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

Jane C. Ginsburg*

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 Breweries*¹, South African Constitutional Court Justice Albie Sachs famously asked:

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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 decried the resort to trademark law to generate “a species of mutant copyright law

¹ *Laugh It Off Promotions CC v South African Breweries International (Finance) B V T/A Sabmark International* 2005 1 SA 1 (CC) (S. Afr.).

² *Id.* at 70.

³ See, e.g., *Gucci Shops, Inc. v. R. H. Macy & Co.*, 446 F. Supp. 838 (S.D.N.Y. 1977) (“Gucchi Goo” diaper bags held likely to be confused with Gucci handbags); *Mutual of Omaha Insurance Co. v. Novak*, 836 F.2d 397 (8th Cir. 1987) (“Mutant of Omaha” anti-nuclear protest items such as coffee mugs and posters held likely to be confused with “Mutual of Omaha” insurance services); *Anheuser-Busch, Inc. v. Balducci Publications*, 28 F.3d 769 (8th Cir. 1994) (“Michelob Oily” parody ad in SNICKER humor magazine held likely to confuse the public as to its approval by the producers of Michelob Dry beer); Harriette K. Dorson, *Satiric Appropriation and the Law of Libel, Trademark and Copyright: Remedies Without Wrongs*, 65 B.U.L. REV. 923 (1985).

⁴ See *Cliffs Notes, Inc. v. Bantam Doubleday Dell Publishing Group, Inc.* 886 F.2d 490 (2d Cir. 1989) (“Spy Notes” parody of Cliffs Notes, no likelihood of confusion found); *Yankee Publishing v. News America Publishing*, 809 F. Supp. 267 (S.D.N.Y. 1992) (New York Magazine parody of cover of Old Farmer’s Almanac cover, no likelihood of confusion found); *Louis Vuitton Malletier S.A. v. Haute Diggity Dog, LLC*, 464 F. Supp.2d 495 (E. D. Va. 2006) (“HDD sells products such as Chewnel # 5, Dog Perignon, Chewy Vuiton, and Sniffany & Co. in pet stores, alongside other dog toys, bones, beds, and food, and most are priced around \$ 10;” neither likelihood of confusion nor dilution found).

⁵ *Rogers v Grimaldi*, 875 F.2d 994, 999 (2d Cir. 1989).

⁶ See Pierre N Leval, *Trademark: Champion of Free Speech*, 27 COLUM. J.L. & ARTS 187, 208 (2004) (in federal anti dilution act Congress is saying to courts, “You have shown in your development of fair use in copyright that you know how to limit the scope of a broadly-written exclusivity statute - to keep it in line with the needs of free expression. We are relying on you to do that here. Create appropriate doctrines of “fair use” to keep the Dilution Act within reasonable bounds.”). See also generally Rebecca Tushnet, *Make Me Walk, Make Me Talk, Do Whatever You Please: Barbie and Exceptions*, in INTELLECTUAL PROPERTY AT THE EDGE: THE CONTESTED CONTOURS OF IP 405–26 (Rochelle Cooper Dreyfuss & Jane C. Ginsburg, eds. 2014); Jane C. Ginsburg, *Of Mutant Copyrights, Mangled Trademarks, and Barbie’s Beneficence: The Influence of Copyright on Trademark Law*, in TRADEMARK LAW AND THEORY: A HANDBOOK OF CONTEMPORARY RESEARCH 481 (Graeme B. Dinwoodie & Mark D. Janis, eds. 2008).

that limits the public's 'federal right to "copy and to use," expired copyrights."⁷ 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 company⁸ and the 1946 Lanham Act⁹. 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."¹⁰

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.¹¹ 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.¹² 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.¹³ 9th Circuit Judge Kozinski dubbed these latter denominations "nominative fair use," and the sobriquet has stuck.¹⁴

⁷ *Dastar Corp. v. Twentieth Century Fox Film Corp.*, 539 U.S. 23, 34 (2003).

⁸ Mattel, Inc. is an American multinational toy manufacturing company founded in 1945.

⁹ Lanham Act, 15 U.S.C. (2013).

¹⁰ *Prestonettes, Inc., v. Coty*, 264 U.S. 359, 368 (1924) (citing *Delaware & Hudson Canal Co. v. Clark*, 80 U.S. 311, 327 (1871)).

¹¹ 15 U.S.C. § 1115(b)(4) (2013).

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.¹⁵ As we will see, these factors complement and echo the first, third, and fourth copyright fair use factors.¹⁶

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 authorship¹⁷ 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, pro claiming their own goods or communicative activities.¹⁸ 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.¹⁹ 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.²⁰

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.²¹ 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”).

¹⁹ See, e.g., *Campbell v. Acuff-Rose Music*, 510 U.S. 569, 593 (1994).

²⁰ See, e.g., *Smith v. Chanel, Inc.*, 402 F.2d 562 (9th Cir.1968) (smell-alike perfume); *August Storck K.G. v. Nabisco, Inc.*, 59 F.3d 616 (7th Cir.1995) (competing candies).

²¹ *Mattel, Inc. v. Universal Music International*, 296 F.3d 894 (9th Cir. 2002).

“C’mon Barbie, let’s go party!”²²

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.²³ 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.”²⁴ 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.)²⁵

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).²⁶ 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).²⁷

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.”²⁸ 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.²⁹ On the fourth factor, the court found it unlikely that Mattel would enter the market for “adult-oriented artistic photographs of Barbie.”³⁰

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

²² Aqua, *Barbie Girl* (1997), available on Youtube at <https://www.youtube.com/watch?v=ZyhrYis509A> (last visited Nov. 28, 2017).

²³ *Mattel*, *supra* note 21, at 900.

²⁴ *Id.* at 902 (citing *Rogers v. Grimaldi*, 875 F.2d 994, 999 (2d Cir. 1989)).

²⁵ See Stuart Elliott, *Years Later Mattel Embraces “Barbie Girl,”* NEW YORK TIMES, August 26, 2009 4:30 pm, <https://mediadecoder.blogs.nytimes.com/2009/08/26/years-later-mattel-embraces-barbie-girl/> (last visited Nov. 28, 2017).

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.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.³² As the district court quipped, "To the Court's knowledge, there is no Mattel line of "S&M" Barbie."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.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.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.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."³⁷ "Conjure up," notably, is a standard formulation of the minimum extent of copying that the copyright fair use caselaw permits in a parody.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.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."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 foundations⁴¹, tend to be licensed (and, as

³¹ *Mattel, Inc. v. Pitt*, 229 F. Supp. 2d 315 (S.D.N.Y. 2002).

³² *Id.* at 322.

³³ *Id.*

³⁴ *Mattel*, *supra* note 26.

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.")

³⁶ *Id.* at 810.

³⁷ *Id.*

³⁸ *Id.* at 800 (*citing* *Dr. Seuss Enters., L.P. v. Penguin Books USA, Inc.*, 109 F.3d 1394, 1400 (9th Cir. 1997)).

³⁹ *Id.* at 811.

⁴⁰ *Id.* at 812.

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.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.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.⁴⁴ Copyright protects the work of authorship itself, not the identification of that work with a single, if anonymous, source of origin.⁴⁵ Pursuant to the Constitutional grant to Congress of power to secure authors' exclusive rights "for limited times," copyright lasts for a term of years⁴⁶; trademarks are protected for so long as they continue to represent a single producer's goodwill. Subject to that prerequisite, registered trademarks maybe renewed indefinitely.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

THOMAS MCCARTHY, MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 6:5.A (4th ed. 2014) ('The attorney must keep separate in his or her own mind the distinctions between patent, trademark and copyright law. One must be familiar with the similarities and the differences ... Complex? Perhaps, but it is the attorney's stock in trade at least to be aware of the possibilities of all kinds of legal protection and the pros and cons of each.')

⁴² See, e.g., Craig S. Mende & Belinda Isaac, *When Copyright and Trademark Rights Overlap*, in OVERLAPPING INTELLECTUAL PROPERTY RIGHTS para. 7.95 (Neil Wilkof & Shammad 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. *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 to the opposite conclusion. For example, in *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.

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

⁴³ Lanham Act, *supra* note 9, at §§ 32, 43(a), 15 U.S.C. §§ 1114, 1125(a) (2013).

⁴⁴ See 17 U.S.C. § 501 (2013) (listing the elements of an infringement claim).

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.

⁴⁶ U.S. CONST. art. I, § 8, cl. 8.

⁴⁷ Lanham Act, *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).⁴⁸ 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?⁴⁹

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.⁵⁰ 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.⁵¹

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.

2014 C.J.U.E. C-205/13, *Hauck GmbH & Co. KG v Stokke A/S*, opinion of A.G. Szpunar (14 May 2014). The CJEU rendered its decision on 18 September 2014.

⁴⁹ See generally Joseph P. Liu, *The New Public Domain*, 2013 U. ILL. L. REV. 1395, 1427–40.

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.⁵² In that case, the copyright in a pre-1978 motion picture had expired through nonrenewal.⁵³ 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.⁵⁴ 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.⁵⁵ Because *Dastar* had made (or authorized the making of) the videocassettes that it distributed, it *was* the "source or origin" of the material copies.⁵⁶ It was irrelevant that *Dastar* had not produced the audiovisual work. The intellectual source remained outside the trademark law's scope.⁵⁷

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?

business interests of plaintiffs, we think that the two become so intermeshed when viewed against the backdrop of the common law of unfair competition that both the public and plaintiffs are better served by granting the relief sought by plaintiffs.');

Panavision Int'l v. Toeppen, 141 F.3d 1316 (9th Cir. 1998) ('Toeppen made a commercial use of Panavision's trademarks. It does not matter that he did not attach the marks to a product. Toeppen's commercial use was his attempt to sell the trademarks themselves.'). At least one circuit has viewed the 'patch case' with skepticism. See *U.S. v. Giles*, 213 F.3d 1247 (10th Cir. 2000) ('We believe [Boston Professional] to be of limited value for several reasons ... it dealt with civil liability, while Mr. Giles was convicted of violating the criminal version of the statute, which we must construe narrowly ... Moreover, the Fifth Circuit specifically confined its opinion to the product at hand ... the court relied upon a novel and overly broad conception of the rights that a trademark entails. In deciding that the emblems should be protected goods despite the fact that the plaintiffs had not registered their marks for use on patches, the court essentially gave the plaintiffs a monopoly over use of the trademark in commercial merchandising.');

Liu, *supra* note 49.

⁵² *Dastar Corp. v. Twentieth Century Fox Film Corp.*, 539 U.S. 23 (2003).

⁵³ *Id.* at 26.

⁵⁴ *Id.* at 23.

⁵⁵ *Id.* at 36.

⁵⁶ *Id.*

⁵⁷ *Id.* at 31.

In the EEA⁵⁸, the EFTA Court⁵⁹ recently confronted a similar issue regarding copyright-expired sculptures by Gustav Vigeland, over a hundred of whose works adorn Frogner Park in Oslo.⁶⁰ The Municipality of Oslo sought trademark protection for almost all the works in the park.⁶¹ 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.⁶² 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.⁶³ 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.⁶⁴

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."⁶⁵ The EFTA Court nonetheless acknowledged the possibility of "exceptional cases" when even artworks that had achieved distinctiveness as trademarks might nonetheless be denied registration.⁶⁶ On remand,⁶⁷ the Norwegian Trademark Board of Appeal held that the Municipality of Oslo's application presented such a case.⁶⁸ 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.

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.

⁶⁰ 2017 E.F.T.A. E-5/16.

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.*

⁶⁷ November 13, 2017.

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.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 *trademark* purpose.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.⁷¹

The Board’s reference to “the risk of others using the works of Gustav Vigeland in a manner contrary to public morality,” adverts to the EFTA court’s articulation of some public policy concerns distinct from the problem of duration.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.⁷³ The EFTA court noted:

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.⁷⁴

In the US, after the *Slants* decision,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?

*Figure 1: Ray Ban/Raphael, portrait of Baldassare Castiglione*⁷⁶; Jim Beam/*Whistler’s Mother*⁷⁷; Ferrarelle/Leonardo da Vinci, *La Gioconda (Mona Lisa)*⁷⁸; ArmaLite/Michelangelo, *David*⁷⁹

⁶⁹ *Id.* at 24.

⁷⁰ *Id.*

⁷¹ *Id.* at 11.

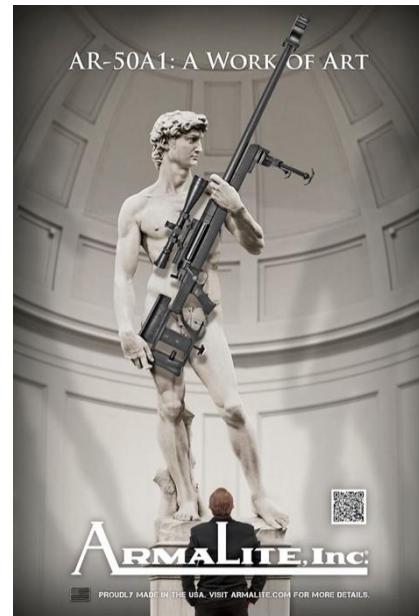
⁷² *Id.* at 24

⁷³ *Id.*

⁷⁴ 2017 E.F.T.A. E-5/16, at 92.

⁷⁵ *Matal v. Tam*, 137 S. Ct. 1744, (2017).

⁷⁶ Riley von Niessen, *Branded Renaissance Art*, TRENDHUNTER MARKETING (May 13, 2016), available at <https://www.trendhunter.com/trends/art-portraits> (last visited Nov. 28, 2017).



⁷⁷ Jim Beam Beams Choice Whistlers Mother Whiskey Decanter Bottle Collectible 1968, EBAY (Sep. 30, 2017), available at <https://www.ebay.ca/itm/JIM-BEAM-BEAMS-CHOICE-WHISTLERS-MOTHER-WHISKEY-DECANTER-BOTTLE-COLLECTIBLE-1968/361271076877?hash=item541d6f280d:g:q9kAAOSw7aBVJG7e> (last visited Nov. 28, 2017).

⁷⁸ Rita Tonelli, *La Gioconda ovvero l'antiritratto d'autore (arte al femminile VIII parte)*, ART & MORE (Jan. 15, 2013), available at <http://artendmore.blogspot.com/2013/01/la-gioconda-ovvero-lantiritratto-dautore.html> (last visited Nov. 28, 2017).

⁷⁹ David Kiefaber, *Gun Ad Featuring Michelangelo's David Comes Under Fire From the Italian Government*, ADWEEK (Mar. 11, 2014), available at <http://www.adweek.com/creativity/us-gun-ad-michelangelos-david-under-fire-italian-government-156231/#/> (last visited Nov. 28, 2017).

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.⁸⁰ 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*.⁸¹ 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.⁸² 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.⁸³

In *Dastar* terms, Warne was not seeking to deploy trademark law as a kind of “mutant copyright,”⁸⁴ 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.⁸⁵ 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.⁸⁶

⁸⁰ *Frederick Warne & Co. v. Book Sales, Inc.*, 481 F.Supp. 1191 (S.D.N.Y. 1979).

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).⁸⁷ 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?*⁸⁸



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

⁸⁷ See Disney Production Logo, *Meet the Robinsons* (2007).

⁸⁸ *Id.*

in a particular source-identifying guise divorced from its story-telling context.⁸⁹ 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.⁹⁰ 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.⁹¹

By the same token, Steamboat Willie, the brand, should remain distinct from Steamboat Willie, the character.⁹² Dr. Seuss' *The Cat in the Hat* offers an example of the distinction.⁹³ 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.⁹⁴

*Figure 3: The Cat in the Hat: The Brand*⁹⁵

⁸⁹ *Frederick Warne, supra* note 81, at 1198.

⁹⁰ *Id.*

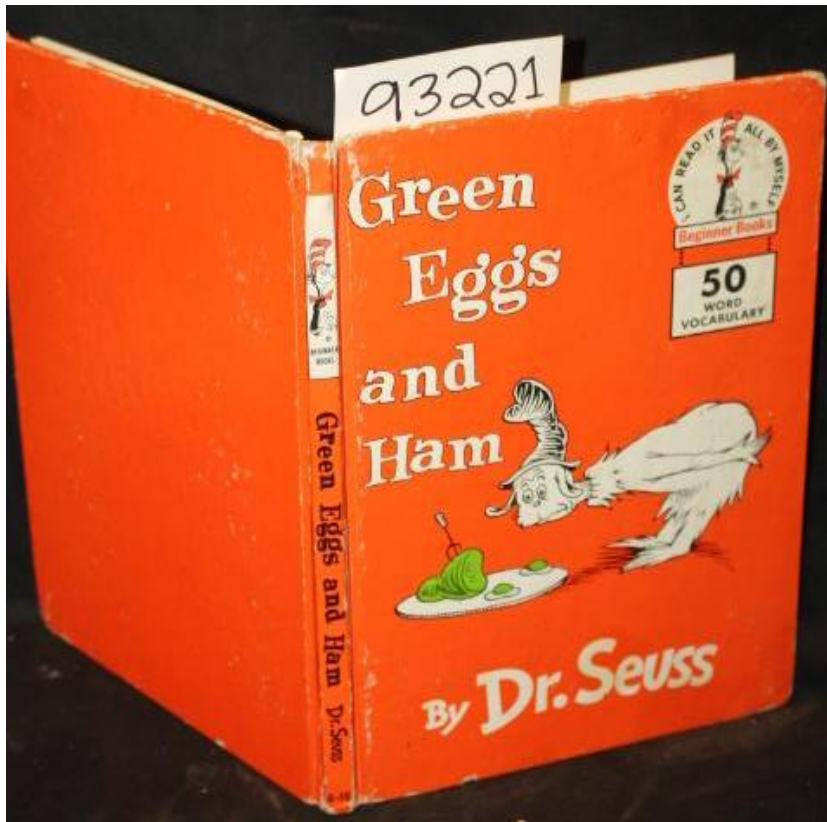
⁹¹ *Id.*; *Cf. Rock and Roll Hall of Fame and Museum v. Gentile*, 134 F.3d 749 (6th Cir. 1998) (rejecting claims to trademark protection for the general appearance of the building, but acknowledging that the museum might acquire secondary meaning in a particular view of the building. The court distinguished 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).

⁹⁴ See *Beginner Books*, PENGUIN RANDOM HOUSE, available at <https://www.penguinrandomhouse.com/series/BBK/beginner-books/> (last visited Nov. 28, 2017).

⁹⁵ DR. SEUSS, GREEN EGGS AND HAM, AbeBooks.com (Beginner Books 1960), available at <https://www.abebooks.com/first-edition/Green-Eggs-Ham-Dr-Seuss-BEGINNER/16668662415/bd> (last visited Nov. 28, 2017).



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 Willie⁹⁶, 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.⁹⁷

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.⁹⁸ The public domain makes the character free for competition. Assuming the character

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.⁹⁹

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.¹⁰⁰ 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.¹⁰¹ 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.¹⁰² 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* blob¹⁰³, 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*¹⁰⁴

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.’).

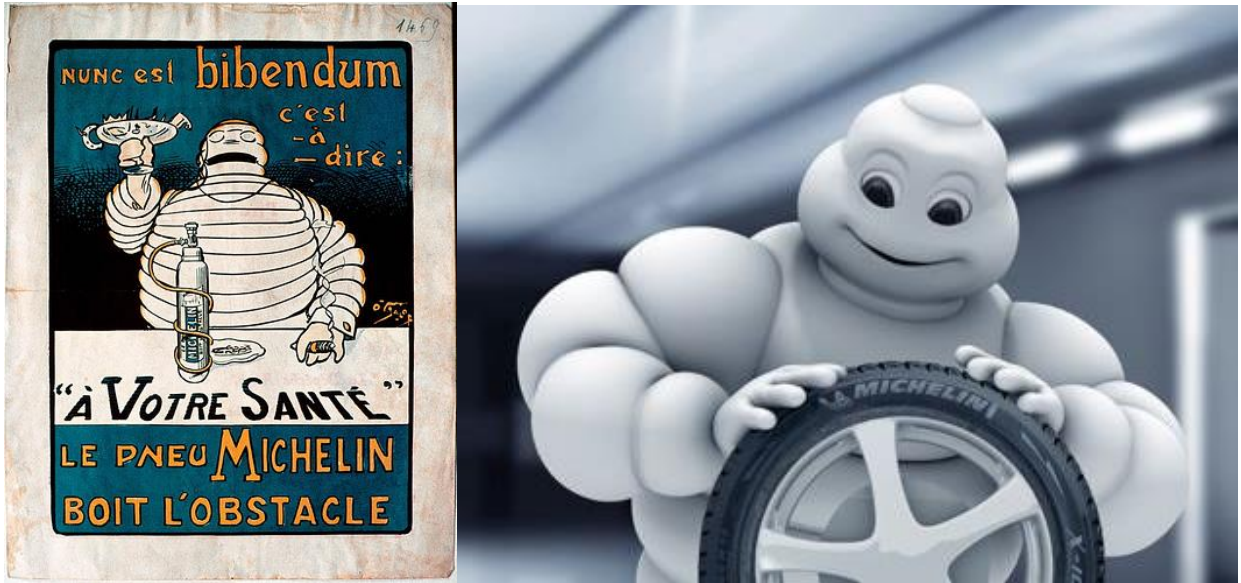
¹⁰⁰ See *Id.* at 1443–7 (discussing level of originality required to warrant derivative works protection for new versions or attributes of artistic and literary characters).

¹⁰¹ See 17 U.S.C. § 103(b). Cf. *Klinger v. Conan Doyle Estate*, 755 F.3d 496 (2014) (holding that a copyright subsisting in last Sherlock Holmes stories does not affect the public domain status of pre-1923 Sherlock Holmes works). See also *Russell v. Price*, 612 F.2d 1123 (9th Cir. 1979) (finding that the non-renewal of copyright in derivative work does not cast copyright-renewed underlying work into the public domain).

¹⁰² 17 U.S.C. §§ 302(c), 304 (2013).

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!’

¹⁰⁴ Lydia Dishman, *The Michelin Man’s Modern Makeover*, Fast Company (October 6, 2009), available at <https://www.fastcompany.com/1392185/michelin-mans-modern-makeover> (last visited Nov. 28, 2017).



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

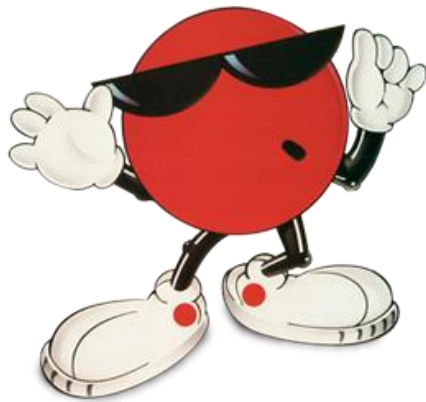
Most of the commentary on copyright/trademark overlaps focuses (generally, unfavorably) on attempts to extend the copyright monopoly through trademark protection.¹⁰⁵ But there is another side of the coin: the development of trademarks into copyrightable characters and other visual goods. Perhaps because 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,

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.¹⁰⁶ 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.¹⁰⁷

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 (See Figure X).

Figure 5: 7Up Dot: ‘Coolspot’¹⁰⁸



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.¹⁰⁹ Moreover,

¹⁰⁶ See, e.g., Calboli, *supra* note 50; Viva R. Moffat, *Mutant Copyrights and Backdoor Patents: The Problem of Overlapping Intellectual Property Protection*, 19 BERKELEY TECH. L.J. 1473 (2004); ESTELLE DERCLAYE & MATTHIAS LEISTNER, *INTELLECTUAL PROPERTY OVERLAPS: A EUROPEAN PERSPECTIVE* 12–15, 47–60, 130–338, 200–05, 237–54, 290–92, 295–303, 306–33, and authorities cited therein (2011) (surveying copyright/trademark overlaps in the EU and member states); Mende & Isaac, *supra* note 42.

¹⁰⁷ See generally Tom Engelhardt, *The Shortcake Strategy*, in *WATCHING TELEVISION: A PANTHEON GUIDE TO POPULAR CULTURE* 70 (Todd Gitlin, ed. 1986); STEPHEN KLINE, *OUT OF THE GARDEN: TOYS, TV, AND CHILDREN’S CULTURE IN THE AGE OF MARKETING* 138–42 (1995) (discussing Strawberry Shortcake and other licensed character tie-in programming).

¹⁰⁸ 7Up, Dr Pepper Snapple Group (2017), available at <https://www.drpeppersnapplegroup.com/brands/7up> (last visited Nov. 28, 2017).

¹⁰⁹ See generally *Characters, MMS*, available at <http://www.mms.com/us/characters> (last visited Nov. 28, 2017) (presenting the characters). For examples of the characters’ personalities and backstories, see *M&M’S® Spokescandies to Pursue Solo Careers – Over One and a Half Million Dollars in Rewards Offered to Help Reunite ‘M’*, MARS (May 2011), available at <http://www.mars.com/global/press-center/press-list/news-releases.aspx?siteid=94&id=2973> (last visited Nov. 28, 2017); *M&M’S® Spokescandies Reunited After Four-Month*

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).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.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.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.¹¹³ If in the past,

Split, MARS (September 2011), available at <http://www.mars.com/global/press-center/press-list/news-releases.aspx?siteid=94&id=3177> (last visited Nov. 28, 2017).

¹¹⁰ For examples of videogames incorporating M&Ms characters, see *M&M's: The Lost Formula*, IGN, <http://www.ign.com/games/mms-the-lost-formulas/pc-15279> (last visited Nov. 28, 2017); *M&M's: Minis Madness*, IGN, <http://www.ign.com/games/mms-mini-madness/gbc-15407> (last visited Nov. 28, 2017); *M&M's: Shell Shocked*, IGN, <http://www.ign.com/games/mms-shell-shocked/ps-16461> (last visited Nov. 28, 2017); *M&M's: Kart Racing*, IGN, <http://www.ign.com/games/mms-kart-racing/wii-909133> (last visited Nov. 28, 2017); *M&M's: Adventure*, IGN, <http://www.ign.com/games/mms-adventure/wii-14268625> (last visited Nov. 28, 2017). Other brand examples include *7 UP: Spot: The Video Game*, MOBY GAMES, <http://www.mobygames.com/game/spot> (last visited Nov. 28, 2017); *Cool Spot*, MOBY GAMES, <http://www.mobygames.com/game/cool-spot> (last visited Nov. 28, 2017); *Spot: The Cool Adventure*, MOBY GAMES, <http://www.mobygames.com/game/gameboy/spot-the-cool-adventure> (last visited Nov. 28, 2017); *Spot Goes to Hollywood*, MOBY GAMES, <http://www.mobygames.com/game/spot-goes-to-hollywood> (last visited Nov. 28, 2017); *Burger King's Burger King character: Big Bumpin', Sneak King, and Pocketbike Racer*, MOBY GAMES, <http://www.ign.com/articles/2006/10/02/burger-king-and-xbox-team-up> (last visited Nov. 28, 2017); *Cheetos: Chester Cheetah: Too Cool to Fool*, MOBY GAMES, <http://www.mobygames.com/game/chester-cheetah-too-cool-to-fool> (last visited Nov. 28, 2017); *Chester Cheetah: Wild Wild Quest*, MOBY GAMES, <http://www.mobygames.com/game/chester-cheetah-wild-wild-quest> (last visited Nov. 28, 2017). The California Raisins have a number of television spots and even a mockumentary and also sold four music albums. See *Meet the Raisins!*, IMDB, <http://www.imdb.com/title/tt0261062/> (last visited Nov. 28, 2017); *Discography*, CALIFORNIA RAISINS, <http://thecaliforniaraisins.com/pages/discography.html> (last visited Nov. 28, 2017).

¹¹¹ Lanham Act, *supra* note 9, at §§ 32, 43(a), 43(c), 15 U.S.C. §§ 1114, 1125(a), 1125(c) (2013).

¹¹² See *Boston Professional Hockey Ass'n v. Dallas Cap & Emblem Mfg.*, 510 F.2d 1004 (5th Cir. 1975); Anti-Cybersquatting Consumer Protection Act, 15 U.S.C. § 1125(d) (2013); Trademark Dilution Revision Act of 2006, PL 109-312 (2006). See also authorities cited *infra* nn. 114–15.

¹¹³ 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.”)

¹¹⁵ See generally Rebecca Tushnet, *Make Me Walk, Make Me Talk, Do Whatever You Please: Barbie and Exceptions*, in INTELLECTUAL PROPERTY AT THE EDGE: THE CONTESTED CONTOURS OF IP 405–26 (Rochelle Cooper Dreyfuss & Jane C. Ginsburg, eds. 2014); Jane C. Ginsburg, *Of Mutant Copyrights, Mangled Trademarks, and Barbie's Beneficence: The Influence of Copyright on Trademark Law*, in TRADEMARK LAW AND THEORY: A HANDBOOK OF CONTEMPORARY RESEARCH 481 (Graeme B. Dinwoodie & Mark D. Janis, eds. 2008).

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 anti-dilution 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).

¹¹⁸ 17 U.S.C. § 504(b) (2009).