informa-

tional items, rendering it “fully protected speech” (*Facenda*, 2008, p. 18). The Third Circuit disagreed and, in reviewing the facts, accepted the estate’s argument that the production was less of a documentary than an “infomercial” (or as suggested by the estate’s expert witness, a “documercial”) (*Id.*, p. 19, fn 6). In reaching this conclusion, both courts noted that the show contained no negative comments about the video game and that the NFL had a direct financial interest in the sales of the video game.

Having made this determination, the Third Circuit was left to tackle the interpretation of § 43(a)(1)(A) of the Lanham Act in the context of a false endorsement claim (an issue not previously addressed by the Third Circuit), as well as the issue of federal copyright preemption of state rights of publicity.

#### **Analysis of False Endorsement Claims under the Lanham Act**

Many plaintiffs in similar false endorsement cases have resorted to § 43(a)(1)(A) in a federal Lanham Act claim. For some it may be the sole remedy, if there is no common law or statutory right of publicity within their jurisdiction. According to the most recent data by the National Conference of State Legislatures (2006) there are presently 30 states with either a common law (11) or statutory (19) right of publicity. Importantly, to avoid forum shopping and the current divergence of courts’ opinions, the American Bar Association (ABA) and the International Trademark Association (INTA) have researched and proposed what may lead to a lobbying effort toward a federal right of publicity (Marr, 2003; INTA, 1998).

A plaintiff using Lanham Act § 43(a)(1)(A) must prove that: (1) the mark is legally protectable; (2) the plaintiff owns the mark; and (3) the defendant’s use of the mark to identify its goods or services is likely to create confusion concerning the plaintiff’s sponsorship. Courts have broadly interpreted “name, symbol, or device” to include any insignia of identity, including a person’s voice. For instance, in *Waits v. Frito-Lay, Inc.* (1992), the Ninth Circuit held that “§43(a) claims based on voice are cognizable” (pp. 1106–1107). In *Waits*, Frito-Lay hired a Tom Waits sound-alike to perform in a Doritos commercial. Waits successfully established false endorsement under Lanham Act § 43(a)(1)(A), as well as appropriation of his voice in violation of common law right of publicity. Six states specifically include “voice” as part of the persona protected by right-of-publicity statutes: California, Indiana, Nevada, New York, Oklahoma, and Texas (Marr, 2003).

In *Facenda*, the NFL did not challenge that indicia of identity encapsulate voice; nor did they deny that

Facenda’s voice was “distinctive and generally protectable as an unregistered mark” (*Facenda*, 2008, p. 13). The NFL also did not contest the second prong of § 43(a), that Facenda’s estate owned the mark (*Id.*). Thus, the case analysis by the Third Circuit revolved around the “likelihood of confusion” element, which is typically addressed through the introduction of consumer survey evidence and/or expert testimony.

It is important to note the position of INTA on the use of consumer surveys as evidence of likelihood of confusion, as in *Facenda* this was the key element that led the Third Circuit to remand the trial of Facenda’s § 43(a) claim back to the District Court. INTA, reflecting on the Restatement (Third) of Unfair Competition, posits that no adverse inference should be drawn by the mere failure of a trademark owner to offer consumer survey evidence on the likelihood of confusion (INTA, 2008; also see *Facenda*, 2008, pp 28-29). It is argued therein that the costs of litigation would increase dramatically and the judicial analysis of competing experts’ testimony may lead to severe backlog, as well as reduced protection for bona fide trademark owners.

As stated earlier, this case highlights the challenge of trying to apply the existing jurisprudence of trademark infringement in the context of competing or non-competing goods and services to cases of false endorsement involving persons. On the estate’s Lanham Act § 43(a)(1)(A) claim, the court applied the ten-factor test first established in *Interpace Corp. v. Lapp, Inc.* (3d Cir. 1983). However, the *Lapp* factors do not fit particularly well in such false endorsement claims, in that the *Lapp* factor test was created to accommodate cases involving the mark of two competing or non-competing goods. This test would apply nicely if the contested issue involved a dispute over, say, the trademark of EA Sports and another company trying to compete in the pro football sports video space using the trademark EE Sports. The *Facenda* case, on the other hand, presents a question of whether the NFL used Facenda’s mark (in this case, his voice) in a manner that falsely implied that Facenda endorsed the video game. Given this “uncomfortable fit” and to address this “disconnect between *Lapp* and false endorsement claims,” (*Facenda*, 2008, p. 25), the District Court thus adopted a modified eight-factor test set forth in *Downing v. Abercrombie & Fitch* (2001).<sup>1</sup>

In applying the *Downing* factors *de novo*, the pivotal analysis for the appellate court was to decide whether, as argued by NFL Films, the estate of Facenda had to provide a consumer confusion survey evidencing *actual* confusion (factor #4). In holding for the plaintiff, the appellate court determined that, unlike claims under §43(a)(1)(B), which requires a showing of *actual* confusion, claims under §43(a)(1)(A) do not (requir-

ing only a “likelihood of confusion”). Of all the cases cited by the NFL, only one deemed a consumer confusion survey proving actual confusion necessary for a § 43(a)(1)(A) claim [see, *Seale v. Gramercy Pictures* (E.D. Pa. 1997)]. Somewhat remarkably and boldly, the Third Circuit resolved this conflict by noting that “the District Court in *Seale* erred (likely inadvertently) by quoting the language of subsection (a)(1)(A) rather than (a)(1)(B) as it apparently intended” (*Facenda*, 2008, p. 32).

This critical holding by the Third Circuit did not, however, end the court’s analysis of the case. Whereas the lower court, in applying the *Downing* factors, had determined as a matter of law that “The Making of Madden NFL ‘06” was likely to confuse consumers as to Facenda’s endorsement of show, the Third Circuit disagreed, stating that “[g]enuine disputes over material facts do exist in our case” (*Id.* p. 26). Hence, the Third Circuit overturned the lower court’s summary judgment on this issue, stating that the issue of likelihood of confusion is predominantly factual in nature and should thus be handled at trial (*Id.* p. 38).

### Facenda’s Right of Publicity under Pennsylvania Law

The statutory recognition of the right of publicity is found in 42 Pa. Cons. Stat. Ann. § 8316, which states: “Any natural person whose name or likeness has commercial value and is used for any commercial or advertising purpose without consent may sue for an injunction and damages... A deceased person’s estate may bring such an action... [T]he right only lasts until thirty years after the person’s death” (which, in Facenda’s case, would be September 26, 2014).

A major difference between state claims of rights of publicity violations and federal Lanham Act claims is that there is no need for proof of consumer confusion for the former. Often such cases have turned on the element of prior commercial value of the plaintiff’s identity. In *Facenda*, the commercial value of Facenda’s voice was not disputed. The NFL used it for commercial purposes, and Facenda had not consented to such commercial or advertising use. On appeal, the NFL focused its efforts on a popular defense: federal copyright preemption of the state right of publicity claim. Under this theory, the NFL argued that the excerpts used should be deemed “derivative works” of NFL Films, for which the NFL owned the copyright. The Third Circuit recognized the NFL’s copyright ownership of Facenda’s voice in non-commercial contexts. However, it held on two grounds that the NFL’s copyright should not preempt Facenda’s statutory right of publicity.

First, the commercial value in his voice, per § 8316(e) of the Pennsylvania statute, adds an extra ele-

ment which goes beyond a copyright infringement burden of proof. As such, the statutory claim is not equivalent to the exclusive rights afforded to copyright holders under 17 U.S.C. § 301(a) (preemption of state-law claims when they protect exclusive rights in works within the subject matter of copyright law). Second, the Third Circuit held that instead of focusing on the NFL’s copyrighted works, the correct analysis should focus on the precise subject matter which here is Facenda’s voice per se, not its recordings. Following *Midler v. Ford Motor Co.* (1988), the court held that “one cannot divorce his distinctive voice itself from the Facenda identity (or persona)” (*Facenda*, 2008, p. 46). Thus, Facenda’s voice held to be outside the subject matter of copyright law, and the estate’s statutory rights of publicity were not preempted.

Correctly, the Third Circuit proceeded with clarifying the inherent conflict between the above finding of no preemption and the defendants’ copyrights in NFL works in which Facenda had contributed. Had it failed to address this conflict, “few copyright holders would be safe from suits by performers who agreed to appear in the holders’ works” (*Facenda*, 2008, p. 47). Put another way, “when does the right of individuals to avoid commercial exploitation of their identities interfere with the rights of copyright owners to exploit their works?” (*Facenda*, 2008, p. 49). The Third Circuit resolved this conflict through a two-part analysis. Reflecting on legal scholar Nimmer’s work, the appellate court held that where commercial use is the primary motive, state rights of publicity are not preempted [e.g. *Midler*, *Waits*, and the highly controversial *White v. Samsung* (1992)]. Conversely, they are preempted where the plaintiff has consented through a contract to the copyrighted use of his or her likeness, and such use is incorporated into expressive works by the copyright holder (see, *Laws v. Sony Music Entertainment, Inc.* (2006) finding copyright preemption of state law-based rights of publicity due to Sony’s contractual license to Laws’ song).

The key issue is whether the plaintiff collaborated in the creation of a commercial product. Where, as here, the plaintiff “did not collaborate specifically in the creation of advertising content, then the plaintiff is in a strong position to assert continuing control over the use of his image” (*Facenda*, 2008, p. 53). In concluding its legal analysis of the sometimes inherent conflict between right of publicity and copyright law, the appellate court emphasized that:

... courts must circumscribe the right of publicity so that musicians, actors, and other voice artists do not get a right that extends beyond commercial advertisements to other works of artistic expression. If courts failed to do so, then every record

contract or movie contract would no longer suffice to authorize record companies and movie studios to distribute their works. In addition to copyrights, entertainment companies would need additional licenses for artists' rights of publicity in every case. (*Facenda*, 2008, p. 57)

### Discussion and Implications for Sport Managers

Despite remanding the case back to the lower court for a potential trial on the "likelihood of confusion" issue, the Third Circuit's decision was, as suggested by the plaintiff's attorney, a resounding victory for the plaintiff (personal communication, Tracy Hunt, April 1, 2009). In addition to prevailing on the state law-based right of publicity claim, the Third Circuit's decision requiring a "likelihood of confusion" versus an actual confusion standard strongly favored the plaintiff. Unlike the more demanding and rigorous "actual confusion" standard, demonstrating a "likelihood of confusion" does not necessarily require the plaintiff to produce a costly consumer survey, but can also be met through expert witness testimony and anecdotal evidence. For example, in *Waits*, the plaintiff was successfully able to provide a number of individuals who personally knew Tom Waits and attested to the fact that when they heard the Doritos ad they actually thought it was Tom Waits (and were surprised that he had "sold out"). In sum, the Third Circuit's decision substantially lowered the hurdles the plaintiff would have faced in demonstrating "likelihood of confusion" had the case proceeded to a jury trial.

This case provides several implications for sport managers, as well as for those seeking to protect their right of publicity. Sport organizations often produce so-called "documentaries" designed to promote the organization or the organization's products. In producing such shows that utilize copyrighted material including any indicia of identity of sport celebrities (such as announcers and players), sport organizations must be careful of the extent to which, although internally labeled a "documentary," the show could be deemed "commercial" in nature. This concept could also extend to so-called print "advertorials" in which an announcer's or player's name, likeness or other indicia of identity is included in editorial that is juxtaposed to a paid advertisement. Sport organizations must be careful that the use of the celebrity's indicia of identity does not rise to the level of "endorsing" the product or service being advertised. As further suggested by the *Facenda* case, even a minimal use of an indicia of identity (13 seconds in a 22-minute show) can be enough to trigger potential liability.

This case also serves to illustrate the importance of careful drafting of contracts that anticipate the use of a sport celebrity's name, likeness, or other indicia of identity. The broadly worded release form signed by *Facenda* granted NFL Films "the unequivocal (emphasis added) rights to use the audio and visual film sequences recorded of me, or any part of them ... in perpetuity and by whatever media or manner NFL Films ... sees fit, provided, however, such use does not constitute an endorsement of any product or service" (*Facenda*, 2008, pp. 5-6). In retrospect, a more carefully worded agreement that better defined limitations on usage deemed "an endorsement of any product or service" would have better informed both parties. The negotiation and construction of contracts that utilize copyrighted materials becomes even more important when considering how celebrities' intellectual property rights and rights of publicity could be utilized in the ever-evolving digital world. As a result, sport organizations and celebrities entering such agreements in the future would be well advised to consider the lessons of *Facenda*.

### References

- Downing v. Abercrombie & Fitch*, 265 F.3d 994 (9th Cir. 2001).
- Facenda* family, NFL Films settle. (March 11, 2009). ESPN.com. Retrieved March 30, 2009, from <http://sports.espn.go.com/espn/print?id=3970565&type=story>
- Facenda Jr. v. N.F.L. Films, Inc., et al.*, 488 F. Supp. 2d 491 (E. Dist. Pa. 2007).
- Facenda Jr. v. N.F.L. Films, Inc., et al.*, 542 F.3d 1007 (3rd Cir. 2008).
- International Trademark Association. (1998, March 3). *Federal right of publicity*. INTA.org. Retrieved March 10, 2009, from [http://www.inta.org/index.php?option=com\\_content&task=view&id=285&Itemid=153&getcontent=3](http://www.inta.org/index.php?option=com_content&task=view&id=285&Itemid=153&getcontent=3)
- International Trademark Association (2008, September 22). *Adverse inference for Failure to conduct likelihood of confusion survey*. INTA.org. Retrieved March 10, 2009, from [http://www.inta.org/index.php?option=com\\_content&task=view&id=1920&Itemid=153&getcontent=3](http://www.inta.org/index.php?option=com_content&task=view&id=1920&Itemid=153&getcontent=3)
- Interpace Corp. v. Lapp, Inc.*, 721 F.2d 460 (3d Cir. 1983).
- Laws v. Sony Music Entertainment, Inc.*, 448 F.3d 1134 (9th Cir. 2006).
- Marr, J. T. (2003). Constitutional restraints on state right of publicity laws. *Boston College Law Review*, 44, 863-900.
- Miller v. Ford Motor Co.*, 849 F.2d 460 (9th Cir. 1988).
- National Conference of State Legislatures (2006). *State right of publicity*. NCSL.org. Retrieved March 10, 2009, from <http://www.ncsl.org/programs/ls/privacy/publicity04.htm>
- Pesina v. Midway Manufacturing*, 948 F. Supp. 40 (N. D. Ill. 1996).
- Rogers v. Grimaldi*, 875 F.2d 994 (2d Cir. 1989).
- Seale v. Gramercy Pictures*, 964 F. Supp. 918 (E.D. Pa. 1997).
- Tcague, M. (2007, June). Icons: The voice of God. *Philadelphia Magazine*. Retrieved March 10, 2009, from [http://www.phillymag.com/articles/icons\\_the\\_voice\\_of\\_god/](http://www.phillymag.com/articles/icons_the_voice_of_god/)
- Waits v. Frito-Lay, Inc.*, 978 F.2d 1093 (9th Cir. 1992).
- White v. Samsung Electronics America*, 971 F.2d 1395 (9th Cir. 1992).

### Endnotes

- <sup>1</sup> The *Downing* factors include: 1) the level of recognition that the plaintiff has among the segment of society for whom the defendant's product is intended; 2) the

relatedness of the fame or success of the plaintiff to the defendant's product; 3) the similarity of the likeness used by the defendant to the actual plaintiff; 4) evidence of actual confusion; 5) marketing channels used; 6) likely degree of purchaser care; 7) defendant's intent in selecting the plaintiff; and 8) likelihood of expansion of the product lines. The appellate court pointed out: "Although these are all factors that are appropriate for consideration in determining the likelihood of confusion, they are not necessarily of equal importance, nor do they necessarily apply to every case" (*Facenda*, 2008, p. 26).

*DISCLAIMER: Professors Anita M. Moorman, JD, of the University of Louisville and Steve McKelvey, JD, of the University of Massachusetts, Amherst are the co-editors of this feature column. Professors Moorman and McKelvey teach sport law in the sport administration programs at their respective universities.*

*The materials in this column have been prepared for informational and educational purposes only, and should in no way be considered legal advice. You should not act or rely upon these materials without first consulting an attorney. By providing these materials it is not the intent of Professor Moorman or McKelvey to enter into an attorney-client relationship with the reader. This is not a solicitation for business. If you choose to contact either of us through e-mail, please do not provide us with any confidential information.*

*Inquiries regarding this feature may be directed to Anita M. Moorman at amm@louisville.edu and Steve McKelvey at mckelvey@sportmgt.umass.edu.*