

## Rozdział trzeci

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### **The Evolution of Intellectual Property Theory and the Right of Publicity in the U.S. Contemporary Application in the Entertainment and Sport Industry**

Contemporary intellectual property law applications illustrate a very dynamic and rapidly evolving conceptual environment. The proverbial conflict has been between the protection of intellectual creation and the general freedom to create *de novo*, including expressions of one's intellect that have been inspired by others. It is precisely this conflict that has triggered a continuous field day for contemporary scholarship, and volumes such as the one at hand significantly contribute to further understanding of such competing concepts. Given the cultural differences and different historical underpinnings among international jurisdictions, along with the globalization of business and constant exchange of human and intellectual capital, comparative intellectual property studies may become a norm. Additionally, it is of great importance that scholars, practitioners, and policy-makers define the limits, or alternatively attempt to describe the parameters for flexible applications, of the freedom of expression, encouraging creative and innovative ideas, thus ensuring society in its entirety benefits, whilst also upholding the creators' rights to their intellectual property.

One of the richest sources of intellectual property theory, given its social, political, and entrepreneurial environment, has been American legal theory and jurisprudence in the U.S. Moreover, through its early

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\* Dr. Anastasios Kaburakis – Attorney At Law, Asst. Professor, John Cook School of Business, Saint Louis University.

evolution as a distinct area of fundamental rights, to today's elaborate amalgam of collective rights and free access via the public domain versus private rights protection, U.S. intellectual property theory and specifically the right of publicity continue to evolve through conditions and applications in the sectors of (new) media, entertainment, and sports.

## Intellectual Property Theory and Application

### A. Right to Privacy

The right to privacy, whence the right of publicity sprung, has its roots in legal scholarship and jurisprudence of the late nineteenth century. The first significant literature contribution that provided the seeds for a tort of invasion of privacy is found in Judge Cooley's<sup>1</sup> treatise on torts<sup>2</sup>. Therein, Judge Cooley coined the term of „the right to be let alone“<sup>3</sup>.

The most instrumental contribution to the formation and acknowledgment of the right to privacy has been the landmark article by Samuel Warren and Louis Brandeis, “The Right to Privacy”, published in 1890 in the *Harvard Law Review*<sup>4</sup>. The authors prophetically pontificate:

“Recent inventions and business methods call attention to the next step which must be taken for the protection of the person, and for securing to the individual what Judge Cooley calls the right ‘to be let alone’. Instantaneous photographs and newspaper enterprise have invaded the sacred precincts of private and domestic life; and numerous mechanical devices threaten to make good the prediction that ‘what is whispered in the closet shall be proclaimed from the house-tops’”<sup>5</sup>.

It took Prosser's own influential article in 1960<sup>6</sup> for the right to be firmly established in US Jurisprudence and legal theory. Prosser de-

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<sup>1</sup> Justice Cooley served on the Michigan Supreme Court.

<sup>2</sup> T.M. Cooley, *A Treatise on the Law of Torts, or, The Wrongs Which Arise Independently of Contract*, Callaghan & Co. 1878.

<sup>3</sup> *Id* at 192.

<sup>4</sup> S.D. Warren, L.D. Brandeis, *The Right to Privacy*, 4 Harv. L. Rev. 193, 195 (1890).

<sup>5</sup> Warren & Brandeis, *supra* note 4, at 195.

<sup>6</sup> William L. Prosser, *Privacy*, 48 Cal. L. Rev. 383, 384 (1960).

scribed the evolving tort as a “complex” of four distinct invasions of four separate privacy interests, which do not have much in common, other than the overarching principle of the plaintiff’s right „to be let alone” (quoting Judge Cooley)<sup>7</sup>. Prosser defines these four distinct invasions as:

1. Intrusion upon the plaintiff’s seclusion or solitude, or into his private affairs.
2. Public disclosure of embarrassing private facts about the plaintiff.
3. Publicity which places the plaintiff in a false light in the public eye.
4. Appropriation, for the defendant’s advantage, of the plaintiff’s name or likeness<sup>8</sup>.

Further, Prosser remarks:

“It is not impossible that there might be appropriation of the plaintiff’s identity, as by impersonation without the use of either his name or his likeness, and that this would be an invasion of his right of privacy. No such case appears to have arisen”<sup>9</sup>.

Decades after those lines were written, the Ninth Circuit (encompassing the federal appeals courts hearing cases originating at the district courts in California, the de facto forum of choice for most US entertainers, i.e. the “Hollywood Circuit”) would be inundated by such cases<sup>10</sup>. Several other Circuits and courts would embark on the quest to decide the extent of privacy and publicity protection. Indeed, the fourth invasion Prosser posits, appropriation, refers to the de facto (and subsequently de jure) proprietary interest that yields value to the right owner, who could capitulate licenses for profit<sup>11</sup>. He then proceeds to directly cite *Haelan Laboratories v. Topps Chewing Gum, Inc.*<sup>12</sup> and *Nimmer*<sup>13</sup> as the seeds of a clear identification of the Right of Publicity<sup>14</sup>.

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<sup>7</sup> Prosser, *supra* note 6, at 389.

<sup>8</sup> *Id.*

<sup>9</sup> *Id.* at 401 n.155.

<sup>10</sup> *E.g., Downing v. Abercrombie & Fitch*, 265 F.3d 994 (9th Cir. 2001) (elaborated below, precisely pertaining to Prosser’s footnote description); *Waits v. Frito-Lay, Inc.*, 978 F.2d 1093 (9th Cir. 1992); *White v. Samsung Electronics America*, 971 F.2d 1395, 1399 (9th Cir. 1992); *Midler v. Ford Motor Co.*, 849 F.2d 460 (9th Cir. 1988); *Motschenbacher v. RJ Reynolds*, 498 F. 2d 821 (9th Cir. 1974).

<sup>11</sup> Prosser, *supra* note 6, at 406.

<sup>12</sup> *Haelan Laboratories v. Topps Chewing Gum, Inc.*, 202 F.2d 866 (2d Cir. 1953).

<sup>13</sup> Melville B. Nimmer, *The Right of Publicity*, 19 Law & Contemp. Probs. 203 (1954).

<sup>14</sup> Prosser, *supra* note 6, at 406 n.193; 407 n.194.

The latter, as an extension of Prosser's work, was further developed in the Restatement (Second) of Torts<sup>15</sup>, in which the four-tort model was adopted. Section 652C states that "one who appropriates to his own use or benefit the name or likeness of another is subject to liability to the other for invasion of his privacy"<sup>16</sup>. Eventually<sup>17</sup>, the Right of Publicity found its own recognition in the Restatement (Third) of Unfair Competition. Section 46 encapsulates the progress in legal scholarship and jurisprudence:

The Right of Publicity:

"One who appropriates the commercial value of a person's identity by using without consent the person's name, likeness, or other indicia of identity for purposes of trade is subject to liability for the relief appropriate under the rules stated in §§ 48 and 49"<sup>18</sup>.

There are significant distinctions between the narrow definition of the Restatement (Second) of Torts Section 652C and the broad scope of the Right of Publicity under the definition in the Restatement (Third) of Unfair Competition Section 46<sup>19</sup>. Namely, in the latter the mere inclusion of "other indicia of identity" allows for plaintiffs such as Motschenbacher and Vanna White (below) to claim that their misappropriation may not have included names or direct likenesses, however the defendants definitely impersonated them and such use

<sup>15</sup> Restatement (Second) of Torts §§ 652A (1977).

<sup>16</sup> *Id* at §§ 652C.

<sup>17</sup> Particularly after cases such as *O'Brien v. Pabst Sales Co.*, 124 F.2d 167 (5th Cir. 1941) and *Haelan Laboratories*, 202 F.2d 866.

<sup>18</sup> Restatement (Third) of Unfair Competition § 46 (1995).

<sup>19</sup> See Sean Hanlon & Ray Yasser, "J.J. Morrison" and his Right of Publicity Lawsuit Against the NCAA, 15 Vill. Sports & Ent. L.J. 241 (2008), at 259-66 [for the transition from the Right to Privacy to the Right of Publicity through case law and the American Law Institute's Restatements of the Law. The authors, in footnote 148, opt for the Restatements as sources of legal theory, considering the diverse statutory recognition of the right of publicity among states. Considering the impact of particular cases, as well as the breadth of common law and statutory treatment of the right of publicity (see also A. Kaburakis & Steven McKelvey, *Facenda Jr. v. NFL Films, Inc.: "Voice of God" Case Settled After Third Circuit Ruling*, 18 Sport Marketing Quarterly 2, at 108, 2009), this chapter de-limits and focuses on particular jurisdictions, also taking into account the advent of the important pending class action suits in the consolidated *In Re Student Athlete Name and Likeness Licensing Litigation* (C 09-01967 CW, N.D. Cal. 2010) and California courts' precedent. For more see A. Kaburakis [et al.], "It's in the likeness". *NCAA Student-Athletes' Rights of Publicity, EA Sports, and the video-game industry. The Keller forecast*, 27 Entertainment and Sports Lawyer 1, (2009)].

encompassed indicia of their identity, thus violating their right of publicity.

## B. Right of Publicity Evolution

The Right of Publicity has evolved to become broadly accepted as the inherent right to control the commercial use of one's identity<sup>20</sup>. It is mainly a creation of state law, although in many cases, either as a supplementary weapon or as the main claim, plaintiffs use a false endorsement claim under Federal Trademark (Lanham) Act Section 43 (a)<sup>21</sup>. In some instances the latter may be the sole remedy, if there is no common law or statutory right of publicity within the respective jurisdiction. According to the most recent (2006) data by the National Conference of State Legislatures, there are thirty states with either a common law (eleven) or statutory (nineteen) right of publicity<sup>22</sup>. The American Bar Association (ABA) and the International Trademark Association (INTA) have engaged in discourse and research with respect to a federal right of publicity<sup>23</sup>, in order to discourage forum shopping and attend to the current incongruity among the opinions of various courts.

In 1941, one of the first cases concerning appropriation of a college athlete's picture, likeness, or identity, featured Pabst Beer Co's use of a Texas Christian University (TCU) football student-athlete's picture in a feature calendar, promoting its renowned Pabst Blue Ribbon brand<sup>24</sup>. However, the student-athlete, David O'Brien, was actually a member of the Allied Youth of America, promoting abstinence from alcohol. Thus, O'Brien filed suit claiming his right to privacy had been

<sup>20</sup> J. Thomas McCarthy, *The rights of Publicity and Privacy*, West Pub. 1987. See also J. Thomas McCarthy, *Trademarks & Unfair Competition*, West Pub. 1996.

<sup>21</sup> Moreover, federal courts may apply diversity jurisdiction, in cases where a certain state's common law or precise statutory provisions would not be appropriate or do not exist to provide resolution. E.g. *Downing*, 265 F.3d 994.

<sup>22</sup> National Conference of State Legislatures (NSCL), State Right of Publicity, NCSL.org., available at: [www.ncsl.org/programs/lis/privacy/publicity04.htm](http://www.ncsl.org/programs/lis/privacy/publicity04.htm) (last visited June 5, 2009).

<sup>23</sup> International Trademark Association (INTA), Federal Right of Publicity, INTA.org (March 3, 1998), [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).

<sup>24</sup> O'Brien, 124 F.2d 167.

invaded and he had suffered damages. Unfortunately for the plaintiff, two of the three judges deciding the case for the Fifth Circuit held that as O'Brien had enjoyed notoriety and fame through his success on the football field, concomitantly he could not claim that he should be shielded from use of his picture by Pabst<sup>25</sup>. The Fifth Circuit further established that O'Brien consistently **consented** to the use of his picture by the TCU Publicity Department<sup>26</sup>.

A turning point in right of publicity jurisprudence came in 1953, when the Second Circuit became the first to officially develop the distinction between the right to privacy and the right of publicity<sup>27</sup>. In *Haelan Labs v. Tops Chewing Gum*, the competing chewing gum manufacturers brought important arguments to the fore in regard to publication of baseball players' pictures. The plaintiffs argued that they had an exclusive right through contract with the players, thus the defendants should be enjoined from using the pictures in their baseball cards. The defendants argued that "a man has no legal interest in the publication of his picture other than his right of privacy, i.e., a personal and non-assignable right not to have his feelings hurt by such a publication"<sup>28</sup>. The Second Circuit disagreed, with Judge Frank declaring:

"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"<sup>29</sup>.

Subsequent to this important decision, there was significant legal debate. In 1974, the Ninth Circuit, which would be frequently entrusted with right of publicity decisions in the coming years, delivered an important extension to the scope of the right.

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<sup>25</sup> *Id* at 170.

<sup>26</sup> *Id* at 169.

<sup>27</sup> *Haelan Labs v. Tops Chewing Gum*, 202 F. 2d 866, 868 (2d Cir. 1953).

<sup>28</sup> *Id*.

<sup>29</sup> *Id*.

In *Motschenbacher v. RJ Reynolds*, a race car driver was suing a tobacco company for an unauthorized advertisement using images of the plaintiff's car. Although the defendant company went to great length "doctoring" the images of race cars, including the plaintiff's, and the surrounding competition environment, it was held that the plaintiff's identity was sufficiently identifiable (even though his actual likeness was not recognizable), and thus had been misappropriated by the defendants whilst managing their promotional cigarette advertisements<sup>30</sup>. The *Motschenbacher* decision indicated that even though a manufacturer may attempt to alter images (i.e. "scramble"<sup>31</sup>), these may still be sufficient to identify a plaintiff. The contemporary competition environment, in which entertainment business, gaming, and sports take place, with the concurrent need for increased realism as a selling tool (video games are a good example) leaves little doubt that the identities of entertainers and athletes in their present use are protected under the *Motschenbacher* scope. Indeed, their right of publicity would receive such broad protection not only in California, but in other jurisdictions as well<sup>32</sup>.

In 1978, in *Ali v. Playgirl*, Muhammad Ali sued Playgirl magazine under the New York right of privacy statute and further alleged a violation of his common law right of publicity. The magazine published a drawing of a nude, black male sitting on a stool in a corner of a boxing ring with hands taped and arms outstretched on the ropes. The district court concluded that Ali's right of publicity was invaded because the drawing sufficiently resembled him in spite of the fact that the drawing was captioned "Mystery Man". The district court found that the identification of Ali was possible because the figure was captioned "The Greatest", the term coined by Ali, referring to himself<sup>33</sup>.

In yet another federal Circuit case delivering an opinion on the scope of the evolving right, the Sixth Circuit, in *Carson v. Here's Johnny Portable Toilets*, leaned in favor of the plaintiff in regard to

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<sup>30</sup> *Motschenbacher*, 498 F. 2d at 822.

<sup>31</sup> See *Parrish, Adderley, Roberts III et al. v. NFL Players Inc.*, C 07-00943 (U.S.D.C. No. District California, final approval of settlement and distribution plan, November 23, 2009; approval of final round of settlement payments, October 12, 2010).

<sup>32</sup> See also *Palmer v. Schonhorn Enterprises*, 232 A. 2d 458 (N.J. Supra 1967) (use of golf players' names without consent); *Uhlaender v. Hendriksen*, 316 F. Supp. 1277 (D. Minn. 1970) (use of baseball player's name and stats violated Right of Publicity).

<sup>33</sup> *Ali*, 447 F. Supp. at 727.

a violation of his right of publicity via the use of the catch phrase “Here’s Johnny”, which was both broadly associated with John Carson, as well as used by his business ventures for profit (although never registered as a trademark or service mark)<sup>34</sup>. Even though Carson lost his Lanham Act (no likelihood of confusion) and invasion of privacy claims, the Sixth Circuit majority believed that the use of the phrase violated Carson’s right of publicity. The defendant had appropriated Carson’s identity and its commercial value by such use of the phrase without consent.

Amidst federal Circuits’ decisions and considerable controversy, the U.S. Supreme Court heard the „human cannonball” case and delivered its opinion in 1977<sup>35</sup>. The “Flying Zacchini” had not consented to an Ohio television station broadcasting his performance. The defendants claimed that the broadcast was protected free speech. A 5-4 majority of the U.S. Supreme Court disagreed, resolving the conflict between entertainment and newsworthiness on one hand and individual proprietary rights on the other, in favor of the latter:

“Wherever the line in particular situations is to be drawn between media reports that are protected and those that are not, the U.S. Const. amends. I and XIV do not immunize the media when they broadcast a performer’s entire act without his consent. The United States Constitution no more prevents a state from requiring a respondent to compensate a petitioner for broadcasting his act on television than it would privilege the respondent to film and broadcast a copyrighted dramatic work without liability to the copyright owner [...], or to film and broadcast a prize fight, or a baseball game, where the promoters or the participants had other plans for publicizing the event<sup>36</sup> [...]

The rationale for [protecting the right of publicity] is the straightforward one of preventing unjust enrichment by the theft of good will. No social purpose is served by having the defendant get free some aspect of the plaintiff that would have market value and for which he would normally pay<sup>37</sup>.

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<sup>34</sup> *Carson v. Here’s Johnny Portable Toilets, Inc.*, 698 F.2d 831, 833 (6th Cir. 1983).

<sup>35</sup> *Zacchini v. Scripps Howard Broadcasting*, 433 U.S. 562 (1977).

<sup>36</sup> *Id* at 574, 575.

<sup>37</sup> *Id* at 576 [quoting Harry Kalven, Jr., *Privacy in Tort Law – Were Warren and Brandeis Wrong?*, 31 *Law & Contemp. Probs.* 326, 331 (1966)].



Thus, the baton had been passed to federal Circuits and state courts to decide on further rights of publicity litigation that would ensue, such as the “Vanna White” case<sup>38</sup>. The advertisement that spawned the litigation, which truly tested the limits of the plaintiff’s right of publicity, featured a robot dressed as Vanna White (a famous entertainment personality appearing in one of the most popular American TV shows) next to a Wheel of Fortune. The majority opinion of the Ninth Circuit held that Samsung (the defendant company that used the robot image resembling Vanna White in one of their advertisements) had violated White’s right of publicity. Citing Prosser’s footnote on the potential breadth of coverage for the right of publicity<sup>39</sup>, *Motschenbacher*<sup>40</sup>, and *Carson*<sup>41</sup>, the opinion noted:

“[...] the impossibility of treating the right of publicity as guarding only against a laundry list of specific means of appropriating identity. A rule which says that the right of publicity can be infringed only through the use of nine different methods of appropriating identity merely challenges the clever advertising strategist to come up with the tenth [...] Indeed, if we treated the means of appropriation as dispositive in our analysis of the right of publicity, we would not only weaken the right but effectively eviscerate it [...] Viewed separately, the individual aspects of the advertisement in the present case say little. Viewed together, they leave little doubt about the celebrity the ad is meant to depict”<sup>42</sup>.

Furthermore, the Ninth Circuit majority proceeded with the “Michael Jordan” hypothetical, which is now popular in intellectual property academic scholarship. The following example particularly pertains to athletes’ right of publicity:

“Consider a hypothetical advertisement which depicts a mechanical robot with male features, an African-American complexion, and a bald head. The robot is wearing black hightop Air Jordan basketball sneakers, and a red basketball uniform with black trim, baggy shorts, and the number 23 (though not revealing ‘Bulls’ or ‘Jordan’ lettering). The ad depicts the robot dunking a basketball one-handed, stiff-

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<sup>38</sup> *White*, 971 F.2d at 1399.

<sup>39</sup> Prosser, *supra* note 7.

<sup>40</sup> *Motschenbacher*, 498 F. 2d at 822.

<sup>41</sup> *Carson*, 698 F.2d at 833.

<sup>42</sup> *White*, 971 F.2d at 1398, 1399. As a matter of fact, defendants themselves referred to the ad as the “Vanna White ad.” *Id.* at 1399.

armed, legs extended like open scissors, and tongue hanging out. Now envision that this ad is run on television during professional basketball games. Considered individually, the robot's physical attributes, its dress, and its stance tell us little. Taken together, they lead to the only conclusion that any sports viewer who has registered a discernible pulse in the past five years would reach: the ad is about Michael Jordan<sup>43</sup>.

However, the fiery dissent of Judge Alex Kozinski, in protest of the Ninth Circuit's rejection of the petition to rehear the *White* case *en banc*<sup>44</sup>, made important theoretical points regarding the scope of the right of publicity, and Kozinski's rationale would be adopted by other courts. Kozinski asserted:

"Something very dangerous is going on here [...] Overprotecting intellectual property is as harmful as underprotecting it. Creativity is impossible without a rich public domain. Nothing today, likely nothing since we tamed fire, is genuinely new [...] Overprotection stifles the very creative forces it's supposed to nurture [...] Concerned about what it sees as a wrong done to Vanna White, the panel majority erects a property right of remarkable and dangerous breadth: Under the majority's opinion, it's now a tort for advertisers to remind the public of a celebrity. Not to use a celebrity's name, voice, signature or likeness; not to imply the celebrity endorses a product; but simply to evoke the celebrity's image in the public's mind. This Orwellian notion withdraws far more from the public domain than prudence and common sense allow. It conflicts with the Copyright Act and the Copyright Clause. It raises serious First Amendment problems. It's bad law, and it deserves a long, hard second look [...] All creators draw in part on the work of those who came before, referring to it, building on it, poking fun at it; we call this creativity, not piracy [...] The panel is giving White an exclusive right not in what she looks like or who she is, but in what she does for a living... Intellectual property rights aren't free: They're imposed at the expense of future creators and of the public at large [...] This is why intellectual property law is full of careful balances between what's set aside for the owner and what's left in the public domain for the rest of us"<sup>45</sup>.

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<sup>43</sup> *Id.*

<sup>44</sup> *White v. Samsung Electronics America*, 989 F.2d 1512 (9th Cir. 1993) [hereinafter *White II*].

<sup>45</sup> *Id.* at 1513-19.

Although Judge Kozinski's views were not espoused by the "Hollywood Circuit"<sup>46</sup>, they were adopted by other federal Circuits<sup>47</sup>. In *Cardtoons v. Major League Baseball Players Ass'n*, the Tenth Circuit followed Judge Kozinski's rationale and awarded First Amendment protection over parody cards depicting baseball players. In *ETW Corporation v. Jireh Publishing*, well-known sports artist Rick Rush created a painting of Tiger Woods during his first record-setting and historic win at the Masters golf tournament in Augusta, Georgia, and adorned the painting's background with past golf stars overlooking Woods' swing. The Sixth Circuit, also citing Judge Kozinski, found that Woods' right of publicity was not violated by such artistic, transformative use which was protected by the First Amendment.

Even in California state courts, the logic of limits on rights of publicity may find proponents. In *Montana v. San Jose Mercury News*<sup>48</sup>, the court held that posters' of past triumphant moments for Joe Montana and the San Francisco 49ers, regardless of whether they were made for profit or not, were protected under the First Amendment, and exempted from the statutory right of publicity in the Civ. Code Sec. 3334 (d)<sup>49</sup>, simply because Joe Montana was a major player in contemporaneous newsworthy sports events. Moreover, in *Gionfriddo v. Major League Baseball*<sup>50</sup>, former professional baseball players argued their common law and statutory rights of publicity were violated by Major League Baseball's (MLB's) use of their names, photographs, and video images in websites, media guides, video clips, and game programs. In what could be seen as a prediction of things to come in subsequent theory extending public domain borders in cases of factual data (i.e.: names and statistics' combinations utilized in fantasy sports)<sup>51</sup>, the California court declared that the information posted by MLB was protected speech. MLB's use commanded substantial public interest, since MLB did not sell a product which would render such use commercial, and when determining the balance between competing interests, the play-

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<sup>46</sup> *Id* at 1521.

<sup>47</sup> *E.g.*, *C.B.C. Distribution and Marketing, Inc.*, 505 F.3d 818; *ETW Corporation v. Jireh Publishing Inc.*, 332 F.3d 915 (6th Cir. 2003); *Allison v. Vintage Sports Plaques*, 136 F.3d 1443 (11th Cir. 1998); *Cardtoons v. Major League Baseball Players Ass'n*, 95 F.3d 959 (10th Cir. 1996).

<sup>48</sup> *Montana v. San Jose Mercury News*, 34 Cal. App.4th 790 (1995).

<sup>49</sup> Cal. Civ. Code § 3344 (d) (2009).

<sup>50</sup> *Gionfriddo v. Major League Baseball*, 94 Cal. App. 4th 400 (2001).

<sup>51</sup> *C.B.C. Distribution and Marketing, Inc.*, 505 F.3d 818.

ers' proprietary rights were deemed negligible compared to the public's enduring fascination with baseball and the public interest served by the free communication of such information. As a matter of statute, the plaintiffs were also unable to establish the violation of the California-recognized right of publicity, according to the same rationale as *Montana* under Cal. Civ. Code § 3344 (d), an exemption sports figures would have a difficult time overcoming.

## C. State Right of Publicity Claims Application and Federal Preemption Issues

### 1. The State Right of Publicity

It is useful to refer to the Restatement (Third) of Unfair Competition in regard to the burden of proof for establishing a violation of a right of publicity. Those elements are:

- (1) Use of the plaintiff's identity
- (2) Identity has commercial value
- (3) Appropriation of commercial value for purposes of trade
- (4) Lack of consent
- (5) Resulting commercial injury<sup>52</sup>.

With regards to the second element, identity has to be established as commercially valuable and sufficiently recognized. In *Pesina v Midway Manufacturing*<sup>53</sup>, a martial artist had modeled for the manufacturers of the arcade game "Mortal Combat". Thereafter, the manufacturers proceeded to use the footage and images for the home video game version of the game. *Pesina inter alia* argued his common law right of publicity<sup>54</sup> had been violated. The court found no evidence to establish the plaintiff's identity had value prior to its association with

<sup>52</sup> Restatement (Third) of Unfair Competition § 46 (1995). *Also see* Restatement (Third) of Unfair Competition § 46, comment d (1995): "[T]he identity of even an unknown person may possess commercial value [...] Thus, an evaluation of the relative fame of the plaintiff is more properly relevant to the determination of appropriate relief [...]".

<sup>53</sup> *Pesina v. Midway Mfg. Co.*, 948 F. Supp. 40 (N.D. Ill.1996).

<sup>54</sup> Approximately two years after *Pesina*, the IL legislature passed the Right of Publicity Act. *See* Illinois General Assembly, [www.ilga.gov/legislation/ilcs/ilcs3.asp?ActID=2241&ChapAct=765%26nbsp%3BILCS%26nbsp%3B1075%2F&ChapterID=62&ChapterName=PROPERTY&ActName=Right+of+Publicity+Act.#top](http://www.ilga.gov/legislation/ilcs/ilcs3.asp?ActID=2241&ChapAct=765%26nbsp%3BILCS%26nbsp%3B1075%2F&ChapterID=62&ChapterName=PROPERTY&ActName=Right+of+Publicity+Act.#top) (last visited June 14, 2009).

the manufacturer. The latter was decisive for the federal Lanham Act claim as well, as the plaintiff could not prove consumer confusion over his identity and the game character. On such litigation strategy and (currently necessary<sup>55</sup>) case management, the court advises:

“While Mr. Pesina offers nothing, the defendants present convincing evidence that the public does not recognize Mr. Pesina in the home version of *Mortal Kombat* and *Mortal Kombat II* and the related products. The video images of Mr. Pesina’s movements were extensively altered prior to being incorporated into the games. Thus, after comparing Mr. Pesina and the game character, Johnny Cage, who allegedly resembles the plaintiff, only 6% of 306 *Mortal Kombat* users identified Mr. Pesina as the model. As to the defendants’ use of Mr. Pesina’s name, it appears only in *Mortal Kombat*, only for eight seconds, and only when a player wins the game [...] Only one respondent actually knew that Mr. Pesina modeled for Johnny Cage [...] Mr. Pesina could argue that he became so associated with Johnny Cage that the character invokes Mr. Pesina’s identity. Thus, his right to publicity would be invaded by the defendants’ use of Johnny Cage [...] To prevail on this theory, however, Mr. Pesina would have to show that his identity became „inextricably intertwined” in the public mind with Johnny Cage. This Mr. Pesina cannot do since the evidence shows that Mr. Pesina is not a widely known martial artist and the public does not even recognize him as a model for Johnny Cage”<sup>56</sup>.

Thus, if athletes and entertainers cannot establish commercial value prior to the use of their likenesses and identities in related appropriation activities, their common law right of publicity claims fail. Taking into consideration recent litigation trends, the legal team managing such a case would be well served by a commissioned consumer confusion survey. One should note that plaintiffs claiming violations of their right of publicity need to use research-based financial data demonstrating the economic impact and loss suffered; for example, summon the research recently conducted in related litigation, in regard to losses suffered by retired NFL players<sup>57</sup>.

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<sup>55</sup> See, International Trademark Association (2008, September 22). Adverse inference for Failure to conduct likelihood of confusion survey. INTA.org. Retrieved March 10, 2009, from [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).

<sup>56</sup> *Pesina*, 948 F. Supp. 40, at 42.

<sup>57</sup> See *Parrish*, *supra* note 31.

In California, Civil Code § 3344 contains the following:

“(a) 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 [...] shall be liable for any damages sustained by the person or persons injured as a result thereof [...] Punitive damages may also be awarded”<sup>58</sup>.

## 2. Consent and Federal Preemption

Consent to right of publicity use may be express or implied. The consent defense is one of the more controversial and increasingly discussed problems in scholarship around the case *In Re Student Athlete Name and Likeness Licensing Litigation*<sup>59</sup>. Specifically, in this pending case the generic agreements presently utilized do not contain express permission to use NCAA student-athletes (SAs) likenesses<sup>60</sup>, and SAs do not waive their right of publicity under the parameters of the current use in Electronic Arts (EA) Sports video games. The policies contained in the NCAA Manual (Bylaw 12.5 et seq.) provide no treatment for the legal problems posed by the current use of SAs’ digital images by EA Sports.

Although there are other express waivers regulated in the NCAA Manual (e.g. FERPA, HIPAA, and drug testing releases<sup>61</sup>), there is none referring to SAs’ intellectual property rights, other than what is extended from Bylaw 12.5. One could extricate, nevertheless, an implied consent encompassing any and all NCAA regulations as they are voted on by the membership and interpreted by NCAA governance bodies and staff. This implied consent lies within NCAA constitutional principle 2.8.1 on rules compliance, whence the mandate for SAs to comply

<sup>58</sup> Cal. Civ. Code § 3344.

<sup>59</sup> See *supra* note 19.

<sup>60</sup> See NCAA, DI Form 08-3a, [http://web1.ncaa.org/web\\_files/compliance\\_forms/d1/DI%20Form%2008-3a.pdf](http://web1.ncaa.org/web_files/compliance_forms/d1/DI%20Form%2008-3a.pdf) (last visited June 14, 2009).

<sup>61</sup> See, NCAA, HIPAA/Buckley Amendment Consent/Waiver Form, [http://web1.ncaa.org/web\\_files/compliance\\_forms/d1/DI%20HIPPA%202008.pdf](http://web1.ncaa.org/web_files/compliance_forms/d1/DI%20HIPPA%202008.pdf), and Drug-Testing Consent, [http://web1.ncaa.org/web\\_files/compliance\\_forms/d1/DI%20Form%2008-3d.pdf](http://web1.ncaa.org/web_files/compliance_forms/d1/DI%20Form%2008-3d.pdf) (last visited June 6, 2009).

with applicable Association rules, including the bedrock principle of amateurism as prescribed in Bylaw 12. Furthermore, Bylaw 14.01.3 makes intercollegiate athletics eligibility contingent upon SA's compliance with all applicable rules of the Association, institution, and conference<sup>62</sup>. The NCAA and EA could additionally use the consent defense as an extension of the generic releases in the form SAs sign (currently 10-3a), declaring they have read, understood, and comply with all applicable NCAA regulations<sup>63</sup>. Thus, one could argue the element of consent, necessary as was analyzed above for a right of publicity claim defense, may be construed as established.

Next to the defense of consent, plaintiffs in such cases need to go through elaborate scrutiny of federal preemption issues of any state law claims. Most, if not all, of the cases cited herein have dealt with federal preemption of common law and statutory rights of publicity. Federal preemption is based on several theoretical points<sup>64</sup>. As Marr observes in his 2003 *Boston College Law Review* article:

“The existing hodgepodge of state statutory and common law that makes up the right of publicity appears to be a minefield of constitutional hazards. Courts must consider a variety of First Amendment, Copyright Clause, Commerce Clause, Due Process Clause, and Full Faith and Credit Clause issues when resolving publicity rights cases”<sup>65</sup>.

In *Cardtoons v. Major League Baseball Players Ass'n*<sup>66</sup>, the Tenth Circuit held that Cardtoons' First Amendment rights to parody baseball players in a transformative, artistic way preempted the players' Oklahoma-based statutory rights of publicity. Even though the statute allowed for newsworthy, non-commercial uses, Cardtoons would prima facie violate the players' rights; nonetheless, the comic use before the court was deemed “commentary on an important social institution”<sup>67</sup>. This is a somewhat problematic aspect of several courts'

<sup>62</sup> See 2008-2009 NCAA Division I Manual, Bylaw art. 14.01.3.

<sup>63</sup> See NCAA, form 10-3a, [http://fs.ncaa.org/Docs/AMA/compliance\\_forms/DI/DI%20Form%20XX-3a.pdf](http://fs.ncaa.org/Docs/AMA/compliance_forms/DI/DI%20Form%20XX-3a.pdf) (last visited December 6, 2010).

<sup>64</sup> See J.T. Marr, *Constitutional Restraints on State Right of Publicity Laws*, 44 B.C. L. Rev. 863 (2003).

<sup>65</sup> *Id.* at 864. Marr, at 898-9, further reiterates the aforementioned efforts for a preemptive federal right of publicity, *supra* note 23.

<sup>66</sup> *Cardtoons*, 95 F.3d 959.

<sup>67</sup> *Id.* at 969.

reasoning in attempting to balance athletes' and celebrities' rights against the public interest and First Amendment protections; namely, the argument is that such prominent figures "are already handsomely compensated"<sup>68</sup>.

More specifically, in *C.B.C. Distribution and Marketing, Inc. v. Major League Baseball Advanced Media*<sup>69</sup> the Eighth Circuit assumes a pivotal role in contemporary sports and entertainment industry intellectual property jurisprudence. The landmark finding was that the combination of names and statistics used in fantasy leagues is protected by the First Amendment as factual data readily available in the public domain<sup>70</sup>. Disagreeing with the district court, the Eighth Circuit did, nonetheless, find that the elements for establishing a violation of the baseball players' rights of publicity had been met under Missouri common law. The First Amendment preemption over the common law rights of publicity was established even though the use had a commercial nature, with the Eighth Circuit balancing competing economic interests and the benefit to the public. Furthermore, in a captivating dissent, Judge Colloton argues that CBC could agree to bargain away any tentative constitutional rights in exchange for a beneficial licensing contract<sup>71</sup>.

Indeed, the most difficult challenge in forthcoming litigation is delineating the new frontiers to this expanded public domain<sup>72</sup>. Would it be prudent, for example, to argue that images, likenesses, and the very identities of both real people and their avatars<sup>73</sup>, virtual depictions, artistic creations, expressive works, and so forth, would all be within the realm of a borderless, if not lawless, public domain, through the advent of new media, massively multiplayer online role-playing games (MMORPGs) taking place in virtual interactive worlds

<sup>68</sup> *Id* at 974. See also *C.B.C. Distribution and Marketing, Inc.*, 505 F.3d at 824.

<sup>69</sup> *Id* at 818.

<sup>70</sup> *Id* at 823.

<sup>71</sup> *Id* at 826 (citing *Paragould Cablevision v. City of Paragould*, 930 F.2d 1310, 1315 (8th Cir. 1991)).

<sup>72</sup> See also *Eldred v. Ashcroft*, 537 U.S. 186 (2003); *Golan v. Gonzales*, 501 F.3d 1179 (10th Cir. 2007).

<sup>73</sup> For the first registered trademark for a Second Life avatar, see <http://tarr.uspto.gov/servlet/tarr?regser=serial&entry=77110299> (last visited June 13, 2009). Also see B. Duranske, 'Aimee Weber' (TM) Gets USPTO Stamp of Approval for Pigtales, Tutu, Wings, Tights, and Stompy Boots, Virtually Blind (Sept. 7, 2007), <http://virtuallyblind.com/2007/09/21/aimee-weber-trademark/>.



where innovation and creativity are compensated by more than virtual money?

In addition to First Amendment preemption, it has been argued that the Commerce Clause<sup>74</sup> and the dormant Copyright Clause<sup>75</sup>, also contradict right of publicity scope extensions<sup>76</sup>. In the *White* dissent, Judge Kozinski delves into Due Process territory as well, arguing that the unprecedented extent to which the majority recognized the right of publicity may be held as too vague to satisfy Fifth and Fourteenth Amendments' protection<sup>77</sup>.

Contrary to *Cardtoons and CBC*, some cases have not found federal preemption of state misappropriation claims or of statutory or common law rights of publicity. Two important decisions are *National Basketball Assoc. v. Motorola, Inc.*<sup>78</sup>, and *Facenda Jr. v. N.F.L. Films, Inc.*<sup>79</sup> In the former, the preemption embedded in the federal Copyright Act<sup>80</sup> did not thwart state misappropriation claims, because of „extra elements” often encountered in related intellectual property litigation. This case involved the creation of real-time score updates pagers and an extensive monitoring system around NBA games, which Motorola implemented in a niche strategy attempt to capture the market for live information and news. The court held that the NBA was unsuccessful in establishing the commercial misappropriation claim, as Motorola's product was not considered a substitute to NBA games, and it did not threaten substantially the NBA's quality or very existence.

*Facenda Jr. v. N.F.L. Films, Inc.* may provide some guidance for the California courts and possibly the Ninth Circuit (notwithstanding the fact that the Third Circuit's decision itself is greatly influenced by past Ninth Circuit jurisprudence), being one of the most recent decisions on such claims. In *Facenda*, the Third Circuit concluded that John Facenda's (Estate's) statutory right of publicity under 42 Pa.C.S. Sec. 8316 would not be preempted by NFL's copyright of its games' telecasts,

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<sup>74</sup> U.S. Const. art. I, § 8, cl. 3 (the Commerce Clause gives Congress the power “to regulate Commerce... among the several States...”).

<sup>75</sup> *Id* at cl. 8 (the Copyright Clause gives Congress the power “to promote the Progress of... useful Arts, by securing for limited Times to Authors... the exclusive Right to their respective Writings...”).

<sup>76</sup> See *White*, 989 F.2d at 1519.

<sup>77</sup> *Id* at 1519-20.

<sup>78</sup> *National Basketball Assoc. v. Motorola, Inc.*, 105 F.3d 841 (2d Cir. 1997).

<sup>79</sup> *Facenda Jr.*, 542 F.3d 1007.

<sup>80</sup> 17 U.S.C. § 301 (1997).

for which John Facenda had provided his epic baritone voice. The NFL used the popular defense of “derivative works” per 17 USCS Sec. 103. The Third Circuit was not convinced, on two grounds: first, the commercial value in his voice, per Sec. 8316(e) of the Pennsylvania statute, added an extra element which goes beyond a copyright infringement burden of proof; second, the Third Circuit posited that the correct analysis should focus on the precise subject matter which was Facenda’s voice per se, not its recordings<sup>81</sup>. Moreover, the Third Circuit’s decision in *Facenda* serves as a significant contribution on the “conflict preemption” problem; e.g. “when does the right of individuals to avoid commercial exploitation of their identities interfere with the rights of copyright owners to exploit their works?”<sup>82</sup>. The answer is twofold<sup>83</sup>: where commercial use is the primary motive, state rights of publicity are not preempted<sup>84</sup>; they are preempted, however, 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. Facenda had not consented to commercial endorsements in an agreement the NFL summoned in court.

## D. The Federal Trademark (Lanham) Act Case

As mentioned above<sup>85</sup>, frequently plaintiffs select (or have) to go the false endorsement route, and claim Federal Trademark (Lanham) Act Section 43 (a) violations<sup>86</sup>. A plaintiff using Lanham Act Section 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, such as a person’s voice. For instance, in *Waits v. Frito-Lay, Inc.*, the Ninth Circuit held that “§ 43(a) claims

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<sup>81</sup> See also *Midler*, 849 F.2d 460; *Waits*, 978 F.2d 1093.

<sup>82</sup> *Facenda*, 542 F.3d at 1028-32.

<sup>83</sup> For a more elaborate analysis, refer to Kaburakis & McKelvey, *supra* note 21.

<sup>84</sup> See, e.g., *Midler*, 849 F.2d 460; *Waits*, 978 F.2d 1093; and *White*, 971 F.2d at 1399.

<sup>85</sup> See *supra* text accompanying notes 21-23.

<sup>86</sup> 15 U.S.C. §§ 1114-27, at 1125.

based on voice are cognizable”<sup>87</sup>. In *Waits*, Frito-Lay hired a Tom Waits sound-alike to perform in a Doritos commercial. Waits successfully established false endorsement under Lanham Act Section 43(a)(1)(A), as well as appropriation of his voice in violation of common law right of publicity. Similarly, in *Midler v. Ford Motor Co.*<sup>88</sup>, the Ninth Circuit decided that when a distinctive voice of a singer is widely known and is deliberately imitated for commercial purposes, the sellers have committed a tort.

Applying Section 43(a)(1)(A) of the Lanham Act, the first two prongs can be deemed as satisfied fairly easily in many cases. The likelihood of confusion aspect, however, has traditionally been problematic; hence, courts now tend to require consumer confusion surveys<sup>89</sup> to establish the plaintiff’s injury. Suggested questionnaires include pertinent sections in respect to recognition of the plaintiff’s identity, likeness, etc, as well as parameters which would decide whether the public was sufficiently confused about the endorsement and the particular role of the plaintiff in the game or advertisement<sup>90</sup>. There have also been several tests developed according to each Circuit’s preference, e.g. in *Interpace Corp. v. Lapp, Inc.*<sup>91</sup>, or *AMF, Inc. v. Sleekcraft Boats*<sup>92</sup>. Here, it is important to reiterate the clarification from *Facenda*<sup>93</sup> that „unlike claims under Section 43(a)(1)(B), which require *actual* confusion and misleading statements, claims under Section 43(a)(1)(A) do not (requiring only a “likelihood of confusion”).” This is a major distinction between Federal Lanham Act and state right of publicity claims; plaintiffs do not need to prove consumer confusion for the latter.

As with the analysis above, there are First Amendment preemption issues. A case that lends itself to several Circuits’ decisions is *Rogers v. Grimaldi*<sup>94</sup>, where a balancing test attempts to weigh the public interest in avoiding consumer confusion against the public interest in free expression, more likely than not with the latter superseding.

<sup>87</sup> *Waits*, 978 F.2d at 1106-07.

<sup>88</sup> *Midler*, 849 F.2d 460.

<sup>89</sup> See, INTA, *supra*, note 55 (adverse inference on absence of consumer confusion surveys).

<sup>90</sup> See Wallace D. Loh, *Social research in the Judicial Process* (Russell Sage Foundation, 1984) at 409-412.

<sup>91</sup> *Interpace Corp. v. Lapp, Inc.*, 721 F.2d 460 (3<sup>rd</sup> Cir. 1983).

<sup>92</sup> *AMF, Inc. v. Sleekcraft Boats*, 599 F.2d 341 (9<sup>th</sup> Cir. 1979).

<sup>93</sup> *Facenda Jr.*, 542 F.3d at 1015.

<sup>94</sup> *Rogers v. Grimaldi*, 875 F.2d 994 (2<sup>nd</sup> Cir. 1989).

Such was the case in *ETW Corporation v. Jireh Publishing Inc.*<sup>95</sup>, challenging the Rick Rush painting of Tiger Woods' victory in Augusta, which was deemed transformative and artistic enough to achieve First Amendment protection. In a nutshell, should a plaintiff decide to follow the Federal Trademark Act path, given that the claim survives First Amendment and Constitutional preemption, the answer may come from a consumer confusion survey; if the public had been sufficiently confused, or had increased chances of misinterpreting the contested use of plaintiff's image/identity, the Section 43(a)(1) claims may be successful.

## Conclusion

Contemporary intellectual property theory and law practice dealing with rights of publicity protection teeter along a continuum. Adjudicators and practitioners are called to balance between protecting every possible form of an identity's commercial value in entertainment and sport business, and the freedom to use names, data, images, likenesses, and depictions of identity from a rich public domain ad nauseam. *White* and *Motschenbacher* reside on one end of the continuum, and *CBC* and the Kozinski school of thought on the other. *In Re Student Athlete Name and Likeness Licensing Litigation* and *Brown* may provide further clarification and modern interpretation of the law's current position. In this process collaborative, interdisciplinary, multifaceted comparative research initiatives need to be pursued by scholars and practitioners. Knowledge travels fast and judicial trends may affect future thinking and policy directions in a short timeframe. Although it is difficult to gauge where the balance of the continuum will lie, one hopes that it will foster rather than discourage future creative endeavors. Indeed, human progress has always depended on this.

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<sup>95</sup> *ETW Corporation*, 332 F.3d 915.