

## Legal Affairs

# Protas Bound: Work-Made-for-Hire Lessons from the Battles over Martha Graham's Choreography

by Robert J. Bernstein and Robert W. Clarida

When Martha Graham, one of the greatest dancers and choreographers of the twentieth century, was in her 70's, she met Ron Protas, a 26 year old photographer who befriended her and went on to become her closest confidant. During the 23 years of their personal, social and business relationship, Protas became so closely bound to Graham that, despite his nonexistent background in dance, she entrusted him with running the dance center she had founded in 1948 (to the consternation of Graham's longtime business and creative colleagues); made him her spokesman; and chose him to accompany her to virtually all social gatherings notwithstanding their almost half-century age differential.

In the residuary clause of her will, Graham left to Protas all of the property she owned at the time of her death that was not specifically bequeathed. She made no specific bequests of the copyrights in her choreographic works. After Graham died in 1991, at the age of 96, the battle over control of her choreography escalated. In 2000, after the Board of Trustees of Graham's dance center removed Protas as Artistic Director, he founded a competing not-for-profit corporation called The Martha Graham School and Dance Foundation. In early 2001, Protas commenced a lawsuit against the Martha Graham Center of Contemporary Dance and the Martha Graham School of Contemporary Dance, which had employed and funded Graham for many years, claiming that he owned the copyrights in Graham's choreographic works pursuant to the residuary clause of her will.<sup>1</sup> The Center

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and the School counterclaimed that they owned the copyrights either through assignments from Graham or because they were created as "works for hire" and therefore, under the 1909 and 1976 Copyright Acts, the School and the Center were deemed to be the authors and copyright owners of the works upon their creation.

The questions that faced United States District Court Judge Miriam G. Cedarbaum, and later the U.S. Court of Appeals for the Second Circuit, were (i) which works were owned by Graham at the time of her death; (ii) which works were owned by the School and the Center; and (iii) which works were in the public domain as the result of publication without copyright notice or failure to make timely renewal under the 1909 Act. Until these issues were settled, the legacy of Graham's choreography remained stuck in a stalemate of competing claims and the survival of both the School and the Center was in doubt.

### *The Determinations of Ownership*

The disputed claims concerned 70 dances choreographed by Graham that existed in fixed form. A copyright can only exist if the work is fixed in a "tangible medium of expression,"<sup>2</sup> which in the case of

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<sup>1</sup> Protas also claimed that the Martha Graham trademarks passed to him under the will. This claim was rejected after a separate trial on the trademark claim. *The Martha Graham School and Dance Foundation, Inc. v. Martha Graham Center for Contemporary Dance, Inc.*, 153 F.Supp.2d 512 (S.D.N.Y. 2001) ("Graham I"), *aff'd*, 43 Fed. Appx. 408 (2d Cir. 2002).

<sup>2</sup> 17 U.S.C. sec. 102 (a) ("Copyright protection subsists...in original works of authorship fixed in any tangible medium of expression....").

dance would be on film or other video format or in written notation, although at least one case holds that choreography may also be captured in photographs.<sup>3</sup> Any of Graham's dances that were only performed but never fixed in a tangible form would not be protected by copyright.

Of the 70 dances at issue, the district court found that Protas was entitled to the copyright only in the renewal term of one dance, *Seraphic Dialogue*; that the Center and the School owned 45 of the dances (18 by assignment and 27 as works for hire under either the 1909 or 1976 Copyright Acts); that 10 were in the public domain due to lack of timely renewal; that 5 belonged to commissioning parties not involved in the lawsuit; and that copyright ownership of 9 of the dances had not been established, primarily because there was insufficient evidence of whether the 1909 Act notice requirements had been met when the dances were first published.<sup>4</sup> The district court also found that Protas gave evasive and inconsistent testimony and was not a credible witness.

On appeal, the United States Court of Appeals for the Second Circuit, in an opinion by Judge Jon O. Newman, affirmed the district court decision in most respects and commended the court for its careful analysis of the complex factual and legal issues. However, the Court of Appeals reversed as to 7 dances created during the period 1956 through 1965 because it disagreed with the lower court's conclusion that they were created as works for hire under the 1909 Act. As to these dances, the Court of Appeals remanded for a determination of whether Graham had assigned them to the School or Center, or whether instead they remained her property at the time of her death and therefore passed to Protas through the residuary clause of her will. The Court of Appeals also held, contrary to the district court, that the renewal term in one other dance, *Acrobats of God*, belonged to Protas, and that two dances which the district court had held to be owned by the Center as unpublished works for hire had in fact been published without notice and therefore were in the public domain.<sup>5</sup>

<sup>3</sup> *Horgan v. MacMillan, Inc.*, 789 F.2d 157, 160 (2d Cir. 1986).

<sup>4</sup> *The Martha Graham School and Dance Foundation, Inc. v. Martha Graham Center of Contemporary Dance, Inc.*, 224 F.Supp.2d 567 (S.D.N.Y. 2002) ("Graham II"), *aff'd in part and rev'd in part, vacated in part and remanded in part*, 380 F.3d 624 (2d Cir. 2004), *amended*, 2004 U.S. App. LEXIS 20904, 72 U.S.P.Q.2d 1143 (2d Cir. October 14, 2004).

<sup>5</sup> *Martha Graham School and Dance Foundation, Inc. v. Martha Graham Center of Contemporary Dance, Inc.*, 380 F.3d 625 (2d Cir. 2004), *amended*, 2004 U.S. App. LEXIS 20904, 72 U.S.P.Q. 2d 1143 (2d Cir. October 14, 2004).

### *The Context of Creation*

The different determinations of ownership of the dances are due in large part to the changing circumstances in which Graham created her choreography over the course of her long career. Graham began to dance in her teens and continued performing until 1970 when she was 76. Her choreography spanned a period of 65 years, beginning in the mid-1920's and ending shortly before her death in 1991.

In the 1920's, Graham started a dance company and a dance school, both of which she operated as sole proprietorships. She also created works on commission. In 1940, for tax, fundraising, and administrative reasons, she created the Martha Graham Foundation for Contemporary Dance, which in 1968 was renamed the Martha Graham Center for Contemporary Dance. The Foundation/Center was incorporated as a not-for-profit corporation. In 1956, Graham sold the school she had been running as a sole proprietorship to the newly incorporated not-for-profit Martha Graham School of Contemporary Dance. Graham became a part time employee of the School in 1956 and a full time employee in 1966. In 1976, Graham did not renew her contract with the School, but instead signed a new contract with the Center. Her title changed from Program Director of the School to Artistic Director of the Center and her employment and responsibilities changed from part-time dance instructor to full-time choreographer. She continued as a full time employee and Artistic Director of the Center until her death.

### *The Work for Hire Issues*

We shall focus here on the work for hire determinations, which are probably of greater interest and applicability than other issues in the case. As noted above, the dances were created between the 1920's and 1991. With respect to dances created before January 1, 1978, the effective date of the 1976 Copyright Act, work for hire status is determined under of the 1909 Copyright Act. The work for hire status of dances created between January 1, 1978 and 1991 are governed by the 1976 Act. Under both Acts, once a work is deemed to have been made for hire, the employer is considered, *ab initio*, to be the "author" of the work and the copyright owner, even though the work was actually created by another. Thus, to the extent that the Center or the School is considered Graham's employer for hire of a work, that work would not be owned by Graham at the time of her death and therefore would not have passed to Protas under the residuary clause of her will. Even if Graham did own the work as the author at the time of its creation, it would not pass to Protas if Graham had assigned it to another party, such as the Center or the School, before she died.

### *The 1909 Act Works*

Under the 1909 Act, the "instance and expense" test is applied to determine whether a work is created for

hire. Under this test, “[a] work is made at the hiring party’s ‘instance and expense’ when the employer induces the creation of the work and has the right to direct and supervise the manner in which the work is carried out.... The *right* to direct and supervise...need never be exercised.”<sup>6</sup> A work may be made for hire by either an employee acting within the scope of her employment or by an independent contractor acting at the instance and expense of the hiring party. However, even if a work is created by an employee, it would not be considered a work for hire if it is made outside the scope of the employee’s regular duties.

With respect to dances created by Graham prior to 1956, the Court of Appeals held that they clearly were not made for hire for the School or the Center because Graham was not an employee of the School (which did not exist until 1956) or the Center (incorporated in 1948), and prior to 1948 Graham created dances either on commission for third parties or through her sole proprietorships. As to her work with the Center between 1948 and 1956, the court found that, even though it supported Graham through fundraising and promoting her methods and techniques, prior to 1956 the Center did not hire her in any capacity, either as an employee or independent contractor.

With respect to the ten dances created by Graham from 1956 through 1965, the Court of Appeals, reversing the district court, held that they were not works for hire because Graham was only a part-time employee of the School during that period and there was no evidence that her regular duties included the creation of choreography. In support of this holding, the court noted that under her ten year contract with the Center, Graham’s salary was only \$15,000 per year; that she was only required to devote one-third of her professional time to the School; that her duties were to teach and supervise instruction at the School; and that she continued to receive funds from other sources for the creation of choreography. The court did acknowledge that the “expense” prong of the instance and expense test may have been satisfied because the Center provided her with rehearsal space and dancers from the School, which aided Graham in her choreographic work. However, the “instance” element of the test was not met because the creation of choreography was outside the scope of Graham’s employment during this period.

The Court of Appeals affirmed the district court’s finding that the nine dances created between 1966 and 1977 were works for hire. During this period, instead of renewing her contract with the School, Graham signed a new contract with the Center pursuant to which her primary duty became the creation of choreography, although she continued to teach part-time. The Center withheld income and social security taxes from her salary, paid her medical and travel expenses and

provided other employee benefits. This employment arrangement was renewed indefinitely in 1976 and remained in effect for the duration of Graham’s life.

Protas argued that Graham should not be considered an employee for hire because, even though she was a salaried employee of the Center and therefore created dances at the Center’s expense, they were not created at the Center’s “instance”. In rejecting this argument, Judge Newman stated

“There is no need for the employer to be the precipitating force behind each work created by a salaried employee acting within the scope of her regular employment. Many talented people...are expected by their employers to produce the sort of work for which they were hired, without any need for the employer to suggest any particular project.”<sup>7</sup>

Noting that, after 1966, Graham received a salary from the Center specifically for the creation of new choreography, the court held that all dances created from 1966 through 1977 were works for hire under the 1909 Act.

#### *The 1976 Act Works*

Under section 101 of the 1976 Act, a work could be made for hire either (1) if it is “prepared by an employee within the scope of his or her employment,” or (2) with respect to certain enumerated types of works, including those made “as part of a motion picture or other audiovisual work,” if it is “specially ordered or commissioned work” and “the parties expressly agree in a written instrument signed by them that the work shall be considered a work made for hire.”<sup>8</sup> Choreography, therefore, could be a work for hire under the 1976 Act if it were created by an employee within the scope of her employment or commissioned by the hiring party as part of a motion picture or other audiovisual work and the required written instrument is executed.

With respect to the post-1977 Graham choreography, the relevant test is contained in the first part the work for hire definition: was Graham an employee acting within the scope of her employment when she created the dances? In this inquiry, the Court of Appeals was guided by the standards set forth by the United States Supreme Court in *Community for Creative Non-Violence v. Reid*.<sup>9</sup> In CCNV, the Court looked to the common law of agency and the non-exhaustive factors set forth in section 220(2) of the *Restatement (Second) of Agency (1958)*, and, in addition, applied the following factors (again, non-exhaustive): “whether the hiring party has the right to assign additional projects to the hired party,” “the hired party’s role in hiring and paying assistants,” “the provision of employee benefits,” and

<sup>7</sup> *Id.* at 640-41.

<sup>8</sup> 17 U.S.C. sec. 101.

<sup>9</sup> 490 U.S. 730 (1989).

<sup>6</sup> *Id.*, 380- F.3d at 635 (emphasis in original).

“the tax treatment of the hired party.”<sup>10</sup> Applying these factors to the dances created by Graham after January 1, 1978, the Court of Appeals agreed with the district court’s determination that Graham was an employee of the Center in 1978 and remained an employee until her death. Thus, the court found that Graham’s regular salary, her receipt of medical and other employee benefits, her reimbursement for travel and other expenses, the Center’s withholding of income and social security taxes, and the specification in her employment contract that one of her duties was to create dances, all pointed strongly in favor of employee for hire status.

In support of his argument that Graham was not an employee for hire, Protas made two arguments: first, that the Center did not exercise control over Graham with respect to her choreographic creations; and, second, as a policy matter, that the work for hire doctrine should not be applied to deprive a talented artist of ownership of her works, particularly where the purpose of the supporting institution is to support the artist. As to the latter point, the court noted that whatever merit this argument has is for Congress to consider, and that the court must determine work for hire status under the copyright statute and governing case law, neither of which have adopted such a policy consideration as a factor to be weighed.

The court gave fuller consideration to Protas’ argument regarding the Center’s lack of control over Graham’s exercise of her artistic talent, but nevertheless rejected it on the following grounds: (i) even though the Center did not exercise much control over Graham, “the absence of a hiring party’s *exercise* of control does not mean that an artist is not an employee where other factors weigh in favor of finding an employment relationship”<sup>11</sup>; and (ii) the fact that an employer is disinclined to inject itself into the details of the artist’s work is understandable and exists in many professions (e.g., executive chef, pilot, ship’s captain, brain surgeon, judge) and does not negate employee status when other factors support it. In any event, the court noted: the “control or right to control needed to establish the relation of master and servant may be very attenuated.”<sup>12</sup>

In an observation that applies equally to all works created by Graham after she became an employee of the Center in 1966, the court emphasized that Graham’s intention in structuring her relationship with the Center strongly supported the court’s determination of her employee status: “Graham went to great lengths to become an employee of the Center so that she could insulate herself from the legal and financial aspects of

her work.”<sup>13</sup> If only she also could have insulated her successors from the litigation over her works.

#### *Practical Implications*

Among the lessons to be learned from the long and destructive battles over ownership of Martha Graham’s choreography, the most important is that such enervating and expensive conflicts are easily avoidable. Thus, if you are, or you represent, an author or an author’s putative employer or assignee, make sure to create a documentary record that accurately states the intention of the parties. It is crucial that the parties understand the implications of not specifying their intentions clearly in writing, so that they or their successors are not later confronted with legally mandated, unwelcome results which fill the void of their silence. In order to avoid these pitfalls, the parties must first give careful thought to how they want to structure the ownership of their copyrights, both during and after their lives.

To be certain of its ownership of a work created by an author whose employee status might be subject to question (and often the question is not answered until a judge rules), the employer and employee should execute a document that both acknowledges that the work was created by the employee acting within the scope of her employment and, alternatively, assigns the copyright in the work to the putative employer in the event it is later determined not to be for hire. If a work is created by an independent contractor as a commissioned work and is also within one of the nine categories of works qualifying as commissioned works under section 101 of the 1976 Copyright Act (a contribution to a collective work, a part of a motion picture or other audiovisual work, a translation, a supplementary work, a compilation, an instructional text, a test, answer material for a test or an atlas), the parties must “expressly agree in a written instrument signed by them that the work shall be considered a work made for hire.” If for any reason the parties are not certain that the work is within one of these nine categories, the written instrument should contain, in the alternative, a provision whereby the author assigns the copyright to the commissioning party in the event that the work is determined not to be for hire.

From the author’s perspective, assuming that her intention is to retain ownership of the copyright in the work, there are several ways she can do so: (i) in the situation where it is clear that the author is not an employee, she should sign no document relating to ownership or assignment of the copyright, in which event the copyright automatically vests in the author upon fixation of the work; (ii) when the author is clearly an employee, but considers her creation of the work to be outside the scope of her regular duties, the best course would be to have the employer acknowledge that in a

<sup>10</sup> *CCNV, supra*, 490 U.S. at 751-52.

<sup>11</sup> 380 F.3d at 642 (emphasis in original) *citing Carter v. Helmsley-Spear, Inc.*, 71 F.3d 77, 85-88 (2d Cir. 1995).

<sup>12</sup> *Id.* (citing the *Restatement (Second) of Agency Sec. 220(1)*, cmt. d (1958)(internal quotations omitted)).

<sup>13</sup> 380 F.3d at 640.

written instrument; (iii) when the author is an employee but the employer is nevertheless willing to let the author own the copyright, the author must get a written assignment of the copyright from the employer; (iv) when the author's employment status is ambiguous and she wants to be certain that she will not later be determined to have been an employee at the time she created the work, there are several steps the author should take: she should work on her own premises with her own material and assistants; take care of her own taxes and provide her own medical benefits; control what projects she undertakes and how she completes them; be paid on a project or time basis rather than by salary; and, of course, expressly provide in her contract that she is an independent contractor rather than an employee. The courts, however, will look to the substance of the arrangement rather than the label applied by the parties

These may seem like obvious steps, but there are no doubt many living choreographers and numerous other creators, who have not yet taken them, whether for reasons of time, focus, ignorance, indecision or unwillingness to face mortality. It is hard, however, to make a will after you've gone. For those who would delight in imagining their former spouses or their children or grandchildren fighting tooth and nail over their estates, the foregoing advice may not apply. Some have even suggested that Martha Graham would have enjoyed the controversy she created by placing Protas in the middle of a volatile mixture of art, ego, wealth and power. Thus, in trying to explain Protas' role in Graham's life, a former Graham dancer observed: "Martha was very mischievous.... She loved a good fight; it kept her young.... [Protas] was her agent provocateur."<sup>14</sup> We express no opinion on this issue.

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<sup>14</sup> See, e.g., Rupert Smith, "The Martha Graham Legacy," in [www.londondance.com](http://www.londondance.com), at ["http://www.londondance.com/content/1300/the\\_martha\\_graham-legacy/"](http://www.londondance.com/content/1300/the_martha_graham-legacy/).

## INTERNATIONAL DEVELOPMENTS

### **European Commission closes antitrust investigation into use of “most-favored-nation” clauses in output agreements between six Hollywood studios and European pay-TV companies, after studios agreed to waive clauses; investigation still pending against Universal and Paramount because they have not waived clauses**

The European Commission has closed its antitrust investigation into the use by six Hollywood movie studios of “most-favored-nation” clauses in output agreements with European pay-TV companies. According to the EC, the clauses gave each of the studios the right to receive the most favorable terms agreed to by a pay-TV company and any one of them. The EC believes that these clauses are a price fixing device, because any increase in license fees agreed to by a pay-TV company with one studio “triggers a right to parallel increases in the prices of the other studios.”

The EC began its investigation in 2002, when it discovered most-favored-nation clauses “with many similarities” in the pay-TV licensing agreements used by eight major studios. During the course of the investigation, six studios – Disney, Warner Bros., Fox, Sony, MGM, and Dreamworks – agreed to waive their most-favored-nation clauses. In response, the EC closed its investigation of those six studios.

The EC’s investigation remains open as to Universal and Paramount, because they have not agreed to waive the most-favored-nation clauses in their pay-TV agreements.

*Editor’s note:* The EC announced the closure of its investigation with just a brief press release that contains little information about the offending clauses and none whatsoever about the transactions of which they were a part. That is, the EC release does not indicate whether the clauses would have benefited the studios only, or whether European pay-TV companies might have benefited from them too, if for example any of the studios accepted lesser licensing fees from one pay-TV company than another had already agreed to pay. If that were the case, the EC might also have investigated whether European pay-TV companies were using the clauses for price-fixing purposes too.

The EC investigation raises a question about the legality of most-favored-nation clauses in general – not simply in the pay-TV business. That question is of

interest to entertainment lawyers in the United States – not just in Europe – for at least a couple of reasons.

First, the EC investigation was based on European antitrust law, not American antitrust law. But although neither law is a photocopy of the other, the two are remarkably similar. Article 81 of the EC Treaty – like Section 1 of the Sherman Act – prohibits agreements that restrict competition, including agreements that fix prices, limit production, or share markets. (Available at [http://europa.eu.int/comm/competition/legislation/treaties/ec/art81\\_en.html](http://europa.eu.int/comm/competition/legislation/treaties/ec/art81_en.html).) Article 82 of the EC Treaty – like the Robinson-Patman Act – makes it illegal to charge “dissimilar” prices to different “trading parties” in “equivalent transactions” when doing so puts some of “them at a competitive disadvantage.” (Available at [http://europa.eu.int/comm/competition/legislation/treaties/ec/art82\\_en.html](http://europa.eu.int/comm/competition/legislation/treaties/ec/art82_en.html).) These similarities between European and American antitrust law mean that *if* most-favored-nation clauses are illegal in Europe, they could be in the United States as well.

Second, *if* most-favored-nation clauses could be illegal in the U.S., it would require wholesale revamping of commonly-used agreements, because such clauses are literally ubiquitous in the entertainment industry. A quick (digital) search through (the CD-ROM version of) *Entertainment Industry Contracts: Negotiating and Drafting Guide* revealed most-favored-nation clauses in a:

- Film composer employment agreement, for soundtrack album credit
- Screenwriter employment agreement, for on-screen credit
- Film producer employment agreement, for on-screen credit
- Film director employment agreement, for on-screen credit
- Film actor employment agreement, for compensation, living expense allowances and on-screen and paid ad credit
- Film and television profit participation agreement, for the definition of “profits”
- License agreement from a book publisher to a music publisher, for the use of lyrics in a book
- Newscaster employment agreement, for employee benefits
- TV writer employment agreement, for travel expenses
- TV cast member employment agreement, for the cast member’s share of ancillary rights

revenue from the exploitation of the cast member's character

- Software development agreement, for royalties paid to consumer electronics companies such as Sony, Sega, Nintendo and Atari by software (game) development companies
- License agreement, for the fee paid by the producer of a theatrical play to a music publisher for the use of song
- Agreement between bookwriter and producer of a musical play for any provisions in the producer's agreement with a composer/lyricist
- Agreement between the author and producer of a musical play, for the author's travel and per diem expenses for out-of-town rehearsals
- Director/choreographer employment agreement for musical stage play, for travel and living expenses and participation in the royalty pool
- Recording artist performance for performing in concert with other performers, for compensation, merchandising, credit and album royalties
- Record company license of a track for a greatest hits album of an artist who recorded for more than one company
- Movie and TV program master use license from record company, for royalties
- Soundtrack recording agreement between an artist and movie production company, for compensation, royalties and credit for movie soundtrack

Most-favored-nation clauses also show up in industry-wide agreements such as ASCAP and BMI licenses, and in litigation settlement agreements like the one used to settle lawsuits against MP3.com (ELR 22:6:5).

Most-favored-nation clauses even show up in federal statutes like:

- the Robinson-Patman Act
- the Digital Performance Right in Sound Recordings Act, and
- the Communications Act (which requires cable operators that don't have "effective competition" to offer programming services on a uniform basis throughout their geographic areas)

Last, though certainly not least, most-favored-nation clauses appear in international treaties like TRIPs, Article 4 of which is entitled "Most-Favoured-Nation Treatment."

Given the wide use of most-favored-nation-clauses, is it possible they are illegal in the United States? Surprisingly, it appears that "in appropriate circumstances, the use of MFN [most-favored-nation] clauses could violate the Sherman Act by restraining competition" – or so a federal District Court said in *Blue*

*Cross v. Bingaman*, 1996 U.S. Dist. LEXIS 17091 (N.D. Ohio 1996).

*Blue Cross* was one of several antitrust cases that arose in the medical insurance business in the 1980s and early 1990s. The issue in those cases was whether most-favored-nation clauses in contracts between insurers and hospitals – requiring hospitals to provide care to insureds at rates no greater than those charged to others – violated the Sherman Act. The judge in the *Blue Cross* case did *not* find that Blue Cross's most-favored-nation clause was illegal; the judge merely ruled that the Antitrust Division was entitled to subpoena information from Blue Cross, in connection with the Division's investigation. Moreover, rulings in other medical insurance cases held that the most-favored-nation clauses at issue in those cases did not violate antitrust law. Nevertheless, the *Blue Cross* decision indicates that, in theory at least, most-favored-nation clauses may be illegal, "in appropriate circumstances."

Whether any of those circumstances exist (or could) in the entertainment industry is a question that can't be answered with a simple citation to a published opinion. There has been entertainment industry litigation centered on most-favored-nation clauses. But those cases have involved disputes over the proper interpretation of such clauses (ELR 22:9:16, 6:5:3, 4:21:1).

No entertainment industry case has yet involved a challenge to the very legality of most-favored-nation clauses. If the still-pending EC investigation of Universal and Paramount evolves into an actual case, it will be the first. Even in that event, however, a case against Universal and Paramount would say little about whether it's legal to use most-favored-nation clauses in employment agreements and licenses for a single work. Though the EC didn't say so, it must have initiated its investigation of Hollywood studios in the belief that they have significant market power. By contrast, individual performers, and even individual publishers, are unlikely to have such power. And without market power, antitrust violations aren't possible.

*Commission closes investigation into contracts of six Hollywood studios with European pay-TV's*, EC Press Release (Nov. 26, 2004), available at <http://europa.eu.int/rapid/pressReleasesAction.do?reference=IP/04/1314&format=HTML&aged=0&language=EN&guiLanguage=en>

## **European Court of Justice upholds French law banning alcohol advertising by TV stations in France, even when ads are simply billboards that would be visible in the background of sporting events televised from other European countries**

The European Court of Justice has upheld the legality of a French law that prohibits television stations in France from airing commercials for alcoholic beverages. At first, the ruling may not seem significant, because the law applies only to French television stations – not to stations located elsewhere in the European Union.

However, because of the way the law has been interpreted and enforced by France’s Audiovisual Authority, the law has had dramatic effects on advertising and sponsorship activities in other countries. So France’s victory is significant, and upsetting to European sports leagues as well as to liquor distributors.

The law has been interpreted by France’s Audiovisual Authority to prohibit French television stations from broadcasting images of billboards located in sports arenas, including those where “football” (i.e., soccer) matches are played, whenever those billboards advertise alcoholic beverages. Because billboards surround the on-field action, television cameras cannot avoid them. And for now at least, technology that might permit television broadcasters to obscure alcoholic beverage billboards is too expensive to use, as a practical matter.

The French law does allow alcoholic beverage billboards to be shown on French TV under two circumstances: when the advertised beverage is not sold in France; and when the event is of a multi-national sporting event, taking place in another country, and televised to viewers in a “large number of countries.”

On the other hand, the law does apply to bi-national sporting events between French teams and teams of other countries from which telecasts originate. As a result, the French television network TF1 has pressured other countries’ teams to refuse billboard advertising from liquor companies whose beverages are available in France.

The tensions created by the law gave rise to two related cases before the European Court of Justice. One was brought by the European Union itself against France. The other was brought by Bacardi against TF1.

In its case against France, the EU argued that the French law violates the EC Treaty provision that requires EU members to eliminate restrictions on the right of EU nationals to provide services in every EU member country. The Court of Justice agreed with the EU that the French law does restrict the ability of arena owners outside of France to provide advertising services, because they must reject alcoholic beverage billboard

ads for any sporting event that is to be televised in France.

However, the EU Treaty does permit members to protect the public health of their residents. And the Court of Justice found that France’s alcoholic beverage ad ban was adopted for just that purpose. What’s more, the Court also ruled that the ad ban was not more restrictive than it had to be, in part because it applies only to alcoholic beverages sold in France, and not to broadcasts of multi-national sporting events.

In its case against TF1, Bacardi argued that the French law violated the EU’s “Television Without Frontiers Directive.” That Directive prohibits EU members from restricting the free movement of television programs among EU nations. Bacardi said the French law ran afoul of the Directive, because it prohibited Bacardi ads, whenever Bacardi billboards were posted at fields from which sporting events were being televised.

The Court of Justice rejected Bacardi’s argument, however, because television “advertising” is given a particular meaning in the Directive; and Bacardi billboards at sporting events do not fit the definition (though the Court didn’t explain why, exactly, that mattered).

*Commission of the European Communities v. French Republic*, Case C-262/02 (2004); *Bacardi France SAS v. Television Francaise I SA*, Case C-429/02 (2004); both available at <http://curia.eu.int/jurisp/cgi-bin/form.pl?lang=en&Submit=Rechercher&dorequire=alldocs&numaff=&datefs=&datefe=&nomusuel=&domaine=&mots=Audiovisuel&resmax=100>



## WASHINGTON MONITOR

### **FCC disposes of dozens of “indecent” complaints: settles proceedings against Viacom; rules that Fox TV and radio station owners are apparently liable for indecent broadcasts; and rejects indecent complaints about TV broadcast of “Austin Powers” movie and more than three dozen TV program episodes**

In the weeks leading up to the first anniversary of Janet Jackson’s “wardrobe malfunction” during the half-time show of the 2004 Super Bowl broadcast, the FCC was extraordinarily busy with “indecent” complaints. It disposed of literally dozens of separate matters by dismissing most, but not all, of them. The FCC settled several complaints against Viacom with a consent decree by which the company agreed to pay the U.S. Treasury \$3.5 million. And the FCC proposed fines totaling another \$1.5 million or so, on account of “apparently” indecent broadcasts of an episode of the Fox TV series “Married By America” and broadcasts by Florida and Kansas radio stations.

#### *Viacom settlement*

Viacom – in its capacity as the owner of Infinity Radio stations – settled several pending “indecent” matters by agreeing to make a “voluntary” payment to the U.S. Treasury of \$3.5 million. Among the proceedings closed as a result of the settlement were two in which the FCC had issued a Notices of Apparent Liability on account of “indecent” radio broadcasts by the “Deminski & Doyle Show” (*ELR* 24:11:9) and the “Opie and Anthony Show” (*ELR* 25:6:10).

The settlement also requires Viacom’s radio and television stations to use “delay systems” when broadcasting “potentially problematic live programming.” On-air and programming employees must receive training about indecency law. If Viacom receives another Notice of Apparent Liability, the settlement requires all involved employees to be suspended, and they will be given “remedial training.” When those employees resume their duties, their broadcasts must be delayed.

What’s more, if a Notice of Apparent Liability actually leads to a “forfeiture,” the involved employees “will be subject to further disciplinary action up to and including termination.” (As severe as this provision seems, it actually is less severe than what Clear Channel

and Emmis Communications previously agreed to, in settlement of indecency proceedings against them. Clear Channel and Emmis agreed that if they air indecent programming that results in future enforcement action against them, “the offending employees will be terminated without delay.” (*ELR* 26:1:7, 26:4:10))

Viacom owns CBS, as well as Infinity Broadcasting. But the settlement does not cover the indecency proceeding triggered by Janet Jackson’s 2004 Super Bowl appearance which was broadcast by CBS and resulted in the FCC proposing a \$550,000 forfeiture (*ELR* 26:4:10). Viacom has challenged that proposed forfeiture, and that proceeding is still pending.

#### *Fox TV’s “Married By America”*

The FCC hit Fox TV with a Notice of Apparent Liability proposing a “forfeiture” of \$1.183 million on account of an episode of the network’s reality-TV program “Married By America.” The offending episode focused on bachelor and bachelorette parties for the series’ two remaining couples. And it featured semi-nude strippers engaged in sexual behavior. The nudity was pixilated. But the FCC concluded that “even a child would have known that the strippers were topless and that sexual activity was being shown.”

To the FCC, this meant that the episode satisfied both parts of its test for “indecent”: it depicted sexual activity; and it did so in a patently offensive manner, because it dwelled on sexual activity in order to titillate or shock the audience.

The FCC has proposed a forfeiture of just \$7,000 for each station’s broadcast, but because 169 stations affiliated with the Fox network aired the program, the total came to \$1.183 million.

#### *Florida and Kansas radio broadcasts*

In two separate proceedings, the FCC has issued Notices of Apparent Liability proposing that the owner of a Florida radio station forfeit \$55,000 on account of its broadcast of statements by show host Scott Ferrall, and proposing that the owner of two Kansas radio stations forfeit \$220,000 on account of broadcasts of a description of a stripper contest and interviews with two porn actors and an actress.

The “Scott Ferrall Show” is broadcast by radio station WQAM(AM) in Miami. On two consecutive morning shows, Ferrall made on-air statements about sex that the FCC determined to be patently offensive. On the first morning, Ferrall responded to a call from an “angry”

listener with assertions that: the caller would be sent to prison where he would be raped and sodomized; and Ferrell would “do” the caller’s wife “daily” while he was in prison. The next morning, Ferrall broadcast what the FCC characterized as a “graphic and explicit description of child molestation.” The FCC proposed a \$27,500 forfeiture for each one of these broadcasts.

Separately, the owner of radio stations in Leavenworth and Wichita, Kansas, have been hit with a Notice of Apparent Liability for a forfeiture totaling \$220,000 – \$27,500 for each of four indecent broadcasts on the “Dare and Murphy Show.” The offending broadcasts consisted of: a description of a stripper contest, including explicit and graphic descriptions of the genitalia and breasts of the contestants; two separate interviews with porn actors that included explicit and graphic descriptions of sexual acts; and an interview with a porn actress that also included a description of sexual acts.

#### *Indecency complaints rejected*

The FCC doesn’t see indecency wherever it looks. In a series of three separately-decided opinions, it concluded that:

- an episode of the Fox series “Keen Eddie” was not “indecent,” despite a scene in which a prostitute is hired to extract semen from horse by sexually arousing it;
- episodes of the WB series “Off Centre” were not “indecent,” despite dialogue that referred to excretory activities and sexual organs; and
- an episode of the NBC series “Coupling” was not “indecent,” even though the episode’s dialogue included sexual innuendo and double entendre.

The complaint about NBC’s “Coupling” was filed by an organization known as the Parents Television Council which is the most active “indecency” complainer, by far. In addition to its complaint about “Coupling,” it also filed at least three dozen complaints about perceived indecency in other TV series – including “Friends,” “Dawson’s Creek,” “NYPD Blues,” “Will & Grace,” “Scrubs,” “The Simpsons” and “King of the Hill” – as well as indecency in a television broadcast of the movie “Austin Powers: The Spy Who Shagged Me.”

The Parents Television Council had no more success with those complaints than it did with its complaint about “Coupling.” In one respect, it had even less. The FCC devoted an entire opinion to explaining its reasons for concluding that “Coupling” was not indecent. It dealt with the Council’s next three dozen complaints in just two opinions – one rejecting 15 complaints, and the other rejecting 21. The FCC concluded that none of the 36 broadcasts that offended the Parents Television Council contained material that was “patently offensive”; and that meant that none was “indecent.”

*In the Matter of Viacom Inc.*, FCC 04-268 (Nov. 23, 2004), available at [http://hraunfoss.fcc.gov/edocs\\_public/attachmatch/FCC-04-268A1.pdf](http://hraunfoss.fcc.gov/edocs_public/attachmatch/FCC-04-268A1.pdf); *In the Matter of Complaints Against Various Licensees Regarding Their Broadcast of The Fox Television Network Program “Married By America”*, FCC 04-242 (Oct. 12, 2004), available at [http://hraunfoss.fcc.gov/edocs\\_public/attachmatch/FCC-04-242A1.pdf](http://hraunfoss.fcc.gov/edocs_public/attachmatch/FCC-04-242A1.pdf); *In the Matter of WQAM License Limited Partnership*, FCC 04-225 (Nov. 23, 2004), available at [http://hraunfoss.fcc.gov/edocs\\_public/attachmatch/FCC-04-225A1.pdf](http://hraunfoss.fcc.gov/edocs_public/attachmatch/FCC-04-225A1.pdf); *In the Matter of Entercom Kansas City License*, FCC 04-231 (Dec. 22, 2004), available at [http://hraunfoss.fcc.gov/edocs\\_public/attachmatch/FCC-04-231A1.pdf](http://hraunfoss.fcc.gov/edocs_public/attachmatch/FCC-04-231A1.pdf); *In the Matter of Complaints against Fox Television Stations, Inc., Regarding Its Broadcast of the “Keen Eddie” Program*, FCC 04-243 (Nov. 23, 2004), available at [http://hraunfoss.fcc.gov/edocs\\_public/attachmatch/FCC-04-243A1.pdf](http://hraunfoss.fcc.gov/edocs_public/attachmatch/FCC-04-243A1.pdf); *In the Matter of WBDC Broadcasting, Inc.*, FCC 04-234 (Nov. 23, 2004), available at [http://hraunfoss.fcc.gov/edocs\\_public/attachmatch/FCC-04-234A1.pdf](http://hraunfoss.fcc.gov/edocs_public/attachmatch/FCC-04-234A1.pdf); *In the Matter of NBC Telemundo License Co.*, FCC 04-235 (Nov. 23, 2004), available at [http://hraunfoss.fcc.gov/edocs\\_public/attachmatch/FCC-04-235A1.pdf](http://hraunfoss.fcc.gov/edocs_public/attachmatch/FCC-04-235A1.pdf); *In the Matter of Complaints by Parents Television Council*, FCC 04-280 (Jan. 24, 2005), available at [http://hraunfoss.fcc.gov/edocs\\_public/attachmatch/FCC-04-280A1.pdf](http://hraunfoss.fcc.gov/edocs_public/attachmatch/FCC-04-280A1.pdf); *In the Matter of Complaints by Parents Television Council*, FCC 04-280 (Jan. 24, 2005), available at [http://hraunfoss.fcc.gov/edocs\\_public/attachmatch/FCC-04-279A1.pdf](http://hraunfoss.fcc.gov/edocs_public/attachmatch/FCC-04-279A1.pdf)

## RECENT CASES

### **Former L.A. Dodger Steve Garvey did not violate FTC ban on false advertising when he did infomercial for Enforma weight loss system, because he did not know his statements were false, federal appeals court affirms**

Steve Garvey has successfully dodged a legal “fastball” thrown directly at him by the Federal Trade Commission.

In 1998, the former L.A. Dodger first baseman appeared in two infomercials for the Enforma weight-loss system. The infomercials were aired almost 48,000 times throughout the country, and contributed to more than \$100 million in sales for Enforma products. The FTC believes that the claims Garvey made on behalf of Enforma were false and misleading. So it sued Garvey for violating the FTC Act, claiming he was liable as a “direct participant” and as an “endorser.”

Following a three-day non-jury trial, federal District Judge Gary Feess entered judgment in Garvey’s favor, ruling that Garvey was not liable under either of the FTC’s theories. The FTC appealed, but without success. Writing on behalf of the Court of Appeals, Judge Harry Pregerson has affirmed Judge Feess’ ruling.

To be liable as a “direct participant,” Garvey would have had to have had actual knowledge that what he said during the infomercials was false. Likewise, to be liable as an “endorser,” his statements would have had to have been contrary to his actual beliefs and experience.

Garvey made many extravagant statements about how well Enforma helps users to lose weight. But he proved that he believed them to be true. Before doing the infomercials, Garvey and his wife both used Enforma for three or four weeks. During that time, Garvey lost eight pounds and his wife lost 27 pounds! What’s more, Garvey had spoken with other Enforma users who also had “positive experiences” with Enforma products. And he read booklets that purported to substantiate the claims Garvey then made in the infomercials.

Judge Pregerson concluded that Garvey’s investigation of Enforma was “sufficient” – “at least for someone in Garvey’s position,” meaning a “reasonable layperson” – for him to avoid liability.

The FTC was represented by John F. Daly and Melvin H. Orlans of the FTC in Washington DC. Garvey

was represented by Edward F. Glynn, Jr., in Washington DC.

*Federal Trade Commission v. Garvey*, 383 F.3d 891, 2004 U.S.App.LEXIS 18481 (9th Cir. 2004)

### **ABC Television legitimately terminated Michael Nader as member of cast of “All My Children” after his arrest for selling cocaine, because actor breached employment contract’s “morals clause”**

Actor Michael Nader used to play Dimitri Marick on the ABC daytime soap opera “All My Children.” Four years ago, however, he was arrested for selling cocaine. And shortly thereafter, ABC Television terminated him.

Nader had a written contract with ABC which guaranteed him a certain number of appearances on the show. But his contract also contained a “morals clause” which gave ABC the right terminate the contract immediately, if he did anything “which might tend to bring [Nader] into public disrepute. . . .”

Nader’s arrest in fact generated “publicity and media attention.” But despite the morals clause in his contract, the actor responded to being fired by suing ABC for disability discrimination, breach of contract, fraud and unjust enrichment.

The case didn’t get far. Federal District Judge Jed Rakoff has granted ABC’s motion for summary judgment, saying that although “‘All My Children’ may make for successful soap opera, . . . as a lawsuit it’s a bust.”

Nader argued that ABC violated federal, state and city laws by discriminating against him “on the basis of his ‘disability’ of being addicted to cocaine.” Judge Rakoff, however, noted that ABC said it terminated Nader for breaching the morals clause of his contract. That shifted the burden to Nader to show that the morals clause was a “pretext” – something Nader failed to show.

The judge also ruled that “ABC was well within its contractual right to terminate [Nader’s] employment for violations of the morals clause.”

The judge rejected the actor’s fraud claims, because he failed to show that he relied on or was damaged by anything ABC said to him, after his arrest. And the judge denied Nader’s unjust enrichment claim, because the

actor didn't show that ABC improperly got any benefit from terminating him.

Nader was represented by Joseph J. Ranni in New York. ABC Television was represented by Kathleen M. McKenna of Proskauer Rose in New York.

*Nader v. ABC Television, Inc.*, 330 F.Supp.2d 345, 2004 U.S. Dist. LEXIS 15613 (S.D.N.Y. 2004)

### **Middleweight boxing champ Bernard Hopkins is awarded \$1.79 million in breach of contract case against former promoter America Presents**

Middleweight boxing champion Bernard Hopkins has been awarded \$1.79 million in a breach of contract case between him and his former promoter, America Presents.

Hopkins and America Presents entered into a promotional rights agreement with one another in 1996. In a nutshell, the agreement required Hopkins to permit America Presents to promote all of his fights for a period of time; and it required America Presents to offer Hopkins at least eight fights during that time.

The agreement permitted America Presents to select the dates, sites and opponents for the fights it offered to Hopkins. But it also gave Hopkins a "reasonable right of approval." Hopkins did approve three fights America Presents offered, and then trained for and fought them, successfully. America Presents, however, claimed that it lost money on those fights. And that apparently is why their relationship began to sour.

America Presents wanted to recoup its financial losses and make money on the deal, and it offered Hopkins fights that would have helped it do that. Hopkins, by contrast, wanted to retain his IBF championship and become the WBC and WBA champion too, and he wanted to participate in fights that would lead to that goal. As a result, America Presents offered Hopkins fights that Hopkins refused to approve, and it failed to offer him fights (though it could have) that Hopkins says he would have approved, because they would have led to his goal.

Eventually, America Presents sued Hopkins for breach of contract, and Hopkins counterclaimed for breach of contract. The outcome: in a factually detailed opinion, federal District Judge Lawrence Kane ruled in favor of Hopkins and has awarded him \$1.79 million in damages.

On the issue of whether Hopkins "unreasonably" refused to approve fights offered by America Presents, Judge Kane found: "In each instance in which Hopkins declined to approve offered bouts, he based his decision on the unnecessary risks of losing his losing his championship status such fights would present. It is not

unreasonable for a champion boxer to refuse bouts that could result in the sanction of having his belt stripped, no matter how much money is left on the table. I am not persuaded that decisions based on a desire to protect one's status, record or legacy are unreasonable merely because there is a possibly more profitable path one might take. . . . It was not unreasonable . . . for Hopkins to protect what he had, even if his decision adversely affected America Presents' opportunities to recoup its investment." This finding meant that Hopkins had not breached the parties' contract.

Judge Kane found that America Presents had breached their contract, for two reasons: because it failed to pay Hopkins \$40,000 it was obligated to pay under the agreement; and because it failed to offer Hopkins five of the eight bouts the agreement required it to provide him.

The judge determined that Hopkins suffered \$1.79 million in damages, because under the contract, Hopkins would have received \$1 million for one of the promised fights, \$500,000 for another fight, \$250,000 for a third fight, and because America Presents withheld \$40,000 from Hopkins "without any justification."

America Presents was represented by Lee D. Foreman of Haddon Morgan Mueller Jordan Mackey & Foreman, in Denver. Hopkins was represented by Kelly Moureen Condon of Holme Roberts & Owen in Denver.

*America Presents, Ltd. v. Hopkins*, 330 F.Supp.2d 1217, 2004 U.S. Dist. LEXIS 16294 (D.Colo. 2004)

### **Producer "Hype" Williams and Instinct Productions win dismissal of declaratory judgment/breach of contract claims brought by Blackground Records for lost profits from death of singer Aaliyah in a plane crash after shooting the video "Rock the Boat"; but Blackground's negligence claim survives**

The untimely death of R&B singer "Aaliyah" Dana Houghton, who was killed in a plane crash after filming the music video for "Rock The Boat," produced by Harold "Hype" Williams, has resulted in at least two lawsuits. Hype Williams' production company, "Instinct Productions," has already settled a wrongful death action brought by Aaliyah's estate. But Aaliyah's recording company, "Blackground Records," sued Williams and Instinct too, for declaratory judgment, breach of contract and negligence.

The video production agreement for "Rock the Boat" was between Blackground and Instinct. According to Blackground, Instinct breached the agreement because Aaliyah was killed by a plane crash that Instinct had arranged for her. Blackground argued that under the

terms of the agreement, Instinct is liable for Blackground's loss of profits from Aaliyah's current and future revenues

Instinct filed a motion to dismiss. According to Instinct, the contract term that Blackground relied on is simply a boilerplate indemnification clause, which is not susceptible to the interpretation that Instinct agreed to be liable to Blackground for its loss of profits as a result of shooting the video.

New York County Supreme Court Judge Carol R. Edmead granted Instinct's motion to dismiss Blackground's declaratory judgment action. Judge Edmead agreed that Instinct couldn't be held liable because the agreement, when read in its entirety, is a standard indemnification clause, under which Instinct is only liable for claims made by third parties against Blackground.

Blackground's negligence claim alleged that Instinct owed it a duty to use reasonable care to ensure the safety of Blackground's current and future profits. Blackground alleged its damages were foreseeable and that Instinct violated its duty by selecting the plane Aaliyah in which died.

In support of its motion, Instinct cited the general rule that an employer has no right to recover damages when an employee is injured by the negligence of a third party, but Instinct failed to argue that Aaliyah was an employee. Alternatively, Instinct also argued that no special relationship existed with Blackground and Blackground failed to sufficiently plead facts alleging a special relationship. Judge Edmead ruled the complaint alleged Aaliyah was Blackground's primary asset, not its employee.

For these reasons, Judge Edmead granted Instinct's motion to dismiss Blackground's contract and declaratory judgment claims and denied Instinct's motion to dismiss Blackground's negligence claim.

Instinct Productions was represented by David H. Fromm of Brown Gavalas & Fromm in New York City. Blackground Records was represented by Edward G. Williams of Stewart, Occhipinti & Makow in New York City. (MAR)

*Barry & Sons, Inc. v. Instinct Productions LLC*, 783 N.Y.S.2d 225, 2004 N.Y.Misc.LEXIS 1109 (Sup. 2004)

### **Case filed by Frank M. Sullivan III – guitarist for rock band “Survivor” – against CBS, complaining that merchandising of “Survivor” reality series infringed and diluted his trademark, was properly dismissed, appeals court affirms**

“Survivor” guitarist Frank M. Sullivan III has used some of the fighting spirit he showed with his band's hit

“Eye of the Tiger” from the “Rocky III” soundtrack to sue CBS and others for trademark infringement and dilution. He complained about the merchandising of the reality show “Survivor.” But Sullivan's claims have been knocked out in two rounds, so to speak.

Sullivan, who registered the band name “Survivor” in 1994, originally sued CBS as well as Survivor Productions, TVT Records and Tee Vee Toons, claiming the show's merchandising of soundtrack CDs and other related products constituted trademark infringement, trademark dilution, unfair competition and deceptive trade practices. The District Court granted summary judgment in favor of CBS, noting that while Sullivan's mark was entitled to protection, nothing in the facts of his case indicated that there was “any likelihood of confusion as to the origin of the CDs or merchandise related to the series.”

On appeal, Sullivan claimed that he still had a fighting chance to prove an infringement of his mark based on trademark and dilution theories, but Judge Diane P. Wood disagreed. She noted that the case turned on the fact that Sullivan failed to submit enough evidence on the issue of likelihood of confusion between the two uses of the word. Noting that courts look at seven factors in assessing whether a likelihood of confusion exists between overlapping marks, Wood rejected Sullivan's argument that his mark is well known enough to make consumers think the TV series' merchandise is likely to come from the band, because the band has not released an album in the United States since 1993. She also noted that both parties' marks aren't similar enough to raise a triable dispute, because the TV show's mark, as a whole, is offset by the words “OUTPLAY,” “OUTLAST” and “OUTWIT.” Further, she said that the soundtrack CDs put out by CBS make themselves known by referring directly to the television series, lessening any chance for confusion.

Judge Wood acknowledged that Sullivan “comes closer to creating a genuine issue of fact on the similarity factor, with respect to the CDs only,” because this factor looks at whether the buying public expects the two distinct products to come from the same source. Nonetheless, the judge noted that a single winning battle for Sullivan would not win the war, especially since the TV show's CDs are generally found in music stores' soundtrack sections, while the band's music is to be found in the rock section. Further, said Judge Wood, the t-shirts for Sullivan's band are generally only sold at concerts, while the TV series' merchandise is sold through various outlets and always includes the entire “Survivor” mark.

Moreover, the judge discounted Sullivan's use of an Internet search bringing up links to both the band and the TV show as evidence that there is confusion among the marks. “[T]he websites contain the same additional information from CBS that distinguishes its ‘Survivor’ from all others.”

Sullivan was represented by Annette M. McGarry of Wildman Harrold Allen & Dixon in Chicago. CBS was represented by Richard J. O'Brien of Sidley Austin Brown & Wood in Los Angeles. (AMF)

*Sullivan v. CBS Corp.*, 385 F.3d 772, 2004 U.S.App.LEXIS 20062 (7th Cir. 2004)

**Noise In the Attic Productions is not entitled to record royalties earned by musical group Salt 'N Pepa, because group is entitled to recoup advance it paid Noise In the Attic when group bought back company's right to produce group's next album, New York appellate court rules**

Noise In the Attic Productions entered into a production agreement with the Hip-Hop musical group Salt 'N Pepa for the group's fourth and fifth albums. After the fourth album was released, but before the fifth one was, Noise In the Attic and Salt 'N Pepa entered into a "settlement agreement" pursuant to which Salt 'N Pepa paid Noise In the Attic a \$2 million recoupable advance against royalties the company would have received from the group's albums. In return, Noise In the Attic gave up its right to produce the group's fifth album. This was done because Salt 'N Pepa was signed by Universal Music, and Universal wanted to release the group's fifth album.

Soon, record royalties were generated from Salt 'N Pepa's first four albums, none of which were paid to Noise In the Attic. This prompted Noise in the Attic to file a breach of contract suit in which the company argued that Salt 'N Pepa was entitled to recoup its advance from royalties from its fifth album only, not from the first four.

A jury found that Salt 'N Pepa had breached its contract, but that Noise In the Attic suffered no damages. Nonetheless, the New York County Supreme Court awarded damages to Noise In the Attic, thus prompting Salt 'N Pepa to appeal, successfully.

Appellate Division Judge J.P. Nardelli ruled that the evidence "clearly showed that all royalties from the sales of [Salt 'N Pepa] records are payable to [the group] until the . . . advance against [Noise In the Attic's] share of those royalties is recouped." Judge Nardelli also held that "Contrary to [Noise In the Attic's] argument, [Salt 'N Pepa's] advance against [Noise In the Attic's] share of royalties could be recouped from the sales of all [Salt 'N Pepa] albums, including the first four, not just the fifth."

Noise In the Attic Productions was represented by Robert W. Cinque of Cinque & Cinque in New York.

Salt 'N Pepa was represented by Bruce R. Ewing of Dorsey & Whitney in New York. (SG)

*Noise In the Attic Productions v. London Records*, 10 A.D.3d 303, 782 N.Y.S.2d. 1, 2004 N.Y.App.Div.LEXIS 10333 (App.Div. 2004)

**Punitive damages may be available for copyright infringement, federal judge rules in suit by photographer Andrea Blanch against artist Jeff Koons**

Artist Jeff Koons has been sued for copyright infringement, in a case that may change copyright law doctrine – though not in any way that would give pleasure to Koons or other alleged infringers.

"Conventional authority" long has said that punitive damages simply are not available in copyright infringement cases. However, in a lawsuit filed by photographer Andrea Blanch, federal District Judge Louis Stanton has held that they may be. As a result, Judge Stanton has granted Blanch's motion for permission to amend her complaint against Koons to allege a claim for punitive damages.

The reason that punitive damages have not been permitted before is that the Copyright Act permits successful plaintiffs to request and receive *statutory* damages, instead of *actual* damages and profits, and the Act authorizes judges to award enhanced statutory damages (of as much as \$150,000) if the infringement was committed "willfully." When awarded, these damages are punitive in nature, so courts have concluded that no independent claim for punitive damages exists.

Blanch, however, was not eligible to ask for statutory damages, because Koons allegedly infringed her copyrights *before* they were registered. Under these circumstances, Judge Stanton held that Blanch should have the opportunity to prove, if she can, that Koons infringed her copyrights with malice, because if Koons did, Blanch should be able to "raise squarely the question of whether punitive damages are available to her."

In so ruling, Judge Stanton followed the lead of Judge Victor Marrero who earlier ruled in similar fashion in a pre-trial opinion in *TVT Records v. Island Def Jam* (ELR 25:5:15).

Blanch was represented by Robert W. Cinque of Cinque & Cinque in New York City. Koons was represented by John B. Koegel of The Koegel Group in New York City.

*Blanch v. Koons*, 329 F.Supp.2d 568, 2004 U.S.Dist.LEXIS 16304 (S.D.N.Y. 2004)

## **Former coach of U.S. Taekwondo team may pursue federal claim of discriminatory firing, but court denies his preliminary injunction request and other claims preempted by the Amateur Sports Act**

The former U.S. Taekwondo National Team coach may have been fired as a result of racial discrimination; however he wasn't entitled to an injunction requiring him to coach the U.S. Taekwondo Olympic Team. Two weeks before the Athens Summer Olympics Dae Sung Lee claimed he was fired because of his Korean ancestry. Lee was the coach of two previous national taekwondo teams and was national taekwondo champion from 1979 to 1987. The U.S. Taekwondo Union hired Lee in spring 2003 to coach the Olympic team on the basis of his experience in international competitions.

Subsequently, the U.S. Olympic Committee found the Taekwondo Union to have "a pattern of severely insufficient financial reporting and controls" and the remediation plan required all of the Taekwondo Union's officers to resign. The new management changed the head coach hiring criteria and Lee was allegedly fired based on those criteria. Lee claims that he was fired because the USOC maintains "racial animosity" towards Koreans. He brought a racial discrimination claim, a breach of contract claim for his employment as coach, and sought reinstatement as a credentialed coach for the U.S. Olympic Taekwondo Team.

After expedited briefings, Judge Susan Oki Mollway ruled that the Ted Stevens Olympic and Amateur Sports Act preempted Lee's breach of contract claim because the USOC has exclusive jurisdiction over all matters pertaining to Olympic Games eligibility. Lee's claim didn't even fall within an exception to the Act's preemption doctrine because he failed to exhaust all internal remedies. However Lee's federal racial discrimination claim is not preempted by the Act. Although the doctrine preempts claims dealing with Olympic Games eligibility, it does not "nullify or supersede other federal laws that provide rights of action to ensure freedom from discrimination."

In response to Lee's demand for reinstatement, Judge Mollway noted that while there are facts supporting a claim of racial discrimination, the Taekwondo Union has "shown legitimate, nondiscriminatory reasons for their actions[.]" specifically, the change in hiring criteria. Further, Lee first requested the court to reinstate him as the sole coach, but later amended his request to provide him with at least an Olympic coaching credential. The court rejected this because it lacked power over the Olympic Committee, and because the Amateur Sports Act's preemption doctrine blocks this type of relief. Thus Lee's only surviving cause of action is his federal racial discrimination claim.

Lee was represented by Ward D. Jones of Bervar & Jones in Honolulu. The United States Olympic Committee and Taekwondo Union were represented by Arthur Roeca and April Luria of Roeca Louie & Hiraoka in Honolulu along with Mark S. Levinstein of Williams & Connolly in Washington D.C. and Jeffrey Benz from Colorado Springs. (ANC)

*Lee v. United States Taekwondo Union*, 331 F.Supp.2d 1252, 2004 U.S. Dist. LEXIS 16131 (D. Haw. 2004)

## **Videogame-maker Blizzard Entertainment wins summary judgment on contract and DMCA anti-circumvention claims against computer programmers and ISP who created and distributed a hacked version of Blizzard's multiplayer network**

Computer gamers can play online, but not with pirated game copies. Blizzard Entertainment, a subsidiary of Vivendi Universal Games, creates popular computer games such as Warcraft and Diablo which, since 1998, have generated over \$480 million in revenue. In early 1997 Blizzard launched Battle.net, a 24-hour online gaming service available to Blizzard computer game purchasers. The service is free and allows "owners of certain Blizzard games to play those games, through their personal computers, against each other by linking together over the Internet." Further, Battle.net is designed to "prohibit access . . . by . . . unauthorized or pirated copies of Blizzard games." Currently Battle.net has nearly 12 million active users who spend more than 2.1 million hours online per day.

Blizzard, like most computer game makers, uses a CD Key to prevent piracy. Moreover, when a gamer attempts to log on and play other gamers over the Internet, Battle.net "initiates an authentication sequence or 'secret handshake' between the game and the Battle.net service." This is done to prevent pirated versions of Blizzard's games from being used for online multiplayer gaming on Battle.net. Blizzard claimed this is exactly what the defendants – two computer programmers, a system administrator and the ISP Internet Gateway – attempted to do.

The defendants created a non-profit project called "bnetd project" to address their frustration with the Battle.net service. The bnetd project members didn't appreciate advertisements on the Battle.net service. Through reverse engineering, the project members created a "functional alternative" to the Battle.net service which is compatible with Blizzard computer game software. Further, the project created and distributed a utility program that allowed pirated Blizzard games access to the bnetd online multiplayer service. The server space for the utility program and for the actual online

gaming was donated by the corporate defendant, Internet Gateway. Essentially, the bnetd project created and distributed an entirely independent online gaming service that was exactly like Blizzard's Battle.net except there were no advertisements and no piracy prevention tool built in.

After a consent decree, the only remaining claims were breach of contract based on the End User License Agreement and Terms of Use Agreement, circumvention of copyright protection systems, and trafficking in circumvention technologies under the Digital Millennium Copyright Act. Judge Charles A. Shaw held for Blizzard, stating that the EULA and TOU are both enforceable contracts and that the defendants violated the DMCA even though they claim they were altering the Battle.net software to enable interoperability.

Judge Shaw found that the breach of contract claim wasn't preempted by the Copyright Act because the contractual restrictions found in the EULA and TOU are not present in Copyright law. Further, the first sale doctrine, which terminates "a copyright holder's authority to interfere with subsequent sales or distribution of that particular copy" was inapplicable because Blizzard computer game purchasers were not buying the actual game, but rather a license to use the game. Also, the contract wasn't unconscionable because the defendants had access for "up to thirty days to read over the EULA and decide if they wanted to adhere to its terms or return the games." Finally, Judge Shaw found that, on agreeing to the EULA and TOU, defendants waived their fair use defense because "private parties are free to contractually forego the limited ability to reverse engineer a software product under the exemptions of the Copyright Act."

Judge Shaw rejected the defendants' theory that the circumvention required to create the bnetd server was done for the sole purpose of creating and distributing interoperable computer programs. Rather, the "defendants' purpose in developing the bnetd serve was to avoid the anti-circumvention restrictions of the game and to avoid the restricted access to Battle.net."

Blizzard was represented by Carol Anne Been and S. Roberts Carter of Sonnenschein & Nath of Chicago along with Kirill Y. Abramov, Michael Quinn Murphy and Stephen H. Rovak of Sonnenschein & Nath of St. Louis. Internet Gateway was represented by Cindy A. Cohn of the Electronic Frontier Foundation in San Francisco along with Mark Sableman of Thompson Coburn and Matthew A. Braunel in St. Louis and Paul S. Grewal of Day & Casebeer in Cupertino. (ANC)

*Davidson & Associates, Inc. v. Internet Gateway*, 334 F.Supp.2d 1164, 2004 U.S.Dist.LEXIS 20369 (E.D.Mo. 2004)

## **Evidence of CD counterfeiter's prior scrape with authorities was admissible to show he had "knowledge" that later sales were illegal, D.C. appellate court rules**

Donald L. Jackson may not have known that selling burned CDs from a table on the sidewalk near Washington, D.C.'s Union Station was an act of deceptive labeling when he was arrested the first time. "Yeah, they are mine, everybody is doing it," proclaimed Jackson as officers nabbed him for vending without a license. But after the officers also notified Jackson that his CDs were counterfeit, Jackson likely got a clue – exactly the government's point in trying to admit evidence of that arrest at a trial resulting from a subsequent, similar charge.

Charged with attempted deceptive labeling of a sound recording after being arrested for hawking burned CDs a second time, Jackson and his co-defendant were found guilty by the trial court. Jackson appealed, however, claiming that evidence of his prior run-in with the law should not have been admitted.

Earlier opinions have ruled that it is presumptively prejudicial to admit evidence of a prior crime to help the state establish one's proclivity toward committing some new crime; and they held that it can't be done unless there is some "substantial, legitimate" purpose for doing so.

The government argued that since Jackson was warned by police during the original arrest that his CDs were counterfeit, that arrest showed that Jackson had the "knowledge" required to violate D.C. Code Section 22-3814.1(b) which makes it illegal to "knowingly" sell or otherwise distribute a sound recording that does not conspicuously disclose the true name and address of its manufacturer. Thus, the government claimed, evidence of Jackson's earlier arrest was admissible. Jackson, of course, balked.

In affirming the trial court's decision, Judge Steadman declared that "other crimes or bad acts evidence may be offered for the purpose of demonstrating 'knowledge'" and that "absent a finding that the prejudicial effect of the evidence substantially outweighs its probative value, evidence offered for such a purpose will overcome [the] presumption of inadmissibility."

So now Jackson knows. . . .

Jackson was represented by court-appointed attorney Carl E. Snead. The government was represented by Robert J. Feitel, Assistant U.S. attorney. (AMF)

*Jackson v. United States*, 856 A.2d 1111, 2004 D.C.App.LEXIS 413 (D.C. 2004)



**Lawyer John J. Kirby, Jr., and his firm Latham & Watkins are disqualified from representing Blue Planet Software in suit against computer game company Elorg over rights to “Tetris,” because years ago, while Kirby was associated with another firm, he represented an Elorg licensee in suit involving “Tetris” and received access to confidential Elorg information**

Blue Planet Software and the computer game company Elorg are locked in a lawsuit over ownership of the intellectual property rights in the classic computer game “Tetris.” So far, the substance of their dispute has not been reported in the advance sheets – though a preliminary matter of interest to entertainment lawyers has.

Blue Planet was represented by John J. Kirby, Jr., and his firm, Latham & Watkins. Elorg didn’t want Kirby or his firm to be able to represent Blue Planet, so Elorg made a motion to disqualify them. Federal District Judge Sidney Stein has granted Elorg’s motion, even though neither Kirby nor Latham & Watkins ever represented Elorg.

Instead, the thing that got Kirby and Latham disqualified was a case that Kirby handled years ago while Kirby was associated with another law firm. Back in 1989 and 1990, Kirby represented Nintendo in a separate lawsuit involving “Tetris.” Nintendo had acquired its rights to the game from Elorg – technically, from Elorg’s predecessor – and the license agreement between Nintendo and Elorg required Elorg to assist Nintendo if its rights to the game were ever called into question.

Nintendo’s rights to “Tetris” were called into question in that earlier 1989-90 lawsuit, and Elorg assisted, as promised. Indeed, according to Elorg’s recent motion to disqualify Kirby and Latham, Elorg provided Kirby with “unfettered access to . . . confidential internal records,” and allowed him to talk with Elorg employees. According to Elorg, Kirby would be able to use that confidential information against it, on behalf of his new client, Blue Planet.

Judge Stein agreed that Blue Planet “would have much to gain from Kirby’s knowledge of . . . Elorg’s confidential documents and discussions with high level . . . Elorg employees. . . .” Moreover, many of the issues in the Blue Planet case “will be essentially the same as in the earlier case.” And it was too late to screen other Latham & Watkins lawyers from Kirby’s knowledge, because he was substantially involved in the Blue Planet case already.

Blue Planet Software was represented by John J. Kirby, Jr., of Latham & Watkins in New York City. Elorg Company was represented by Glenn D. Bellamy of

Greenbaum Doll & McDonald in Cincinnati, and Mark Norman Mutterperl of Fulbright & Jaworski in New York City.

*Blue Planet Software v. Games International*, 331 F.Supp.2d 273, 2004 U.S. Dist. LEXIS 17047 (S.D.N.Y. 2004)

**Dances choreographed by Martha Graham while employed by non-profit Martha Graham Center were works-made-for-hire whose copyrights are owned by Center, rather than by her heir Ronald Protas, even though Center’s purpose was to encourage and support her work, Court of Appeals affirms**

When renowned choreographer Martha Graham died in 1991, she left behind a valuable legacy that included some 70 dances, and a bitter legal dispute over who owns their copyrights. The parties to that dispute are the Martha Graham Center, a non-profit corporation that was formed in 1948 to encourage and support her work, and her heir Ronald Protas, to whom she bequeathed “any rights or interests in any dance works” she owned when she died.

There were several real-world reasons for the dispute between the Center and Protas. But, as a legal matter, the dispute turned on whether the copyrights to the dances she created were owned by the Center at the time she died – either because they were works-made-for-hire, or because Graham assigned them to the Center – and thus didn’t pass by her will at all, or whether instead the copyrights were owned by Graham at her death, and thus passed to Protas by the terms of her will.

The case was made unusually complex by the fact that it involved 70 separate dances that were created over such a long time – from the 1920s to 1991 – that the Copyright Act was amended three times in ways that were relevant to the dispute between the Center and Protas.

On the basis of extensive evidence taken during a week-long trial, federal District Judge Miriam Cedarbaum ruled that: the Center owns the copyrights to 45 of the dances created by Graham, because they were works made for hire or were assigned by Graham to the Center; Protas owns the copyright to one; and the rest are owned by others or are in the public domain. (*ELR* 24:10:11)

Protas appealed, and did better, but not as well as he hoped. In an opinion by Judge Jon O. Newman, the Court of Appeals held that Protas owns the copyrights to two dances, rather than just one. And it remanded the

case for further consideration of Protas' claim that he inherited the copyrights to seven more.

Graham created all eight of these dances between 1956 and 1965 while she was an part-time employee of the Center. At that time, Graham's job did *not* include choreography, and there was no evidence she had created these dances "at the instance" of the Center. The District Court had held that these were works made for hire; but the Court of Appeals held they were not. The Center apparently argued that if they weren't works made for hire, Graham assigned the copyrights to seven of the eight dances to the Center. And that is why the Court of Appeals remanded the case for consideration of that possibility, while ruling that Graham bequeathed the copyright to the eighth dance to Protas.

Between 1966 and 1977, Graham was a full-time employee of the Center and her job *was* to choreograph dances. Protas argued that these dances were not works made for hire, because even though Graham was employed by the Center, it did not "control" her work, and because the Center's purpose was to encourage and support her work.

Under the 1909 Copyright Act, which was then in effect, "control" was an important – but not controlling – factor in deciding whether a work was created for hire. As "a matter of creative arts policy," Protas argued – with the *amicus curiae* support of non-profit art organizations – that where the "employer" is a non-profit corporation formed to encourage and support authors, those authors should retain ownership of the copyrights to the works they create with that support.

Judge Newman agreed that this may be wise policy, but said that its adoption was for Congress to do in the future, not for courts to do in this case. Since Graham created these dances as a full-time employee, within the scope of her employment, the Court of Appeals affirmed the District Court's ruling that the copyrights to those dances belonged to the Center when Graham died, and thus were not passed to Protas by her will.

Judge Newman reached the same conclusion with respect to dances choreographed by Graham between 1978 and her death, while she was a full-time Center employee. By then, the Copyright Act of 1976 had taken effect, and Judge Newman again rejected Protas' argument that since Center's purpose was to support her Graham's work, she retained the copyrights to those dances.

Protas was represented by Judd Burstein in New York City, and by David Nimmer of Irell & Manella in Los Angeles. The Martha Graham Center was represented by Katherine B. Forrest of Cravath Swaine & Moore in New York City.

*Martha Graham School and Dance Foundation v. Martha Graham Center of Contemporary Dance*, 380 F.3d 624, 2004 U.S.App.LEXIS 17452 (2nd Cir. 2004)

## **Court of Appeals vacates order that required Hoyts Cinemas and National Amusements to provide wheelchair seating in tiered sections of new stadium-style movie theaters; appellate court rules that wheelchair seating in flat portion of some stadium-style theaters may be OK, and reconstruction of some existing theaters may be necessary**

Hoyts Cinemas and National Amusements scored a partial victory on appeal, in an Americans with Disabilities Act case filed against them by the U.S. Department of Justice in Boston. At issue in the case is whether the two movie chains are required by law to provide wheelchair seating areas in the tiered sections of their stadium-style theaters. The wheelchair areas in most stadium theaters are located in the flat portion of those theaters, where lines of sight may not be as good as they are in the tiered sections.

In an opinion by Judge Michael Boudin, the Court of Appeals for the First Circuit ruled that wheelchair areas in the flat portion of some stadium-style theaters *may* be legally sufficient. For that reason, the appellate court vacated an earlier District Court ruling that Hoyts and National were *required* by law to provide wheelchair areas in the tiered sections of *all* of their new stadium-style movie theaters (*ELR* 25:4:21). This much of Judge Boudin's opinion is a victory for the theater chains.

Their victory was not complete, however, because the District Court also had ruled that Hoyts and National were not required to remodel their existing movie theaters. They only had to provide wheelchair areas in the tiered sections of their *new* stadium theaters (and theaters that Hoyts and National refurbished for other reasons). Judge Boudin reversed that part of the District Court's ruling too, saying that the theater chains may have to remodel some existing theaters to provide wheelchair areas in their tiered sections, even if those theaters would not otherwise have been refurbished.

Judge Boudin's opinion is based, in part, on a general principle of ADA law that applies to all movie theater owners (at least those in some Circuits). The judge held that the law requires movie theater owners to provide wheelchair-bound patrons with lines of sight that are "comparable" to those enjoyed by other patrons; it is not sufficient for theater owners to simply provide wheelchair-bound patrons with "unobstructed" lines of sight.

This is a principle about which there is a split among the Circuit Courts that have considered the issue. (*ELR* 22:4:22, 23:6:23, 24:8:15, 24:11:17). In ruling as he did, Judge Boudin agreed with the Sixth and Ninth Circuits which have required "comparable" lines of sight, and he

disagreed with the Fifth Circuit which requires only “unobstructed” lines of sight.

Hoyts and National, of course, urged Judge Boudin to follow the Fifth Circuit, so this portion of the judge’s opinion was something of a loss for the theater chains. But for procedural reasons, it wasn’t a total loss.

Judge Boudin’s opinion also was based on procedural matters that were unique to this one case. The District Court had ruled that Hoyts and National had to provide wheelchair areas in the tiered sections of all of its theaters, without trial, in response to a motion for summary judgment. Judge Boudin held that “comparable” lines of sight might be provided from the *flat* areas of some stadium theaters, depending on the design of particular theaters. Therefore, this issue should not have been decided by the District Court, without a trial.

Hoyts and National suffered a potential setback on appeal, because Judge Boudin reversed the District Court’s decision that its ruling should apply only to new (and refurbished) theaters. Judge Boudin held that the theater chains may have to remodel some of their existing theaters too, because it is possible that “some of the [their] theaters are so inhospitable to wheelchair patrons that a measure of reconstruction is warranted.”

Hoyts Cinemas was represented by Michael J. Malone of King & Spalding. National Amusements was represented by James R. Carroll of Skadden Arps Slate Meagher & Flom. The government was represented by Gregory B. Friel of the Appellate Section of the Civil Rights Division of the Department of Justice.

*United States v. Hoyts Cinemas Corp.*, 380 F.3d 558, 2004 U.S.App.LEXIS 17721 (1st Cir. 2004)

**Demonstrators may be entitled to protest Cleveland Indians’ use of “Indians” nickname and “Chief Wahoo” mascot on sidewalk surrounding team’s stadium, because sidewalk is public forum, federal appellate court rules; case remanded for consideration of whether access restrictions satisfy First Amendment standards**

Cleveland’s professional baseball team has been known as the “Indians” since 1915, and “Chief Wahoo” has been its mascot since 1948. Now, though, some people consider the name and the mascot to be “racist” and “offensive to Native Americans.” A group of them (from the United Church of Christ) want to express these views by demonstrating on the grounds of the Gateway Sports Complex where the team plays its home games. But they have been stymied by regulations adopted by

the Complex’s owner that deny them access on game days.

The group’s members did what people often do in this situation: they filed a lawsuit, alleging that the access regulations violate their First Amendment free speech rights. At first, they were not successful, at all. A federal District Court denied their requests for injunctive relief. The judge ruled that the regulations were “reasonable,” and that is all they had to be, because the Complex grounds are not a public forum.

On appeal, the demonstrators have done better, though they haven’t won yet. In an opinion by Judge Guy Cole, the Court of Appeals has held that the sidewalks surrounding the Complex are a public forum, and thus the regulations must pass a tougher First Amendment test. To be constitutional, the access regulations must be content-neutral time, place and manner restrictions that are narrowly tailored to further a significant governmental interest, and they must leave alternative avenues of communication available to the demonstrators. Since the District Court had not applied this tougher standard, the case was remanded for it to do so.

The owners of the Complex did win part of the case, even on appeal. The protestors also wanted the right to demonstrate from an area near the stadium known as the “Commons,” as well as from the sidewalk. But Judge Cole agreed with the District Court that the Commons area is not a public forum. This meant that regulations that restrict access to the Commons only needed to be “reasonable” to be legal. The District Court found they were, and the protestors did not appeal that particular finding.

The protestors were represented by Scott T. Greenwood of Greenwood & Associates in Cincinnati, and by Raymond Vasvari of the ACLU in Cleveland. The Gateway Sports Complex was represented by Dennis R. Wilcox of Climaco Climaco Seminatore Lefkowitz & Garolfoli in Cleveland.

*United Church of Christ v. Gateway Economic Development Corp.*, 383 F.3d 449, 2004 U.S.App.LEXIS 18413 (6th Cir. 2004)

**DC Comics, owner of Superman character, owns a valid trademark in term “Kryptonite,” federal District Court rules in trademark infringement and dilution lawsuit against manufacturer of “Kryptonite” bicycle locks and accessories**

Kryptonite is a glowing substance that survived the exploded planet Krypton, Superman’s home world, and is toxic and lethal to Superman. DC Comics is the book and magazine publisher of the Superman Saga. In 1943,

DC Comics invented Kryptonite in a radio program and used it later in movies.

In 1972, the Kryptonite Bike Lock Corporation, later known simply as the Kryptonite Corporation, began using the term “Kryptonite” in connection with bicycle locks and related security devices, without DC Comics’ permission. Eventually though, in 1983, DC Comics and Kryptonite Corp. reached an agreement that allowed Kryptonite Corp. to use “Kryptonite” and related marks in connection with certain security devices and two-wheeled vehicle accessories *only*.

When Kryptonite Corp. used the marks in other ways, DC Comics sued it for breach of contract, and trademark infringement and dilution. Kryptonite Corp. then filed counterclaims of its own, alleging that DC Comics does not have a valid “Kryptonite” trademark, because it does not use the term in connection with the sales of goods or services in interstate commerce.

In response to cross-motions for summary judgment, federal District Judge Richard Owen ruled DC Comics does have a valid trademark in the word “Kryptonite,” because the Lanham Act protects “ingredients” of an entertainment property, such as an entertainment character’s names, nicknames, physical appearances, and costumes; and Kryptonite is an “ingredient” of Superman.

DC Comics was represented by Carol F. Simkin of Fross Zelnick Lehrman & Zissu in New York. Kryptonite Corporation was represented by Jonathan E. Moskin of White & Case in New York. (*SG*)

*DC Comics v. Kryptonite Corp.*, 336 F.Supp.2d 324, 2004 U.S. Dist. LEXIS 18885 (S.D.N.Y. 2004)

## **Java Jazz loses claim that its “Jazzland” trademark for cafés and restaurants was infringed by amusement park’s use of name “Jazzland”**

Looking at the age old problem of what’s in a name, legally speaking, a federal Court of Appeals in California has affirmed a trial court ruling that Jazzland, Inc.’s use of the term “Jazzland” for an amusement park did not infringe a “Jazzland” trademark belonging to Java Jazz, Inc., which federally registered the word “Jazzland” and was using it in conjunction with its cafés and restaurants in California.

On appeal, Java claimed that the jury verdict against it was incorrect, and resulted from the District Court’s erroneous allowance of evidence of Jazzland’s registration of “Jazzland” in Louisiana (under state law) as well as improper jury instructions. But the appeals court didn’t agree.

In an opinion marked “may not be cited,” the appeals court noted that there was “virtually no evidence

of actual confusion” between the two companies’ uses of “Jazzland.” Nor was there evidence of “overlapping marketing or likelihood of expansion of the parties’ product lines.” Further, the court was convinced that a consumer buying products from Java would not likely make the mistake of thinking those products were associated with or sponsored by the amusement park – or vice versa.

The Court of Appeals saw nothing wrong in the District Court’s decision to allow evidence of the Louisiana registration of “Jazzland,” since it was relevant to the defense. The appeals court added that Java Jazz’s contention that the District Court erred in not limiting the registration evidence to the issue of willful infringement was also incorrect, because there was no indication that Java had requested such a limitation the first time around.

The Court of Appeals also concluded that the District Court’s failure to give a specific instruction requested by Java did not cause the jury to apply the “likelihood of confusion” test improperly. Moreover, the court rejected Java Jazz’s argument that the jury should have been instructed explicitly that direct competition between adversaries in an infringement case is not required to find fault or damages. Said the court: “[N]one of the instructions given by the district court stated or even implied that direct competition is an element of infringement.”

Java Jazz was represented by M. Danton Richardson of the Soni Law Firm in Pasadena. Jazzland was represented by Jeffrey C. Briggs of Alschuler Grossman Stein & Kahan in Santa Monica. (*AMF*)

*Java Jazz, Inc. v. Jazzland, Inc.*, 109 Fed.Appx. 159, 2004 U.S. App. LEXIS 18523 (9th Cir. 2004)

## **First Amendment protects private college’s right to display Confederate flag at campus art exhibit**

The old Stars and Bars, and the corresponding outrage it always brings, flew again recently when James Andrew Coleman brought a federal civil rights suit against Gettysburg College in Pennsylvania. The school, located in an area of the country well known for its Civil War battlefront heritage, planned to display an art exhibit featuring the Confederate flag, which for many has come to stand for racism and intolerance in post-Civil War America. In his action, Coleman sought to enjoin the school from displaying the banner, as well as compensatory and punitive damages totaling \$15 million.

Federal District Judge Christopher Conner quickly dismissed the damages portion of Coleman’s complaint as unreasonable, noting that Coleman could not have

suffered these as of yet since the exhibit had not opened at the time the suit was filed. Said the judge: “These demands lack any arguable basis in law or fact and must be viewed as legally frivolous.”

As to Coleman’s prayer that the Confederate flag not fly over the Gettysburg exhibit, Judge Conner was similarly dismissive. The judge first noted that since the exhibit did not involve state action, a civil rights claim was improper. Further, he ruled, enjoining the school would be inappropriate because to do so would violate fundamental rights of free speech under the First Amendment. The judge was unable to find either a compelling reason to stop the school from going forward with its plan or a “palpable risk of cognizable harm.” The action was therefore dismissed.

The opinion ended on an encouraging note for Coleman, however. The judge proclaimed that, as with Gettysburg College, Coleman has free speech rights of his own – and so is not without remedies: “He is free to protest the exhibit through picketing or speeches. He is free to publish leaflets and editorials on the subject. He is free to present his own counter-exhibit at another location.”

Coleman represented himself. (*AMF*)

*Coleman v. Gettysburg College*, 335 F.Supp.2d 586, 2004 U.S.Dist.LEXIS 18341 (M.D.Pa. 2004)

## **Federal appeals court reverses \$411,000 default judgment awarded to American owner of adult entertainment trademark “<<O>>” against British magazine publisher, because complaint was not properly served in England**

Ronald B. Brockmeyer publishes an adult fetish magazine titled “<<O>>.” Brockmeyer appeared in the *Entertainment Law Reporter* once before, when he claimed – without success – that his “<<O>>” trademark was infringed by the title of Hearst’s “O The Oprah Magazine” (*ELR* 25:2:13). Now, Brockmeyer is making a return appearance, as a result of a lawsuit he filed in federal court in Los Angeles against Marquis Publications, Ltd., which is a British publisher of a competing fetish magazine.

Brockmeyer was quite successful, at first, in his lawsuit against Marquis. He was awarded a judgment of almost \$411,000 plus attorneys’ fees and costs. Alas, in an opinion by Judge William Fletcher, the Court of Appeals has reversed that judgment, all because Brockmeyer’s complaint was not properly served.

Brockmeyer’s complaint was served by “ordinary international first class mail,” addressed to Marquis in England. Marquis never responded, so in due course, a

judgment was entered against it by default. That, apparently, got Marquis’ attention, because it then filed a motion to set the judgment aside, on the grounds that to be valid, service of the complaint had to be done by certified or registered mail, not ordinary mail. The District Court denied Marquis’ motion, but Judge Fletcher ruled that it should have been granted.

It took Judge Fletcher a surprising number of analytical steps to determine that Brockmeyer should have used certified or registered mail, rather than ordinary mail. First the judge determined that the Convention on the Service Abroad of Judicial and Extrajudicial Documents (commonly known as the Hague Convention) *permits* service by international mail. There is a split among the Circuits on this point (some holding that the Convention does not permit service by mail of complaints). But Judge Fletcher, who sits in the Ninth Circuit, agreed with the Second Circuit that it does permit service by mail.

That was not the end of the matter, however. For service by international mail to be effective, it also had to be affirmatively authorized by some provision of federal law. The Federal Rules of Civil Procedure authorize several methods for serving complaints abroad. One is by international mail; another is by any means “prescribed by the law of the foreign country” where the complaint is served. English law does permit service by ordinary mail. But Judge Fletcher determined that neither rule helped Brockmeyer in this case.

The rule permitting service by international mail didn’t help, because it requires use of “mail requiring a signed receipt . . . addressed and dispatched by the clerk of the court. . . .” This didn’t help Brockmeyer, because his lawyers – not the court clerk – mailed the complaint to Marquis, and a “signed receipt” was not required.

The rule permitting service using any method prescribed by English law didn’t help either, because that rule has uniformly been interpreted to authorize *personal* service only, not service by mail.

Brockmeyer may win the case yet. But before he does, he’ll have to serve his complaint again, this time by having the clerk of the court mail it to Marquis in England using certified or registered mail, for which a signed receipt is required.

Brockmeyer was represented by Dennis H. Cavanaugh of Piliero Goldstein Kogan & Mitchell in New York City. Marquis Publications was represented by Albert S. Israel of Fields Israel & Binning in Long Beach.

*Brockmeyer v. May*, 383 F.3d 798, 2004 U.S.App.LEXIS 18349 (9th Cir. 2004)

## Previously Reported:

**ASCAP “rate court” refuses to certify pre-trial orders for appeal.** Federal District Judge William Conner, sitting as the ASCAP Consent Decree “rate court,” has denied a motion filed by Muzak and DMX Music that asked the judge to certify two pre-trial orders for immediate or interlocutory appeal. The orders that the background music services wanted to appeal – but now won’t be able to, until a final judgment is entered – are those by which Judge Conner ruled that: (1) ASCAP is not required to grant public performance licenses to Muzak and DMX for the catalogs of particular music publishers (*ELR* 26:4:15); and (2) once the judge determines a blanket license fee, it will not be reduced to reflect direct licenses entered into by Muzak and DMX with publishers, during term of that blanket license (*ELR* 26:7:14). *United States v. American Society of Composers, Authors and Publishers*, 333 F.Supp.2d 215, 2004 U.S.Dist.LEXIS 17777 (S.D.N.Y. 2004).

**District Court denies Austria’s new motion to dismiss suit to recover stolen paintings.** Maria Altmann’s lawsuit against the Republic of Austria, seeking to recover possession of paintings stolen by the Nazis in the early 1940s, will proceed in federal District Court in Los Angeles. The case was remanded to that court, after the United States Supreme Court agreed with Altmann (as well as the District Court and the Court of Appeals) that the District Court does indeed have jurisdiction over Austria under the “Foreign Sovereign Immunities Act” (*ELR* 26:1:10). Once the case got back to the District Court, Austria made a new motion to dismiss, arguing that Altmann had failed to exhaust remedies available to her in Austria itself. In earlier (pre-Supreme Court) proceedings, District Judge Florence-Marie Cooper had agreed with Austria that exhaustion of remedies *is* required, as a general rule; but Judge Cooper ruled Altmann didn’t have to do so in this case, because the remedies available to her in Austria were “inadequate.” The Court of Appeals agreed, when it considered the case (before it went to the Supreme Court). And though Supreme Court Justices Breyer and Souter “suggested” that Altmann may have to show she had no remedies in Austria, their opinion was a concurring opinion on an issue the Court’s majority said nothing about. As a result, when the case got back to her, Judge Cooper denied Austria’s motion to dismiss. *Altmann v. Republic of Austria*, 335 F.Supp.2d 1066, 2004 U.S.Dist.LEXIS 18226 (C.D.Cal. 2004).

**Opinions published.** Opinions in these previously reported cases have now been published in print: *Bridgeport Music, Inc. v. Dimension Films*, 383 F.3d 390, 2004 U.S.App.LEXIS 18810 (6th Cir. 2004) (*ELR* 26:4:7); *National Wrestling Coaches Ass’n v. Department of Education*, 383 F.3d 1047, 2004 U.S.App.LEXIS 21004 (D.C.Cir. 2004) (petition for rehearing denied) (*ELR* 26:5:22); *Toney v. L’Oreal U.S.A., Inc.*, 384 F.3d 486, 2004 U.S.App.LEXIS 19576 (7th Cir. 2004) (*ELR* 26:4:8); *Leto v. RCA Corp.*, 341 F.Supp.2d 1001, 2004 U.S.Dist.LEXIS 19296 (N.D.Ill. 2004), 2004 U.S.Dist.LEXIS 21614 (N.D.Ill. 2004)(reconsideration denied) (*ELR* 26:4:8).

## DEPARTMENTS

### Entertainment Lawyer News:

**Thomas Hart joins Holland & Knight.** Thomas A. Hart, Jr., has joined Holland & Knight as a partner in the firm's Washington, D.C., office. His clients include production companies, producers, celebrities and sports figures, as well as broadcast, cable, satellite, common carrier and wireless communications companies. In 1986, he founded On The Potomac Productions Inc., a film and video production company that produced many award-winning documentaries. Hart's law practice emphasizes legislative and lobbying issues, global development products, e-commerce and Internet technologies, and mergers and acquisitions. Hart was instrumental in helping draft federal and state regulations governing the telecommunications industry, including the Telecommunications Act of 1996. He also has been active in the development of new information technologies using wireless and wireline devices, and he was recently referred to as an "architect of the Internet" in an article in *Industry Standard* magazine. Hart currently serves as vice chair of the Telecommunications Development Fund, a venture capital company that makes investments in small businesses in the industry. He also is co-founder of the Minority Media and Telecom Council and the Telecommunications Advocacy Project, two national non-profit groups based in Washington, D.C. Prior to joining Holland & Knight, Hart was a partner with Shook Hardy & Bacon. Hart earned his bachelor's degree in economics at Brown University, and received his J.D. from Georgetown University Law Center.

**Lesley Friedman Rosenthal joins Lincoln Center for the Performing Arts as V.P. and General Counsel.** Lesley Friedman Rosenthal has been named Vice President, General Counsel and Secretary of Lincoln Center for the Performing Arts. She will oversee all aspects of Lincoln Center's legal affairs, and provide ongoing support and advice to the Board of Directors. In addition, she will play a lead role in fashioning the legal context for redevelopment of the Lincoln Center campus. Rosenthal comes to Lincoln Center from Paul Weiss Rifkind Wharton & Garrison, where she was a commercial litigator serving clients in the media, entertainment, and real estate sectors. Her expertise includes defending copyright and trademark matters, the licensing of music and other intellectual property rights, and contract negotiation involving consultants, artists,

and others. An avid classical violinist, Rosenthal studied music and philosophy at Harvard College, where she graduated *magna cum laude* and Phi Beta Kappa. She received her law degree from Harvard Law School.

### In the Law Reviews:

The Texas Review of Entertainment and Sports Law has published Volume 5, Number 2 with the following articles:

*They Fought the Law and the Law (Rightfully) Won: The Unsuccessful Battle to Impose Tort Liability Upon Media Defendants for Violent Acts of Mimicry Committed by Teenage Viewers* by Amanda Harmon Cooley, 5 Texas Review of Entertainment & Sports Law 203 (2004)

*Pole Vault Injuries: Product Liability and Commercial Law Theories* by Russ VerSteege, 5 Texas Review of Entertainment & Sports Law 237 (2004)

*"Don't Trust Me With Your Child": Non-Legal Precautions When the Law Cannot Prevent Sexual Exploitation in Youth Sports* by Jamie Peterson, 5 Texas Review of Entertainment & Sports Law 297 (2004)

DePaul-Lawyers Committee for the Arts Journal of Art and Entertainment Law has published Volume 14, Number 2 with the following articles:

*The Value of Recoding Within Reason: A Review of Justin Hughes' "Recoding" Intellectual Property and Overlooked Audience Interests* by Sarah LaVoi, 14 DePaul-LCA Journal of Art and Entertainment Law 171 (2004)

*Tasini Aftermath: The Consequences of the Freelancers' Victory* by Amy Terry, 14 DePaul-LCA Journal of Art and Entertainment Law 231 (2004)

*A Thousand Words: Pollara v. Seymour and the Trend to Under-Value and Under-Protect Political Art* by Brooke Davidson, 14 DePaul-LCA Journal of Art and Entertainment Law 257 (2004)

*Restoring Localism to Broadcast Communications* by Kristine Martens, 14 DePaul-LCA Journal of Art and Entertainment Law 285 (2004)

*Lost in Cyberspace: An Analysis of How the Supreme Court May Help Children Find Their Way Safely on the Internet* by Emily R. Novak, 14 DePaul-LCA Journal of Art and Entertainment Law 325 (2004)

*McKevitt v. Pallasch: How the Ghosts of the Branzburg Decision Are Haunting Journalists in the Seventh Circuit* by Heather Stamp, 14 DePaul-LCA Journal of Art and Entertainment Law 363 (2004)

Virginia Sports and Entertainment Law Journal has published Volume 3, Issue 2 with the following articles:

*Illegal Defense: The Irrational Economics of Banning High School Players from the NBA Draft* by Michael A. McCann, 3 Virginia Sports and Entertainment Law Journal 113 (2004)

*A Primer for the Entertainment Community: Legal and Practical Issues about Venue Safety-What You Should Know* by C. Barry Montgomery & Bradley C. Nahrstadt, 3 Virginia Sports and Entertainment Law Journal 257 (2004)

*Internet Disclosures of a Rape Accuser's Identity (Focus on the Kobe Bryant Case)* by Moira E. McDonough, 3 Virginia Sports and Entertainment Law Journal 284 (2004)

*Challenging First Amendment Protection of Adult Films with the Use of Prostitution Statutes* by Tonya R. Noldon, 3 Virginia Sports and Entertainment Law Journal 310 (2004)

*The Romance of the Public Domain* by Anupam Chander and Madhavi Sunder, 92 California Law Review 1334 (2004)

*Tertiary Copyright Liability* by Benjamin H. Glatstein, 71 University of Chicago Law Review 1605 (2004)

*Conceptualizing Yahoo! v. L.C.R.A.: Private Law* by Ayelet Ben-Ezer & Ariel L. Bendor, 25 Cardozo Law Review 2089 (2004)

The Entertainment Law Review, published by Thomson/Sweet & Maxwell, www.sweetandmaxwell.co.uk, has issued Volume 16, Issue 1 with the following articles:

*The Public Interest: Is It Still a Defence to Copyright Infringement?* by Phillip Johnson, 16/1 Entertainment Law Review 1 (2005) (for publisher, see above)

*Implementation of the Information Society Directive in Portugal* by Patricia Akester, 16/1 Entertainment Law Review 7 (2005) (for publisher, see above)

*Dual Protection for Photographs Under Spanish Copyright Law* by Paloma Pertusa, 16/1 Entertainment Law Review 13 (2005) (for publisher, see above)

*Lord Coe Left Standing as Princess Has Fairytale Ending in the European Court* by Helen Padley, 16/1 Entertainment Law Review 17 (2005) (for publisher, see above)

*Better Than It Sounds: Originality of Musical Works* by Peter Groves, 16/1 Entertainment Law Review 20 (2005) (for publisher, see above)

*More Than a Sum of Their Parts* by Chris McLeod, 16/1 Entertainment Law Review 23 (2005) (for publisher, see above)

*Book Review: The Copyright Directive-UK Implementation* by Trevor Cook et al., 16/1 Entertainment Law Review 25 (2005) (for publisher, see above)

The Intellectual Property Law Bulletin, published by University of San Francisco School of Law, has issued Volume 9, Number 1 with the following articles:

*After Dastar: Can a Right of Attribution Still Exist Under § 43(A) of the Lanham Act?* by Timothy C. Connor, 9 Intellectual Property Law Bulletin 11 (2004) (for publisher, see above)

*The Right of Publicity and the First Amendment Defense in California* by Drew Sherman, 9 Intellectual Property Law Bulletin 29 (2004) (for publisher, see above)

*In Re Eisner* by Hung P. Chang, 9 Intellectual Property Law Bulletin 67 (2004) (for publisher, see above)

*Luck's Music Library, Inc. v. Ashcroft* by Howard Cockrill, 9 Intellectual Property Law Bulletin 69 (2004) (for publisher, see above)

*MGM Studios, Inc. v. Grokster Ltd.* by Eleanor Sasis, 9 Intellectual Property Law Bulletin 73 (2004) (for publisher, see above)

Marquette Sports Law Review has published Volume 15, Number 1 as a symposium entitled International Sports Law & Business in the 21st Century with the following articles:

*International Sports Rules' Implementation-Decisions' Executability: The Bliamou Case* by Dimitrios Panagiotopoulos, 15 Marquette Sports Law Review (2004)



*Avoiding and Resolving Disputes During Sports Competition: Of Cameras and Computers* by James A.R. Nofziger, 15 Marquette Sports Law Review (2004)

*Fundamental Guarantees with Respect to Disciplinary Process-Some Reflections* by Nathalie Korchia, 15 Marquette Sports Law Review (2004)

*The Definition of Doping and Proof of a Doping Offense (An Anti-Doping Rule Violation) Under Special Consideration of the German Legal Position* by Klaus Vieweg, 15 Marquette Sports Law Review (2004)

*Player Restraints and Competition Law Throughout the World* by Stephen F. Ross, 15 Marquette Sports Law Review (2004)

*Legal Regulation of Sports Agents' Activity in the Russian Federation* by Mikhail Loukine, 15 Marquette Sports Law Review (2004)

*Sports Facility Financing and Development Trends in Europe and Germany 2003* by Michael Siebold and Angela Klingmuller, 15 Marquette Sports Law Review (2004)

*Sports Facility Financing and Development Trends in the United States* by Martin J. Greenberg, 15 Marquette Sports Law Review (2004)

*The CAS Ad Hoc Division at the Athens Olympic Games* by Richard McLaren, 15 Marquette Sports Law Review (2004)

*Raising a Red Card: Why Freddy Adu Should Not Be Allowed to Play Professional Soccer* by Jenna Merten, 15 Marquette Sports Law Review (2004)

*Unequal Bargaining Power: Making the National Letter of Intent More Equitable* by Stacey Meyer, 15 Marquette Sports Law Review (2004)

*Snowboarding Liability: Past, Present and Future* by Joshua D. Hecht, 15 Marquette Sports Law Review (2004)

*Will Mechanicals Break the Digital Machine? Determining a Fair Mechanical Royalty Rate for Permanent Digital Phonographic Downloads* by David Kastiner, Santa Clara Computer & High Technology Law Journal 235 (2004)

*Communication Breakdown: The Recording Industry's Pursuit of the Individual Music User: a Comparison of U.S. and E.U. Copyright Protections for Internet Music File Sharing* by Ryan Bates, 25/1 Northwestern Journal of International Law & Business 229 (2004)

*Evaluating the Federal Communications Commission's National Television Ownership Cap: What's Bad for Broadcasting Is Good for the Country* by Stuart Minor Benjamin, 46 William and Mary Law Review 439 (2004)

*Virtual Liberty: Freedom to Design and Freedom to Play in Virtual Worlds* by Jack M. Balkin, 90 Virginia Law Review 2043 (2004)

*Book Review: Lawrence Lessig's Dystopian Vision* by Julia D. Mahoney, 90 Virginia Law Review 2305 (2004)

*Copy This Essay: How Fair Use Doctrine Harms Free Speech and How Copying Serves It* by Rebecca Tushnet, 114 The Yale Law Journal (2004)

*Regulatory Copyright* by Joseph P. Liu, 83 North Carolina Law Review (2004)

*The Battle of Piracy versus Privacy: How the Recording Industry Association of America (RIAA) Is Using the Digital Millennium Copyright Act (DMCA) As Its Weapon Against Internet Users' Privacy Rights* by Jordana Boag, 41 California Western Law Review (2004)

*Law in Film/Film in Law* by Michael M. Epstein, 28/4 Vermont Law Review 797 (2004)

*Law and the Supernatural: How One Film's Truth Compulsion Conceit Critiques and Redeems the Post-O.J. Lawyer* by Michael M. Epstein, 28/4 Vermont Law Review 881 (2004)

*Online Music Sharing in a Global Economy: The U.S. Effort to Command (or Survive) the Tidal Wave* by Eliza Shardlow Clark, 14 Minnesota Journal of Global Trade 141 (2004)

*Canada and International Trade in Culture: Beyond National Interests* by Joseph Devlin, 14 Minnesota Journal of Global Trade 177 (2004)

New York Law School Law Review has published an Institute for Information Law and Policy Symposium: State of Play with the following articles among others:

*How Online Games May Change the Law and Legally Significant Institutions* by David R. Johnson, 49 New York Law School Law Review 51 (2004-2005)

*Law and Liberty in Virtual Worlds* by Jack M. Balkin, 49 New York Law School Law Review 63 (2004-2005)

*Virtual Worlds, Real Rules* by Caroline Bradley and A. Michael Froomkin, 49 New York Law School Law Review 103 (2004-2005)

*Whose Music Is It Anyway?: How We Came to View Musical Expression as a Form of Property* by Michael W. Carroll, 72 University of Cincinnati Law Review (2004)

*Shakin' It to the Back of the Bus: How Parks v. LaFace Uses the Artistic Relevance Test to Adjudicate Artistic Content* by Mitchell David Gregg, 61 Washington and Lee Law Review 1287 (2004)

*Whose Music Is It Anyway?: How We Came to View Musical Expression as a Form of Property* by Michael W. Carroll, 72 University of Cincinnati Law Review (2004)

*The Price of Social Norms: Towards a Liability Regime for File-Sharing* by Daniel J. Gervais, 12 Journal of Intellectual Property Law 39 (2004) (www.lawsch.uga.edu)

*No Penalty on the Play: Why the Bowl Championship Series Stays In-Bounds of the Sherman Act* by M. Todd Carroll, 61 Washington and Lee Law Review 1235 (2004)

*Antitrust in Amateur Athletics: Fourth and Long: Why Non-BCS Universities Should Punt Rather Than Go For an Antitrust Challenge to the Bowl Championship Series* by Jodi M. Warmbrod, 57 Oklahoma Law Review 333 (2004)

*Should College Football's Currency Read "In BCS We Trust" Or Is It Just Monopoly Money?: Antitrust Implications of the Bowl Championship Series* by Katherine McClelland, 37 Texas Tech Law Review 167 (2004)

*Regulating Sports Agents: Why Current Federal and State Efforts Do Not Deter the Unscrupulous Athlete-Agent and How a National Licensing System May Cure the Problem*, 78 St. John's Law Review 1225 (2004)

*"The Whole Situation Is a Shame, Baby!"-NCAA Self-Regulations Categorized as Horizontal Combination Under the Sherman Act's Rule of Reason Standard: Unreasonable Restraints of Trade Or an Unfair Judicial Test?* by Michael B. LiCalsi, 12 George Mason Law Review 831 (2004)

*You're a Celebrity, Madam: So Do We Have a Right to Share Your Privacy in a Public Place?* by Lorna Skinner, 9 Journal of Computer Media and

Telecommunications Law (2004) (published by www.tolley.co.uk)

*Being Regulated-Creative Programming or Nanny State?* by Helen Arnot, 9/5 Communications Law: Journal of Computer, Media and Telecommunications Law (2004) (for publisher, see above)

*The End of the Broadcasting Era: What Constitutes Broadcasting and Why Does It Need to Be Regulated?* by Christopher T. Marsden, Communication Law: Journal of Computer, Media and Telecommunications Law (2004) (for website, see above)

*The Contest for a New Law of Privacy. A Battle Won, a War Lost? Campbell v. Mirror Group Newspapers Limited* by Stuart Goldberg, 9 Journal of Computer, Media and Telecommunications Law (2004) (for publisher, see above)

*How Masson v. New Yorker Has Shaped the Legal Landscape of Narrative Journalism* by Kathy Roberts Forde, 10 Communication Law and Policy (2005) (published by Lawrence Erlbaum Associates, www.leaonline.com)

*The Twisted Path of the Music File-Sharing Litigation: The Cases That Have Shaped the Litigation and the RIAA's Litigation Strategy* by Christopher S. Channel, 16 Intellectual Property & Technology Law Journal 6 (2004) (published by Aspen Publishers, edited by Weil, Gotshal & Manges LLP)

*The Moral Imperative Against Academic Plagiarism (Without a Moral Right Against Reverse Passing Off)* by David Nimmer, 54 DePaul Law Review 1 (2004)

*Copyright-Kohus v. Mariol: The Sixth Circuit Adopts Two-Step Test for Substantial Similarity in Copyright Infringement* by William A. Hall, 34 The University of Memphis Law Review 995 (2004)

*The Trademark Dilution "Secret" Is Out: The FTDA and the Supreme Court Leave Victoria's Secret and Future Plaintiffs Without a Legal or Equitable Remedy* by R. Landon Dirickson, 40 Tulsa Law Review 155 (2004)

*Dance and the Choreographer's Dilemma: A Legal and Cultural Perspective on Copyright Protection for Choreographic Works* by Kathleen Abitabile and Jeanette Picerno, 27 Campbell Law Review 39 (2004)

*Analysis of Anti-Circumvention Provisions of the U.S. Digital Millennium Copyright Act (DMCA) and Legislative Implementation in Korea* by Jong-Goo Lee, 32 Korean Journal of International and Comparative Law

1 (2004) (published by Chung-Ang University College of Law, Dongjak-ku, Seoul 156-756 Korea)

*Copyright Beyond the EU* by Maja Bogataj Jancic, 10 Computer and Telecommunications Law Review 189 (2004) (published by Sweet and Maxwell, www.sweetandmaxwell.co.uk)

*WWW.YOURNAME.COM: How Useful is the Uniform Domain Name Dispute Resolution Policy "UDRP" in Protecting Personal Names from Cybersquatters?* by Georgette H. Tarnow, 22 The John Marshall Journal of Computer & Information Law 535 (2004)

*Dow Jones and the Defamation Defendant Down Under: A Comparison of Australian and American Approaches to Libelous Language in Cyberspace* by Richard L. Creech, 22 The John Marshall Journal of Computer & Information Law 553 (2004)

*The Destruction of Media Diversity, Or: How the FCC Learned to Stop Regulating and Love Corporate Dominated Media* by Christa Corrine McLintock, 22 The John Marshall Journal of Computer & Information Law 569 (2004)

*Dilution in the Post-Victoria's Secret World* by Dickerson M. Downing, 21 The Computer & Internet Lawyer 6 (2004) (published by Aspen Publishers and edited by Arnold & Porter)

## **Educational Programs Calendar:**

**Counseling Clients in the Entertainment Industry 2005**, March 30-April 1 in New York City and Live Webcast, www.pli.edu, March 30-April 1. Registration is for one, two or three days of the program, sponsored by the Practising Law Institute. Day one will delve into Television, the Computer & Video Game Industry; Ethics and Hot Topics in Entertainment Law: Recent Court Decisions. Day two will focus on Film and Theater; Rights, Clearance and Intellectual Property; Theater Financing and Production; and Day three, the Music Publishing and Sound Recordings Business. For additional information, call (800) 260-4PLI or online at www.pli.edu.

**The Golden State of Alternative Dispute Resolution**, April 14-16, Millennium Biltmore Hotel, Los Angeles. Sponsored by The American Bar Association Section of Dispute Resolution, this seventh annual conference features, among others, a plenary session on When Harry Met Sally: Is the Entertainment Industry's Infatuation with ADR True Love, or Are They Just Faking It?; Mediation of Copyright and Trademark Disputes: Cutting the Gordian Knot; and Breaking Impasse:

Wisdom from the Entertainment/Intellectual Property Trenches; and Tales of Negotiation and Mediation in the Media. For further information, contact the ABA Section of Dispute Resolution, 740 15<sup>th</sup> St. NW, Washington, D.C. 20005, call 202-662-1680 or online at www.abanet.org/dispute.

**Representing Your Local Broadcaster: 24th Annual Legal Forum**, Sunday, April 17, 2005, The Bellagio, Las Vegas, Nevada. The program is sponsored by the American Bar Association Forum on Communications Law, the National Association of Broadcasters, and the Federal Communications Bar Association. For additional information, contact the ABA Forum staff Teresa Ucock at 312-988-5658 or e-mail [tucok@staff.abanet.org](mailto:tucok@staff.abanet.org).

**International Trademark Association 127th Annual Meeting**, May 14-18, San Diego Convention Center, San Diego. Among the many sessions, the keynote address by CMG Worldwide Chairman and CEO Mark A. Roesler will highlight Navigating Intellectual Property Rights for Celebrities. Other panels will examine That's Entertainment: Trademarks in Popular Culture; Product Placement and Misplacement-The Good, the Bad and the Ugly; Sports Marketing-The Real Dream Team; Toy, Entertainment and Sports Industries Breakout-Marketing to Children; Character Licensing and Co-Branding; Use (and Misuse) of Third-Party Trademarks and Trade Dress; Celebrity Endorsements-Pros and Cons; Merchandising and Co-Promotion and the Movies; and Negotiating Licensing and Sponsorship Agreements Workshop. For additional information, contact [www.inta.org/sandiego](http://www.inta.org/sandiego).

**Advanced Seminar on Copyright Law 2005**, May 23-24, New York City. Sponsored by the Practising Law Institute, the program will examine How to Deal with Copyright Ownership and Transfer Issues; How to Draft Licensing Agreements; the Important Issues in Copyright Litigation; Intersection of Entertainment Law and Copyright; Intersection of Trademark Law and Copyright; Intersection of Right of Publicity and Copyright; and Music and Movies on the Internet. For additional information, call (800) 260-4PLI or online at [www.pli.edu](http://www.pli.edu).

**Advanced Seminar on Trademark Law 2005**, June 30, New York City. This Practising Law Institute program will provide an Up-To-Date Look at Important Trademark Issues in the Face of Rapidly Occurring Economic and Technological Changes in the United States and the World. For additional information, call (800) 260-4PLI or online at [www.pli.edu](http://www.pli.edu).