

## Even More Parodic Than the Real Thing<sup>1</sup>: Parody Lawsuits Revisited

### I. Introduction

In 1994, the Supreme Court decided *Campbell v. Acuff-Rose Music, Inc.*,<sup>2</sup> recognizing a parodic use of a copyrighted work as a potentially fair use. *Campbell*'s effects have been widespread, moving beyond copyright law into trademark and right of publicity law. In the years following the decision, there have been numerous reported decisions involving parodies, or alleged parodies, of everything from the processed meat product Spam® to the Margaret Mitchell novel *Gone With the Wind*.

One of *Campbell*'s most significant effects has been to elevate parody as a favored form of literary or artistic comment and devalue satire that does not appreciably focus its vitriol on the underlying work. Some courts have relied on the distinction between parody and satire despite language from the Court's opinion counseling a more sensitive approach. Such a binary standard is unsatisfactory. The distinction between parody and satire is simply too difficult for courts (which are not generally recognized as great connoisseurs of humor) to make. Moreover, the parody/satire distinction is not responsive to the considerations that justify the fair use doctrine, especially when First Amendment concerns are present.

This article sets forth the context from which *Campbell* emerged, then examines how it has been applied in copyright and extended to trademark and right of publicity cases. In each area of the law, different courts have reached wildly divergent results, suggesting that *Campbell*'s attempt to reorganize fair use to favor "transformative" uses has not provided any additional clarity in this famously murky area of the law.

In trademark law, parody analysis borrowed from *Campbell* may well have made things worse. It is likely to distract from the proper question, which is whether a particular use is likely to cause consumer confusion. *Campbell*'s logic is essentially incompatible with trademark dilution, a cause of action that might seem to prohibit parody outright. As a result, courts sensitive to the free speech consequences of dilution law have engaged in creative statutory interpretation to avoid a head-on collision between First Amendment claims of freedom to criticize and trademark owners' rights against infringement and dilution. In recent right of publicity cases, by contrast, courts have been taking a slightly different approach to fair use-type situations, one that attempts to

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<sup>1</sup> Cf. U2, *Even Better Than the Real Thing*, Achtung Baby (Polygram Records 1991).

<sup>2</sup> 510 U.S. 569 (1994).

bypass some of the problems with *Campbell*. Unfortunately, rejecting *Campbell* may be no more helpful than importing it into right of publicity law wholesale. Parodies, or transformative uses, are likely to continue presenting clients, counsel and courts with seemingly intractable intellectual property problems.

## II. *Campbell* and Its Antecedents

In *Campbell*, the Supreme Court unanimously reversed a grant of summary judgment in favor of the owner of the copyright in Roy Orbison's "Oh, Pretty Woman." The defendants, the rap group 2 Live Crew, had recorded a song called "Pretty Woman" that used some of Orbison's music and a twisted version of his words. Although the Sixth Circuit had held that 2 Live Crew's commercial use – the song was on an album being sold to the public – made its appropriation presumptively unfair, the Supreme Court declared that copying for profit did not give rise to a presumption, much less a conclusion, against fair use where the use was "transformative" in that it took the original and reworked it, adding new meaning that shed critical light on the original. In Justice Souter's words,

2 Live Crew juxtaposes the romantic musings of a man whose fantasy comes true, with degrading taunts, a bawdy demand for sex, and a sigh of relief from paternal responsibility. The later words can be taken as a comment on the naivete of the original of an earlier day, as a rejection of its sentiment that ignores the ugliness of street life and the debasement that it signifies.<sup>3</sup>

The Sixth Circuit could be forgiven for presuming that commercial use was presumptively unfair use; after all, the Supreme Court said so, eight years previously.<sup>4</sup> Nonetheless, it is logical that, when a use is something other than wholesale copying, its effect on a copyright owner's legitimate markets cannot be presumed to be one of pure substitution. *Mad Magazine*'s send-up of the film *Star Wars: Attack of the Clones* is not going to displace sales of movie tickets in any way copyright law will recognize, for all that *Mad Magazine* is a profit-seeking endeavor.

If commercial use is not a good guide to fair use, what is? *Campbell*'s answer is clear: transformative use, that is, the extent to which the accused work adds something new to the world, altering the copyrighted work with new expression or meaning, is the

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<sup>3</sup> *Id.* at 583.

<sup>4</sup> See *Sony Corp. v. Universal City Studios, Inc.*, 464 U.S. 417, 451 (1984) ("[E]very [unauthorized] commercial use of copyrighted material is presumptively an unfair exploitation of the monopoly privilege that belongs to the owner of the copyright.").

most important consideration.<sup>5</sup> The extent of the transformation will affect the weight of the other factors and their presumptive weight for or against the defendant. But not every change is “transformative” for fair use purposes – the alleged fair use must not merely be a derivative work.<sup>6</sup> Critically, the Court distinguished simply adding new material from adding new material that reflected on the original work. Parody, which requires an original work as a target, is particularly favored, while satire, which uses a work to criticize something else, is not. Satire that uses a preexisting work may simply be trying to “avoid the drudgery in working up something fresh.”<sup>7</sup>

In the Supreme Court’s analysis, a finding of transformation then necessarily pervades the analysis of the other statutory fair use factors: the nature of the copyrighted work, the amount and substantiality of the portion of the copyrighted work used, and the effect of the defendant’s use on the market for the copyrighted work.<sup>8</sup> The nature of the copyrighted work is not particularly important in a parody case, because parodies almost invariably play off of highly expressive, well-known works, or they risk failing in their purpose.<sup>9</sup> The amount and substantiality of the portion of the copyrighted work used also has to be judged differently than in cases of non-transformative use. A parody needs to evoke at least enough of the original to identify its target. This will often mean use of the “heart” of the work – the expressive elements that are most closely associated with that work. Parodies of Hemingway’s style,<sup>10</sup> Tolkien’s imagined worlds,<sup>11</sup> *Star Trek*

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<sup>5</sup> *Campbell*, 510 U.S. at 579.

<sup>6</sup> The Copyright Act of 1976 grants copyright owners the exclusive rights to authorize “derivative works,” defined as any form in which a work may be transformed, recast or adapted; film versions of movies are classic examples of derivative works. *See* 17 U.S.C. § 106(2). Parodies, if they take enough of an original work, qualify as derivative works, as do satires and other kinds of re-use that add new material to the underlying copyrighted work.

<sup>7</sup> *Campbell*, 510 U.S. at 580.

<sup>8</sup> The four factors set forth in the Copyright Act are: (1) the purpose and character of the use (a factor taking into account both whether the use is commercial and whether it is transformative); (2) the nature of the copyrighted work; (3) the amount and substantiality of the use in relation to the copyrighted work as a whole; and (4) the effect of the use on the market for the copyrighted work. 17 U.S.C. § 107.

<sup>9</sup> *See Campbell*, 510 U.S. at 586.

<sup>10</sup> *Hemispheres* magazine, for instance, runs an International Imitation Hemingway contest as well as a Faux Faulkner contest. The authors’ styles are easy to recognize

characters' signature phrases,<sup>12</sup> and the like all may use substantial portions of the original and still imbue those portions with transformative value.<sup>13</sup> Once the parody has used enough of the original work to ensure recognition, how much more copying will be allowed will depend on the other fair use factors, particularly whether the overall purpose is to parody the original or whether in contrast the "parody" is likely to serve as a substitute for the original.<sup>14</sup> The likelihood that the accused work will substitute for the original or its authorized derivative works, in turn, depends on how parodic the parody really is – that is, the extent to which it transforms and criticizes the original.<sup>15</sup>

*Campbell* took its vision of transformative fair use from Judge Pierre Leval's influential 1990 article on fair use, in which he proposed that fair use be redefined as requiring that the use be "productive" and "employ the quoted matter in a different manner or for a different purpose from the original."<sup>16</sup> As "productive" use, use serving the purpose of copyright law by increasing the store of knowledge, transformative use

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and thus attract more parodists than other famous authors' more workmanlike prose. *Cf. Suntrust*, 268 F.3d at 1277 n.1 (Marcus, J., concurring) (quoting Ernest Hemingway's complaint that "Parodies are what you write when you are associate editor of the Harvard Lampoon. The greater the work of literature, the easier the parody.").

<sup>11</sup> See, e.g., HARVARD LAMPOON STAFF ET AL., *BORED OF THE RINGS* (1969).

<sup>12</sup> Hear THE FIRM, *Star Trekkin'*, on 2 DR. DEMENTO 20TH ANNIVERSARY COLLECTION: THE GREATEST NOVELTY RECORDS OF ALL TIME (1991).

<sup>13</sup> See *Campbell*, 510 U.S. at 588 ("When parody takes aim at a particular original work, the parody must be able to 'conjure up' at least enough of that original to make the object of its critical wit recognizable. What makes for this recognition is quotation of the original's most distinctive or memorable features, which the parodist can be sure the audience will know.") (citations omitted).

<sup>14</sup> See *id.*

<sup>15</sup> *Id.* at [] ("[W]hen ... the second use is transformative, market substitution is at least less certain, and market harm may not be so readily inferred. Indeed, as to parody pure and simple, it is more likely that the new work will not affect the market for the original in a way cognizable under this factor, that is, by acting as a substitute for it ....") (citations omitted).

<sup>16</sup> Pierre N. Leval, *Toward a Fair Use Standard*, 103 HARV. L. REV. 1105, 1111 (1990).

already had some currency before *Campbell*.<sup>17</sup> And, quibbles about unpublished works aside, it was generally accepted that traditional critical scholarship and reviews, nonfiction uses that shed new light on the works they concerned, were protected by fair use.<sup>18</sup>

*Campbell*'s most significant contributions, therefore, were twofold: First, *Campbell* apparently embraced the supremacy of the transformative use inquiry over all other factors, as Judge Leval advocated.<sup>19</sup> Another way to describe *Campbell*'s version of fair use is to say that, once the transformative use determination is made, all the other factors fall into place behind it.

Second, and relatedly, *Campbell* drew a line between parody and satire, identifying one as a favored type of transformative use and the other as likely to be an unnecessary use of another's copyrighted work. Before *Campbell*, courts used the terms interchangeably to refer to categories (or a category) of work likely to constitute fair use.<sup>20</sup> Indeed, our research has not found any pre-*Campbell* case using parody and satire

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<sup>17</sup> See, e.g., *Sony Corp. v. Universal City Studios, Inc.*, 464 U.S. 417, 480 (1984) (Blackmun, J., dissenting). Similar concepts circulated in trademark law. See, e.g., *Cliffs Notes, Inc. v. Bantam Doubleday Dell Publishing Gp., Inc.*, 886 F.2d 490, 493-94 (2d Cir. 1989); *L.L. Bean, Inc. v. Drake Publishing, Inc.*, 811 F.2d 26, 32-33 (1<sup>st</sup> Cir.), cert. denied, 483 U.S. 1013 (1987).

<sup>18</sup> See, e.g., *Harper & Row Publishers, Inc. v. Nation Enters.*, 471 U.S. 539, 564 (1985); *New Era Publications Int'l, ApS v. Carol Publishing Gp.*, 904 F.2d 152, 156 (2d Cir. 1990); *Rosemont Enters., Inc. v. Random House, Inc.*, 366 F.2d 303, 307 (2d Cir. 1966).

<sup>19</sup> See Leval, *supra* note [], at 1111 (arguing that transformation should be the primary determinant of whether a use is fair); *id.* at 1124 (arguing that a use that does not harm the copyright owner's market should still be deemed unfair unless the use is justified under the first statutory factor).

<sup>20</sup> A nonexhaustive list of cases treating parody and satire as equivalent in copyright's eyes includes *Rogers v. Koons*, 960 F.2d 301, 309-10 (2d Cir. 1992) ("Parody or satire, as we understand it, is when one artist, for comic effect or social commentary, closely imitates the style of another artist and in so doing creates a new art work that makes ridiculous the style and expression of the original."); *Cliffs Notes, Inc. v. Bantam Doubleday Dell Publishing Gp., Inc.*, 886 F.2d 490, 493 (2d Cir. 1989) (book found to be fair use marketed as "satire"; court uses "parody" and "satire" interchangeably); *MCA, Inc. v. Wilson*, 677 F.2d 180, 184 (2d Cir. 1981) (relying on defendant's lack of intent to create "burlesque or satire" to find no parody and no fair

to draw presumptive lines between fair and unfair uses, though courts did consider under other rubrics the extent to which a burlesqued work was used simply to get the audience's attention with a familiar text.

In fact, Justice Souter's *Campbell* opinion is careful to avoid any bright-line rule. The text of the opinion suggests that satire can stand on its own two feet and thus has less of a claim to fair use than parody.<sup>21</sup> But a footnote makes the point that the more

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use); *Dallas Cowboys Cheerleaders, Inc. v. Scoreboard Posters, Inc.*, 600 F.2d 1184, 1188 (5<sup>th</sup> Cir. 1979); *Walt Disney Prods. v. Air Pirates*, 581 F.2d 751, 757 (9<sup>th</sup> Cir. 1978); *Berlin v. E.C. Publications, Inc.*, 329 F.2d 541, 545 (2d Cir. 1964) (“[A]s a general proposition, we believe that parody and satire are deserving of substantial freedom – both as entertainment and as a form of social and literary criticism.”); *Anheuser-Busch, Inc. v. Balducci Publications*, 814 F. Supp. 791, 797 (E.D. Mo. 1993), *rev'd on other grounds*, 28 F.3d 769 (8<sup>th</sup> Cir. 1994); *New Line Cinema Corp. v. Bertlesman Music Gp., Inc.*, 693 F. Supp. 1517, 1525 (S.D.N.Y. 1988); *Original Appalachian Artworks, Inc. v. Topps Chewing Gum, Inc.*, 642 F. Supp. 1031, 1034 (N.D. Ga. 1986); *Pacific & Southern Co. v. Duncan*, 572 F. Supp. 1186, 1195 (N.D. Ga. 1983) (satire and parody are “recognized forms of fair use”), *aff'd and rev'd in part on other grounds*, 744 F.2d 1490 (11<sup>th</sup> Cir. 1984); *Pillsbury Co. v. Milky Way Productions, Inc.*, 215 U.S.P.Q. 124 (N.D. Ga. 1981); *Elsmere Music, Inc. v. National Broadcasting Co.*, 482 F. Supp. 741, 745 (S.D.N.Y.) (using terms interchangeably and quoting 3 M. Nimmer, *Nimmer on Copyright*, § 13.05(c), at 13-60-61 (1979) (“[T]he disparity of functions between a serious work, and a satire based upon it, may justify the defense of fair use even where substantial similarity exists.”)), *aff'd*, 623 F.2d 252 (2d Cir. 1980); *Metro-Goldwyn-Mayer, Inc. v. Showcase Atlanta Co-op Productions, Inc.*, 479 F. Supp. 351, 356-62 (N.D. Ga. 1979); *Loew's Inc. v. Columbia Broadcasting Sys.*, 131 F. Supp. 165, 181 (S.D. Cal. 1955) (discussing copyright treatise that explicitly equated satire and parody), *aff'd sub nom. Benny v. Loew's Inc.*, 239 F.2d 532 (9<sup>th</sup> Cir. 1956), *aff'd by an equally divided Court*, 356 U.S. 43 (1958).

The same phenomenon occurred in trademark law. *See, e.g., Universal City Studios, Inc. v. Nintendo Co.*, 746 F.2d 112, 116 (2d Cir. 1984); *Dallas Cowboys Cheerleaders, Inc. v. Pussycat Cinema*, 467 F. Supp. 366, 376 (S.D.N.Y.) (defining “parody” and “satire” separately, as in *Campbell*, and treating both as fair use), *aff'd*, 604 F.2d 200 (2d Cir. 1979). *Groucho Marx Productions, Inc. v. Day and Night Co.*, 523 F. Supp. 485 (S.D.N.Y. 1981), *rev'd on other grounds*, 689 F.2d 317 (2d Cir. 1982), lumped the two together in discussing exceptions to the right of publicity. *See id.* at 492-93.

<sup>21</sup> *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 580-81 (1994).

important question is whether the accused work risks substituting for the original or licensed derivative works.<sup>22</sup> When there is “little or no risk of market substitution,” “looser forms of parody” and “satire” may be fair use even though otherwise they would require more justification for their copying.<sup>23</sup> Nonetheless, Justice Souter’s careful reasoning has not been recognized by the post-*Campbell* cases; instead, some courts have relied on the easier wholesale parody/satire distinction, out of proportion to its origins and benefits. As the next three sections discuss, copyright and trademark cases have suffered most as a result, while right of publicity cases have more clearly recognized the disutility of the distinction (though right of publicity jurisprudence has troubles of its own with transformative use).

### III. *Campbell’s Effects on Copyright Cases*

Before turning to trademark and right of publicity law, more usual topics on these pages, this article discusses copyright law extensively, because humorous unauthorized uses draw copyright, trademark, right of publicity and even false advertising claims in the same case, and thus practitioners are well advised to be familiar with the different laws that might be relevant.<sup>24</sup> Moreover, the problems of *Campbell* in copyright provide important lessons for its extension to trademark and right of publicity law.

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<sup>22</sup> *Id.* at 580 n.14.

<sup>23</sup> *Id.* Though Justice Souter is here speaking of copyright, one could imagine similar reasoning applied to trademark cases, in which factors supporting a minimal likelihood of confusion (such as audience sophistication and purchaser care) could justify greater similarity between a mark and its its humorous imitation.

<sup>24</sup> See, e.g., *Lyons Partnership, L.P. v. Giannoulas*, 179 F.3d 384 (5<sup>th</sup> Cir. 1999), *aff’g* 14 F. Supp. 2d 947 (N.D. Tex. 1998); *Dr. Seuss Enters., L.P. v. Penguin Books USA, Inc.*, 109 F.3d 1394, 1405-06 (9<sup>th</sup> Cir.), *cert. dismissed*, 521 U.S. 1146 (1997); *World Wrestling Federation Entertainment, Inc. v. Big Dog Holdings, Inc.*, No. 01-394 (W.D. Pa. Mar. 10, 2003); *Lucasfilm Ltd. v. Media Market Gp., Ltd.*, 182 F. Supp. 2d 897 (N.D. Cal. 2002); *Williams v. Columbia Broadcasting Sys., Inc.*, 57 F. Supp. 2d 961 (C.D. Cal.), *vacated by consent*, 1999 WL 1260143 (C.D. Cal. Dec. 21, 1999). The district court in *American Family Life Ins. Co. v. Hagan*, No. 1:02-CV-1791 (Oct. [], 2002), a case involving political commercials that imitated an insurance company’s mark, seems to have misunderstood this practical linkage, stating (among other things) that a copyright infringement claim required evidence that the original work and the accused work were so similar that the accused work was likely to cause confusion among consumers as to sponsorship, endorsement, or other affiliation. See

The parody/satire line has become quite significant for fictional, artistic and advertising uses of others' copyrighted works. There is not always a clear demarcation between parody and satire, as a review of the cases demonstrates. As a practical matter, the distinction is far too manipulable in the hands of a capable practitioner or judge to be of much use. Perhaps most important, the distinction between the two is not responsive to the considerations that justify fair use and the free speech concerns underlying fair use.

#### A. Line-drawing Problems

A fundamental of the parody/satire divide is that there is no true division. *Mad Magazine* is a good example,<sup>25</sup> as is "Weird Al" Yankovic's creative output. "Weird Al" Yankovic's "(This Song's Just) Six Words Long"<sup>26</sup> is clearly a parody of "I Got My Mind Set on You" by George Harrison. But is his "King of Suede,"<sup>27</sup> about a clothing salesman, a parody of "King of Pain" by the Police? Arguably, the song pokes fun at the self-important angst represented by "King of Pain" and its singer. That is no less plausible than that 2 Live Crew's rap song attacked the naïveté of Roy Orbison's "Pretty Woman" with lyrics identifying the targeted woman as an ugly prostitute.<sup>28</sup>

Two pairs of post-*Campbell* cases illustrate the problem: two movie advertisements and two books stood accused of infringement, and one of each fended off the claim. A review of the facts and the courts' reasoning in these cases shows how subjective and fuzzy the line between parody and satire can be.

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*id.* at 10 (slip op.) (quoting trademark confusion standard from *Mutual of Omaha Ins. Co. v. Novak*, 836 F.2d 397, 398 (8<sup>th</sup> Cir. 1987)).

<sup>25</sup> Rochelle Dreyfuss reports that her late colleague, Alan Latman, who wrote a major report on fair use to Congress before the enactment of the 1976 Copyright Act, spoke of the "*Mad Magazine* exception," and based many of his conclusions on the proposition that what *Mad Magazine* did was, by definition, not copyright infringement.

<sup>26</sup> "Weird Al" Yankovic, *Even Worse* (Scotti Bros. 1988).

<sup>27</sup> "Weird Al" Yankovic, *In 3-D* (Scotti Bros. 1991).

<sup>28</sup> Justice Kennedy's *Campbell* concurrence points out that "Just the thought of a rap version of Beethoven's Fifth Symphony or 'Achy, Breaky Heart' is bound to make people smile." *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 599 (1994) (Kennedy, J., concurring). He cautions against allowing such "weak transformation" to count as fair use. *Id.*

In *Columbia Pictures Industries, Inc. v. Miramax Films Corp.*,<sup>29</sup> the owners of the copyright in the movie *Men in Black* and its advertising poster sued Miramax, which was distributing *The Big One*, a documentary by Michael Moore about the human casualties of corporate America's focus on profits. Miramax's ads drew on *Men in Black*, imitating its advertising slogan ("Protecting the Earth from the scum of the universe" became "Protecting the Earth from the scum of corporate America"), the visual arrangement of its advertising poster, and several notable elements from the poster.

The court rejected Miramax's argument that the trailer for "The Big One" poked fun at *Men in Black* by suggesting that an average, out-of-shape documentarian could assume a heroic role. The court found that the poster and trailer could not reasonably be perceived as commenting on or criticizing the ads for *Men in Black* that they imitated.<sup>30</sup> The other fair use factors were no more help to Miramax, and the court found infringement.

In *Dr. Seuss Enterprises, L.P. v. Penguin Books USA, Inc.*,<sup>31</sup> the plaintiff brought suit alleging both copyright and trademark infringement against the publishers of a book written and illustrated in the style of Theodor S. Geisel, or "Dr. Seuss" as he was more commonly known. The book, *The Cat NOT in the Hat! A Parody by Dr. Juice*, commented on the murder trial of O.J. Simpson, making fun of the proceedings in rhyming doggerel, illustrated by numerous pictures of a cat and his distinctive striped stove-pipe hat.

The court concluded that *The Cat NOT in the Hat!* was best described as satire. Although the book mimicked Dr. Seuss's distinctive style, it did not hold that style up to ridicule.<sup>32</sup> The defendants argued that they had cast O.J. Simpson as the mischievous Cat, in that he and his defense team committed "tricks" and other acts contrary to moral and legal authority, creating a horrible mess. (The original Cat in the Hat was a classic trickster figure, who created chaos to the delight of young children but left them with

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<sup>29</sup> 11 F. Supp. 2d 1179 (C.D. Cal. 1998).

<sup>30</sup> *Id.* at 1187. See also *Metro-Goldwyn-Mayer, Inc. v. American Honda Motor Co.*, 900 F. Supp. 1287, 1300 (C.D. Cal. 1995) (rejecting parody defense when car commercial took numerous elements from James Bond character and films; copying unnecessary to parody action film genre).

<sup>31</sup> 109 F.3d 1394 (9<sup>th</sup> Cir.), cert. dismissed, 521 U.S. 1146 (1997).

<sup>32</sup> See *id.* at 1401.

quite a mess to explain to adults.) The court agreed that this defense was “‘pure shtick’” and “‘completely unconvincing.’”<sup>33</sup>

The reasoning – or really, the announcement of a conclusion – in these two cases elides some troubling questions. Copyright law generally instructs courts not to pass judgment on the aesthetics of a work.<sup>34</sup> Yet distinguishing parody from satire requires aesthetic judgment. Perhaps Dr. Seuss’s charming Cat is a bad guy, contrary to Dr. Seuss’s sympathetic portrayal, by analogy to another charming rogue who may have gotten away with murder due in part to his lawyers’ Seussian flourishes.<sup>35</sup> Perhaps it is not desirable to laud people (or cats) whose charm substitutes for good behavior. The court did not, and probably could not, explain why it was any *less* reasonable to perceive a criticism of Dr. Seuss’s blithe paean to troublemaking in *The Cat NOT in the Hat!* than to perceive a criticism of Roy Orbison’s naïve portrait of street life in 2 Live Crew’s “Pretty Woman.” Likewise, Michael Moore’s imitation of better-known crusaders for justice might cast cinematic heroics in a less-than-flattering light compared to real, unglamorous muckraking. Especially as fair use is an important protection for First Amendment interests,<sup>36</sup> the “chilling effects” of such a fuzzy distinction should be of concern, and we should distrust the courts’ ability to make it.

By contrast, courts in two other significant fair use cases found parody rather than satire in two arguably similar texts. The first case involved a well-known cover of *Vanity Fair* showing actress Demi Moore in a profile that emphasized the beauty of her pregnant body; the pose recalled classical portrayals of the goddess Venus.<sup>37</sup> Paramount Pictures, promoting its upcoming film *Naked Gun 33 1/3: The Final Insult*, starring Leslie Nielsen, copied Annie Liebovitz’s *Vanity Fair* photograph for the film poster, with the small difference that a diamond ring on Moore’s hand was replaced with a tacky,

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<sup>33</sup> *Id.* at 1403 (quoting district court opinion).

<sup>34</sup> See, e.g., *Bleistein v. Donaldson Lithographing Co.*, 188 U.S. 239, 300 (1903) (“It would be a dangerous undertaking for persons trained only to the law to constitute themselves final judges of the worth of pictorial illustrations, outside of the narrowest and most obvious limits. At the one extreme some works of genius would be sure to miss appreciation.... At the other end, copyright would be denied to pictures which appealed to a public less educated than the judge.”) (Holmes, J.).

<sup>35</sup> E.g., “If it doesn’t fit, you must acquit.”

<sup>36</sup> See, e.g., *Eldred v. Ashcroft*, 537 U.S. 186, [], 123 S. Ct. 769, 789 (2003).

<sup>37</sup> See *Liebovitz v. Paramount Pictures Corp.*, 137 F.3d 109 (2d Cir. 1998).

obviously fake ring and the large difference that Paramount's version used Nielsen's head on top of a pregnant woman's body. Nielsen's jaw and eyes were positioned at roughly the same angle as Moore's, but where her gaze was serious, he was smirking.<sup>38</sup>

The court determined that the poster was clearly transformative, in that it added something new to the copyrighted work, but that whether it commented on the original, as parody must, was a closer question. Ultimately, the court believed that, "[b]ecause the smirking face of Nielsen contrasts so strikingly with the serious expression on the face of Moore, the ad may reasonably be perceived as commenting on the seriousness, even the pretentiousness, of the original."<sup>39</sup> As a result, the fair use factors weighed in Paramount's favor.<sup>40</sup> Nonetheless, the court was concerned that every copier could claim to "comment" on an original, and it emphasized that the very seriousness of the original photograph invited humorous deflation.<sup>41</sup>

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<sup>38</sup> See *id.* at 111-12. Leslie Nielsen was also involved in the other successful defense of a humorous advertisement against copyright infringement claims: He played the bunny in a beer commercial mocking the form of Eveready's "Energizer Bunny" commercials. See *Eveready Battery Co. v. Adolph Coors Co.*, 765 F. Supp. 440, 443 (N.D. Ill. 1991). As the *Eveready* court noted, Nielsen is known for his comic acting in movies that often contain substantial parodic elements. *Id.* at 443 n.7. These cases suggest that an advertiser desiring to use parody in an ad might wish to call Mr. Nielsen's agent.

<sup>39</sup> *Liebovitz*, 137 F.3d at 114.

<sup>40</sup> The parodic nature of the use had to be balanced against the plain fact that this was an advertisement, the most commercial of commercial uses. Fortunately for Paramount, the scale still weighed in its favor: "[L]ess indulgence' [for advertisements] does not mean no indulgence at all." *Id.* at 115 (quoting *Campbell*, 510 U.S. at 585). The remaining significant barrier to fair use was the amount of the original work used: Paramount went to great lengths to duplicate the *Liebovitz* photograph in every particular save the two noted above. Because *Campbell* teaches that the importance of the amount used varies with the extent of the transformation worked and the effect of the use on the copyright owner's market, however, this factor has "little, if any weight against fair use" so long as the first and fourth factors favor the defendant, as they did in *Liebovitz*. *Id.* at 116.

<sup>41</sup> *Id.*, 137 F.3d at 114-15. See also *Campbell*, 510 U.S. at 599 (Kennedy, J., concurring) (expressing similar concern and arguing that burden on defendant to show parodic character should be significant).

Probably the most significant copyright parody/fair use decision since *Campbell* is *Suntrust Bank v. Houghton Mifflin Co.*,<sup>42</sup> which provoked national attention and debate about the role of the First Amendment in copyright cases, and also involved an extended debate over the difference between parody and satire. Briefly, *Suntrust* concerned a book, *The Wind Done Gone*, that took characters and settings from Margaret Mitchell's *Gone With the Wind* and retold the story from the perspective of a new character, Scarlett O'Hara's illegitimate, mulatto half-sister. Overall, the notable feature of the retelling is that the white characters appear as ineffectual, stupid, or otherwise flawed, whereas the black characters exhibit agency and intelligence, in vivid contrast to their respective portrayals in *Gone With the Wind*.

Although the district court granted a preliminary injunction against publishing the book, the Eleventh Circuit granted expedited review and lifted the injunction from the bench. Its later opinion, while founded on the First Amendment concern to protect controversial speech, invoked fair use as the mechanism copyright provides for guarding against censorship.

The district court had found that there was no need to use *Gone With the Wind* to criticize slavery and the romanticized view of the antebellum South, which was (part of) *The Wind Done Gone*'s goal. Randall's book merely used well-known characters to draw attention to her version of the story. As a result, the work was a satire and a sequel, not a parody, and had no legitimate claim to build on Margaret Mitchell's copyrighted work. The district court had also held that *The Wind Done Gone* was not a parody in part because it was not funny. The court of appeals wisely eschewed this latter path. Although it rejected a humor inquiry because it did not like the idea of recognizing specifically "African-American" humor,<sup>43</sup> it is true that humor is highly dependent on perspective and, here as elsewhere in copyright, it would be unwise for the judiciary to set precedent on what is artistically valid.<sup>44</sup> After all, if you slip on a banana peel, that's funny, but if I slip on a banana peel, that's tragedy, which is why parodists' targets so rarely see the humor in the attacks.<sup>45</sup>

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<sup>42</sup> 268 F.3d 1257 (11<sup>th</sup> Cir. 2001).

<sup>43</sup> *See id.* at 1269 n.3.

<sup>44</sup> *See Bleistein v. Donaldson Lithographing Co.*, 188 U.S. 239, 300 (1903).

<sup>45</sup> *See also Jordache Enters. v. Hogg Wyld, Ltd.*, 828 F.2d 1482, 1486 (10<sup>th</sup> Cir. 1987) ("Now everything is funny as long as it is happening to somebody Else, but when it happens to you, why it seems to lose some of its Humor ....") (quoting W. ROGERS, *Warning to Jokers*, in *The Illiterate Digest*, 1-3 THE WRITINGS OF WILL ROGERS 75

The court of appeals held that the focus of the “parody” inquiry was whether the accused work’s aim was “to comment upon or criticize a prior work by appropriating elements of the original in creating a new artistic, as opposed to scholarly or journalistic, work.”<sup>46</sup> The court found that *The Wind Done Gone* plainly acted as a “specific criticism of and rejoinder to the depiction of slavery and the relationships between blacks and whites” in *Gone With the Wind*.<sup>47</sup> Notably, the court declined to rely on an argument offered by many on the defendant’s side: that *Gone With the Wind* is such a cultural icon, responsible for many people’s images of the old South, that the most effective way to critique their romanticized images of slavery and Southern chivalry is to use *Gone With the Wind*.<sup>48</sup> The court was probably wrong to reject this claim; criticism of a successful and influential work has potential social benefits greater than criticism of an unknown work, and thus is more likely to serve copyright’s knowledge-promotion purposes.<sup>49</sup>

From the conclusion that *The Wind Done Gone* was a true parody, the lifting of the preliminary injunction inexorably followed. The court, and Judge Marcus in concurrence, also noted that *The Wind Done Gone* contained homosexuality and miscegenation, two things the Mitchell estate would never allow in any authorized derivative work, and that this favored a finding of fair use.<sup>50</sup>

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(1974)); Laugh Lab Press Release, Dec. 20, 2001  
<<http://www.laughlab.co.uk/press/press.html>> (discussing project attempting to find world’s funniest joke; early results show significant national and gender differences) (visited Sept. 11, 2002).

<sup>46</sup> *Suntrust*, 268 F.3d at 1268-69.

<sup>47</sup> *Id.* at 1269.

<sup>48</sup> *See id.* at 1272 (rejecting idea that *Gone With the Wind*’s fame justifies “extra latitude in copying”).

<sup>49</sup> This is not to say that a parody of a less-well-known work would be unfair, particularly if the work was known to the humorist’s target audience.

<sup>50</sup> *Suntrust*, 268 F.3d at 1270 n.26; *id.* at 1282 (Birch, J., concurring). Both opinions stated that the estate’s disapproval of these elements was relevant because copyright owners suffer no market harm in markets they would not choose to enter. But courts have generally equated “markets the copyright owner would not enter” with “markets for parodies”; in the context of specific character traits, the reasoning is a bit hard to follow. The opinions might be thought to suggest that there is a separate market for books that acknowledge the existence of homosexuals and of the progeny

The lesson to be learned from these four cases is that the distinction between parody and satire is in the eye of the presiding judge. The subjectivity involved in judging the type of transformation at issue leads some courts to keep their analysis brief, or nonexistent, perhaps implicitly recognizing that distinguishing parody from satire as a legal matter is a custom honored more in the breach than in the observance. Artists who altered Barbie's image by placing her in sexually explicit contexts have survived infringement allegations.<sup>51</sup> In a published opinion, the district court wasted no time, and very little ink, determining that sexualizing Barbie is a comment on Barbie.<sup>52</sup>

Likewise, a man in a chicken costume whose act incorporated taunting and assaulting Barney (the large purple dragon) prevailed on summary judgment because the court found that his act commented both on Barney's pervasive commercial presence and on his lovable, "sissy" image.<sup>53</sup> The district court held that Barney's presence at a sporting event was a comment on Barney's pervasiveness: "Even the Chicken cannot get

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of master-slave relations. This is possible, but there does not seem to be much evidence for it. Or the court might be suggesting that parodies of *Gone With the Wind* without those elements might be authorized by the Mitchell estate and thus less worthy of protection as fair uses, but that seems to be a leap as well. *But cf.* Note, *Originality*, 115 HARV. L. REV. 1988, 1996-97 (2002) (arguing that the *Suntrust* analysis favors crude parodies and is more likely to find rewritings that offer a more nuanced commentary on the original to be infringing). Perhaps it would be more accurate to say that the Mitchell estate's censorial control over references it perceived as inappropriate enhanced the free speech interests at stake, and that this in some sense raised the estate's burden in showing market harm attributable to substitution.

<sup>51</sup> See *Mattel, Inc. v. Pitt*, 229 F. Supp. 2d 315, 322 (S.D.N.Y. 2002) (denying plaintiff's motion for summary judgment against pro se defendant; finding that Barbie head on doll body dressed in "bavarian bondage dress" was transformative; "[t]o the Court's knowledge, there is no Mattel line of 'S&M' Barbie"); *Mattel, Inc. v. Walking Mountain Productions*, 2001 WL 929923 (C.D. Cal. Aug. 13) (granting summary judgment to defendant who displayed photos, some sexually suggestive, of Barbie dolls posed with kitchen appliances), *aff'd*, 4 Fed. Appx. 400, 2001 WL 133145 (9th Cir. Feb. 15, 2001).

<sup>52</sup> See *Pitt*, 229 F. Supp. 2d at 322.

<sup>53</sup> *Lyons Partnership, L.P. v. Giannoulas*, 14 F. Supp. 2d 947 (N.D. Tex. 1998), *aff'd*, 179 F.3d 384 (5th Cir. 1999).

away from Barney.”<sup>54</sup> Then, the court stated, “[t]he parody ... moves to another level as the lovable, sissy Barney character transforms into an egotistical urban rapper ....”<sup>55</sup> The court did not explain what is parodic here or what lessons one ought to learn about the original from viewing the burlesque, implying that any role reversal would be parodic.

Finally, the animated pornographic film *Starballz* avoided a preliminary injunction as a parody of the *Star Wars* style.<sup>56</sup> The court’s analysis is not even worthy of the name: the court recites *Campbell*’s definition of parody (though not its definition of satire) and announces that *Starballz* is parody.<sup>57</sup> When explanation is impossible, confident assertion must suffice.

Barbie, Barney and *Star Wars* may invite the merger of parody and satire because they are important cultural texts; criticizing them *is* criticizing large segments of American popular culture. Conversely, criticism of the early sexualization of young girls and the banality of children’s entertainment clearly implicates Barbie and Barney. But this is true for any example of a genre, even if it is not as successful as Barbie has been. Distinguishing the broad from the specific critique is a game not worth the candle.

## **B. Practical Slipperiness**

The subtle literary divide between parody and satire becomes even more obscure when lawyers enter the picture. It is not difficult, in any case in which a copyrighted work is somewhat altered, to adduce testimony and justifications suggesting that the accused work is a parody, attacking elements of the original. Any serious work, as Annie Liebovitz discovered, might be a legitimate target of parody because a copier may simply lampoon its seriousness.<sup>58</sup> When “a fertile imagination or a literature degree”<sup>59</sup> can define a work as parody instead of satire, we should be unsurprised that lawyers possessed of either (or both) can manipulate the distinction.

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<sup>54</sup> *Lyons*, 14 F. Supp. 2d at 955.

<sup>55</sup> *Id.*

<sup>56</sup> *Lucasfilm Ltd. v. Media Market Gp., Ltd.*, 182 F. Supp. 2d 897, 901 (N.D. Cal. 2002).

<sup>57</sup> *Lucasfilm*, 182 F. Supp. 2d at 901.

<sup>58</sup> *See Liebovitz v. Paramount Pictures Corp.*, 137 F.3d 109 (2d Cir. 1998).

<sup>59</sup> 4 MELVILLE B. NIMMER & DAVID NIMMER, *NIMMER ON COPYRIGHT*, §13.05[C][2], at 13-217.

The controversy over *The Wind Done Gone* was marked by self-serving testimony on both sides, identifying Alice Randall's work as parody in a distinct African-American tradition or failing to find any humor in the book.<sup>60</sup> Randall's publisher revised the book jacket in order to mark it as a parody, likely reflecting legal tactics more than appeals to readers in the market for parodies.<sup>61</sup> More generally, publishers' reaction to *Campbell* is spelled out on book jackets: before *Campbell*, humorous works called themselves "satires," and now they call themselves "parodies," with no apparent change in content.<sup>62</sup>

The Eleventh Circuit reacted to the battle of the experts in *Suntrust* by apparently dismissing both positions and conducting its own analysis into the critical bearing of *The Wind Done Gone* on *Gone With the Wind*.<sup>63</sup> But the district court in the same case had accepted the Mitchell Estate's characterization of the work as a mere sequel and satire on antebellum Southern society,<sup>64</sup> and the case demonstrates that it will rarely be difficult to

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<sup>60</sup> See *Suntrust Bank v. Houghton Mifflin Co.*, 268 F.3d 1257, 1269 n.23 (11th Cir. 2001); *Suntrust Bank v. Houghton Mifflin Co.*, 136 F. Supp. 2d 1357, 1373-74 & nn. 8-11 (discussing competing expert opinions on presence or absence of parody in Randall's work) (N.D. Ga.), *rev'd*, 268 F.3d 1257 (11th Cir. 2001). On Suntrust's side, experts included Joel Conarroe, president of the John Simon Guggenheim Memorial Fund and himself a former Guggenheim fellow; Alan Lelchuk, a novelist; Gabriel Motola, emeritus professor of English at CUNY; and Louis Rubin, Jr., emeritus professor of English at UNC-Chapel Hill. On Houghton Mifflin's, the roster included Pat Conroy; Henry Louis Gates, Jr., chair of Afro-American studies at Harvard; Harper Lee; Barbara McCaskill, professor of English at the University of Georgia; Toni Morrison; and Anton Mueller, senior editor at Houghton Mifflin. Their affidavits and declarations, and many, many more, can be found at [http://www.houghtonmifflinbooks.com/features/randall\\_url](http://www.houghtonmifflinbooks.com/features/randall_url) (visited June 16, 2003).

<sup>61</sup> See *Suntrust*, 136 F. Supp. 2d at 1376.

<sup>62</sup> Compare *id.* and *Dr. Seuss Enters., L.P. v. Penguin Books USA, Inc.*, 109 F.3d 1394, 1396 (9th Cir.) (book's subtitle was *A Parody by Dr. Juice*), *cert. dismissed*, 521 U.S. 1146 (1997), with *Cliffs Notes, Inc. v. Bantam Doubleday Dell Publishing Gp., Inc.*, 886 F.2d 490, 493 (2d Cir. 1989) (book found to be fair use marketed as "satire"); *Berlin v. E.C. Publications, Inc.*, 329 F.2d 541, 542-43 (2d Cir. 1964) (analyzing *Mad Magazine's* self-described "satire" and finding fair use).

<sup>63</sup> *Suntrust*, 268 F.3d at 1269 & n.23 (rejecting reliance on "assistance from 'experts'").

<sup>64</sup> *Suntrust*, 136 F. Supp. 2d at 1374-76.

make arguments that any particular fictional or artistic transformative use is a satire or a parody, depending on one's side.

To take another example that has not led to litigation, the musical *Avenue Q* is, everyone involved acknowledges, a take-off on *Sesame Street*, using very similar puppets and even former *Sesame Street* puppeteers. As *Time* described the premise,

What if the denizens of Sesame Street grew up into profane, broke, self-doubting college grads who kept some of their innocence but developed potty mouths? .... There's Cookie Monster's alter ego, Trekkie Monster, who is addicted to Internet porn, and a pair of sexualized Ernie and Bert characters, Nicky and Rod, who room together but don't sleep together ....<sup>65</sup>

Educational moments include the song "Everyone's a Little Bit Racist" and "schadenfreude" as the word of the day. Parody or satire? Like pre-*Campbell* courts, reviews eschew the distinction, noting that *Avenue Q* addresses recent college graduates' fears about adult life through obvious references to *Sesame Street* characters.<sup>66</sup> Indeed, one of the creators has stated that his motivation for basing the musical on *Sesame Street*-like puppets was to get younger audiences' attention, which could also be called "avoiding the drudgery of working up something fresh."<sup>67</sup> The producers are fortunate that *Sesame Street* has decided not to use that admission against them in litigation.

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<sup>65</sup> Kate Betts, *Puppet Regime: Toys Really Are Us in the New Musical Avenue Q*, TIME, Aug. 11, 2003, at 62.

<sup>66</sup> See, e.g., Elysa Gardner, 'Q' Takes a Witty Ride Down 'Sesame Street', USA TODAY, Aug. 4, 2003, at 4D (using both terms); Jake Tapper, *Is This Town Big Enough for Two Puppet Boulevards?*, N.Y. TIMES, July 27, 2003, sec. 2, at 5 (same); Charles Isherwood, 'Avenue Q' Re-Routed to Broadway, VARIETY, Aug. 4, 2003, at 29 (stating that show "co-opts the style of a tyke TV show to animate the aimless lives of underemployed twentysomethings looking for love and fulfillment," which would sound like satire after *Campbell*).

<sup>67</sup> Blake Green, 'Avenue Q's Creators Grew up on 'Sesame Street' and the Muppets, But Their Creations Are Decidedly Not Aimed at Children, L.A. TIMES, Aug. 3, 2003, Part 5, at 34. ("We needed a way in [to appeal to young people],' says Lopez, who repeats a friend's observation about 'Avenue Q': 'It's how you're sneaking in under the radar.'").

### C. Conceptual Flaws in the Parody/Satire Distinction

Even if we presume that observers will generally be able to agree that an accused work is a parody or a satire, that does not make the distinction particularly useful for determining whether the work is a fair use. The footnote in *Campbell*, pointing out that, where market substitution is absent, even satire may have a claim to be fair use, suggests that several important post-*Campbell* cases are simply wrong in their rigid use of the parody/satire distinction.<sup>68</sup>

Distinguishing between types of humor can lead to counterintuitive and even ridiculous results. Most notably, satire is just as unlikely to substitute for the original as parody is; no child would demand (or accept) *The Cat NOT in the Hat!* instead of *The Cat in the Hat*.<sup>69</sup> Yet, after determining that the defendants' use was not "transformative" because it was satirical rather than parodic, the *Dr. Seuss* court went on mechanically, and preposterously, to conclude that it would likely substitute for the original.<sup>70</sup>

The parody/satire divide also ill-serves analysis of the effect on the market factor in other ways. Both copyright owners' attitudes towards parody and their attitudes towards satire demonstrate the unsoundness of the distinction.

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<sup>68</sup> *Williams v. Columbia Broadcasting Sys., Inc.*, 57 F. Supp. 2d 961 (C.D. Cal.), vacated by consent, 1999 WL 1260143 (C.D. Cal. Dec. 21, 1999), follows *Campbell*'s more nuanced approach. *Williams* involved a "spirit message" from an Army unit that was broadcast during the 1997 Army/Navy football game. The message showed an animated clay "Sailor Bill" experiencing trauma at the hands of the Army. The court rejected a parody defense, finding that "Sailor Bill" did not comment on the misfortunes of the copyrighted clay character "Mr. Bill," but merely showed a clay figure suffering similar harms. Nonetheless, the court accepted a fair use defense, holding that the message did not copy significant features of the "Mr. Bill" sequences, including his clothing and his well-known cry "ohhhh, nooooo!" *Id.* at 969-70. The court felt that what the Army unit did take was reasonably small; along with the quasi-noncommercial nature of the use (the broadcaster benefited from it, but the producers did not) and the absence of any effect on the market, this sufficed to protect a message created by our "spirited soldiers." *Williams*, 57 F. Supp. 2d at 970. The *Williams* court properly refused to let the satire/parody distinction determine the outcome of the fair use test.

<sup>69</sup> See Matthew D. Bunker, *Eroding Fair Use: The "Transformative" Use Doctrine After Campbell*, 7 *Comm. Law & Pol.* 1, 20 (2002).

<sup>70</sup> See *id.*

As popular culture gets ever more self-referential and self-parodying, effective unauthorized parody may become more difficult. In *Liebovitz*, for example, the court reassured itself that not every creator of a derivative work could claim fair use by emphasizing that the work at issue was serious, even self-important, and thus more light-hearted treatments could reasonably be seen as commenting on the pretentiousness of the original.<sup>71</sup> A work that is already ironic or self-conscious would seem to be protected against this variety of commentary, as in fact the sly, postmodern film *Men in Black* was. What, after all, could parody *The Simpsons* (other than *The Simpsons* itself)?

This cultural trend towards postmodernism and self-mockery could be thought to diminish the justification for according parodies favored fair-use status, but courts have yet to deal with such a claim head-on. In one case, the World Wrestling Federation sued a T-shirt and novelty company over its modification of images and taglines of particular WWF wrestlers to make them look like dogs and use dog-related language. Rather than acknowledge that WWF wrestling is already a parody of itself, the court agreed that the defendant's products provided commentary on "the larger-than-life, intimidating, self-serious fierce and violent images and persona of WWF professional wrestling."<sup>72</sup> Commentary there may be in the "dogified" T-shirts, but any perceived "self-seriousness" is the result of the observer's delusion.<sup>73</sup>

Historically, courts have explained that parodies are unlikely to substitute for authorized works because copyright owners are unlikely to authorize parodies.<sup>74</sup> Courts

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<sup>71</sup> *Liebovitz*, 137 F.3d at 114-15.

<sup>72</sup> *World Wrestling Federation Entertainment, Inc. v. Big Dog Holdings, Inc.*, No. 01-394 (W.D. Pa. Mar. 10, 2003), slip op. at 16 (quoting defendant's brief).

<sup>73</sup> The court also described the T-shirts as providing commentary on the "over-hyped" world of pro wrestling. *Id.* at 17. That may be closer to the truth, but there is then essentially nothing remaining to satire.

<sup>74</sup> *Campbell*, 510 U.S. at 592 ("[T]he unlikelihood that creators of imaginative works will license critical reviews or lampoons of their own productions removes such uses from the very notion of a potential licensing market. 'People ask ... for criticism, but they only want praise.'") (quoting *SOMERSET MAUGHAM, OF HUMAN BONDAGE* 241 (Penguin ed. 1992)); *Suntrust*, 268 F.3d at 1270 n.26 (holding that parody's references to homosexuality and miscegenation took on "special relevance" to the market-harm analysis, favoring fair use, because evidence showed that copyright owner would not license any works making such references). *Suntrust*'s reasoning suggests that there is a separate market, for copyright purposes, for works containing

have said, therefore, that copyright owners should only get exclusive rights in markets that they are reasonably likely to develop.<sup>75</sup>

Today, however, the argument that a copyright owner *will not* authorize parodies is less persuasive.<sup>76</sup> Weird Al Yankovic, known for humorous reworkings of popular songs such as “Eat It” (from Michael Jackson’s “Beat It”)<sup>77</sup> and “Like a Surgeon” (from Madonna’s “Like a Virgin”),<sup>78</sup> always gets permission, even though he has strong fair use arguments for at least some of his songs.<sup>79</sup> DC Comics’ “Elseworlds” actually consist of numerous alternate versions of Batman, Superman and other superheroes, including several storylines in which the superheroes become supervillains and others played for

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homosexuality and/or miscegenation, an interesting assumption but probably hard to prove.

<sup>75</sup> See *American Geophysical Union v. Texaco Inc.*, 60 F.3d 913, 930 (2d Cir. 1994) (“only traditional, reasonable, or likely to be developed markets” are relevant to market-effect analysis) (citing *Campbell*); *Twin Peaks Prods., Inc. v. Publications Int’l, Ltd.*, 996 F.2d 1366, 1377 (“In the cases where we have found the fourth factor to favor a defendant, the defendant’s work filled a market niche that the plaintiff simply had no interest in occupying.”); cf. *Campbell*, 510 U.S. at 592 (“The market for potential derivative uses includes only those that creators of original works would in general develop or license others to develop.”).

<sup>76</sup> See *Suntrust Bank v. Houghton Mifflin Co.*, 268 F.3d 1257, 1279 n.3 (11<sup>th</sup> Cir. 2001) (Marcus, J., concurring) (“The irony and self-awareness common in contemporary literature, in particular, may one day pose difficulties for the fair use doctrine. It is not hard to imagine a copyrighted story that parodies itself, by design, or an author who makes a career out of parodying his own work in each subsequent one.”).

<sup>77</sup> “Weird Al” Yankovic, “*Weird Al*” *Yankovic in 3-D* (Way Moby/Volcano 1984)

<sup>78</sup> “Weird Al” Yankovic, *Dare To Be Stupid* (Way Moby/Volcano 1985).

<sup>79</sup> See *Frequently Asked Questions – and the Answers!*, <http://www.weirdal.com/faq.htm> (“Al does get permission from the original writers of the songs that he parodies. While the law supports his ability to parody without permission, he feels it’s important for him to maintain the relationships that he’s built with artists and writers over the years.”) (visited Mar. 13, 2002); see also *Kurt Cobain: The Lost Interview Part 2*, <http://www.guitarworld.com/artistindex/9611.cobain.html> (visited Mar. 13, 2002) (discussing Nirvana-approved parody of “Smells Like Teen Spirit,” “Smells Like Queer Spirit”).

laughs.<sup>80</sup> Copyright doctrine tells us that a comic book that makes Lex Luthor a brave hero fighting a murderous Superman is a good candidate for a fair use-protected parody. But DC is ready, willing and able to make money off of it. Taking this argument to its natural conclusion, some lawyers are actually advising copyright owners to develop and license parody markets, so that they will be able to show market harm if their works are parodied *without* authorization.<sup>81</sup>

The Supreme Court's language in *Campbell* slid over the authorized-parody issue by allocating to copyright owners only those derivative markets "that creators of original works would *in general* develop or license others to develop,"<sup>82</sup> thereby apparently holding that *The Simpsons*' tolerance for parody is irrelevant because it is not generally shared.<sup>83</sup> As a result, the "effect on the market" factor cannot weigh in the plaintiff's favor simply because the plaintiff provides evidence that it is willing to license certain parodies or other humorous uses. But why? It would seem that a plaintiff who can show an actual market for licensed parodies should not be held hostage to the pomposity of other copyright owners. Different types of works have different derivative markets; very few textbooks will be made into films, but the film derivative market is still a valid one for books.

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<sup>80</sup> Cf., e.g., *BATMAN: CRIMSON MIST* (2001) (Batman is a vampire); *BATMAN: I, JOKER* (1998) (Batman is the bad guy, the Joker is the hero); *SUPERMAN INC.* (1999) (Superman is an athletic superstar and media hound); *SUPERMAN/WONDER WOMAN: WHOM GODS DESTROY* (1997) (Superman is turned into a teenaged girl -- not, incidentally, for the first time in his long and tangled history); *Legend of the Dark Mite*, in *BATMAN: COLLECTED LEGENDS OF THE DARK KNIGHT* 84 (1993) (Batman is a dwarf with magical powers).

<sup>81</sup> See Jay Flemma, *The Wind Done Got Away with It*, <http://www.alanbergman.com/parody.pdf>, at 11 (n.d., visited Aug. 12, 2003) ("[T]he client should explore the benefits of entering into favorable parody licensing arrangements and other derivative markets.... This "use it or lose it" analysis of derivative markets could grow to encompass parody licenses.").

<sup>82</sup> *Campbell*, 510 U.S. at 592 (emphasis added).

<sup>83</sup> The Second Circuit has followed this logic. See *Castle Rock Entertainment, Inc. v. Carol Pub'g Group, Inc.*, 150 F.3d 132, 145 n.11 (2d Cir. 1998) ("[C]opyright owners may not preempt exploitation of transformative markets, which they would not 'in general develop or license others to develop,' by actually developing or licensing others to develop those markets.").

What this market-segment argument really means is that copyright owners are not *entitled* to exclusive rights in the market for parodies of their works, regardless of whether they too might like to exploit that market. The economic harm from selling fewer self-parodies is, like the economic harm from a bad review, not relevant to the rights copyright is supposed to protect. Although the courts' language has been ambiguous at best, it would be better to describe this aspect of the fair use analysis as based not on a falsifiable empirical supposition about licensing behavior, but on a principle that copyright owners should not be able to control the ways in which their works get parodied.<sup>84</sup>

Framing the issue as a question of pre-existing right makes the market harm analysis more sensible. Without an external limiting principle, all uses harm copyright owners' markets, in the sense that the copyright owner could always be paid for every use.<sup>85</sup> The limiting principle generally offered is that, because society is better off when people can freely parody other works, the market for parody cannot be monopolized by the copyright owner.

If this is so, then the parody/satire distinction becomes even more mysterious. Just as society is better off when people can parody existing works, it is better off when people can freely satirize it. It is said that no satirist needs to start with a copyrighted work in order to achieve that goal, but that argument is extremely weak. Aside from the fact that a parodist could also in theory always parody something else, courts are generally unwilling to suppress speech because it might have been said another way; if a speaker believes that certain words or images are the most effective way to communicate, a court has little business disagreeing with her. That is why the Supreme Court protected Paul Cohen's right to wear a jacket proclaiming "Fuck the Draft" in public: "[W]e cannot indulge in the facile assumption that one can forbid particular words without also running

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<sup>84</sup> See *Carol Pub'g*, 150 F.3d at 145 n.11 (assuming that most copyright owners would not license parodies, but noting danger of allowing copyright owners to define their own markets); see also *Leibovitz v. Paramount Pictures Corp.*, 137 F.3d 109, 115 n.3 (2d Cir. 1998) ("[T]he fair use doctrine is broad enough to protect even those commentaries that are not so damaging that the original author would refuse to license them for a fee. A parodist need not demonstrate that the copyright owner would prohibit the use in order to qualify the copy as fair use under *Campbell*.").

<sup>85</sup> This circularity has been repeatedly noted. See, e.g., *Castle Rock Entertainment v. Carol Publishing Gp., Inc.*, 955 F. Supp. 260, 271 (S.D.N.Y. 1997), *aff'd*, 150 F.3d 132, 145 n.11 (2d Cir. 1998); *American Geophysical Union v. Texaco, Inc.*, 802 F. Supp. 1, 21 n.18 (S.D.N.Y. 1992), *aff'd*, 60 F.3d 913, 929 n.17 (2d Cir. 1994), *cert. dismissed*, 516 U.S. 1005 (1995).

a substantial risk of suppressing ideas in the process.” Thus, a satire may provide a uniquely effective social commentary whose effect could not have been achieved in a completely new work or a satire of a public domain work.

Congressional treatment of parody and satire, albeit in a different context, supports the claim that both serve the goals of free expression. The legislative history of the Federal Trademark Dilution Act makes clear that neither parody nor satire constitute actionable dilution, in order to avoid violating the First Amendment. The identical treatment of the two types of humor highlights that the social value of parody is not inherently greater than the social value of satire. The public’s interest in having access to broad-sweeping satires might, if anything, be greater than that in having access to parodies of more limited cultural relevance. It is this, rather than the range of derivative works a copyright owner might authorize, that provides the proper baseline for determining the copyright owner’s legitimate markets.

The preceding discussion shows that a copyright owner cannot be presumed to be uninterested in the market for parodies; neither can she be presumed to be interested in the market for satires. The “unlikely licensing” argument never made much sense as a way to explain why parody in particular, and not satire, can be fair use. No upright copyright owner is going to authorize derivative works that satire society at large while refusing to authorize parodies of the copyrighted work itself. Both parody and satire ought therefore to succeed on the “effect on the market” factor of the fair use analysis. In practical terms, most copyright and trademark owners who sue likely do not care whether the offending work is a parody or a satire, regardless of what the law forces them to argue.

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<sup>86</sup> *Cohen v. California*, 403 U.S. 15, 26 (1971). See also *Meyer v. Grant*, 486 U.S. 414, 424 (1988) (First Amendment protects individuals’ right “not only to advocate their cause but also to select what they believe to be the most effective means to advocate their cause”); *Turner Broad. Sys. Inc. v. Federal Commun. Comm’n*, 512 U.S. 622, 675 (1994) (O’Connor, J., concurring and dissenting in part) (“[A]s we know from the example of publishing houses, movie theaters, bookstores and Reader’s Digest, communication occurs in selecting which speech to copy and distribute no less than in creating the speech in the first place.”).

<sup>87</sup> See, e.g., 141 Cong. Rec. S19306, S19310 (Sen. Hatch, daily ed. Dec. 29, 1995) (“The bill will not prohibit or threaten noncommercial expression, such as parody, satire, editorial and other forms of expression that are not part of a commercial transaction.”); 135 Cong. Rec. H1216-17 (Rep. Kastenmeier, daily ed. Apr. 13, 1989) (same).

Further flaws in the parody/satire distinction can be found by examining the oft-unimportant third factor, the amount and substantiality of what was taken from the original work. *Campbell* said that a parodist must be allowed to take “at least” as much as necessary.<sup>88</sup> As the *Liebovitz* court noted, this was a departure from a line of cases stating that, to be a fair use, a parody must take “no more than” that sufficient to conjure up the original.<sup>89</sup> How much more a parodist may take, the Court suggested, depended on two other fair use factors: the extent of the transformation and the parody’s effect on the market.<sup>90</sup> Thus, the more a parodist transforms, the more he or she may take. And an obvious, even crude, parody is less likely to substitute for authorized uses than a subtler one.<sup>91</sup>

Expanding the fair use defense to parodies that take more than absolutely necessary provides a cushion for critical and parodic uses. This is consistent with free speech principles that speakers should not have to steer far clear of the forbidden zone to avoid liability, so they do not have to worry that a court will think of some smaller amount of copying that still could have conjured up the original work.<sup>92</sup> Concern for the speech-suppressing effects of uncertain rules should also lead to greater tolerance for satire, which, as discussed above, can be very hard to tell from parody.

The limited utility of the parody/satire distinction is an indicator of the broader problem of transformative use. If transformative use is a virtual necessity for a finding of

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<sup>88</sup> *Campbell*, 510 U.S. at 588.

<sup>89</sup> *Liebovitz*, 137 F.3d at 114; *see also Lyons*, 182 F. Supp. 2d at 954 (“[P]arody is entitled at least to conjure up the original work, and an even more extensive use of the original would still be fair, providing that the parody builds on the original ....”). The Ninth Circuit apparently disregarded *Campbell* in *Dr. Seuss Enterprises, L.P. v. Penguin Books USA, Inc.*, 109 F.3d 1394 (9<sup>th</sup> Cir.), *cert. dismissed*, 521 U.S. 1146 (1997), when it recited the old “no more than is necessary” test. *See id.* at [].

<sup>90</sup> *See Campbell*, 510 U.S. at 588.

<sup>91</sup> *See Note, Originality, supra* note [].

<sup>92</sup> Nonetheless, the Court’s reasoning makes prediction extremely difficult, because it is hard to tell how much transformation a court will consider enough to offset “extra” copying. Indeed, the Eleventh Circuit in the *Wind Done Gone* case – seemingly a resounding victory for fair use/free speech advocates – actually remanded the case to the district court to inquire into whether Alice Randall took more than was permissible. *See Suntrust*, 268 F.3d at 1273-74.

fair use, courts will struggle to define “transformation” to get what seem to be the right results.<sup>93</sup> Thus, courts have found transformation – and therefore, fair use – in minimized images of larger pictures, used to index the pictures for an Internet search engine,<sup>94</sup> and in photographs taken for a modeling portfolio that were used instead for a news report.<sup>95</sup> This is not transformation of the copyrighted *works* in any relevant sense, as a copyright owner would quickly discover were she to attempt to register the smaller image or news photo as a derivative work. The Copyright Office would rightly reject the claim that the works had been “recast, *transformed* or adapted” as required to create a derivative work under the Copyright Act.<sup>96</sup> In the end, it would make more sense to recognize that there is no one prototypical type of fair use. This interpretation would be subject to manipulation just as transformative use is, but at least the artificial and misleading categories encouraged by *Campbell* would be less likely to influence judicial analysis.

#### **D. Conclusion**

The parody/satire distinction is difficult to make, may lead to the suppression of constitutionally protected speech, and lacks a logical connection to the economic justification for copyright. It should be abandoned in favor of a fair use analysis that finds addition of critical insights – about the original work or society in general – to be favored uses. Only those works that closely imitate and substitute for standard derivative works (movie versions of novels, for example) should be found to be infringing. To a certain extent, this would decouple the transformative use analysis from the market harm analysis, so that a favorable finding for a defendant on the first factor would not always lead to a favorable result on the fourth factor, as is currently nearly automatic when parody is a defense. Such a result is inherent in a copyright scheme that grants some rights in derivative works, however, and the elimination of the parody/satire distinction would focus courts more properly on the accused work’s differences from the original rather than the accused work’s resemblance to some ideal of parody or satire.

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<sup>93</sup> See 4 Nimmer & Nimmer, *supra* note [], §13.05[A][1][b], at 13-162 (criticizing cases that use “‘not transformative’ as a shorthand for ‘not fair,’ and correlatively ‘transformative’ for ‘fair’”).

<sup>94</sup> See *Kelly v. Arriba Soft*, 280 F.3d 934, 941 (9th Cir. 2002).

<sup>95</sup> See *Nuñez v. Caribbean Int’l News Corp.*, 235 F.3d 18, 22-23 (1st Cir. 2000).

<sup>96</sup> 17 U.S.C. §101 (emphasis added) (defining derivative works).

#### IV. *Campbell's* Effect on Trademark Cases

There have been two major developments in the U.S. law of trademark parodies since the mid-1990s. First, courts have increasingly analyzed trademark parodies using a variant of the *Campbell* fair use test, with varying results.<sup>97</sup> Some courts, usually courts faced with an advertisement that makes fun of a mark without being connected to an underlying humorous product, have been quite stringent, requiring that a parodist take no more than necessary and calling parody illegitimate when there were other means of advertising the product. Others have been more lenient, upholding humorists' right to draw upon well-known trademarks as long as the use makes some comment on the trademark owner's product or service. Prediction in this area remains as difficult now as it was a decade ago, and a judge's subjective reaction to an alleged parody may be as important as any enunciated principle of law. Courts that borrow *Campbell* to aid trademark analysis are, indeed, more likely to be distracted from the ultimate issue in any infringement case: whether confusion is likely.

Second, the enactment of the Federal Trademark Dilution Act (FTDA) has given trademark owners a muscular new cause of action. Although the FTDA protects famous marks against "tarnishment," that is, association with negative characteristics or activities (such as pornography), the law was not intended to restrict legitimate parodies, and thus courts have been willing to reject dilution claims even when a parodist uses a trademark in offensive ways. The difficulty lies in determining what is "legitimate"; courts have also been willing to find that parodies are diluting. The very concept of parody as a legitimate type of social commentary, however, casts doubt on the wisdom and the constitutionality of current dilution law. Courts have therefore struggled to reconcile *Campbell*-like concerns with the broad scope of dilution law.

This section first deals with trademark infringement and the problems raised by *Campbell's* parody/satire distinction, which parallel those in copyright, then turns to the special problems posed by dilution.

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<sup>97</sup> See, e.g., *Harley-Davidson, Inc. v. Grottanelli*, 164 F.3d 806, 813 (2d Cir. 1999) ("[W]hatever protection is to be afforded a trademark parody must be informed by the Supreme Court's elucidation in the copyright context of parodies allegedly protected by the defense of fair use."); *Elvis Presley Enters., Inc. v. Capece*, 141 F.3d 188, 199 (5<sup>th</sup> Cir. 1998) ("[R]ecently ... the Supreme Court considered parody in the copyright context, which is relevant to the treatment of parody in the trademark context."); see also Gary Myers, *Trademark Parody: Lessons from the Copyright Decision in Campbell v. Acuff-Rose Music, Inc.*, LAW & CONTEMP. PROBLEMS, Spring 1996, at 181.

## A. Confusion About Confusion

As in copyright, the parody/satire divide is only marginally helpful in addressing the central question: in infringement cases, whether the defendant's use is likely to cause confusion among a substantial number of consumers. If a joke is recognizable as a joke, consumers are unlikely to be confused.<sup>98</sup> Of course, broader jokes will be easier for more consumers to get and thus less likely to be confusing, but at least that determination does not require courts to determine the butt of the joke, society (satire) or the trademark owner (parody).

There is simply no conceptual or practical advantage in labelling T-shirts that caricature pro wrestlers as dogs "parodies" of the World Wrestling Federation rather than satire.<sup>99</sup> Indeed, the categorization defies common sense: As with *The Simpsons*, one must wonder how it would even be possible to parody pro wrestling.<sup>100</sup> One court, discussing a comic character whose appearance and background resemble the character portrayed in Charles Atlas bodybuilding ads, but who used his newfound strength to be a misogynist bully, stated, "This court fails to discern a substantive difference between 'surrealism' or 'irony' on one hand [as the plaintiff described the defendant's character], and 'parody' on the other, much less do we find them to be mutually exclusive."<sup>101</sup> The

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<sup>98</sup> See, e.g., *Yankee Publishing Inc. v. News America Publishing Inc.*, 809 F. Supp. 267, 273 (S.D.N.Y. 1992) (holding that identifiable "jest or commentary" is unlikely to cause confusion); J. THOMAS MCCARTHY, MCCARTHY ON TRADEMARK AND UNFAIR COMPETITION §31:155 (4th ed. 2002) ("[I]f the difference in wording or appearance of the designation together with the context and overall setting is such as to convey to the ordinary viewer that this is a joke, not the real thing, then confusion as to source, sponsorship, affiliation or connection is unlikely.") That many companies now mock their own products, as some copyright owners do, see *supra* nn.[]-[] and accompanying text, does not increase the likelihood of confusion when a third party uses mockery to sell a different product. Self-parodies, as a rule, show only the advertised product (and perhaps obviously made-up products), while an unauthorized parody shows the product actually being promoted. The difference is immediately apparent to a reasonable consumer who is used to seeing many types of ads.

<sup>99</sup> See *World Wrestling Federation Entertainment, Inc. v. Big Dog Holdings, Inc.*, No. 01-394 (W.D. Pa. Mar. 10, 2003), slip op. at 3 (graphic artist described "dogifying" as means to "satirize a given entity by giving him big floppy ears, a big silly tail ...").

<sup>100</sup> The court stated that, with the "dogified" T-shirts, "we are reminded that we are free to laugh at the images and associations linked with these icons." *Id.*, slip op. at 45. But who, looking at the WWF itself, would need reminding?

court went on to note that the character mainly serves as an implicit criticism of other superheroes -- that is, its critical force is not mainly directed at Charles Atlas ads -- and noted that such commentary was “precisely the type of expression of ideas that the First Amendment is designed to protect.”<sup>102</sup>

The parody/satire distinction, however, can still do damage. In *Dr. Seuss Enterprises*, discussed above, the plaintiff convinced the court that the defendants’ infringement of copyright also justified an injunction based on potential consumer confusion. The Ninth Circuit properly noted that parody is not truly a separate defense to trademark infringement, but an explanation of why, in a particular case, a defendant’s use of a mark is unlikely to cause consumer confusion – if consumers get the joke, they will understand that a humorous use is not authorized by the trademark owner.<sup>103</sup> In trademark, a parody is a true parody if it is obvious enough to be nonconfusing; otherwise, it is simply a forbidden means of drawing attention to the defendant’s products or services.<sup>104</sup> The Ninth Circuit, however, went off track because its earlier conclusion that *The Cat NOT in the Hat!* was satire led it to discount the possibility that reasonable consumers would get the (satiric) joke. This is not to say that the decision was necessarily wrong, though possibly a cover redesign and prominent disclaimer could have solved the trademark problem.<sup>105</sup>

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<sup>101</sup> *Charles Atlas, Ltd. v. DC Comics, Inc.*, 112 F. Supp. 2d 330, 338 (S.D.N.Y. 2000).

<sup>102</sup> *Id.*

<sup>103</sup> *Dr. Seuss Enters., L.P. v. Penguin Books USA, Inc.*, 109 F.3d 1394, 1405-06 (9<sup>th</sup> Cir.), cert. dismissed, 521 U.S. 1146 (1997).

<sup>104</sup> *See id.*, 109 F.3d at 1405-06.

<sup>105</sup> Courts have also been willing to find infringement when there does not seem to be any joke to get. Plaintiffs prevailed when a manufacturer of herbal dietary supplements called its anti-depression product HERBROZAC, capitalizing on the fame of Prozac®, see *Eli Lilly & Co. v. Natural Answers, Inc.*, 233 F.3d 456, 463 (7<sup>th</sup> Cir. 2000) (upholding preliminary injunction based on trademark infringement and dilution), and when a motorcycle repairer used an altered version of the Harley-Davidson® logo in his own logo. See *Harley-Davidson, Inc. v. Grottanelli*, 164 F.3d 806, 812-13 (2d Cir. 1999) (affirming judgment against defendant based on use of confusingly similar logo; applying *Campbell* to trademark context and finding that defendant’s use made no comment on plaintiff’s mark).

Another aspect of the problem with borrowing from *Campbell* to decide trademark cases is that “parody” is just as subject to manipulation by clever parties or courts in trademark as in copyright. In one case, the court held that, although the defendant “had difficulty expressing the parodic content of his communicative message” – “Timmy Holedigger” pet perfume modeled on “Tommy Hilfiger” perfume -- “trademark parodies ... do convey a message. The message may be simply that business and product images need not always be taken too seriously.”<sup>106</sup> If that is all that is required for a parody, almost anything could be a parody, including what another court might call “satire.” Indeed, in *Elvis Presley Enterprises, Inc. v. Capece*,<sup>107</sup> the district court and the court of appeals disagreed on the significance of the defendant’s expressed desire to mock (and pay homage to) the type of kitsch evoked by the phrase “velvet Elvis.” The district court determined that “velvet Elvis” necessarily implied a certain type of tackiness, distinct from the message conveyed by “Elvis” alone, and that use of “Velvet Elvis” as a parodic restaurant name was therefore justified.<sup>108</sup> The court of appeals, however, found this to be mere satire, because the defendant intended to make fun of pretentious restaurants and of the time during which velvet Elvises were popular, neither of which criticized Elvis directly.<sup>109</sup> The real issue, whether the name caused confusion, risked getting lost in the shuffle, though evidence of actual confusion helped the trademark owner considerably.

In other cases, laughter has successfully punctured the inflated claims of trademark owners.<sup>110</sup> As briefly mentioned above, Lyons Partnership LLC, the owner of

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<sup>106</sup> *Tommy Hilfiger Licensing, Inc. v. Nature Labs, LLC*, 221 F. Supp. 2d 410, 415 (S.D.N.Y. 2002). *But see Harley-Davidson Inc. v. Grottanelli*, 164 F.3d 806, 813 (2d Cir. 1999) (requiring “comment” on mark, not merely humorous use).

<sup>107</sup> 141 F.3d 188 (5th Cir. 1998).

<sup>108</sup> *See id.* at 195.

<sup>109</sup> *See id.* at 200.

<sup>110</sup> *See, e.g., Charles Atlas, Ltd. v. DC Comics, Inc.*, 112 F. Supp. 2d 330, 338-41 (S.D.N.Y. 2000). (Atlas ads involving weakling who goes from having sand kicked into his face by bully to defeating bully after following Atlas method, was noninfringing and nondiluting); *New York Stock Exch., Inc. v. New York, New York Hotel, LLC*, 69 F. Supp. 2d 479, 485 (S.D.N.Y. 1999) (replica of façade of New York Stock Exchange, in casino with New York theme, and use of name “New York Slot Exchange” on replica and “New York \$lot Exchange” for players’ club, was whimsical and obvious pun on similarities between gambling and stock investing,

the rights in the famous children’s entertainer Barney sued “The Famous Chicken” for incorporating a sequence into his comedy routine at sports events involving the humiliation, temporary dominance and ultimate defeat of a large purple dinosaur. The Chicken prevailed in court as in performance. The strength of the Barney mark meant that, when Barney was being mocked, confusion was *less* likely. Ordinarily the strength of a mark weighs in a trademark owner’s favor. When a humorist targets a strong mark, however, consumers can more easily discern whether a mark owner is likely to have authorized, sponsored or otherwise associated itself with a parody, because they know very well how the owner wishes its mark to be portrayed.<sup>111</sup> Given that the Chicken’s Barney-esque nemesis was not kind, gentle and loving like the “real” Barney, but rapped and engaged in fisticuffs, the court found that confusion was unlikely. Lyons also argued that Barney was not a necessary target of the Chicken’s wrath, but the court disagreed because the parody targeted Barney himself.<sup>112</sup> The appellate court, echoing the copyright fair use test, noted with approval that the Chicken “used the minimum necessary to evoke Barney” – a purple dinosaur with Barney’s distinctive gait, but none of Barney’s friends or Barney’s songs.<sup>113</sup>

Similarly, when Jim Henson Productions decided to add a warlike, but ultimately friendly, puppet pig character named Spa’am to its film *Muppet Treasure Island*, Hormel, the producers of the processed meat product Spam®, sued for both infringement and dilution. The Second Circuit Court of Appeals reiterated that a parody of a strong mark is less likely to be confusing than a parody of a weak mark.<sup>114</sup> The appellate court also

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and thus nonconfusing), *aff’d in relevant part*, -- F.3d --, 2002 WL 483528 (2d Cir. 2002).

<sup>111</sup> See *Lyons Partnership, L.P. v. Giannoulas*, 179 F.3d 384, 389 (5<sup>th</sup> Cir. 1999), *aff’g* 14 F. Supp. 2d 947 (N.D. Tex. 1998); *Lyons Partnership, L.P. v. Giannoulas*, 14 F. Supp. 2d 947, 952 (N.D. Tex. 1998), *aff’d*, 179 F.3d 384 (5<sup>th</sup> Cir. 1999).

<sup>112</sup> See *Lyons*, 14 F. Supp. 2d at 953.

<sup>113</sup> *Lyons*, 179 F.3d at 388.

<sup>114</sup> *Hormel Foods Corp. v. Jim Henson Prods., Inc.*, 73 F.3d 497, 503 (2d Cir. 1996). The presence of a variant of the defendant’s house mark was also a factor: Spa’am’s name would only be used along with his picture and the movie’s title, decreasing the similarity between Spam® and Spa’am. See *id.* at 503-04.

noted that the Muppets were well-known for parodies, which would increase the likelihood that viewers would expect and get the joke.<sup>115</sup>

Mattel, likewise, lost its infringement suit against the record company distributing the Swedish group Aqua's novelty song "Barbie Girl" (sample lyrics: "I'm a Barbie Girl/In a Barbie World/Life is plastic, it's fantastic./You can brush my hair, undress me everywhere...").<sup>116</sup> The district court and the Court of Appeals for the Ninth Circuit, following a national trend, both invoked the First Amendment as an important counterweight to Mattel's infringement claim, though each court reasoned differently.<sup>117</sup> The First Amendment is no shield against substantial actual confusion, but the First Amendment interest in mocking social icons stands almost as evidence that confusion is unlikely, and raises the plaintiff's burden of showing confusion.<sup>118</sup> In a country with a robust tradition of free speech and vocal criticism, consumers can and should expect that some mentions of famous marks are not fully laudatory and not necessarily authorized by the trademark owner.

The district court found that mocking Barbie and the plastic values she sometimes symbolizes was a legitimate parody.<sup>119</sup> The court reasoned that the song did not use more of Barbie than was necessary. In the music video for the song and the CD packaging, for

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<sup>115</sup> See *id.* at 503. In light of this observation, perhaps the best parody an advertiser could come up with would star Leslie Nielsen and the Muppets. See *supra* n. [].

<sup>116</sup> See *Mattel, Inc. v. MCA Records, Inc.*, 28 F. Supp. 2d 1120, 1137 (C.D. Cal. 1998), *aff'd*, 296 F.3d 894 (9<sup>th</sup> Cir. 2002).

<sup>117</sup> See *Mattel, Inc. v. MCA Records, Inc.*, 28 F. Supp. 2d 1120, [pincite] (C.D. Cal. 1998), *aff'd*, 296 F.3d 894 (9<sup>th</sup> Cir. 2002); *Mattel, Inc. v. MCA Records, Inc.*, 296 F.3d 894, [pincite] (9<sup>th</sup> Cir. 2002). See also *Tommy Hilfiger Licensing, Inc. v. Nature Labs, LLC*, 221 F. Supp. 2d 410, 415 (S.D.N.Y. 2002) (invoking First Amendment against Lanham Act confusion claim); *American Family Life Ins. Co. v. Hagan*, No. 1:02-CV-1791 (Oct. [], 2002) (political commercials that imitated plaintiff's mark, though not parodying plaintiff itself, were unlikely to cause confusion and were protected by First Amendment).

<sup>118</sup> See, e.g., *ETW Corp. v. Jireh Publishing, Inc.*, No. 98-01485 (6<sup>th</sup> Cir. June 20, 2003), slip op. at 17-21 (analyzing various trademark cases in which First Amendment concerns have required modification of "likely confusion" standard to increase plaintiff's burden).

<sup>119</sup> See *id.* at 1136-40.

example, the singers did not adopt the likeness of the dolls. The repeated use of “Barbie” and “Ken” allowed the singers to parody the dolls by assuming their identities.<sup>120</sup> Because the defendant did nothing else to suggest association, and even included a disclaimer on some materials, the court found a nominative fair use (a category of fair use that allows people to speak about trademarked products without permission).<sup>121</sup>

The Ninth Circuit affirmed, but on somewhat different grounds. It invoked case law that states a special rule for titles, based on publishers’ First Amendment interest in identifying their literary products. Under this rule, titles are protected against Lanham Act challenges unless they are deceptive as to their contents (such as relabelling *War and Peace* as *The Official Barbie Songbook*) or confusingly similar to other titles.<sup>122</sup>

Both courts’ analyses in the “Barbie Girl” case differ from standard trademark parody analysis, which uses parody as a lens through which to view the likelihood of confusion factors. Essentially, the nominative fair use defense creates a shortcut for defendants who are not using a mark to identify their own products or services, while the special rule for titles gives extra protection to books, movies, and other products that consist of speech protected by the First Amendment. Even without such shortcuts, the result should be the same. Indeed, the district court proceeded to find that confusion was unlikely by weighing the ordinary likelihood of confusion factors, including special consideration for the record company’s First Amendment interests.<sup>123</sup>

## **B. Parodies: Classic Dilution or Protected Speech?**

Parodies might face their most serious threat from dilution law. The very commentary on the original that protects parodies from infringing trademarks and

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<sup>120</sup> See *Mattel*, 28 F. Supp. 2d at 1142; see also *New Kids on the Block v. News America Publishing, Inc.*, 971 F.2d 302, 306-08 (9th Cir. 1992) (setting forth elements of and rationale for nominative fair use defense).

<sup>121</sup> See *id.* at 1142-43 (suggesting that disclaimers were favored way of establishing nominative fair use).

<sup>122</sup> See *Mattel, Inc. v. MCA Records, Inc.*, 296 F.3d 894, 901-02 (9<sup>th</sup> Cir. 2002).

<sup>123</sup> See *Mattel*, 28 F. Supp. 2d at 1152 (“Although some individuals inevitably will believe that titles and lyrics containing a celebrity or icon’s name constitutes an endorsement, this risk is ‘outweighed by the danger of restricting artistic expression.’ The First Amendment interests at stake outweigh the possibility that some people might ... be confused as to whether Mattel put out or authorized the song *Barbie Girl*.”) (citation omitted).

copyrights, by risking a change in the way consumers perceive the original, may blur or tarnish a targeted mark, unless courts sharply cabin the law. Some courts have found parodies nondilutive using standard tests for dilution, but in most cases the better approach would explicitly limit the scope of dilution law in order to preserve free speech, rather than pretending that parodies do not have the potential to cause the type of harm to a mark against which dilution law protects.

The most important parody case in recent years in which the plaintiff prevailed is *Deere & Co. v. MTD Products, Inc.*<sup>124</sup> *Deere* illustrates the power of the dilution cause of action in a case in which confusion was essentially inconceivable. *Deere*'s competitor MTD produced an "amusing" television commercial advertising its lawn tractors.<sup>125</sup> In the course of the commercial, an animated version of *Deere*'s leaping deer logo jumped through the logo frame and ran, in apparent fear, as it was pursued by an MTD lawn tractor and a small barking dog.

Relying on the New York state dilution law (the FTDA was not then enacted), the court held that the commercial diluted *Deere*'s mark. While mindful that trademark owners should not be able to control all uses of their marks, the court held that some alterations, particularly those used to sell other products, could cause dilution. The animated deer in MTD's commercial was small and fearful; this created the possibility that consumers would come to attribute unfavorable characteristics to the mark and ultimately associate it with subpar goods and services.<sup>126</sup>

In other words, "poking fun at"<sup>127</sup> a mark can dilute it. The court found that when the joke is used to sell another product, particularly a competing product, the potential dilution is unjustified, because there are so many other ways to sell products.<sup>128</sup> The

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<sup>124</sup> 41 F.3d 39 (2d Cir. 1994).

<sup>125</sup> *See id.* at 41.

<sup>126</sup> *See id.* at 45.

<sup>127</sup> *Id.* at 44.

<sup>128</sup> *See id.* at 44-45. The court noted potential line-drawing difficulties where a parody both makes a satiric comment and promotes a somewhat competing product, as when a magazine parodies another magazine. *See id.* at 45. Another case illustrates that a parody that is itself used as a mark for a competing product or service is particularly vulnerable to dilution claims: a convenience store adopted the name HAHA to compete against the famous WAWA mark, and the court concluded that consumers would associate the two, in part because HAHA could be perceived as a parody of

contours of this type of dilution were not precisely defined, although the court stated that “more leeway for alterations is appropriate in the context of satiric expression and humorous ads for noncompeting products.”<sup>129</sup> That leeway certainly makes First Amendment sense, but it is hard to imagine reasons internal to dilution law why that must be so; Coca-Cola could surely harm John Deere’s reputation if it mocked the deer mark in the same way.

*Deere* involved only a single advertisement, not an actual product or service imitating a mark for humorous effect, and this made its finding of dilution easier and less significant, since this is an unusual fact pattern. Other cases are more troubling for parodists. In a recent case involving the phrase “New York \$lot Exchange” used in connection with a casino, the Second Circuit also held that a reasonable factfinder could determine – for exactly the same reasons that the parody did not diminish the association between the New York Stock Exchange and its mark – that the casino’s use tarnished the mark by making a humorous analogy between casino gambling and stock investing.<sup>130</sup> If

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WAWA. *Wawa, Inc. v. Haaf*, 40 U.S.P.Q.2d 1629 (E.D. Pa. 1996). Unfortunately, the court’s opinion was very brief, and it did not explain the limits of this argument. The court wrote of dilution “either through blurring or parody,” suggesting that the court had in mind “tarnishment,” the usual alternative to blurring. The court’s conclusion, based in part on a consumer survey that showed a 29% level of association between the two marks, was reasonable, particularly given that HAHA does not seem to comment on WAWA. *Id.* at [].

<sup>129</sup> *Id.* *Deere* stated that the commercial did not “tarnish” the Deere mark because tarnishment required association with sexual activity, obscenity, or illegal activity, and so spoke of a third type of dilution that was neither blurring nor tarnishment. *See id.* at 44. Another panel of the Second Circuit later explained, however, that what *Deere* really meant was that the Second Circuit, unlike some other jurisdictions, took a broad view of what constituted tarnishment. *See Hormel Foods Corp. v. Jim Henson Prods., Inc.*, 73 F.3d 497, 507-08 (2d Cir. 1996). Although this interpretation disavows *Deere*’s plain language, it does put a meaningful limit on *Deere*’s statement that alterations in a mark can dilute it.

<sup>130</sup> *See New York Stock Exch., Inc. v. New York, New York Hotel, LLC*, -- F.3d --, --, 2002 WL 483528 (2d Cir. 2002) (“A reasonable trier of fact might therefore find that the Casino’s humorous analogy to its activities – deemed by many to involve odds stacked heavily in favor of the house – would injure NYSE’s reputation.”); *see also Kraft Foods Holdings, Inc. v. Helm*, 205 F. Supp. 2d 942, 949-50, 953 (N.D. Ill. 2002) (finding that “King VelVeeda” mark for a sexually explicit website tarnished Velveeta mark; defendant disclaimed intent to parody cheese product itself).

this reasoning prevails, parodists may be faced with a Catch-22: non-confusing and non-blurring parodies are for that very reason tarnishing unless they are so gentle as to lack any real critical force.<sup>131</sup> In that case, the concept of “noncommercial use” and the First Amendment may be the only relevant limits on dilution law.

Parodists have defeated dilution claims under a variety of theories, though none without problems. The *Lyons* case discussed above also included a dilution claim. The district court dismissed allegations of blurring because the Chicken did not use Barney to identify any of the Chicken’s goods or services. In fact, the parodic use tended to increase the public identification of the Barney mark with Barney by inducing viewers to think about the “real thing.”<sup>132</sup> Moreover, there was no tarnishment because the Chicken’s act did not link the real Barney to shoddy products or unwholesomeness; the humor came because Barney is such a nice dinosaur.<sup>133</sup> That reasoning is not complete, because even if viewers maintain the distinction between the official and the parody Barney, a sufficiently entertaining parody may “come to mind” when a consumer sees the genuine article,<sup>134</sup> and such multiple mental associations are generally at the core of dilution.

The *Lyons* district court continued with the observation that “the parody is of the product itself” – not the banality of Barney the source-identifier, but the banality of Barney the persona.<sup>135</sup> This is the court’s most significant insight. There is a critical

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<sup>131</sup> See, e.g., *Kraft Foods*, 205 F. Supp. 2d at 953 (finding tarnishment where the defendant used mark in connection with sexual and drug references and distinguishing cases in which the parody was “harmless”).

<sup>132</sup> See *Lyons*, 14 F. Supp. 2d at 954. See also *Hormel*, 73 F.3d at 506; *World Wrestling Federation Entertainment, Inc. v. Big Dog Holdings, Inc.*, No. 01-394 (W.D. Pa. Mar. 10, 2003), slip op. at 39.

<sup>133</sup> *Lyons*, 14 F. Supp. 2d at 954. (The court of appeals did not find the dilution claim worthy of discussion, so the only analysis in *Lyons* was at the district court level.)

<sup>134</sup> One scholar noted that he cannot look at Leonardo DaVinci’s *Mona Lisa* the same way after having seen Duchamp’s *LHOOQ*, a copy of the portrait with a mustache added. See Frederick Schauer, *The Ontology of Censorship*, in *CENSORSHIP AND SILENCING: PRACTICES OF CULTURAL REGULATION* 147, 157 (Robert C. Post ed., 1998).

<sup>135</sup> *Lyons*, 14 F. Supp. 2d at 954; see also *Lyons*, 179 F.3d at 386 (“Giannoulas ... considers Barney to be a symbol of what is wrong with our society – an homage, if

difference between tarnishing a mark and tarnishing the product identified by the mark. The latter is regulated by laws governing truthful advertising. A plaintiff should not be able to avoid its burden of showing falsehood, and consumer reception of a false message, by relying on the fact that a competitor used its mark to identify the competition. This concern is perhaps most salient when the plaintiff seeks to protect trade dress, because a parody, or even a nonparodic portrayal, may show a product (and, necessarily, its trade dress) performing poorly.<sup>136</sup> Thus, even if a parody using a trademark is good enough to call to mind the parody when a consumer sees the original, if the parody makes fun of the underlying product or service, that mental association is not trademark dilution. As is increasingly common, and not unrelated to this point, the *Lyons* district court also referenced the First Amendment interest in preserving speakers' ability to poke fun at modern icons and images.<sup>137</sup>

In the *Muppet Treasure Island* case, Hormel's tarnishment claim might have seemed viable, given that Spa'am admittedly made fun, albeit gentle fun, of Spam®. Yet the court of appeals accepted the district court's findings that Spa'am was actually a likeable, positive character, even though he was uncivilized and initially hostile to Kermit and friends.<sup>138</sup> (This might be termed the "not that there's anything wrong with that" defense to dilution.) The district court had noted the many humorous and/or demeaning

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you will, to all the inane, banal platitudes that we readily accept and thrust unthinkingly upon our children.").

<sup>136</sup> The FTDA's exception for comparative advertising covers most, but not all, of these cases, as evidenced by Barney's battle against the Chicken.

<sup>137</sup> See *Lyons*, 14 F. Supp. 2d at 953 (quoting *L.L. Bean, Inc. v. Drake Publishers, Inc.*, 811 F.2d 26, 34 (1<sup>st</sup> Cir. 1987)).

<sup>138</sup> The district court found that Spa'am's behavior was generally childlike and not unpleasant. Although Spa'am and his tribe captured Kermit the Frog and Rizzo Rat and tied them to stakes, causing Rizzo to fear being eaten, "the morality of a boar tying a frog and a rat to stakes and eating them is very much an open question. The court takes judicial notice of the fact that 'catch-as-catch-can' is the generally accepted rule of behavior in the animal kingdom." *Hormel Foods Corp. v. Jim Henson Prods., Inc.*, 36 U.S.P.Q.2d 1813, 1822 n.7 (S.D.N.Y. 1995), *aff'd*, 73 F.3d 497 (2d Cir. 1996). See also *Tommy Hilfiger Licensing, Inc. v. Nature Labs, LLC*, -- F. Supp. 2d --, -- (S.D.N.Y. 2002) (rejecting the claim that "Timmy Holedigger" perfume for pets diluted "Tommy Hilfiger" mark and holding that it would be unreasonably "animal-unfriendly" to conclude that mere association with animals constituted tarnishment).

references to Spam® in popular culture, including aspersions on its component elements, and the court of appeals commented that “one might think Hormel would welcome the association with a genuine source of pork.”<sup>139</sup> In other words, Spam®’s case was weak because it was, in a sense, pre-tarnished – it was a strong mark, but not all its strength was positive. This may have implications for trademarks such as Nike® or Microsoft®, whose owners have latterly been involved in visible public controversies.

Finally, the Second Circuit stated that the parties in *Hormel* were not in competition, making tarnishment less likely, and the parody was part of the Muppets’ product itself. There was no alternative to parodying Spam® but to parody Spam®, whereas (the court suggested) competitors often have many alternatives to parodying a competitor’s mark to attain their goal of selling products or services.<sup>140</sup> This conclusion seems wrong. If a person selects a particular trademarked product to parody, then identifying that product is the only way to parody it, no matter its competitive status. Jim Henson Productions could equally have parodied many things to attain its goals of entertaining moviegoers and selling its products. If anything, Jim Henson Productions had many more alternatives to Spa’am – it could have populated its movie with an infinite number of characters – than the lawn tractor company MTD had to targeting John Deere; most other targets would have made for a nonsensical lawn tractor commercial. (In fact, the lack of competition might also make it more likely that consumers would perceive endorsement or association, because Hormel might partner with the Muppets but John Deere is extremely unlikely to partner with another lawn tractor manufacturer.)

The balance struck by the Second Circuit is not really about alternatives to parodying a particular mark as such – it is certainly not based on any difference between parody as opposed to satire, though the court’s language echoes that of *Campbell*. Rather, the Second Circuit’s special concern for competitors’ uses is about limiting the scope of tarnishment. Judicial interpretation of dilution law must allow space for those who urge the public not to take officially sanctioned images at face value, or it runs afoul of the First Amendment. Focusing tarnishment law on competitors’ uses properly limits the law to the most clearly commercial of commercial speech.

A better alternative in many dilution cases involving humorous uses, though, is the analysis used by courts in the Ninth Circuit. “Barbie Girl,” a song that made fun of Barbie’s plastic and ambiguously wholesome/sexy image, fell outside the scope of the

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<sup>139</sup> *Hormel*, 73 F.3d at 501; see also *Hormel*, 36 U.S.P.Q.2d at 1814 n.1, 1823 (noting many more disgusting jokes involving Spam®).

<sup>140</sup> *Hormel*, 73 F.3d at 507-08.

FTDA because the Act specifically exempts “noncommercial” uses.<sup>141</sup> As Judge Kozinski clarified, “Barbie Girl” was a “commercial use in commerce” under the FTDA,<sup>142</sup> meaning that the song was sold in the hope of profit – not incidentally, the definition of “commercial use” that also applies in copyright -- and thus fell within the FTDA unless some exception applied. In order not to render the specific exception for noncommercial uses superfluous, Judge Kozinski reasoned that “noncommercial” as used in the statutory exception was defined by First Amendment law, not copyright or trademark law; under First Amendment doctrine, the category of commercial speech is much narrower and extends, essentially, only to advertising. Because “Barbie Girl” was not an advertisement, it was a noncommercial commercial use in commerce. This facially absurd result is the best resolution of the statutory “conundrum” created by the presence of the noncommercial use exception, and avoids what would otherwise be serious First Amendment concerns with dilution law.<sup>143</sup>

The *Lyons* and *Hormel* cases did not take up the question of noncommercial use, though similar claims could easily have been made about the Chicken’s schtick and Spa’am’s presence in a Muppet film. If the interpretations of the Ninth Circuit are followed, then, federal dilution law may raise far fewer First Amendment problems than it initially appeared to do. Because dilution is such a powerful and ill-defined concept, it is appropriate to limit the doctrine to situations in which the accused use is narrowly commercial, and, when parody is at issue, to further cabin dilution to cases in which the mark in question is truly being lampooned, rather than the underlying product.

## V. Parody and the Right of Publicity

Right of publicity (or privacy) claims are often coupled with Lanham Act claims. It is not surprising, then, that courts have incorporated trademark-like First Amendment and fair use defenses into these rights, drawing on concepts of transformative use, even though implied endorsement is not an element of the rights of publicity or privacy in their

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<sup>141</sup> See 15 U.S.C. § 1125(c)(4)(B); *Mattel, Inc. v. MCA Records, Inc.*, 28 F. Supp. 2d 1120, 1154-55 (C.D. Cal. 1998) (finding use of Barbie’s name in song title and lyrics to be “noncommercial use of a mark”); see also *id.* at 1156 (suggesting that application of dilution law to parodies of this type would raise serious First Amendment problems); *Lucasfilm Ltd. v. Media Market Gp., Ltd.*, 182 F. Supp. 2d 897, 901 (N.D. Cal. 2002) (applying similar analysis to pornographic film *Starballz* that imitated *Star Wars* films).

<sup>142</sup> See *Mattel, Inc. v. MCA Records, Inc.*, 296 F.3d 894, 903 (9<sup>th</sup> Cir. 2002).

<sup>143</sup> See *Mattel*, 296 F.3d at 904.

standard form.<sup>144</sup> Thus, a model's right of privacy claim failed when a parodist intercut scenes from a sexually suggestive commercial in which she appeared with segments of sexually explicit footage, highlighting the exploitation of sexuality in the original commercial.<sup>145</sup>

Courts have taken several approaches to reconciling celebrities' claims with those of artists. This article focuses on two contrasting approaches: that of the California Supreme Court and that of the Tenth Circuit. The former rejected a copyright-like fair use test for the right of publicity, but did adapt *Campbell's* endorsement of transformative use as a way of dividing simple celebrity merchandise from First Amendment-protected art. The latter also borrows some concepts from *Campbell* but seems grounded in consumer protection law as limited by the First Amendment. The Tenth Circuit's approach is more sound, requiring courts to do less of the art critic's job. In neither method of analysis is the parody/satire distinction helpful;<sup>146</sup> rather, as the California cases in particular demonstrate, the trouble comes from the broader question of defining acceptable "transformation" when not every form of art qualifies as such.

Gary Saderup draws charcoal portraits and turns them into lithographs and images on T-shirts. His subjects are celebrities and the characters they have made famous.<sup>147</sup>

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<sup>144</sup> See *Geary v. Goldstein*, No. 91 CIV. 6222 (KMW), 1999 WL 447776, at \*3 n.7 & \*4 (S.D.N.Y. Aug. 8, 1996) (holding that, though implied endorsement was not required to violate New York's statutory right of privacy, New York would exclude "satire" from scope of law, relying in part on First Amendment interests at stake).

<sup>145</sup> See *id.* The court also rejected a defamation claim based on its conclusion that no reasonable viewer could infer that the model consented to the parody, a claim that strongly resembles a right of publicity claim. See *id.* at \*1-3.

<sup>146</sup> See *Winter v. DC Comics*, 69 P.3d 473, [] (Cal. 2003) ("The distinction between parody and other forms of literary expression is irrelevant to the ... transformative test. It does not matter what precise literary category the work falls into. What matters is whether the work is transformative, not whether it is parody or satire or caricature or serious social commentary or any other specific form of expression."); *Comedy III Productions, Inc. v. Gary Saderup, Inc.*, 21 P.3d 797, 809 (Cal. 2001) (holding that transformation "is not confined to parody and can take many forms," including "fictionalized portrayal" and "subtle social criticism"), *cert. denied*, 534 U.S. 1078 (2002).

<sup>147</sup> See, e.g., <http://www.popculturetoday.com/saderup> (visited June 19, 2003); <http://www.kadinsky.com/saderup.htm> (visited June 19, 2003).

The owner of the Three Stooges' rights of publicity sued Saderup for selling the Stooges' images. The California Supreme Court agreed that Saderup had violated the plaintiff's rights. Recognizing that its decision had potentially significant consequences for artists who create representations of famous figures, however, the court adapted the transformative use test from *Campbell* to create a standard that would preserve the right of publicity without violating the First Amendment.<sup>148</sup> The court rejected the parody/satire division in favor of an inquiry that asks whether an artwork "adds significant creative elements so as to be transformed into something more than a mere celebrity likeness or imitation."<sup>149</sup>

Despite an extended discussion of the First Amendment value of social, artistic and political commentary that uses celebrity images,<sup>150</sup> the court held that the California legislature had a "rational basis" for creating a right of publicity that extended beyond a right to control commercial endorsements to "exploiting the value to be obtained from merchandising the celebrity's image."<sup>151</sup> Those familiar with First Amendment law might wonder how a "rational basis" can save a speech regulation that appears to be content-based, or even content-neutral.<sup>152</sup> The court did not explain why a celebrity is entitled to the extra benefits of authorizing nonconfusing representations, nor did it examine how significant a role those benefits play as incentive and reward for celebrity labors.<sup>153</sup> As discussed below, the Tenth Circuit engaged in a more sustained investigation of the state's interest in letting celebrities control their images.

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<sup>148</sup> *Comedy III Productions, Inc. v. Gary Saderup, Inc.*, 21 P.3d 797, 808 (Cal. 2001), *cert. denied*, 534 U.S. 1078 (2002).

<sup>149</sup> *Id.* at 799.

<sup>150</sup> *See id.* at 803-04.

<sup>151</sup> *Id.* at 805.

<sup>152</sup> As *Saderup* noted, *see id.* at 805-06, *Zacchini v. Scripps-Howard Broadcasting Co.*, 433 U.S. 562 (1977), upheld a right of publicity claim against a television station for the unauthorized broadcast of a performer's entire act, so binding precedent establishes that there is some constitutional right of publicity that sweeps beyond protection against false endorsement. The effect of unauthorized broadcast of an entire act on the economic value of a performer's services, however, is substantially greater than the effect of selling T-shirts bearing celebrity portraits.

<sup>153</sup> The same problem arose in *Parks v. LaFace Records*, 329 F.3d 437 (6<sup>th</sup> Cir. 2003), in which the court concluded that Rosa Parks' right of publicity could be violated by a

In order to limit the effect of such an expansive right of publicity on free speech, however, the California Supreme Court held that a work that both used celebrity image and contained “significant transformative elements” would be protected by the First Amendment; only works that “take 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 the trespass,” would violate the celebrity’s rights.<sup>154</sup>

Well and good, but how shall courts tell what counts as adding significant transformative elements? The court suggested that a subsidiary inquiry might be useful if the extent of transformation was unclear: “does the marketability and economic value of the challenged work derive primarily from the fame of the celebrity depicted?”<sup>155</sup> Saderup’s charcoal drawings, the court determined, clearly did not have the necessary artistic extra element; his talent was “manifestly subordinated to the overall goal of creating literal, conventional depictions of the Three Stooges so as to exploit their fame.”<sup>156</sup> But Andy Warhol’s lithographs, just as clearly, did.<sup>157</sup>

The “Warhol exception” is nonsense.<sup>158</sup> Andy Warhol, whose fame is largely sustained by images such as *Marilyn*, *Single Elvis*, *Blue Liz as Cleopatra*, and, of course,

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rap song that used her name in a way that shed no light on Parks herself. If there is no confusion (an issue the *Parks* court found unsuited for summary judgment), Parks, a public figure, has no interest consistent with the First Amendment in controlling use of her name.

<sup>154</sup> *Saderup*, 21 P.3d at 808.

<sup>155</sup> *Id.* at 810. The court described this inquiry as “in a sense more quantitative than qualitative, asking whether the literal and imitative or the creative elements predominate in the work.” *Id.* at 809. One must wonder what metric the court intends other courts to use in their “quantitative” analysis.

<sup>156</sup> *Saderup*, 21 P.3d at 811.

<sup>157</sup> *Saderup*, 21 P.3d at 809 (suggesting that Warhol’s celebrity portraits constituted “subtle social criticism” and “a critique of the celebrity phenomenon”); *id.* at 811 (“Through distortion and careful manipulation of context, Warhol was able to convey a message that went beyond the commercial exploitation of celebrity images and became a form of ironic social comment on the dehumanization of celebrity itself.”).

<sup>158</sup> The court admitted that the distinction between protected and unprotected art would sometimes be “subtle,” but defended its test because “it is no more so than other

*Campbell's Soup Cans*, has been considered a limit case even before *Saderup*.<sup>159</sup> Jane Gaines, indeed, predicted *Saderup*'s outcome – and demonstrated its fundamental flaw – six years before the fact:

While it would be completely possible to argue that a larger percentage of the artistry in the (mostly derived) works [Warhol] produced was “taken” and a relatively small percentage “added” by the artist, working as Warhol did, under the protection of the charmed art world, this issue was held at bay. This art world charm made it possible for Warhol to make the kinds of outrageous and offensive visual statements ... that you or I would not be able to make if we set up a small factory to produce Marilyn Monroe's image in Day-Glo for discount merchandising chains such as Wal-Mart and Revco.<sup>160</sup>

The differences between *Saderup* and Warhol are essentially two: Warhol worked in color, and Warhol was famous by the time the California Supreme Court considered his work.<sup>161</sup> Neither provides a reasonable distinction for purposes of First Amendment

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distinctions triers of fact are called on to make in First Amendment jurisprudence,” *id.* at 811, citing the test for whether a work is obscene and thus lacks First Amendment protection. That the court had to rely on analogy to the notoriously vague and unhelpful obscenity test speaks volumes about the wisdom of its test. Cf. Rebecca Tushnet, *Copyright as a Model for Free Speech Law: What Copyright Has in Common with Campaign Finance Reform, Hate Speech and Pornography Regulation, and Telecommunications Regulation*, 42 B.C. L. Rev. 1, 69 (2001) (noting that the extremely limited scope of obscenity law mitigates some of its harms, but arguing that similar vagueness applied to the infinite variety of creative works covered by copyright should not be tolerated).

<sup>159</sup> See, e.g., Tim Cone, “*The Most Fascinating Kind of Art*”: *Andy Warhol and the Right of Publicity*, 64 ARTS MAG. 25 (Jan. 1990) (title from Warhol's quote, “Being good in business is the most fascinating kind of art”). Cone notes that Warhol was sued for violating John Wayne's right of publicity in one of his silkscreens; the case was settled out of court. See *id.* at 26.

<sup>160</sup> Jane Gaines, *Reincarnation as the Ring on Liz Taylor's Finger: Andy Warhol and the Right of Publicity*, in IDENTITIES, POLITICS, AND RIGHTS 131, 143 (ed. Austin Sarat & Thomas R. Kearns, 1995). Gaines notes that Warhol “engaged his mother to sign his works and employed workers to render them,” further distancing himself from the conventional attributes of the value-adding artist. *Id.*

<sup>161</sup> *Saderup* admits as much when it suggests that “[w]hen the value of the work comes principally from some source other than the fame of the celebrity – from the

protection, and the latter is indeed anathema to the First Amendment's protection of the powerless and unpopular. Moreover, even accepting the idea that Warhol's cachet added value to his lithographs beyond the celebrity image portrayed, it is manifest that Saderup's cachet, though more limited, did so just as well. His lithographs cost much more than standard photographic prints or posters of stars; consumers evidently value the artistic quality of Saderup's work in addition to the star power of his subjects.<sup>162</sup> Under *Saderup*, traditional portraitists, photographers, and likely the unknown Warhols and Lichtensteins of the next generation will be barred from using images free to looser hands. Or, courts that want to find for artists, like courts that want to find for humorists in copyright cases, will manipulate the definition of "transformation" to suit their purposes.<sup>163</sup> **[Add discussion of ETW dissent's application of Saderup]**

*Saderup* closes with the observation that, "were we to decide that Saderup's depictions were protected by the First Amendment, we cannot perceive how the right of publicity would remain a viable right other than in cases of falsified celebrity endorsements."<sup>164</sup> This is close to the truth,<sup>165</sup> but the court failed to ask why that ought

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creativity, skill, and *reputation* of the artist – it may be presumed that sufficient transformative elements are present to warrant First Amendment protection." *Saderup*, 21 P.3d at 810; *see also id.* at 811 (discussing Warhol's "careful manipulation of context," another phrase for Warhol's genius for self-promotion).

<sup>162</sup> As Justice Holmes said in *Bleistein v. Donaldson Lithographing Co.*, 188 US 239 (1903), "if [works] command the interest of any public, they have a commercial value, -- it would be bold to say that they have not an aesthetic and educational value, -- and the taste of any public is not to be treated with contempt." *Id.* at 252.

<sup>163</sup> *See, e.g., ETW Corp. v. Jireh Publishing, Inc.*, No. 98-01485 (6<sup>th</sup> Cir. June 20, 2003), slip op. at 35 (holding that portrait of Tiger Woods winning 1997 Masters Tournament was "much more than a mere literal likeness," because painting included images of "the Augusta clubhouse, the leader board, ... Woods's caddy, and his final round partner's caddy"); *id.* at 38-39 (finding significant transformative elements because the painting "consists of a collage of images [of other golf greats] in addition to Woods's image which are combined to describe, in artistic form, a historic event in sports history and to convey a message about the significance of Wood's achievement in that event"). The Sixth Circuit's rationale suggests that all that is required for transformation is a backdrop, or several celebrities together.

<sup>164</sup> *Id.* at 811.

to bother us. The risks to free speech of getting *Saderup*'s transformative use inquiry wrong are high and the marginal benefits insufficient to justify those risks.<sup>166</sup>

The Tenth Circuit, using very different reasoning than that in *Saderup*, invoked the First Amendment to bar state-law and Lanham Act claims against Cardtoons, a producer of parody baseball trading cards who sought declaratory relief against claims by the Major League Baseball Players Association.<sup>167</sup> The trading cards mocked players' public personae, with a special focus on their substantial salaries. The Tenth Circuit found that the cards were clearly parodies and thus would not cause confusion as to sponsorship or association.<sup>168</sup> The right of publicity, however, confers protection against commercial uses that do not involve implied endorsement. In Oklahoma, the state under whose law the case was brought, there were only two exceptions to the statutory right of publicity, neither of which applied.<sup>169</sup>

The court found that Cardtoons' social commentary was protected by the First Amendment. The trading cards were not "commercial speech," as defined by the First

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<sup>165</sup> See *supra* note [] (discussing *Zacchini* and the possibility that unauthorized appropriations that completely destroy the value of a performer's services could constitutionally be prohibited).

<sup>166</sup> Consider *Winter v. DC Comics*, 69 P.3d 473 (Cal. 2003), in which the California Supreme Court reversed a court of appeals decision that, applying *Saderup*, had concluded that summary judgment was inappropriate when two musician brothers, Johnny and Edgar Winter, sued over a comic book series that portrayed Johnny and Edgar Autumn, "villainous half-worm, half-human offspring born from the rape of their mother by a supernatural worm." *Id.* at []. This would seem obviously a protected lampoon (at least if it was not confusing), but the court of appeals got entangled in the question of how much of the series' value depended on the presence of the Autumn (Winter) brothers. The California Supreme Court reversed, but DC Comics was forced to litigate because of *Saderup*'s ill-defined test for artistic separability, part of the very consequences the First Amendment's intolerance for vague speech restrictions is supposed to avoid.

<sup>167</sup> *Cardtoons, L.C. v. Major League Baseball Players Ass'n*, 95 F.3d 959 (10<sup>th</sup> Cir. 1996).

<sup>168</sup> See *id.* at 967.

<sup>169</sup> See *id.* at 968 (discussing "news" and "incidental use" exceptions).

Amendment, even though they were sold for a profit.<sup>170</sup> The Players Association argued that rights of publicity are property rights, and no one has a right to use another person's property to engage in First Amendment-protected activity where adequate alternative means of communication exist. Cartoons could, for example, poke fun at the institution of baseball with generic images of baseball players. The Tenth Circuit disagreed, because intellectual property, "unlike real estate, includes the words, images and sounds that we use to communicate, and 'we cannot indulge in the facile assumption that one can forbid particular words without also running a substantial risk of suppressing ideas in the process.'"<sup>171</sup> Here, for example, Cartoons was parodying particular players as well as the institution of baseball, and generic images could not do that.

Parodies of celebrities, the court continued, are especially valuable because of celebrities' (overinflated) role in modern society, where they symbolize certain ideas and values.<sup>172</sup> Allowing the right of publicity to prevent commentary would amount to censorship. The court then examined whether this suppression of speech was justified by the social value of the right of publicity. The court considered several justifications for rights of publicity, and rejected them all as reasons to cover Cartoons' nonconfusing cards: incentives; the "tragedy of the commons"; natural rights; a version of Lockean rights to the fruits of one's labors; unjust enrichment; and emotional protection.

The argument that publicity rights create an incentive to invest in becoming a celebrity has always been overstated. The court believed that most celebrities make a good living because of the things that make them famous.<sup>173</sup> With parodies in particular, the incentive argument is weak. Because celebrities, like copyright owners, are unlikely to authorize parodies, protecting celebrities against unauthorized versions does not provide them additional income.<sup>174</sup>

The "tragedy of the commons" rationale relies on the presumption that private ownership leads to efficient allocation of resources: A private owner will prevent

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<sup>170</sup> *See id.* at 970; *see also supra* n.[] (discussing types of commercial speech).

<sup>171</sup> *Id.* at 971 (quoting *Cohen v. California*, 403 U.S.15, 26 (1971)).

<sup>172</sup> *See id.* at 972.

<sup>173</sup> *See id.* at 973-74.

<sup>174</sup> Even if some celebrities did authorize parodies, that would only create an incentive to behave badly in order to give the authorized parodists some meat, and that is not a significant societal interest outweighing a parodist's First Amendment rights. *See id.* at 974.

overdepletion – here, overexposure – to preserve the long-term value of the property, whereas common ownership leads to waste and quick exhaustion. The court concluded that non-advertising uses such as parody pose a lesser threat of waste, and in any event celebrity control over parody would be used to prevent criticism, not to preserve the long-term value of the celebrity image.<sup>175</sup> Preventing criticism is, of course, one way of preserving long-term value, but the Tenth Circuit implicitly followed the copyright rule that the harm from criticism is not the kind of economic harm the law will take into account.

Thus, the court turned to non-economic rationales. The natural rights rationale was the product of a “visceral impulse of fairness,” and such “blind appeals to first principles” carried no weight with the court.<sup>176</sup> As with any intangible property right, the impulse that a “creator” should get some sort of exclusive publicity rights does little to help determine the proper scope of those rights. One needs to appeal to some other principle to determine whether the property right includes protection against unauthorized parodies.<sup>177</sup> The related argument that others should not be able to capitalize on a celebrity’s fame, reaping where they have not sown, was inapplicable to parodies that add significant creative components of their own and create a new product. Reversing the argument, the Tenth Circuit stated that giving the Players Association the right to control Cardtoons’ work would be to allow the theft of Cardtoons’ own labor.<sup>178</sup> No court

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<sup>175</sup> *See id.* at 975.

<sup>176</sup> *Id.* (quoting McCarthy § 2.1[A]).

<sup>177</sup> The court also considered the idea that celebrities should enjoy the fruits of their labors and that free-riding should not be allowed. The embarrassment of this argument, however, is that celebrities are often not the sources of their own fame. The media or the audience may be doing most of the “labor” involved in creating fame. *See id.* (quoting Jack Nicholson’s statement that “Only that audience out there makes a star.... Stars would all be Louis B. Mayer’s cousins if you could make ‘em up”); *see also* SAMANTHA BARBAS, *MOVIE CRAZY: FANS, STARS AND THE CULT OF CELEBRITY* (2001) (detailing moviegoers’ extensive contributions to stars’ personae and value in the first five decades of motion pictures); Rosemary Coombe, *Author/izing Celebrity: Publicity Rights, Postmodern Politics, and Unauthorized Genders*, 10 *CARDOZO ARTS & ENTERTAINMENT L.J.* 365 (1992) (elaborating on fans’ contributions to value of celebrity images). Professional athletes may have more claim to most celebrities to self-creation, but the court still believed that there was not much claim to a right to enjoy the fruits of the kinds of labors that trigger parodies. *See Cardtoons*, 95 F.3d at 975-76.

<sup>178</sup> *See id.* at 976.

discussing fair use in copyright has gone that far, but the Tenth Circuit clearly relied on principles of transformative fair use.

Finally, the court addressed the claim that publicity rights guard against emotional injuries. It determined that the right of publicity, like copyright, is grounded in economic rationales (making its earlier discussion of natural rights somewhat mysterious), and that other laws adequately protect against intentional infliction of emotional distress or unauthorized endorsements that may contradict a celebrity's beliefs. As the court pointed out, moreover, fame often invites ridicule and criticism; if celebrities cannot stand the heat, they should get out of the limelights.<sup>179</sup>

The *Saderup* and *Cardtoons* approaches are likely to produce similar results in many cases, where significant creative additions are evident on the face of the accused artwork.<sup>180</sup> As a practical matter, *Saderup* may just muddy the waters further. *Campbell*'s concept of transformative use could be useful in the right of publicity context if it avoids passing judgment on a work's artistic merits. Interpreted broadly, any (nonconfusing) artistic rendering – with the possible exception of recordings of performances and candid photos – should be protected from celebrity control. If this result is unacceptable, courts need to find a better explanation of the state's compelling interest in protecting celebrities' rights to control the presentation of their images in a noncommercial context.

## VI. Conclusion

Parodies can be funny or offensive. What is certain is that they are frustrating, enough so that intellectual property owners may litigate out of a sense of wounded dignity even when there is a strong fair use defense. Because parody determinations are

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<sup>179</sup> *See id.*

<sup>180</sup> *See, e.g., ETW Corp. v. Jireh Publishing, Inc.*, No. 98-01485 (6<sup>th</sup> Cir. June 20, 2003), slip op. at 35 (endorsing both cases in determining whether paintings of golf great Tiger Woods playing golf were protected by the First Amendment); *World Wrestling Federation Entertainment, Inc. v. Big Dog Holdings, Inc.*, No. 01-394 (W.D. Pa. Mar. 10, 2003), slip op. at 42-44 (using both cases); *Hoepker v. Kruger*, 200 F. Supp. 2d 340, 349-50 (S.D.N.Y. 2002) (finding, under both *Saderup* and more expansive protection for art under New York law, that Barbara Kruger's collage using an image of a plaintiff looking through a magnifying glass and the words "It's a small world but not if you have to clean it" was protected from a right of publicity claim by the First Amendment); *Saderup*, 21 P.3d at 809 (finding *Cardtoons* consistent with its result).

fact-intensive – and sometimes dependent on a judge’s response to their humor or lack thereof – predictions remain extremely difficult. We have no ready answer to this problem; we can only suggest that the parody/satire divide has proved a frolic and detour ill-suited to proper intellectual property policy, and that courts should take a broader view of transformation when they address humorous (and non-humorous) unauthorized uses of works, marks or images.