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Intellectual Property As Seen by Barbie and Mickey: The Reciprocal Relationship of Copyright and Trademark Law

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Abstract

Some years ago, caselaw on trademark parodies and similar unauthorized “speech” uses of trademarks could have led one to conclude that the law had no sense of humor. Over time, however, courts in the US and elsewhere began to leaven likelihood of confusion analyses with healthy skepticism regarding consumers’ alleged inability to perceive a joke. These decisions did not always expressly cite the copyright fair use defense, but the considerations underlying the copyright doctrine seemed to inform trademark analysis as well. The spillover effect may indeed have been inevitable, as several of the cases in which the fair use defense prevailed coupled copyright and trademark claims.

Just as copyright law has influenced the development of trademark doctrine in the US, so has trademark law evolved a reciprocal relationship with copyright, potentially extending the protection of certain copyrighted works, notably cartoon characters, beyond the copyright term.

This essay will first address how the US copyright fair use doctrine has allowed US federal judges in trademarks cases to connect with their inner comic impulses. Second, I will consider the conflict between trademark law’s potentially eternal duration and copyright’s constitutionally mandated limited times, particularly in the context of visual characters such as Mickey Mouse. Looking to EU law, I will also offer some additional considerations regarding the use of expired copyrighted works as trademarks.

While those analyses address trademarks and copyright as potential antagonists where exercise of trademark rights threatens to frustrate copyright policies, there is another side of the coin. To an increasing extent, we are seeing trademark symbols become characters and acquire value not only as source-indicators, but also as artistic (or audiovisual) works. I will conclude by considering the value that copyright protection might add to registered trademarks.

In his celebrated concurrence in Laugh It Off v. South African Breweries¹, South African Constitutional Court Justice Albie Sachs famously asked:

¹ This essay is based on the Christopher Meyer Lecture, delivered Nov 13, 2017, which in turn was based in part on Jane C. Ginsburg, Licensing Commercial Value: From Copyright to Trademarks and Back, in Irene Calboli and Jacques de Werra, eds., THE LAW AND PRACTICE OF TRADEMARK TRANSACTIONS: A GLOBAL AND LOCAL OUTLOOK 53 (Edward Elgar 2016). Thanks for research assistance to Allyson Mackavage Columbia Law School class of 2015 and to Nathalie Russell, Columbia Law School class of 2018.
Does the law have a sense of humour? This question is raised whenever the irresistible force of free expression, in the form of parody, meets the immovable object of property rights in the form of trademark protection.\(^2\)

Some years ago, the US caselaw on trademark parodies and similar unauthorized “speech” uses of trademarks could have led one to conclude that the law (at least as expressed by US federal judges) had no sense of humor.\(^3\) Over time, however, US courts began to leaven likelihood of confusion analyses with healthy skepticism regarding consumers’ alleged inability to perceive a joke.\(^4\) Courts even suggested that the first amendment might require a more persuasive showing of likely confusion when expressive works were alleged to infringe.\(^5\) These decisions did not always expressly cite the copyright fair use defense, but the considerations underlying the copyright doctrine seemed to inform trademark analysis as well.\(^6\) The spillover effect may indeed have been inevitable, as several of the cases in which the fair use defense prevailed coupled copyright and trademark claims. It is not surprising that the sardonic expressions that proved fair use for the copyright goose would lead to similar treatment for the trademarks gander, particularly when the avian species at issue was a bird called Barbie.

Just as copyright law has influenced the development of trademark doctrine in the US, so has trademark law evolved a reciprocal relationship with copyright, potentially extending the protection of certain copyrighted works, notably cartoon characters, beyond the copyright term. Justice Scalia decired the resort to trademark law to generate “a species of mutant copyright law

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2. *Id.* at 70.
that limits the public’s ‘federal right to “copy and to use,” expired copyrights.’ But, as we will see, differences in the nature and purpose of copyright and trademark law in fact permit the revival of dead copyrights as trademarks. Copyright policy, however, may constrain the quantity of bodies that those zombies may snatch.

In this essay, I will first address how the US copyright fair use doctrine has allowed US federal judges in trademarks cases to connect with their inner comic impulses. Second, I will consider the conflict between trademark law’s potentially eternal duration and copyright’s constitutionally mandated limited times, particularly in the context of visual characters such as Mickey Mouse. Finally, as further evidence of copyright/trademark reciprocity, I will evoke a newer trend, the refashioning of trademark symbols into copyrighted characters.

How Barbie Made Trademarks Judges Lighten Up

Lawful unauthorized uses of trademarks of course predate both the Mattel toy company and the 1946 Lanham Act. In 1924, in a case concerning the labeling of lawfully purchased and rebottled perfume, Justice Holmes famously declared “When the mark is used in a way that does not deceive the public we see no such sanctity in the word as to prevent its being used to tell the truth. It is not taboo.”

The Lanham Act codified part of this precept by permitting the use of descriptive terms in a registered trademark for the purpose of description, and not as a trademark. For example, if ZEST is a trademark for a lemon-lime soda, the registrant cannot prohibit a competitor from informing the public that its lemon-lime soda, call it FIZZUP, includes lemon zests, or that it has a zesty taste. But the Lanham Act does not explicitly exempt a competitor’s use of ZEST to describe the competitor’s product, for example, to proclaim that FIZZUP tastes better than, has more bubbles than, or fewer calories than, ZEST. Nor does the Lanham Act explicitly allow a non competitor, such as the (fictitious) magazine Teen Taste to elicit its readers’ beverage preferences by asking them whether ZEST is their most or least favorite carbonated beverage. 9th Circuit Judge Kozinski dubbed these latter denominations “nominative fair use,” and the sobriquet has stuck.

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8 Mattel, Inc. is an American multinational toy manufacturing company founded in 1945.
10 Prestonettes, Inc. v. Coty, 264 U.S. 359, 368 (1924) (citing Delaware & Hudson Canal Co. v. Clark, 80 U.S. 311, 327 (1871)).
12 Id.
13 Id.
14 See New Kids on the Block v. News Am. Publ’g, 971 F.2d 302 (9th Cir. 1992); Playboy Enterprises, Inc. v. Welles, 279 F.3d 796 (9th Cir. 2002); Century 21 Real Estate Corp. v. Lendingtree, Inc., 425 F.3d 211 (3d Cir. 2005) (following Ninth Circuit). Other circuits reach the same result through similar reasoning, albeit without applying the label “nominative fair use.” See, e.g., Universal Commun. Sys. v. Lycos, Inc., 478 F.3d 413, 424-25 (1st Cir. 2007). See generally J. Thomas McCarthy, Non-Confusing Nominative Fair Use, 4 MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 23:11 (4th ed.).
The nominative fair use defense to trademark infringement proceeds through an analysis of factors. As we will see, these factors complement and echo the first, third, and fourth copyright fair use factors.

Although in US law copyright is a property “right in gross,” and trademark is not (or is not supposed to be) such a right, the trademark and copyright fair use limitations have this in common: the users of the mark or of another author’s work are engaged in independent economic or creative activity. They are not simply redistributing another’s work of authorship or appending another’s mark to the same or confusingly similar goods. Rather, (at least for traditional copyright fair use) they are making a new work, or, on the trademark side, proclaiming their own goods or communicative activities. By the same token, the uses do not unfairly usurp the copyright or trademark owner’s markets. A devastating review may dampen desire for the critiqued work, but that kind of harm is not cognizable in copyright. Similarly, a comparative advertisement may persuade consumers of the superior merits of the competitor’s goods or services, but if the advertisement is truthful no Lanham Act claim lies.

Trademark “fair use” may have received its greatest impetus from decisions involving overlapping claims of copyright and trademark infringement, for it is not surprising that once a court has found the use to be “transformative” and to promote speech and/or learning, and thus most often to be “fair” in the copyright sense, that court is unlikely to find the same activity to violate the copyright holder’s trademark in the copied work. Nonetheless, the first of the “Barbie” cases to find nominative fair use in trademark law did not involve copyright infringement, though it did concern a parody. In that case, the song “Barbie Girl” by the Danish one-hit group “Aqua” in 1997 foisted on the airwaves lyrics like the following, nasally sung to a catchy refrain: “I’m a Barbie girl, in a Barbie world. Life in plastic, it's fantastic. You can brush my hair, undress me everywhere. Imagination, life is your creation. . . . I’m a blond bimbo girl, in a fantasy world. Dress me up, make it tight, I'm your dolly.” To which the bass in the group would interject in a froggish croak (Aqua’s album was, after all, called “Aquarium”):

15 “First, the plaintiff's product or service in question must be one not readily identifiable without use of the trademark; second, only so much of the mark or marks may be used as is reasonably necessary to identify the plaintiff's product or service; and third, the user must do nothing that would, in conjunction with the mark, suggest sponsorship or endorsement by the trademark holder.” New Kids, supra note 14, at 306.

16 See 17 USC § 107(1), (3), (4).

17 In narrow circumstances of “market failure,” redistributive uses may be ruled “fair,” but the kinds of uses at issue in the copyright/trademark overlap cases are more traditionally “transformative,” such as parodies.

18 Fair use of another’s trademark to describe the trademark owner’s goods, as lawfully repackaged and resold by the defendant (the situation, for example, in Prestonettes), does not, admittedly, involve the same kind of independent economic activity. Permitting the use of the mark, however, is a necessary corollary to the “exhaustion” or “first sale” doctrine, which permits third parties to resell trademarked (or copyrighted) goods once they have been lawfully sold. If the reseller cannot inform the public what the resold goods are, the exhaustion doctrine will, as a practical matter, have little impact. Cf. Kellogg Co. v. National Biscuit Co., 305 US 111, 118 (1938) (once patent expired, and competitors are free to manufacture the goods, they also are entitled to call the goods “the name by which [they] had become known”).


21 Mattel, Inc. v. Universal Music International, 296 F.3d 894 (9th Cir. 2002).
“C’mon Barbie, let’s go party!”

Holding that “the trademark owner does not have the right to control public discourse whenever the public imbues his mark with a meaning beyond its source-identifying function,” the Ninth Circuit rejected the likelihood of confusion claim. Following Second Circuit precedent, the Ninth Circuit balanced the “public interest in free expression” against the “public interest in avoiding consumer confusion,” and accorded the former decisive weight unless the song title’s appropriation of Barbie “has no artistic relevance to the underlying work whatsoever, or, if it has some artistic relevance, unless the title explicitly misleads as to the source or the content of the work.” Observing that the Barbie doll was the target of the song, the court held the group was entitled to identify the butt of its joke, and had done nothing to mislead the public into thinking that Mattel authorized the song. (Ironically, Mattel subsequently licensed “Barbie Girl” for advertising Barbie dolls.)

The other Barbie trademark fair use decision challenged photographs irreverently portraying Barbie dolls, and thus implicated both copyright (the reproduction right in the image of the dolls) and trademarks (use of the Barbie name in the titles of the photographs). The extensive analysis of copyright fair use almost certainly drove the subsequent findings of unlikelihood of confusion. In Mattel, Inc. v. Walking Mountain Prods., the producer of Barbie tried to enjoin an artist from distributing his series, “Food Chain Barbie” which depicted Barbie victimized by a variety of kitchen appliances (and appearing occasionally to enjoy it).

In granting summary judgment on the copyright claim, the court ruled on the first fair use factor that the Food Chain series “parod[ies] Barbie and everything Mattel's doll has come to signify. Undoubtedly, [the court continued] one could make similar statements through other means about society, gender roles, sexuality, and perhaps even social class. But Barbie, and all the associations she has acquired through Mattel's impressive marketing success, conveys these messages in a particular way that is ripe for social comment.” On the third factor, the court stressed that parodies need not restrict themselves “to take the absolute minimum amount of the copyrighted work possible,” and thus that, in context, reproducing the entire doll did not undermine the fair use defense. On the fourth factor, the court found it unlikely that Mattel would enter the market for “adult-oriented artistic photographs of Barbie.”

The Ninth Circuit approvingly cited another Barbie copyright parody decision, Mattel, Inc. v. Pitt, in which the defendant’s “dungeon doll” website offered to customize Barbie dolls in

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23 Mattel, supra note 21, at 900.
24 Id. at 902 (citing Rogers v. Grimaldi, 875 F.2d 994, 999 (2d Cir. 1989)).
26 Mattel, Inc. v. Walking Mountain Prods., 353 F.3d 792 (9th Cir. 2003).
27 Id.
28 Id. at 802.
29 Id. at 804.
30 Id. at 806.
a variety of dominatrix modes.\textsuperscript{31} The differently-accessorized dolls arguably violated Mattel’s exclusive right to create derivative works based on Barbie, and the website’s photographs allegedly violated the reproduction right. The Southern District of New York considered the statutory fair use factors, and ruled the defendant’s use and context of Barbie sufficiently transformative and unlikely to supplant one of Mattel’s markets for the work.\textsuperscript{32} As the district court quipped, “To the Court’s knowledge, there is no Mattel line of “S&M” Barbie.”\textsuperscript{33}

Having held defendant’s use to be “fair” as a matter of copyright law, notably because of the expressive values the parody advanced, the Ninth Circuit in “Food Chain Barbie” effectively sealed the fate of the trademark claim.\textsuperscript{34} With respect to Food Chain’s incorporation of Barbie in the title of the series, the court relied on its prior decision in the Barbie Girl song case to reject a likelihood of confusion claim.\textsuperscript{35}

With respect to Food Chain’s alleged violation of Mattel’s trade dress rights by reproducing the Barbie figure (largely undressed), the court ruled the copying nominative fair use.\textsuperscript{36} The court stated: “Forsythe used Mattel's Barbie figure and head in his works to conjure up associations of Mattel, while at the same time to identify his own work, which is a criticism and parody of Barbie. Where use of the trade dress or mark is grounded in the defendant's desire to refer to the plaintiff's product as a point of reference for defendant's own work, a use is nominative.”\textsuperscript{37} “Conjure up,” notably, is a standard formulation of the minimum extent of copying that the copyright fair use caselaw permits in a parody.\textsuperscript{38} Not surprisingly, then, the court’s analysis of the second nominative fair use factor echoed its treatment of the third copyright fair use factor.\textsuperscript{39} By the same token, having found as a matter of copyright law that the defendant was not usurping a potential market for “adult photos” that Mattel was likely to enter, the court ruled on the third nominative fair use factor that “it is highly unlikely that any reasonable consumer would have believed that Mattel sponsored or was affiliated with [defendant’s] work.”\textsuperscript{40}

From laughable Barbie to eternal Mickey Mouse?

We have seen that copyright law-limiting doctrines can bear on the scope of trademark protection. If copyright can cut back on trademarks, can trademarks extend copyrights? Copyright and trademarks often overlap, particularly in visual characters. The same figure may qualify as a pictorial, graphic or sculptural work on the one hand, and as a registered trademark on the other. The two rights, though resting on distinct foundations\textsuperscript{41}, tend to be licensed (and, as

\textsuperscript{31} Mattel, Inc. v. Pitt, 229 F. Supp. 2d 315 (S.D.N.Y. 2002).
\textsuperscript{32} Id. at 322.
\textsuperscript{33} Id.
\textsuperscript{34} Mattel, supra note 26.
\textsuperscript{35} Id. at 804. (“In both Forsythe’s use of the entire doll and his use of dismembered parts of the doll, portions of the old work are incorporated into the new work but emerge imbued with a different character.”)
\textsuperscript{36} Id. at 810.
\textsuperscript{37} Id.
\textsuperscript{38} Id. at 800 (citing Dr. Seuss Enters., L.P. v. Penguin Books USA, Inc., 109 F.3d 1394, 1400 (9th Cir. 1997)).
\textsuperscript{39} Id. at 811.
\textsuperscript{40} Id. at 812.
\textsuperscript{41} William M. Borchard, A TRADEMARK IS NOT A COPYRIGHT OR A PATENT (2013), available at http://www.cll.com/clientuploads/pdfs/2013%20WMB%20PTC%20Article.pdf (last visited Nov. 28, 2017); 1 J.
we have seen, litigated) together.\textsuperscript{42} Trademarks symbolize the goodwill of the producer, and are protected insofar as copying that symbol is likely to confuse consumers as to the source or approval of the goods or services in connection with which the mark is used.\textsuperscript{43} The object of protection is the producer’s goodwill (in theory, as a proxy for consumer source identification), not (again, in theory) the mark per se. Copyright, by contrast, is a right “in gross” allowing its owner to prohibit the copying of the work without regard to source confusion.\textsuperscript{44} Copyright protects the work of authorship itself, not the identification of that work with a single, if anonymous, source of origin.\textsuperscript{45} Pursuant to the Constitutional grant to Congress of power to secure authors’ exclusive rights “for limited times,” copyright lasts for a term of years\textsuperscript{46}; trademarks are protected for so long as they continue to represent a single producer’s goodwill. Subject to that prerequisite, registered trademarks may be renewed indefinitely.\textsuperscript{47}

The durational disparity prompts the question whether a trademark owner may effectively perpetuate the life of the copyright in a visual character by controlling the use of the trademark in

\textsuperscript{42} See, e.g., Craig S. Mende & Belinda Isaac, \textit{When Copyright and Trademark Rights Overlap, in Overlapping Intellectual Property Rights} para. 7.95 (Neil Wilkof & Shamnad Basheer eds., 2012). For an example of licensing of copyright and trademark rights in Disney characters, see Exhibit 4.3, Consumer Products License – Disney (4 June 2002), available at http://www.sec.gov/Archives/edgar/data/55698/000095013502005035/b44497fyexv4w3.txt (last visited Nov. 28, 2017). By the same token, unauthorized reproduction of a copyrighted work may also violate trademark rights, see, e.g. \textit{Williams v. Roberto Cavalli S.p.A}, 113 U.S.P.Q.2d (BNA) 1944 (C.D. Cal. 2015) (rejecting defense that street artists’ claim of copyright infringement by fashion designer’s copying of their designs precluded any trademark action regarding the alleged source-identifying features of the designs):

Moving Defendants point to no authority that supports their proposition that a design may not be protected by both the Lanham Act and copyright law. In fact, caselaw supports the opposite conclusion. For example, in \textit{Bach v. Forever Living Products U.S., Inc.}, 473 F. Supp. 2d 1110, 1114 (W.D. Wash. 2007), creators of a popular book brought both a copyright infringement claim and a Lanham Act claim alleging, among other things, that the defendant used an image from the front cover of their book as its corporate logo. The plaintiffs claimed that the cover was an original design protected by copyright law. Id. at 1118. They also claimed that the design on the cover functioned as a trade dress that identified them as the creators of the book. Id. The court agreed. Id. While the copyright claim and the Lanham Act claim referred to the same facts, the two claims addressed distinct wrongs. Id. The copyright claim protected the plaintiffs’ creative work, and the Lanham Act claim protected the plaintiffs’ rights in their source-identifying trade dress. Id. The Court is persuaded by Bach’s finding that a defendant can simultaneously violate the Lanham Act and copyright law.

\textit{Id.}, at 13–14 (internal citations omitted). See also \textit{DC Comics v. Towle}, 802 F.3d 1012 (9th Cir. 2015), \textit{cert. denied}, 136 S. Ct. 1390 (2016) (holding the “Batmobile” both a copyrightable character and a protected trademark).


\textsuperscript{45} Aside from the narrow category of Works of Visual Art, the U.S. Copyright Act imposes no obligation to credit the author as the creator of the work.

\textsuperscript{46} U.S. CONST. art. I, § 8, cl. 8.

\textsuperscript{47} Lanham Act, \textit{supra} note 9, at § 9(a), 15 U.S.C. § 1059(a) (2013) (‘Subject to the provisions of section 8, each registration may be renewed for periods of 10 years at the end of each successive 10-year period following the date of registration upon payment of the prescribed fee and filing of a written application …’). The statute imposes no limit as to the number of times the registrant may renew.
the same image(s). For example, once the copyright in Mickey Mouse—or more accurately, in Steamboat Willie, Mickey’s forebear—expires, can Disney successfully invoke its trademark rights in various depictions of The Mouse to prevent third parties from exploiting the now public domain Steamboat Willie to designate the source or sponsorship of unauthorized goods or services?

While this question addresses trademarks and copyright as potential antagonists where exercise of trademark rights threatens to frustrate copyright policies, there is another side of the coin. To an increasing extent, we are seeing trademark symbols become characters and acquire value not only as source-indicators, but also as artistic (or audiovisual) works. Recent examples include the M&Ms candies, who, now anthropomorphized, appear in promotional videos and even videogames, and the Lego figures who starred in the Lego Movie and its so-far sequels, the Lego Batman Movie (piling on another copyright/TM property), and the Lego Ninjago Movie (which flopped). The phenomenon, however, is not altogether new, since some characters (e.g., Strawberry Shortcake) were created to serve both as copyrighted works and as trademarks. The strategy seems the logical endpoint of the progression, since at least the 1970s, which recognizes that the thing of value is the trademark, independently of any particular goods or services with which the mark has been associated.

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48 The issue is confined neither to the overlap between trademarks and copyright nor to U.S. copyright law. The Advocate General of the Court of Justice of the European Union (CJEU) recently summarized the broader problem, in a controversy concerning trademark registration for the design of a children’s high chair:

However, it should be recalled that the purpose of the system of trade mark protection, which serves to provide the bases for fair competition by enhancing market transparency, differs from the premises underlying certain other intellectual property rights which serve, in essence, to promote innovation and creativity.

36. That difference in purposes explains why the protection conferred by marks is indefinite but the protection conferred by other intellectual property rights is subject to a time-limit imposed by the legislature. That limit results from the balance which is struck between the public interest in protecting innovation and creativity, on the one hand, and the economic interest based on the possibility of exploiting the intellectual achievements of other persons to promote future socio-economic development, on the other.

37 Exercise of a trade mark right in order to extend an exclusive right to immaterial assets protected by other intellectual property rights could—after those rights have expired—jeopardise the balance of interests which the legislature established inter alia by limiting the scope of protection conferred by those other rights.

38 This problem is dealt with differently in different legal systems. The EU legislature resolved it by laying down the legislative criteria which can constitute an absolute ground for refusing a trade mark which is the shape of the goods.

39 Those criteria … prevent a trade mark right from being exercised for a purpose which is incompatible with it … In particular, they also serve to maintain the balance of interests which the legislature established by placing a time-limit on the protection conferred by certain other intellectual property rights.


50 For further examination of trademark-copyright antagonism, see Irene Calboli, Overlapping Rights: The Negative Effects of Trademarking Creative Works, in The Evolution and Equilibrium of Copyright in the Digital Age 52 (Susy Frankel & Daniel Gervais eds., 2014). See also authorities cited infra note 107.

51 See, e.g., Boston Professional Hockey Ass’n v. Dallas Cap & Emblem Mfg., 510 F.2d 1004 (5th Cir. 1975) (acknowledging that protecting the trademark in itself (on patches to be sewn on clothing) is a shift, ‘[a]lthough our decision here may slightly tilt the trademark laws from the purpose of protecting the public to the protection of the
The U.S. Supreme Court in *Dastar Corp. v. Twentieth Century Fox Film Corp.*, made clear that producers may not leverage trademark rights effectively to revive expired copyrights.\(^5^2\) In that case, the copyright in a pre-1978 motion picture had expired through nonrenewal.\(^5^3\) The producer nonetheless endeavored to prevent a third party from making and distributing videocassettes of the film by claiming that purveying the videocassettes under the defendant’s name rather than as a production by 20th Century Fox constituted “reverse passing off” in violation of the Lanham Act.\(^5^4\) The Supreme Court limited the statutory trademark concept of a work’s “origin” to the source of the material copies of a work of authorship, and therefore ruled that trademark law did not address the creator of the intellectual goods.\(^5^5\) Because Dastar had made (or authorized the making of) the videocassettes that it distributed, it was the “source or origin” of the material copies.\(^5^6\) It was irrelevant that Dastar had not produced the audiovisual work. The intellectual source remained outside the trademark law’s scope.\(^5^7\)

If trademark law cannot bootstrap a work of authorship out of the copyright public domain, does that mean that a visual character whose copyright has expired cannot be a trademark? *Dastar* does not foreclose that inquiry. In that case, the former copyright holder clearly sought to make an end-run around the copyright law; under the court’s analysis, the plaintiff had no trademark rights to assert because the defendant’s use did not involve falsely designating itself as the origin of the goods. But suppose the trademark owner seeks to claim a copyright-expired visual character as a trademark, that is, as a designation of (material) origin for the goods or services on which the character appears as a distinctive sign? For example, a footwear producer who adopts the title character of the now out-of-print Buster Brown comic books, as a brand name for a line of children’s shoes. In other words, to exploit the character as a brand, not as a work. Can the law effectively distinguish between the character as a literary and artistic work, and the character as the symbol of the goodwill of a single source of origin? But if the character can be an enforceable trademark, how can third parties exploit the character as a copyright-expired work?

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\(^5^2\) *Dastar Corp. v. Twentieth Century Fox Film Corp.*, 539 U.S. 23 (2003).
\(^5^3\) *Id.* at 26.
\(^5^4\) *Id.* at 23.
\(^5^5\) *Id.* at 36.
\(^5^6\) *Id.*
\(^5^7\) *Id.* at 31.
In the EEA, the EFTA Court recently confronted a similar issue regarding copyright-expired sculptures by Gustav Vigeland, over a hundred of whose works adorn Frogner Park in Oslo. The Municipality of Oslo sought trademark protection for almost all the works in the park. The goods or services for which the municipality sought trademark registration are not clear from the EFTA court’s opinion, but in most instances the Norwegian intellectual property office denied registration, notably for lack of distinctiveness. That is, that the sculptures may have been well-known as artworks, but they were not recognized as designations of origin of goods or services of the Municipality of Oslo. The Board of Appeal referred to the EFTA Court an additional ground for rejecting the application, asking whether trademarks consisting of copyright-expired artworks were “contrary to public policy or accepted principles of morality” under the EU Trademark Directive. While the Municipality of Oslo and the Norwegian government contended that no per se rule excluded trademark protection for copyright-expired works, the EU Commission argued that:

the effect of granting a trade mark right would, in certain circumstances, be to perpetuate exclusive rights over the work of art, which should normally be in the public domain and capable of being freely used by any person including any economic operator. To appropriate a work of art for an indefinite period through the registration of a trade mark contradicts the very purpose and logic of the time limits established for copyright.

The EFTA court, however, declined to pronounce an absolute public policy exclusion of trademarks consisting of public domain artworks. The Court ruled: “the registration of a sign that consists of works for which the copyright protection period has expired as a trade mark is not in itself contrary to public policy or accepted principles of morality.” The EFTA Court nonetheless acknowledged the possibility of “exceptional cases” when even artworks that had achieved distinctiveness as trademarks might nonetheless be denied registration. On remand, the Norwegian Trademark Board of Appeal held that the Municipality of Oslo’s application presented such a case.

The Board ruled:

The seeking of trade mark protection is an indication that Oslo Municipality is attempting to maintain control over Vigeland’s artworks as works of art, inter alia because of the investments made in the promotion of the cultural heritage of Gustav Vigeland. This wish or interest is understandable, and could possibly mitigate the risk of others using the works of Gustav Vigeland in a manner contrary to public morality. On the other hand, such a wish does not safeguard any legitimate interest protected by the Trade Marks Act.

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58 The European Economic Area (at present consisting of Iceland, Liechtenstein and Norway).
59 The Court of Justice of the European Free Trade Association States.
61 Id. For images of the sculptures, see http://www.vigeland.museum.no/en/vigeland-park (last visited Nov. 28, 2017).
62 Id. at 108.
63 Id. at 5.
64 Id. at 57.
65 Id. at 102.
66 Id.
68 2017 K.F.I.R. 16/00148, 16/00149, 16/00150, 16/00151, 16/00153, 16/00154.
On the contrary, the Board finds that trade mark registration on these grounds would contradict the considerations and fundamental societal interests justifying the limitation of the term of copyright protection of Vigeland’s works. To that end, the determining factor, from the Board’s point of view, is the Oslo Municipality’s systematic attempts to register practically all works found in the Vigeland Park and Museum as trademarks.\textsuperscript{69}

In other words, the attempt to register almost all the works in the park was the give-away that the Municipality was endeavoring to end-run the expiration of the copyright term by leveraging the trademark law into a zombie copyright law. The Municipality’s solicitude for the moral interests in the sculptures may have been laudable, but it did not advance any \textit{trademark} purpose.\textsuperscript{70} The Municipality was not seeking to develop a particular distinctive sign as a symbol of the goodwill of the city of Oslo in connection with particular goods or services, but was instead looking for a way to prolong the protection of the works themselves.\textsuperscript{71}

The Board’s reference to “the risk of others using the works of Gustav Vigeland in a manner contrary to public morality,” advert to the EFTA court’s articulation of some public policy concerns distinct from the problem of duration.\textsuperscript{72} While the Municipality sought trademark registration in order to prevent third parties from making inappropriate uses of the sculptures, third parties might also attempt to register copyright-expired artworks as trademarks in order to advance uses that others might find problematic.\textsuperscript{73} The EFTA court noted:

\begin{quote}
A trade mark registration may even be considered a misappropriation or a desecration of the artist’s work, in particular if it is granted for goods or services that contradict the values of the artist or the message communicated through the artwork in question. Therefore, the possibility cannot be ruled out that trade mark registration of an artwork may be perceived by the average consumer in the EEA State in question as offensive and therefore as contrary to accepted principles of morality.\textsuperscript{74}
\end{quote}

In the US, after the \textit{Slants} decision,\textsuperscript{75} it may no longer be possible for the PTO to deny registration because the mark is “contrary to accepted principles of morality,” or, in Lanham Act section 2(a) terms, because the mark “Consists of or comprises immoral or scandalous matter.” Nonetheless, consider the following advertising uses of public domain artworks (See Figure 1). If any were claimed as a trademark in the EU or the EEA, would the relevant authorities reject their applications for registration?

\begin{figure}
\centering
\textit{Figure 1}: Ray Ban/Raphael, \textit{portrait of Baldassare Castiglione}\textsuperscript{76}; Jim Beam/Whistler’s \textit{Mother}\textsuperscript{77}; Ferrarelle/Leonardo da Vinci, \textit{La Gioconda (Mona Lisa)}\textsuperscript{78}; ArmaLite/Michelangelo, \textit{David}\textsuperscript{79}
\end{figure}

\begin{enumerate}
\item Id. at 24.
\item Id.
\item Id. at 11.
\item Id. at 24
\item Id.
\item 2017 E.F.T.A. E-5/16, at 92.
\end{enumerate}


Returning to the question whether trademark protection might effectively, and impermissibly, prolong the duration of protection of copyright-expired works, in the U.S., the Southern District of New York addressed these questions in a pre-Dastar decision that should still be good law. In Frederick Warne & Co. v. Book Sales, Inc., the original publisher of Beatrix Potter’s Peter Rabbit illustrated stories, whose copyrights had expired, brought an action for false designation of origin against another publisher who had not only reprinted the stories, including the depictions of the characters, but also mimicked the placement on certain pages of the books of a particular illustration, the “Sitting Rabbit,” that Warne claimed to have adopted and used as a trademark to symbolize its publications. Book Sales countered that the expiration of the Peter Rabbit copyrights entitled it freely to copy all the images appearing in the books, including the Sitting Rabbit. Warne did not contest Book Sales’ entitlement to exploit all the images, including the Sitting Rabbit, as characters in the stories, but contended that Book Sales was not merely reprinting the image in connection with the story, but by removing that image from its context within the story in which it initially appeared and by using it as a colophon to introduce other stories, Book Sales was infringing Warne’s trademark rights in the image.

In denying summary judgment to Book Sales, the court recognized that Warne would have to establish that its use of the Sitting Rabbit on the inside covers of its editions and as a colophon had come to be recognized by the public not merely as identifying the stories as Peter Rabbit stories, but also as Peter Rabbit stories as published by Frederick Warne. If Warne could establish such secondary meaning, then it would also need to show that Book Sales’ use of the Sitting Rabbit was likely to confuse consumers into believing that the Book Sales editions were produced or authorized by Warne. The court distinguished between Book Sales’ copyright entitlement to publish Peter Rabbit stories and Warne’s trademark right to prevent Book Sales from publishing the stories as if their publisher had been Warne.

In Dastar terms, Warne was not seeking to deploy trademark law as a kind of “mutant copyright,” but rather was invoking trademark protection as precisely the kind of source identifier Dastar envisioned: Warne was arguing that the Sitting Rabbit designated Warne as the publisher—i.e., as the producer of the material copies of the books. Book Sales’ use of that image in the same ways (divorced from the story in which it originally appeared) was likely to confuse the public as to who made the books. The court emphasized that it was not necessary, in freely exploiting the stories, to employ the Sitting Rabbit in the same out-of-context ways as Warne had.

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81 Id. at 1198.
82 Id.
83 Id.
84 Dastar, supra note 52, at 34 (‘Assuming for the sake of argument that Dastar’s representation of itself as the ‘Producer’ of its videos amounted to a representation that it originated the creative work conveyed by the videos, allowing a cause of action under § 43(a) for that representation would create a species of mutant copyright law that limits the public’s ‘federal right to ‘copy and to use’ expired copyrights …’).
85 Professor McCarthy also underscores the trademark significance of taking an image or character out of its original context. See McCarthy, supra note 14, at § 6:31. (‘It is more likely that a court will recognize that there is a federal right to reproduce a work on which copyright has ended, so long as the user does not take the images or characters out of their original context and use them in a way that causes confusion of source or affiliation.’).
86 Frederick Warne, supra note 81, at 1198.
Warne suggests a way out of a potential impasse between the copyright public domain and trademark protection for visual characters vested with secondary meaning as source indicators. Returning to Mickey Mouse/Steamboat Willie, when the copyright in the 1928 original iteration of the character expires, anyone should be free not only to reissue cartoons in which Steamboat Willie appeared, but also to create new works starring the original, rather rat-like, incarnation of the softer, rounder Mouse we know today. Those exploiters could not, however, market Steamboat Willie as Mickey, nor could they brand their versions with any of the current Disney trademarks, for those uses both exceed the exploitation of merely the public domain pictorial or audiovisual work, and might be likely to confuse consumers as to the purveyor of the recycled or reimagined Steamboat Willie cartoons or other works.

But the observation that Disney continues to control the licensing of its current trademarks invites the development of Steamboat Willie as a trademark for Disney productions in general before the Steamboat Willie copyright expires. And Disney does in fact appear to be dusting off that character to convert it into a source indicator: A video included at the introduction of recent Disney films begins with the current image of Mickey Mouse and travels back in time to the early depictions of Steamboat Willie (See Figure 2). The object of this flashback would appear to be to associate Steamboat Willie with the Disney output in general, rather than merely as a character in some early cartoons.

Figure 2: Steamboat Willie: From Character to Brand? 

Would that course of action now put the Steamboat Willie character off-limits to all but those who take a license from Disney? If Steamboat Willie becomes a brand in its own right, would it not follow that its unlicensed appearance would confuse the public as to the source of the copies or transmissions of the work containing an incarnation of the character? There are two answers: First, under Warne, the trademark consists of a particular instantiation of the character

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87 See Disney Production Logo, Meet the Robinsons (2007).
88 Id.
in a particular source-identifying guise divorced from its story-telling context. The court took pains to ensure that the first publisher could not bootstrap all Peter Rabbit images to the single image used in the colophon and book covers. Warne’s use of the Sitting Rabbit in ways distinct from that image’s role in the story from which Warne extracted it signaled that this incarnation of the character was source-identifying rather than narrative.

By the same token, Steamboat Willie, the brand, should remain distinct from Steamboat Willie, the character. Dr. Seuss’ The Cat in the Hat offers an example of the distinction. The Cat, the character, stars in two eponymous children’s stories (See Figure 3). The Cat, the brand (a single image of the grinning Cat in his striped stovepipe hat), adorns the spines and front and back covers of the books in the Beginner Books “I Can Read It All By Myself” series of children’s books.

Figure 3: The Cat in the Hat: The Brand

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89 Frederick Warne, supra note 81, at 1198.
90 Id.
91 Id; Cf. Rock and Roll Hall of Fame and Museum v. Gentile, 134 F.3d 749 (6th Cir. 1998) (rejecting claims to trademark protection for the general appearance of the building, but acknowledging that the museum might acquire secondary meaning in a particular view of the building. The court distinguished the building’s fame as a work of architecture from public perception of the building as a trademark.).
92 See Disney Production Logo, Tangled (2010).
93 See DR. SEUSS, GREEN EGGS AND HAM (Special Edition 1960).
When the Dr. Seuss books fall into the public domain, anyone may republish them, but the subsistence of trademark rights in the Cat as part of the trade dress of the Random House book series means that any unlicensed versions of that image of the Cat may not appear on the spines, back covers, or upper right hand corners of the front covers of those republications. Similarly, post-copyright expiration, a producer who seeks to merchandize images of Steamboat Willie as ornamentation on T-shirts or to sell Steamboat Willie plush toys may do so, and may lawfully identify the character as Steamboat Willie, but (assuming Disney succeeds in converting the character into a brand) the label must forego all Disney insignia, whether of modern-day Mickey Mouse or of Steamboat Willie.

One might respond that, given the close association of the character with Disney, any incarnation, as a label or as a good, is bound to confuse the public as to the source. This objection, if borne out by facts, brings us to the second answer: In that event, copyright and trademark policies clash, and, as Dastar implies, the public domain principle of copyright prevails. The public domain makes the character free for competition. Assuming the character

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96 Cf Kellogg Co. v. National Biscuit Co., 305 U.S. 111 (1938) (finding that an expired patent entitled third parties to manufacture product and to call the product by the name by which the public had come to know the goods; but third parties must not pass off their versions as the products of the original patent owner).
97 Cf. Geisel v. Poynter Prods., 283 F.Supp. 261 (S.D.N.Y. 1968); Geisel v. Poynter Prods., 295 F.Supp. 331 (S.D.N.Y. 1968) (finding that a purchaser of copyrights in pre-Cat in the Hat cartoons by Dr. Seuss may produce plush toys in the forms of those characters, and may identify them as having been created by Theodore Geisel/Dr. Seuss, but may not market them as ‘Dr. Seuss’ creations and using characteristic Dr. Seuss signature on the labels).
98 Dastar, supra note 52.
has also served as a trademark, trademark law enables the former copyright owner to ensure that free competition be fair competition. But remedies short of full injunctions may achieve “fairness”: A court should decline to grant the trademark owner any relief other than the clear labeling of disclaimers as to the source of the competing goods.  

An additional consideration complicates the analysis, however. The copyright lives of visual characters may in fact last far longer than the copyright term of the character’s initial incarnation. Many characters evolve over time, and later manifestations may depart sufficiently from the original version to qualify as copyright-protected derivative works. The new matter added to the underlying work cannot prolong the copyright in the pre-existing material, but neither does the public domain status of the underlying material deprive the new matter of its own copyright. If the term of protection is calculated from the date of publication, rather than from the life of the author, as would be the case in the US for works published before 1978 and for post-1978 works made for hire, the copyright in the new matter will subsist past the term of the copyright in the underlying work. These rules mean that third parties who may freely reproduce copyright-expired characters may exploit the character as it originally appeared. But they may not copy the appearance of the character as it has developed over time. Similarly, while third parties may newly vary the character’s visual appearance, those variations must not resemble those introduced by the owner of the copyright in the derivative work. As a result, the commercial value of reviving the original appearance of the character may be too insignificant to attract a mass-market audience.

Consider the following example: The Michelin Man, “Bibendum,” having first appeared in Michelin advertisements in the late 19th century, has long been in the copyright public domain. But just as the spindly and snout-nosed Steamboat Willie’s contours have over time taken on a more friendly and reassuring roundness, so has Bibendum evolved from a bon vivant blob, an almost featureless stack of narrow tubular shapes, into a still-robust but more sportif assemblage of thicker forms showing greater differentiation in torso, limbs, and especially facial characteristics (See Figure 4).

Figure 4: Bibendum then and now

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99 See Liu, supra note 49, at 1433 (‘[A]t most the appropriate remedy would be a disclaimer, which would address the confusion without limiting the ability of a third party to use the underlying work.’).
100 See Id. at 1443–7 (discussing level of originality required to warrant derivative works protection for new versions or attributes of artistic and literary characters).
103 The name ‘Bibendum’ evokes the adage (that appeared in an early Michelin advertisement, see above) ‘nunc est Bibendum!’—‘Now is the time for drinking!’
Anyone may republish the nineteenth-century advertising posters (for which there may well be a market), but the merchandising opportunities for the original Bibendum do not seem promising. One might imagine (carefully labeled) throw pillows in the shape of the original Bibendum, but a third party would be ill-advised to enter the market for a restaurant or tour guides featuring images of the nineteenth-century version of the Michelin mascot, for those uses are not exploiting the character *qua* character; they embrace the goodwill of the publishing arm of Michelin, and would be likely to confuse consumers as to the source of the guide books. In other words, the original Bibendum may be freely exploitable as a matter of copyright law, but it does not follow that the original character may be indiscriminately used by third parties as a trademark.

When the Trademark Owner Becomes a Copyright Owner: Trademarks as Copyrighted Works

Most of the commentary on copyright/trademark overlaps focuses (generally, unfavorably) on attempts to extend the copyright monopoly through trademark protection. But there is another side of the coin: the development of trademarks into copyrightable characters and other visual goods. Perhaps because a trademark may lack sufficient authorship to qualify as a “work” and because, in theory, a trademark does not confer a right in gross to exploit the symbol as an independent object of property, we recently see the adaptation of trademarks into the object of copyrights through the endowment of images not only with brand significance, but also with personalities and other attributes that convert the source-identifier into a literary,

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105 The rights that revert to the author or her heirs are unlikely to enable her to block the trademark owner’s exploitation of the image as a trademark. If the trademark is a later representation of the character, the derivative works carve-out will preclude the author’s claim. If the trademark is the original image, in which copyright rights have reverted, 17 U.S.C. § 203(b)(5) indicates that reversion will not terminate the right to license the image as a trademark; to the extent that copyright reproduction rights necessarily accompany the licensing of trademark rights, the statutory direction that copyright termination does not ‘affect’ other rights, would mean that the trademark license incorporated in the copyright license survives.
artistic, or (most often) audiovisual character. The creation of characters designed pervasively to permeate children’s media environment through a combination of branding consumer goods (such as breakfast cereal) and producing animated television shows and associated toys, all featuring the characters, is a familiar strategy in the US at least since the advent of the “Strawberry Shortcake” character and brand in the mid-1980s.

Nonetheless, the current evolution of trademarks into copyrighted works is different because in their commercial lives these trademarks were not born as characters, but rather had the anthropomorphizing touches that turned them into characters later thrust upon them. Moreover, without those flourishes, the trademarks might have lacked sufficient authorship to warrant copyright protection. The red disk of the 7-UP dot, for example, seems too basic to survive even a cursory Copyright Office examination for originality. But accessorize it with arms and legs and coif it with a pair of sunglasses, and a banal form blossoms into the “Cool Spot” character.

Or take the rudimentary, single-colored shapes of M&Ms candies, endow them with arms and legs and a range of highly expressive (if rather gender-stereotyped) facial features, and they become “spokescandies” with pre-packaged personalities and backstories. Moreover,

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trademarks-as-characters star not only in advertising for the trademarked goods, but also in independent works such as videogames and even feature films (for example, the Lego Movie and its sequels).\textsuperscript{110}

We have seen what copyright owners have to gain (or hope to gain) from claiming trademark protection for visual characters. What can copyright contribute to the protection of trademarks? First, because copyright is a right in gross, it strengthens the coverage available even to marks sufficiently famous to qualify for anti dilution protection. Copyright is infringed by copying; trademark infringement requires a showing that the copying causes a likelihood of confusion or of association that is likely to “blur” or “tarnish” a famous mark.\textsuperscript{111} It is true that in recent years, at least since the mid-1970s in the US, trademark protection has increasingly come to bear on brand symbols in their own right, independent of the goods or services in connection with which they initially appeared.\textsuperscript{112} Trademark law thus has been adapting to the reality, well established in the world of marketing, that the thing of value is the trademark; particularly for famous marks, the goods to which the brand applies are increasingly ancillary.\textsuperscript{113} If in the past,


\textsuperscript{112} Lanham Act, supra note 9, at §§ 32, 43(a), 43(c), 15 U.S.C. §§ 1114, 1125(a), 1125(c) (2013).


\textsuperscript{114} See, e.g., Katya Assaf, Brand Fetishism, 43 CONN. L. REV. 83 (2010) (“[M]any consumers who are loyal to a certain brand of soft drinks or cigarettes, ostensibly because of the superior taste of the product, actually cannot distinguish their favorite brand in a blind taste-test.”); Barton Beebe, The Semiotic Analysis of Trademark Law, 51 UCLA L. Rev. 621 (2004) (“In asserting that trademarks do no more than facilitate search and encourage quality, the Chicago School has long declined to acknowledge what is obvious: that firms produce trademarks as status goods, that consumers consume trademarks to signal status, and that courts routinely invest trademarks with legal protection in an effort to preserve this status-signaling function. The culture industries … have long sold trademarks as commodities in their own right. Entire areas of trademark doctrine cannot be understood except as systems of rules designed to facilitate the commodification—indeed, the ‘industrial production’—of social distinction … [I]n modern culture, the trademark need no longer identify any particular commodity (other than itself) in order to receive protection … The modern trademark is dyadic in structure.”).
trademark goodwill symbolized the business, in many instances today, the goodwill is the business.114

Moreover, from the trademark owner’s perspective, there is little if any downside to recasting a trademark as a copyrightable work of authorship. While the fair use doctrine limits the scope of copyright protection—particularly for parody, criticism, and commentary—the developments over the last twenty years of US trademark law, as we have seen, have given rise to the “nominative fair use” defense and have imported copyright fair use concepts to excuse parodies and other critical uses of trademarks.115 As a result, whether they are the objects of trademarks or of copyrights, visual characters seem equally susceptible to legally-privileged copying for purposes of mockery or social commentary. Copyright therefore does not diminish the protection the characters would enjoy as a matter of trademark law. Admittedly, the copyrights will in the US expire 95 years from the first publication of the trademarks-as-characters (assuming they are works made for hire), but during that very long stretch, the trademark owner will have ample time to update the character and start another 95-year clock rolling.

Finally, copyright offers significant remedial advantages over trademarks. The principal remedy for trademark infringement is injunctive relief.116 Damages require a showing of actual confusion; a trademark owner would be disinclined to wait to seek relief until consumers can be shown to have been confused in fact.117 By contrast, in copyright law, damages are a traditional remedy.118

In conclusion, in the reciprocal relationship between copyright and trademarks, we have seen the limiting doctrines of one type of IP right, copyright, come to the aid of third-party speech interests respecting another kind of IP right, trademarks. But, within those limitations, we have also seen how these rights complement and reinforce each other, to the benefit of the businesses that exploit them.

114 See e.g. Jessica Litman, Breakfast With Batman: The Public Interest in the Advertising Age, 108 YALE L.J. 1717, 1726 (1999). (“[T]he descriptive proposition that trade symbols have no intrinsic value has come to seem demonstrably inaccurate. The use of trademarks on promotional products has evolved from an advertising device for the underlying product line to an independent justification for bringing a so-called underlying product to market. . . . The worth of such valuable trade symbols lies less in their designation of product source than in their power to imbue a product line with desirable atmospherics. Indeed, in the new orthodoxy, marketing is value.”)
116 Lanham Act, supra note 9, at § 34, 15 U.S.C. § 1116 (2013); 5 J. THOMAS MCCARTHY, MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 30:1 (4th ed. 2014) (“A permanent injunction is the usual and normal remedy once trademark infringement has been found in a final judgment.”); 4 J. THOMAS MCCARTHY, MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 24:132 (4th ed. 2014) (“The usual remedy where a violation of antidilution law is proven under the Federal Act is an injunction against the offending use.”) (citing H.R. REP. No. 104-374, at 7 (1995) (‘With respect to relief, a new Section 43(c)(2) of the Lanham Act would provide that, normally, the owner of a famous mark will only be entitled to injunctive relief upon a finding of liability.’).
117 Lanham Act, supra note 9, at § 35(a), 15 U.S.C. § 1117(a) (relief for ‘any damages sustained’ indicates that the trademark owner would in fact have had to have lost sales).