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INCIDENTAL ARTWORK IN TELEVISION SCENE BACKGROUNDS: FAIR USE OR COPYRIGHT INFRINGEMENT?

INTRODUCTION

On October 18, 1990, Bill Cosby ordered the removal of a mural from the background of the opening credits of his NBC television series, "The Cosby Show."¹ The removal resulted from a dispute involving two murals: an original wall mural, called "Street of Dreams," painted by students of the Creative Arts Workshop for Homeless Children on a Harlem building, and an allegedly similar mural shown on the series.² Although Bill Cosby and the show's producer, Carsey-Wener Co., had spoken with the Workshop, negotiations broke down before final clearance.³ Consequently, the show's art department designed an "original" mural, using it instead of "Street of Dreams." Newspapers described the new mural as having been "inspired" by the wall mural in Harlem.⁴ The newly created mural, although it used similar colors and elements, was not identical to "Street of Dreams."⁵

"The Cosby Show" situation illustrates the issue of whether unauthorized use of artwork in the background of a television broadcast infringes upon an artist's copyright. There are three potential copyright issues raised: infringement of an artist's reproduction right; infringement of an artist's display right; and allowance of the incidental use under the fair use exception.

It may seem hard to believe that a fraction of a backdrop on a set could command so much attention. Yet, any unauthorized use of a recognizable painting, a published book on a shelf, a sculpture on a table, or a poster on a wall in the background of a production, gives rise to potential copyright infringement claims.⁶ Accordingly, many

1. *The Cosby Show* (NBC Television).

2. *Personals: Cosby Show Takes Down the Mural*, S.F. CHRON., Oct. 18, 1990, at A10.

3. *Made to Bring Joy, a Mural Instad Creates Anger, Pitting Homeless Harlem Kids Against The Cosby Show*, PEOPLE, Oct. 29, 1990, at 80 [hereinafter *Made to Bring Joy*]; *Personals: Cosby Show Takes Down the Mural*, supra note 2, at A10; *Short Takes: Cosby Drops Children's Mural from Show in Flap Over Credit*, L.A. TIMES, Oct. 17, 1990, pt. P, at 10 col. 1. The original mural was not used because the children's group would have required the show to: 1) obtain clearance from each of the sixty-three young artists; 2) give credit to the artists; 3) pay for the use of the concept. *Personals: Cosby Show Takes Down the Mural*, supra note 2, at A10.

4. See *Made to Bring Joy*, supra note 3, at 80.

5. *Personals: Cosby Show Takes Down the Mural*, supra note 2, at A10.

6. Copyright infringement differs from trademark infringement under the Lanham Act, 15 U.S.C. §§ 1051-1127 (1982 & Supp. II 1984), which would involve the use of any words, marks, names, symbols, or devices used by a manufacturer or merchant to identify and distinguish his goods from those manufactured or sold by

producers choose to err on the side of caution by "clearing" (getting authority) and crediting everything they use, or, if clearance is impractical, by not using the work.⁷ The tendency to avoid copyrighted work is manifest when producers order art departments to make new "original" works to be used as substitutes for the copyrighted works. New books and bindings are made and artwork is created from scratch resulting in great expenditure of time and money. Often the effort and expense of obtaining clearance and authority, or alternatively, the prospect of costly and lengthy litigation if the work is used without approval, results in removal of the object of debate. This seems to run contrary to one of the primary objectives of the Copyright Act of 1976,⁸ namely the free dissemination of art and information to the public.⁹ Thus, fear of litigation over reproduction and display infringements has, in effect, "chilled" the use of copyrighted art.

This Note addresses whether an artist's exclusive rights are violated when the visual image of a copyrighted work is reproduced and displayed on television without permission from the copyright

others. 15 U.S.C. § 1127 (1988). All marks, registered or not, will be protected if they are distinctive. Examples include: board games; logos on clothing or shoes; labels on products such as cosmetics, liquor or cola containers; name-brand foods; or even power tools. In the movie "Wayne's World," the characters in the film mockingly hold up recognizable products. The spokesperson at Paramount acknowledged that permission was necessary, however, payment was not. In fact manufacturers often pay large amounts of money just for the free advertisements and potential association with a popular media figure. *Plugging Away With Wayne and Garth*, PEOPLE, Mar. 9, 1992, at 33. For an interesting twist, see *Black & Decker v. Twentieth Century Fox*, in which the trademark owner sued the producer for not using their registered product. Black & Decker sued Fox for negligent misrepresentation and breach of contract on the grounds that Fox had promised to place a Black & Decker "Univolt drill" in Bruce Willis' hand during one of the key action scenes of *Die Hard II: Die Harder*. The scene was filmed but was cut from the final edition. SPY MAGAZINE, Oct. 1, 1991, at 57. Along with the avoidance of copyrighted work, there is also a tendency to stay away from use of trademarked products. Protected marks may not be used without permission. Often, recognizable labels on clothing are removed or altered. Fake labels, called "greeking" labels (Earl Hayes Press, L.A. is one company that makes these labels), are often affixed to identifiable commercial products. "Greeking" is a publishing or computer software term. "Greeking" are greek symbols used when the typed text gets too small. The symbols replace the letters and render the text unreadable. *A Step-by-Step Analysis of the Desktop Publishing Process*, INFOWORLD, Jan. 1, 1990, at 42.

7. Each network and each producer will have their own policy. Some shows will certainly be more concerned than others about potential copyright infringement claims—in particular the high profile shows and the deep pocket producers and networks.

8. Copyright Act of 1976, 17 U.S.C. §§ 101-914 (1988).

9. Copyright is intended to increase and not to impede the harvest of knowledge. *Harper & Row Publishers v. Nation Enters.*, 471 U.S. 539 (1985); *Iowa State Univ. Research Found., Inc. v. American Broadcasting Cos.*, 621 F.2d 57 (2d Cir. 1980).

owner.¹⁰ It will argue that the unauthorized, incidental use of an authorized reproduction or an original work in the background of a television show constitutes fair use. Part I explains the relevant copyright law, its history and the policy considerations behind the protections granted. Part II reviews the case law pertaining to incidental use of a copyrighted work in the background of a scene on television. Part III proposes a multi-factored test for courts to use as a guideline in future cases.

I. HISTORY OF FAIR USE EXCEPTIONS AND REPRODUCTION AND DISPLAY PROTECTION

A. *General Purpose of Copyright Law*

The Constitution protects the rights of artists by empowering Congress to "promote the progress of science and useful arts, by securing for a limited time to authors and inventors the exclusive rights to their respective writing and discoveries."¹¹ This "copyright clause"¹² gives Congress the power to grant a monopoly for the copyright owner by granting the owner exclusive control over the market for her work.

The copyright laws were originally intended to control unauthorized copying and use of a work.¹³ The underlying theory is that unauthorized use of a work deprives the creator of any potential profits and benefits to which she is entitled.

While the immediate effect of copyright law is to secure a fair return for an author's creative labor, the ultimate aim is "to stimulate artistic creativity for the general public good."¹⁴ The copyright clause of the Constitution was meant to motivate this creative activity of authors by providing a special reward: protection.¹⁵ However, "the Constitution does not establish copyrights, but provides that Congress shall have the power to grant such rights if it thinks best. Not primarily for the benefit of the author, but primarily for the

10. If the work used in the background is itself found to be an unauthorized copy, this is a separate issue of reproduction.

11. U.S. CONST. art. I, § 8, cl. 8. In addition, the Fourteenth Amendment prohibits the deprivation of property without due process of law. This property includes "intellectual property" which has been described as a property of a unique kind. ALAN LATMAN, ROBERT A. GORMAN & JANE C. GINSBURG, *COPYRIGHT FOR THE NINETIES* 13 (3d ed. 1989) [hereinafter LATMAN]. It is intangible and incorporeal. *Id.* "[I]ntellectual property is, after all, the only absolute possession in the world The man who brings out of nothingness some child of his thought has rights therein which cannot belong to any other sort of property." Zechariah Chaffee, Jr., *Reflections on the Law of Copyright*, 45 COLUM. L. REV. 503, 506-07 (citations omitted).

12. *Goldstein v. California*, 412 U.S. 546, 546 (1973).

13. *Bobbs-Merill Co. v. Straus*, 210 U.S. 339, 346-47 (1908).

14. *Twentieth Century Music Corp. v. Aiken*, 422 U.S. 151, 156 (1975).

15. See *Sony Corp. v. Universal City Studios, Inc.*, 464 U.S. 417, 429 (1984).

benefit of the public, such rights are given."¹⁶ In order to further this public welfare policy espoused by the founding fathers, a series of federal statutes have been passed. Congress recognized that free expression is enriched by protecting creations of authors from exploitation by others and that encouragement of individual effort by personal gain is the best way to advance public welfare.

In 1790, Congress enacted the first copyright law of the United States.¹⁷ It granted protection to any "book, map or chart." Then, as new subjects were added, the scope and terms of protection expanded.¹⁸ In 1870, Congress amended the Act to include paintings, drawings, sculpture, and models or designs for works of the fine arts.¹⁹ The first modern copyright act of 1909²⁰ was the basis for the present Act created in 1976, which recognized the fair use limitation on exclusive rights for the first time.²¹ Under the 1976 Act, all works, published or unpublished, are governed exclusively by the federal Copyright Act based on the work's date of creation.²²

16. H.R. REP. No. 2222, 60th Cong., 2d Sess. (1909).

The enactment of copyright legislation by Congress under the terms of the Constitution is not based upon any natural right that the author has in his writings for the Supreme Court has held that such rights as he has are purely statutory rights, but upon the ground that welfare of the public will be served and progress of science and useful arts will be promoted by securing to authors for limited periods the exclusive rights to their writings.

Id.

17. H.R. REP. No. 1476, 94th Cong., 2d Sess. 47 (1976), *reprinted in* 1976 U.S.C.C.A.N. 5659, 5660.

18. In 1802 prints were added; in 1831 musical compositions were added and the first, original term, was extended to twenty-eight years; in 1856 dramatic compositions and their public performance were added; in 1865 photographs were added. LATMAN, *supra* note 11, at 5-12.

19. *Id.* at 7. This Act also centralized the copyright business by moving it from the Capitol Building to the Library of Congress.

20. 1909 Act, 17 U.S.C. § 100 (1909).

21. 17 U.S.C. § 107 (1988). In 1988, the United States amended the 1976 Act when it ratified the Berne Convention Act of 1988, Pub. L. No. 100-568, § 7, 102 Stat. 2858-59 (effective Mar. 1, 1989). Foreign copyright regimes had dispensed with formalities as a prerequisite to protection, making everything published automatically protected against unauthorized copying. The United States amended its statute to include a provision that made notice optional rather than mandatory. Claimants need no longer register as a prerequisite to bring suit for works of foreign origin. However, works of United States origin still need pre-suit registration. See Berne Convention Implementation Act of 1988, Pub. L. No. 100-568, § 7, 102 Stat. 2853 (1988).

22. 17 U.S.C. § 301 (1988), *amended by* 17 U.S.C.A. § 301 (West Supp. 1991). Congress' passing of the 1976 Copyright Act was intended to abolish the dual system of federal and state law by creating a single federal system of protection for all "original works of authorship," published or unpublished, from the moment they are fixed in a tangible medium of expression. See *Editorial Photocolor Archives, Inc. v. Granger Collection*, 463 N.E.2d 365 (N.Y. 1984), in which the court stated that after the effective date of the Act, all legal and equitable rights equivalent to

Copyright protection is wholly statutory and state law is expressly preempted. If, however, the work fails to satisfy federal requirements of fixation and originality, creators may still rely on state common law to protect their works.²³

Federal protection of a creation under the 1976 Act is not automatic. Before an artist can claim or exercise any exclusive rights and uses of a creation, the artwork must meet three criteria: it must be original;²⁴ it must be "fixed in any tangible medium of expression;"²⁵ and it must be more than a concept or idea, it must be an "expression" of an idea or concept. The work need not be novel, nor does it have to be an "invention."

In order to meet the first requirement, an author need not produce a work of recognized intellectual or artistic merit. It suffices if the author refrains from copying prior works and contributes more than a minimal amount of creativity. The test for originality has been characterized by the Second Circuit as modest and minimal. The threshold for passing this test is admittedly low.²⁶ The second criterion requiring "fixation" means a work must be "sufficiently permanent or stable to permit it to be perceived, reproduced, or otherwise communicated for a period of more than transitory duration."²⁷

copyright are governed exclusively by the new act. *See also Klekas v. EMI Films, Inc.*, 150 Cal. App.3d 1102, 198 Cal. Rptr. 296 (1984).

23. 17 U.S.C.A. § 301 (West Supp. 1991). Authorship rights, though often confused with copyrights, are not equivalent to copyright and are not pre-empted by the 1976 Act. These state protected rights include an artist's moral rights which protect the artist's reputation in a work. "Moral rights" mean that even if the use of the work is authorized and paid for, it can not be used in an improper or offensive manner. *See California Art Preservation Act, Cal. Civ. CODE § 989; Visual Artists Rights Act of 1990, Pub. L. No. 101-650, 104 Stat. 5128 (codified at 17 U.S.C.A. § 106(a) (West Supp. 1991)).* Visual Artist Rights have been added to the 1976 Copyright Act in the 1990 amendments under § 106(a).

24. 17 U.S.C.A. § 102(a) (West Supp. 1991). The phrase "'original works of authorship' is purposely left undefined [and] is intended to incorporate without change the standard of originality established by the courts under the present copyright statute. This standard does not include requirements of novelty, ingenuity, or esthetic merit, and there is no intention to enlarge the standard of copyright protection to include them." H.R. REP. No. 1476, *supra* note 17, at 51, *reprinted in* 1976 U.S.C.C.A.N. at 5664-65.

25. 17 U.S.C.A. § 102(a) (West Supp. 1991); *see also* 17 U.S.C. §§ 101-914 (1977 and West Supp. 1991). Examples of tangible mediums of expression include: "words, numbers, notes, sounds, pictures, or any other graphic or symbolic indicia, whether embodied in a physical object in written, printed, photographic, sculptural, punched, magnetic, or any other stable form . . ." H.R. REP. No. 1476, *supra* note 17, at 52, *reprinted in* 1976 U.S.C.C.A.N. at 5665.

26. *See Puddu v. Buonamicci Statuary, Inc.*, 450 F.2d 401, 402 (2d Cir. 1971); *Original Appalachian Artworks, Inc. v. Toy Loft Inc.*, 684 F.2d 821, 824 (11th Cir. 1982) (holding that author need only show he has contributed something recognizably his own).

27. 17 U.S.C. § 101 (1988). The purpose of this provision is to prevent the making of any unjustifiable distinctions between forms or mediums in which the work is

Moreover, only certain types of work may be protected. Sometimes only certain parts of a work may be protected. For example, facts and research contained in a work can not be copyrighted. Only a particular "form or expression" of an idea is protected under section 106 of the 1976 Act.²⁸

Section 106 grants copyright owners five exclusive rights: 1) reproduction and copying;²⁹ 2) creation of derivative works;³⁰ 3) distribution;³¹ 4) performance;³² and 5) display.³³

fixed. The medium makes no difference so long as the work is capable of perception directly or by means of any machine or device now known or later developed. H.R. REP. NO. 1476, *supra* note 17, at 51-52, reprinted in 1976 U.S.C.C.A.N. at 5664-65.

28. "In no case does copyright protection for an original work of authorship extend to any idea, procedure, process, system, method of operation, concept, principle, or discovery, regardless of the form in which it is described, explained, illustrated, or embodied in such work." 17 U.S.C.A. § 102(b) (West Supp. 1991).

29. See *infra* notes 34-51 and accompanying text.

30. A derivative work includes any "form in which a work may be recast, transformed, or adapted." 17 U.S.C. § 101. A copyright owner's derivative rights are violated when her copyrighted work is used without consent as the basis for a second work that is "substantially similar" to the original copyrighted work. This Note will not examine derivative rights in detail but rather the use of original and lawful copies. However, occasionally derivative rights may overlap with reproduction rights. See *infra* notes 34-51 and accompanying text; see also Elisa A. Alcabes, Note, *Unauthorized Photographs of Theatrical Works: Do they Infringe the Copyright?*, 87 COLUM. L. REV. 1032, 1035-1040 (1987).

31. Distribution entails the widespread dissemination or dispersal, whether by sale or not, of the copyrighted work or its copies to the public. See LATMAN, *supra* note 11, at 509-10. It is the owner's exclusive right to make the work available to the public "by sale or other transfer of ownership, or by rental, lease, or lending." 17 U.S.C. § 106(3) (1988). This particular protection only extends to control over the first public distribution of the work. 17 U.S.C. § 109 (1988). After this, the work is in the public domain and it is not infringement for the owner of a lawful copy to rent or sell them without authority of the copyright owner, although it may be a breach of contract if the work was sold with a contractual limitation on certain uses of the work. Distribution is not an issue in the broadcast of a copyrighted work. Even if the network station taped the show with the offending backdrop and distributed the tapes to certain broadcasters for airing, this would not constitute a distribution "to the public" under 17 U.S.C. § 101 because the number of tapes made are limited and those few tapes are not freely available to the public to borrow or take.

32. The provision prohibiting performance without permission bars reproduction of musical compositions or visual images transmitted in a sequence. Under 17 U.S.C. § 106(4) of the 1976 Act, the right of public performance extends to "literary, musical, dramatic, and choreographic works, pantomimes, and motion pictures and other audiovisual works . . ." To "perform" a work means to "recite, render, play, dance, or act it, either directly or by means of any device or process or, in the case of a motion picture or other audiovisual work, to show its images in any sequence or to make the sounds accompanying it audible." 17 U.S.C. § 101 (1988). Examples include: "reading a literary work aloud; singing or playing music; dancing a . . . choreographed work"; or showing portions of a film. See H.R. REP. NO. 1476, *supra* note 17, at 64, reprinted in 1976 U.S.C.C.A.N. at 5677-78. If the images are shown in a non-sequential order, or if just a single image is shown, then

B. *The Theory of Reproduction Protection*

Under the 1976 Act, the copyright owner has the exclusive right to control the reproduction or copying of her copyrighted works. A copy is defined in the Act as a material object in which a work is fixed and communicated, regardless of the medium through which it is communicated.³⁴ The copy³⁵ or reproduction must be sufficiently permanent to permit it to be perceived³⁶ and must be communicated for a period of more than transitory duration.³⁷ The right protects against verbatim copying, and against paraphrasing. But the right prohibits only actual use of the copyright owner's work as a model, either directly or indirectly; it does not cover coincidental similarities in a work created independently and without reference to the first. Two independently created works may depict the same idea in different ways. A new piece of work that embodies the same idea as an existing work does not result in a reproduction infringement because ideas are not copyrightable.³⁸ For example, the original mural in "The Cosby Show" debate consisted of "row upon row of primary-colored apartment houses peopled with smiling kids and parents."³⁹ This subject—apartment houses and residents—may be

it is considered a display and not performance that concerns the broadcast of a pictorial image. *Id.*

33. *See infra* notes 52-65 and accompanying text.

34. *Time Inc. v. Bernard Geis Assocs.*, 293 F. Supp. 130, 144 (S.D.N.Y. 1968) ("Copyright in work protects against unauthorized copying not only in original medium in which work was produced, but also in any other medium as well." (quoting MELVILLE B. NIMMER, *NIMMER ON COPYRIGHT* 98 (1963))).

35. The word "copy" is defined as an "exact or substantial reproduction of the original . . . as to give every person seeing it the idea created by the original and must be such that ordinary observation would cause it to be recognized as having been taken from the work of another." *Turner v. Century House Publishing Co.*, 290 N.Y.S.2d 637, 642 (Sup. Ct. 1968). *See also* BLACK'S LAW DICTIONARY 336 (6th ed. 1990).

36. In *White-Smith Music Publishing Co. v. Apollo Co.*, 209 U.S. 1 (1908), the Court held that perforated piano rolls were not copies of musical compositions since the composition could not be visually perceived from the piano roll.

37. 17 U.S.C. § 101; "[T]he definition of 'fixation' would exclude from the concept purely evanescent or transient reproductions such as those projected briefly on a screen, shown electronically on a television or other cathode ray tube, or captured momentarily in the 'memory' of a computer." H.R. REP. NO. 1476, *supra* note 17, at 53, *reprinted in* 1976 U.S.C.C.A.N. at 5666. Section 101 of the 1976 Act contains a provision allowing some works to be considered "fixed" if the work is being fixed (e.g., taped) while it is being transmitted live. H.R. REP. NO. 1476, *supra* note 17, at 62, *reprinted in* 1976 U.S.C.C.A.N. at 5675 (noting further that, because of the requirement of fixation in a stable tangible form, the showing of images on a screen or tube would not be in violation of the exclusive right to reproduce the work, although such a showing might infringe the owner's exclusive right of public display, H.R. REP. NO. 1476, *supra* note 17, at 56, *reprinted in* 1976 U.S.C.C.A.N. at 5669).

38. *See supra* note 28.

39. *Made to Bring Joy*, *supra* note 3, at 80.

portrayed or expressed in many different ways. Another artist may subsequently create an artwork with the same theme: apartment houses and the families that reside in them. Just because two artists depict buildings and people does not mean that the latter artist has infringed upon the former's rights. Each will convey, or express, his or her own theme.

The problem arises in deciding whether the second piece of work expresses the idea in too similar a manner to the original piece.⁴⁰ The court would have to determine whether the composition of the latter work expressed the subject in a way that looked too much like the first one. To violate the exclusive right of reproduction, the second author's copying must be "substantial and material."⁴¹ If the second piece is found to be different from the first, it is not considered a reproduction; it is a new and original work. There is no set rule or formula to determine how much copying is "substantial and material." Reproduction violations are determined on a case by case basis and courts differ over what constitutes reproduction.

A copyright of a work of art may be infringed by reproductions of the object itself.⁴² This type of "copying," however, is not at issue. It is not the physical object that is being reproduced, but its image. Substantial similarity is determined by comparing a physical copy with a screen image of a copy.⁴³ This is a relatively unexamined area of copyright law and as a result, the few courts that have dealt with television reproductions have reached inconsistent results.

For example, the Ninth Circuit heard a case in which the defendant had contractually obtained television rights but not video rights to reproduce a work. Although this case concerned the reproduction of the entire film (a performance) and not the reproduction of an image (a display), the same analysis would apply. In comparing the nature of video recordings with television broadcasts, the court determined television images to be too ephemeral to constitute repro-

40. For application of this concept in a case, see *Baker v. Selden*, 101 U.S. 99 (1879). Selden copyrighted a book comprised of special "condensed ledgers" used for bookkeeping. He sued Baker for using a similar plan which reached the same results but used different arrangements on the ledger. The Court found that an accounting system is open to public use and that any author has the right to express the system in his own way. The copyright of Selden's book did not confer upon him an exclusive right in the system.

41. The "substantially similar" factor in the reproduction analysis concerns whether a work is too much like another previous work. Since this Note is concerned with the use of originals and lawful copies this factor is explored only to the extent of whether a screen image is substantially similar to the original physical copy. See *infra* notes 94-97 and accompanying text for discussion of *Mura v. Columbia Broadcasting Sys.*

42. *Mura v. Columbia Broadcasting Sys.*, 245 F. Supp. 587, 590 (S.D.N.Y. 1965).

43. See *id.* at 590.

duction.⁴⁴ Similarly, the Southern District of New York found that there was no reproduction in a live transmission.⁴⁵

In contrast, other courts have suggested that once a work is taped it becomes fixed and thus constitutes a reproduction. The Central District Court of California determined that "fixed" need not truly be permanent, just permanent enough to be perceived for more than a transitory period of time.⁴⁶ Thus, this court found reproduction despite the impermanent, strictly internal use of the work within a company.⁴⁷ The Eleventh Circuit similarly found that even if infringing tapes were erased days later, they were fixed for a period long enough to satisfy the statutory definition.⁴⁸

Some courts, having found reproduction infringements, have applied a quantitative test and allowed the use. For example, the Southern District of New York has held that where the duplicated portions of the copyrighted work (a printed reproduction) are small and insignificant, they are *de minimis* and non-infringing.⁴⁹ The same court affirmed this quantitative analysis in a later case in which it announced that there is no substantial similarity (a necessary element for finding reproduction) where the context of a work is significantly different.⁵⁰

Although the courts have yet to reach a consensus as to what constitutes infringement, the use of a copyrighted piece of work in the backdrop of a television scene being taped (fixed) and then later broadcast nationally will result in a technical reproduction violation under even the most liberal interpretation of the law. The infringing

44. *Cohen v. Paramount Pictures Corp.*, 845 F.2d 851, 854 (9th Cir. 1988). For further discussion of this case, see *infra* notes 95-98 and accompanying text.

45. *Mura*, 245 F. Supp. at 589. See *infra* notes 99-106 and accompanying text (issue of reproduction through taped broadcasts was not discussed).

46. *Walt Disney Prods. v. Filmation Assocs.*, 628 F. Supp. 871, 876 (C.D. Cal. 1986).

47. *Id.* at 876.

48. *Pacific & S. Co. v. Duncan*, 744 F.2d 1490, 1494 (11th Cir. 1984), *cert. denied*, 471 U.S. 1004 (1985). But see *Mura*, 245 F. Supp. at 590 (quoting ARTHUR WILLIAM WEIL, *AMERICAN COPYRIGHT LAW* 406):

It would seem that a copy involves the conception that it must have some degree of permanency or the maxim *de minimis* would apply. Thus, while the making of a single copy may be infringement, if this copy were destroyed almost as soon as made . . . it may be doubted whether such a temporary production could fairly be called a copy.

49. *Werlin v. Reader's Digest Ass'n*, 528 F. Supp. 451 (S.D.N.Y. 1981).

50. *Heyman v. Salle*, 743 F. Supp. 190 (S.D.N.Y. 1989). In this case a photograph had been torn out of a copyrighted book and used as a minimal part of a huge backdrop for an opera. The court noted that the backdrop was not presented alone, but appeared as the background in the overall context of an opera scene (and for only five minutes). See also *Mura*, 245 F. Supp. at 590. In *Mura*, the rationale was applied by the same court in the context of television reproduction where the use of the work was minimal and insignificant. In that case the use was considered a reproduction, but it was allowed.

copy would be the taped and broadcasted image of the original work. The image is substantially similar and the tape is sufficiently permanent and stable to permit the copy (or its image) to be perceived. The work is thus fixed. If the tape were made and later destroyed, the fixation requirement would still be met.⁵¹

C. *The Theory of Display Protection*

Since images on television shows are fleeting and not permanent, there may be no fixation and therefore no reproduction.⁵² Reproduction, however, is not the only problem created by showing a copyrighted piece of background artwork in a television broadcast; there may be a separate, but related potential display infringement as well.⁵³ The display right was created by the 1976 Copyright Act. It provides, that in the case of pictorial, graphic and sculptural works, the copyright owner shall have the exclusive right to display the copy publicly.⁵⁴ To be actionable as an infringement, the unauthorized display of a copy of a work must be public. Private displays are exempted.⁵⁵ The statute defines public display in section 101 as the showing of the original or a lawful copy of a work "at a place open to the public or at any place where a substantial number of persons outside of a normal circle of a family and its social acquaintances [are] gathered."⁵⁶ By including a display right under the

51. A television news feature became fixed when it was recorded on videotape even though it was erased after seven days since seven days is a period of more than "transitory duration." *Pacific & S. Co.*, 744 F.2d. at 1494.

52. H.R. Rep. No. 1476, *supra* note 17, at 62, reprinted in 1976 U.S.C.C.A.N. at 5675.

53. These violations sometimes overlap in that a single act can result in an infringement of more than one right. However, the rights are independent and separate, and a transmission or communication of a work may result in a display violation and not a reproduction violation. An example of this would be a live broadcast of a work.

54. *Id.* "Clause (5) of section 106 represents the first explicit statutory recognition in American copyright law of an exclusive right to show a copyrighted work, or an image of it, to the public." H.R. Rep. No. 1476, *supra* note 17, at 63, reprinted in 1976 U.S.C.C.A.N. at 5676-77. See *Thomas v. Pansy Ellen Prods.*, 672 F. Supp. 237, 240 (W.D.N.C. 1987).

55. See 17 U.S.C. § 106(5) (1988). See *Streeter v. Rolfe*, 491 F. Supp. 416, 421 (W.D. La. 1980) (use of a decoy in a hunt is not a public display); see also *Thomas*, 672 F. Supp. at 240 (showing designs at trade show constitutes public display).

56. 17 U.S.C. § 101. The courts have dealt with the meaning of "public place" in a number of performance infringement cases. The definition for public performance is the same as the definition for public display with the only difference being the number of images or musical notes played and whether they are played in a sequence or shown alone. See *Columbia Pictures Indus. v. Redd Horne, Inc.*, 749 F.2d 154, 158 (3d Cir. 1984); see also *Columbia Pictures Indus. v. Aveco Inc.*, 800 F.2d 59, 62 (3d Cir. 1986). In *Redd Horne*, private viewing rooms were included within the "public place" clause because the pertinent place was the entire store, which was public. Certainly, a network television program over national airways will be considered public. "A 'network television program' is a program supplied

copyright law, the legislators intended to prohibit indirect public displays by the owner of the tangible copy that would affect the copyright owner's market for reproduction and distribution.⁵⁷ That intention is to be achieved by limiting the display privilege of owners of particular copies to either direct (i.e., live) displays, or to those indirect displays (i.e., by projection) where the viewers are "present at the place where the copy is located."⁵⁸

According to section 101, once the copy or its image is "transmit[ted] or otherwise communicat[ed]" to viewers not located in the same physical surroundings of the work it becomes a public display. Public transmission or communication may be achieved "either directly or by means of a film, slide, television image or any other device or process . . . whereby images or sounds are received beyond the place from which they are sent."⁵⁹ The language is sufficiently broad to include all forms of wireless communications media including television broadcasting. If the broadcast picks up and conveys an image, it is a "transmission." If that transmission reaches the public in any form, the case comes within the scope of section 106(5).⁶⁰ Thus, section 106(5) presents a problem to the T.V. broadcaster. For when the image is transmitted, members of the public are not located on the same premises as the work. Rather, they are located in their private homes.

Courts which differ as to reproduction violations also differ in their methods of analyzing display infringements. Yet they generally agree that the showing of a copyrighted work on television will constitute a display violation. For example, the Ninth Circuit⁶¹ and the Southern District of Florida⁶² found the unauthorized showing of

by one of the television networks in the United States providing nationwide transmissions to television broadcast stations that are owned or operated by, or affiliated with, the television network." 25 Pat. Trademark & Copyright J. (BNA) 376, 378 (1983) (text of H.R. REP. No. 1388).

57. H.R. REP. No. 1476, *supra* note 17, at 80, *reprinted in* 1976 U.S.C.C.A.N. at 5694.

58. 17 U.S.C. § 109(c) (1988).

59. 17 U.S.C. § 101.

60. H.R. REP. No. 1476, *supra* note 17, at 64, *reprinted in* 1976 U.S.C.C.A.N. at 5677-78. Broadcast of a song on radio or television, is a public performance, even though the members of the public receive the broadcast in the privacy of their homes and even though the potential recipients of the broadcast represent a limited segment of the public, such as the occupants of hotel rooms or the subscribers of a cable television service. See H.R. REP. No. 1476, *supra* note 17, at 64-65, *reprinted in* 1976 U.S.C.C.A.N. at 5677-78. Although these cases do not expressly deal with display, this clarification made in regard to publication may be applied to display as well.

61. *Cohen v. Paramount Pictures Corp.*, 845 F.2d 851 (9th Cir. 1988). See *infra* notes 95-98 and accompanying text.

62. *Triangle Publications, Inc. v. Knight-Ridder Newspapers, Inc.*, 445 F. Supp. 875 (S.D. Fla. 1978) (Defendant's use of *TV Guide* constitutes a "display" within the ambit of the Copyright Act. The new Act provides that the term "display" in-

an image on television to be a violation of the copyright owner's display right. The Fifth Circuit used a quantitative analysis in which the duration of the display of the copyrighted work was so minimal as to preclude infringement.⁶³ The Southern District of New York, in a similar analysis, also considered the minimal amount of time the infringement occurred in its finding of fair use.⁶⁴ This decision suggests that the court found a violation and applied a fair use exception. There was unauthorized use; the court simply permitted it under the circumstances. Finally, it seems the courts are in accord with the statute, which includes in its definition of display the showing of a television image.⁶⁵ Therefore, an unauthorized network broadcast of a copyrighted work will be a display violation.

D. *The Theory of the Fair Use Exception*

Although the interests of the author and the public may coincide, insofar as both benefit from the widest possible dissemination of authors' works, it is often unreasonable for would-be users to seek out the copyright owner to get permission. So in situations where copyright restrictions would inhibit dissemination with little or no benefit to the author, authors' interests should sometimes yield. The doctrine of fair use, discussed in depth below, is a primary example of this reasoning.

Once a court has found reproduction or display infringement, it must determine whether the violation is permissible under the fair use exception in section 107 of the 1976 Act. Although section 106 of the statute gives the artist exclusive rights, the law specifically states that these rights are subject to some limitations set forth in sections 107-118 of the Act. Authors' rights, while still exclusive, are not absolute.⁶⁶ Some limitations of exclusive rights of an author are determined by a balancing of interests.⁶⁷

cludes a showing of a "copy" of the work in question via television, where "copy" includes the original depiction of the work.), *aff'd*, 626 F.2d 1171 (5th Cir. 1980). See *infra* notes 114-115 and accompanying text.

63. *Estate of Vane v. The Fair, Inc.*, 849 F.2d 186 (5th Cir. 1988), *cert. denied*, 488 U.S. 1008 (1989). For the same approach to the reproduction violation analysis, see *supra* notes 33-48 and accompanying text.

64. *Heyman v. Salle*, 743 F. Supp. 190 (S.D.N.Y. 1989) (offending backdrop shown for only five minutes).

65. 17 U.S.C. § 101.

66. A creator never gets total control over all possible uses of work; rather the Copyright Act grants "exclusive" rights to use works in only five qualified ways. An unauthorized use of a copyrighted work is therefore not an infringement unless it conflicts with one of the specific exclusive rights conferred by copyright statute. *Sony Corp. of Am. v. Universal City Studios, Inc.*, 464 U.S. 417, 432-33, *reh'g denied*, 465 U.S. 1112 (1984) (The sale of home video tape recorders to the general public did not constitute contributory infringement of copyright on television programs.).

67. This often involves the battle between copyright and first amendment free

There are some provisions under the 1976 Act that expressly allow for the limited unauthorized use of a copyrighted work. Under section 109, a copyright proprietor may not prevent the owner of a lawfully made copy (or an original) from displaying it without the artist's consent in a museum, art gallery, or other public place so long as the viewers are present at the same place where the copy on display is located.⁶⁸ The owner of the legitimate copy may not "transmit [it] by any method (by closed or open circuit television, for example. . .) from one place to members of the public located elsewhere."⁶⁹ This exemption extends only to public displays that are made either directly or by the projection of no more than one image at a time.⁷⁰ The copyright owner may prevent the owner of a particular copy from making new copies and further displaying them. This section thus implies that it is permissible for the public to come to the work, but that it is not permissible to send the work to the public—which is exactly what a television broadcast does.

Section 110 of the 1976 Act further limits the exclusive rights by providing exemptions for certain performances and displays. There is no infringement when the work is used by the government for certain exhibitions, for non-profit education, or in the course of service at religious worship so long as the copy being displayed is lawfully made. If, however, there is any admission charge the proceeds must not be used for private financial gain.⁷¹ The issue at hand does not fit under section 110 as it is neither educational, religious nor com-

speech which will not be discussed. For discussion on this issue see Robert C. Denicola, *Copyright and Free Speech: Constitutional Limitations on the Protection of Expression*, 67 CAL. L. REV. 283 (1979).

68. "Thus, even where the copy and the viewers are located at the same place, the simultaneous projection of multiple images of the work would not be exempted." H.R. REP. NO. 1476, *supra* note 17, at 80, reprinted in 1976 U.S.C.C.A.N. at 5694. Clearly television broadcasts are not exempted under section 109 as not only is there simultaneous projection of more than one image at a time, but the images are displayed to unlimited locations.

69. H.R. REP. NO. 1476, *supra* note 17, at 80, reprinted in 1976 U.S.C.C.A.N. at 5694.

70. 17 U.S.C.A. § 109(b) (West Supp. 1991) takes into account the potentialities of the new media communications, notably television, cable and optical transmission devices, as well as information storage and retrieval devices, all of which replace printed copies with visual images. This section entitles the owner of a lawfully made copy to display that copy publicly *without* the copyright owner's authority, "either directly or by the projection of no more than one image at a time, to viewers present at the place where the copy is located." However, a public display of an image of a copyrighted work in one of these mediums is subject to copyright control, if the copy from which the image was derived was outside the presence of the viewers. In other words, the display of a visual image of a copyrighted work would be an infringement if the image were transmitted by any method from the owner's place to members of the public located elsewhere. This would include a television broadcast of a pictorial work.

71. 17 U.S.C. § 110(4)(B) (1988).

pletely non-commercial.⁷²

Since the use of a pictorial work in the background of a television scene does not expressly fall under any one of the specific exceptions listed in sections 108-118, it is necessary to see if this type of use falls under the more ambiguous judicial doctrine of fair use in section 107. Section 107 has been characterized by the House Committee as one of the most important and well-established limitations on the exclusive right of copyright owners.⁷³

The Copyright Act of 1976 gives express statutory recognition to the "fair use" doctrine by providing that the "fair use" of a work is not an infringement of copyright where it is for purposes such as criticism, comment, news reporting, teaching, scholarship or research.⁷⁴ The House Committee gave examples of certain activities that might be regarded as fair use under the circumstances, e.g., "incidental and fortuitous reproduction, in a newsreel or broadcast, of a work located in the scene of an event being reported."⁷⁵

Section 107 of the 1976 Act does not attempt to define "fair use."⁷⁶ Nor does it provide a rule that can automatically be applied

72. There are exceptions to this rule as well. Under section 110(5), a communication of a transmission embodying a display of a work is not a copyright infringement if the public receives it on a *single* receiving device "of a kind commonly used in private homes, unless . . . a direct charge is made to see or hear the transmission." Although not further clarified in the statutory history, the term "single device" used in section 110(5) seems to mean literally one device. If the public receives it on more than one device, or if the display of the work is sent out or "further transmitted to the public," as would be the case with a national network broadcasting to millions of viewers located all over the nation, the use of the work would no longer be exempt. "It is the intent of the conferees that a small commercial establishment of the type involved in *Twentieth Century Music Corp. v. Aiken*, 422 U.S. 151 (1975), which merely augmented a home-type receiver and which was not [an establishment] of sufficient size to justify, as a practical matter, a subscription to a commercial background music service, would be exempt. Where the public communication was by means of something other than a home-type receiving apparatus, however, or where the establishment actually makes a further transmission to the public, the exemption would not apply." H.R. CONF. NO. 1733, 94th Cong., 2d Sess. 75 (1976), *reprinted in* 1976 U.S.C.C.A.N. 5810, 5816. The *Aiken* case is not an example of a secondary transmission (sent out by a radio station). *Aiken* is not resending the music to the public, he is just receiving it. This is a violation of the performance right as "any individual is performing whenever he . . . communicates the performance by turning on a receiving set." H.R. REP. NO. 1476, *supra* note 17, at 63, *reprinted in* 1976 U.S.C.C.A.N. at 5676-77. This performance happens to be exempt because "it is not considered public."

73. H.R. REP. NO. 1476, *supra* note 17, at 65-66, *reprinted in* 1976 U.S.C.C.A.N. at 5678-79.

74. 17 U.S.C. § 107.

75. H.R. REP. NO. 1476, *supra* note 17, at 65-66, *reprinted in* 1976 U.S.C.C.A.N. at 5678-79.

76. *New Era Publications Int'l, ApS v. Carol Publishing Group*, 729 F. Supp. 992 (S.D.N.Y.), *rev'd in part*, 904 F.2d 152 (2d Cir.), *cert. denied*, 111 S. Ct. 297 (1990).

in deciding whether any particular use is "fair."⁷⁷ Rather, it lists "the factors to be considered" for the purpose of determining whether the use made of a work is a fair use.⁷⁸ 1) the purpose and character of the use, including whether it is commercial in nature or non-profit;⁷⁹ 2) the nature of the copyrighted work and the interest at stake;⁸⁰ 3) the amount and substantiality of the portion used in relation to the copyrighted work as a whole;⁸¹ and 4) the effect of the use upon the potential market for or value of the copyrighted work and whether the new use serves the same functional purpose as the original.⁸²

The factors listed in section 107, however, are not exhaustive. Courts have declined to find these four factors conclusive, and have regularly introduced additional considerations such as size, context, medium, amount of time shown, and likelihood of confusion.⁸³ Other criteria include whether the performers, producers, directors and others responsible for the broadcast were paid; the size and nature of the audience; the size and number of excerpts taken; the number of copies reproduced; and the extent of reuse and exchange.⁸⁴

Fair use is a broad and flexible concept. Definitions and applications of the doctrine vary. In general, fair use is a rule of reason fashioned by judges to balance the public's interest in the free flow and dissemination of ideas and information against the copyright holder's interest in the exclusive control of her work.⁸⁵ The open-

77. *Id.*

78. 17 U.S.C. § 107. The factors listed in section 107 are preceded by the words "shall include," and use of the term "including" is defined as "illustrative and not limitative." 17 U.S.C. § 101. According to the House Report, the seven categories do not necessarily exhaust the scope of original works of authorship that the bill was intended to protect. Rather, the list sets out the general area of copyrightable subject matter with sufficient flexibility to free the courts from rigid or outmoded concepts of the scope of particular categories. H.R. REP. No. 1476, *supra* note 17, at 53, *reprinted in* 1976 U.S.C.C.A.N. at 5666-67. It has been said, however, that "normally these four factors would govern the analysis." *Triangle Publications, Inc. v. Knight-Ridder Newspapers, Inc.*, 626 F.2d 1171, 1175 n.10 (5th Cir. 1980). *See, e.g.,* Saul Cohen, *Fair Use in the Law of Copyright*, 1955 ASCAP COPYRIGHT L. SYMP. 43.

79. *See infra* notes 120-34 and accompanying text.

80. *See infra* notes 135-41 and accompanying text.

81. *See infra* notes 142-69 and accompanying text.

82. *See infra* notes 170-86 and accompanying text.

83. *See Heyman v. Salle*, 743 F. Supp. 190 (S.D.N.Y. 1989).

84. H.R. REP. No. 1476, *supra* note 17, at 72, *reprinted in* 1976 U.S.C.C.A.N. at 5685-86.

85. *Roy Export Co. Establishment of Vaduz v. Columbia Broadcasting Sys.*, 672 F.2d 1095 (2d Cir. 1982), *cert. denied*, 459 U.S. 826 (1982) ("The fair use doctrine allows a court to resolve tensions between the ends of copyright law, namely public enjoyment of creative works, and the means chosen under copyright law, that is, the conferral of economic benefits upon creators of original works.").

ended quality of judicial fair use was intentionally preserved by the framers of the new Act. The flexibility built into the statute was designed to reduce the difficulty that arises with new technology and new techniques of display that may not have been contemplated by legislators in the year the statute was framed.⁸⁶ A narrow statutory definition would be a drawback because it might inhibit the statute's ability to cope with new technology. This vagueness, however, has resulted in judicial confusion and disparity.

Courts have sometimes used the term "fair use" broadly to mean a non-infringing use,⁸⁷ while in other cases a "fair use" has been deemed to be a technical infringement which is excused because of the circumstances.⁸⁸ Some courts have defined fair use as a privilege of someone other than the copyright owner to use the copyrighted material in a *reasonable* manner⁸⁹ without the owner's consent or express license. One court maintained that statutory language indicates that fair uses are those that contribute in some way to the public welfare.⁹⁰ This doctrine of fair use has been acknowledged as a "troublesome question."⁹¹ Although the courts have considered and ruled upon the fair use doctrine over and over again, no clear definition of the concept has ever emerged. Indeed, the very nature of the doctrine precludes the formation of an exact rule. Each case raising the question must be decided on its own facts and tailored to the issues at hand.⁹²

This absence of a clear definition has caused at least one scholar to comment on the poor shape of the fair use doctrine:

Confronted with a defendant who seeks to avoid liability under the Copyright Act on the ground that his action, though inconsistent with section 106, was nevertheless "fair," a court is now obliged to undertake an examination of the "particular facts and

86. *Triangle Publications, Inc. v. Knight-Ridder Newspapers, Inc.*, 445 F. Supp. 875 (S.D. Fla. 1978), *aff'd*, 626 F.2d 1171 (5th Cir. 1980).

87. *Eisenschiml v. Fawcett Publications, Inc.*, 246 F.2d 598 (7th Cir. 1957), *cert. denied*, 355 U.S. 907 (1957).

88. *Holdredge v. Knight Publishing Corp.*, 214 F. Supp. 921 (S.D. Cal. 1963). The term has also been used to relate to the extent to which copyrightable or projectable material may be used without express license. See *Columbia Pictures Corp. v. National Broadcasting Co.*, 137 F. Supp. 348 (S.D. Cal. 1955); *Loew's Inc. v. Columbia Broadcasting Sys.*, 131 F. Supp. 165 (S.D. Cal. 1955), *aff'd*, 356 U.S. 43 (1957), *reh'g denied*, 356 U.S. 934 (1958).

89. *Rosemont Enter., Inc. v. Random House, Inc.*, 366 F.2d 303, 310 (2d Cir. 1966) ("The fair use privilege is based on the concept of reasonableness . . ."), *cert. denied*, 385 U.S. 1009 (1967). See also *Rubin v. Boston Magazine Co.*, 645 F.2d 80 (1st Cir. 1981).

90. *Pacific & S. Co. v. Duncan*, 744 F.2d 1490 (11th Cir. 1984).

91. *Mura v. Columbia Broadcasting Sys.*, 245 F. Supp. 587, 590 (S.D.N.Y. 1965) (quoting *MacDonald v. Du Maurier*, 144 F.2d 696 (2d Cir. 1944)).

92. H.R. REP. NO. 1476, *supra* note 17, at 65, *reprinted in* 1976 U.S.C.C.A.N. at 5678-79. Fair use is a mixed question of law and fact.

circumstances" of the case, guided only by a nonexhaustive list of "factors," many of which are ambiguous or flawed, and by four general "objectives" (drawn from four different traditions in political theory) that frequently will point toward different outcomes. The difficulty of predicting how courts will make such judgments has left many producers and users of copyrighted materials uncertain as to their legal rights. It is imperative that courts rebuild the doctrine along more sensible lines.⁹³

Unfortunately, confusion regarding what work may be used, and when, still exists. While some courts require both the artist's consent and a fee to satisfy the copyright requirements, other courts determined that consent alone will suffice. Still other courts feel consent is not necessary, at all, in certain instances. Clearly some standards need to be established.

II. APPLICATION OF PRODUCTION, DISPLAY, AND FAIR USE PROVISIONS OF THE 1976 ACT

Concern over the use of copyrighted artwork in the background of television scenes is a relatively novel issue. The Act is vague regarding incidental background use, and the courts have decided issues and disputes on a case by case basis.⁹⁴ Courts differ on whether a television broadcast of an image qualifies as a reproduction, a display, both, or neither. While some courts have found a violation of one of the above rights, they have nevertheless allowed use of the work under the fair use doctrine.⁹⁵ Not only have courts reached contradictory conclusions, but they have failed to follow consistent analyses. Instead, they have randomly mixed issues together.

The inconsistency is caused by the novelty of the issue and the ephemeral quality of the subject matter. The copyright decisions in the pictorial, graphic and sculptural works category are particularly problematic given both their nature and the developing technology used to disseminate these works. Because the cases are so fact-specific, no general guidelines have been created. The disparate interpretations and varying decisions undermine the purpose of passing

93. William W. Fisher III, *Reconstructing the Fair Use Doctrine*, 101 HARV. L. REV. 1661, 1794 (1988).

94. See H.R. REP. No. 1476, *supra* note 17, at 66, reprinted in 1976 U.S.C.A.N. at 5679-80. See also 1 MELVILLE B. NIMMER & DAVID NIMMER, NIMMER ON COPYRIGHT § 1-02, at 1-29.30 [hereinafter NIMMER]; *Mura v. Columbia Broadcasting Sys., Inc.*, 245 F. Supp. 587, 590 (S.D.N.Y. 1965) (citing Saul Cohen, *Fair Use in the Law of Copyright*, 1955 ASCAP COPYRIGHT L. SYMP. 43, 53).

95. *Mura*, 245 F. Supp. 587; *Pacific & S. Co. v. Duncan*, 744 F.2d 1490 (11th Cir. 1984); *Triangle Publications, Inc. v. Knight-Ridder Newspapers, Inc.*, 626 F.2d 1171 (5th Cir. 1980); *Cohen v. Paramount Pictures, Corp.*, 845 F.2d 851 (9th Cir. 1988).

a federal law, namely, to achieve a nationally uniform body of law and establish clear and consistent precedent.

A. *Interpretations of Reproduction Protection*

A lack of uniformity prevails in the judicial application of the substantial similarity test used to establish reproduction infringements. The Ninth Circuit, in *Cohen v. Paramount Pictures Corp.*,⁹⁶ was able to avoid a fair use analysis of the television problem by finding no reproduction. The court considered the nature of the copyrighted work and determined that it did not even need to look to the fair use defense because given the impermanent nature of a television image, there was no reproduction in the first place.⁹⁷ The *Cohen* court suggested that a television image was not permanent and not substantially similar. The *Cohen* court, however, refused to extend this analysis to videotaping. The court thus refused to construe a license to broadcast on television as including rights to videocassette reproduction because it considered videotaping to be a permanent reproduction while television broadcasting is only a transitory reproduction.⁹⁸

The Second Circuit, in *Mura v. Columbia Broadcasting System, Inc.*,⁹⁹ also examined the issue of copyright infringement through television broadcasts. The court determined that there was no reproduction when a copyrighted work is broadcast live.¹⁰⁰ In *Mura*, the defendant used the plaintiff's copyrighted puppet on his children's television show without express permission. Although the plaintiff had maintained her rights in the puppets, she sold these puppets on the open market with no contractual limitations or restrictions on who could purchase them and what could be done with them after their sale.¹⁰¹ The show was broadcast live and a film

96. 845 F.2d 851 (9th Cir. 1988).

97. This reasoning follows the remarks made in the legislative history regarding fixation. H.R. REP. No. 1476, *supra* note 17, at 62, *reprinted in* 1976 U.S.C.C.A.N. at 5675-76.

98. This was ostensibly because minimal economic loss would come with showing it on television, whereas greater harm would occur from the long-term video reproduction.

99. 245 F. Supp. 587.

100. *Mura*, 245 F. Supp. at 590.

101. Artwork is often sold with no limitations on its use after purchase. It can hardly be contended that a purchaser is forbidden to exhibit a piece simply because it is copyrighted. See *Westway Theatre v. Twentieth Century-Fox Film Corp.*, 30 F. Supp. 830, 836 (D. Md.), *aff'd*, 113 F.2d 932 (4th Cir. 1940). Artwork is often sold by the owner with the knowledge or expectation that they be hung or displayed somewhere, most often in the private home but sometimes in a private or public establishment. Art buyers are free to do what they like with their personal copy in their home without fear of copyright infringement. Artwork may be background decoration on a wall or a shelf, or it may be the focus of attention in a given room or location. There may, however, still be some restrictions on personal use.

recording was made of the broadcast, but never used for commercial purposes. Because the owner did not reproduce or distribute copies of the actual puppet, the court in *Mura* did not address distribution. Since the owner did, however, transmit the puppet's image over the airways, the court needed to determine whether this broadcasting constituted a violation of the reproduction right granted in section 106(1) of the 1976 Act.¹⁰²

Like the *Cohen* court, the court in *Mura* reasoned that this broadcasting did not constitute reproduction of the copyrighted work because the image produced in a live television broadcast was not permanent. "It would seem that a copy involves the conception that it must have some degree of permanency or the maxim *de minimis* would apply."¹⁰³ In other words, the work must be "fixed." The court determined the "evanescence" of this image fails to qualify as "fixed."¹⁰⁴

The court stated another reason for declaring that the projection of the puppet on television was not a reproduction: The image was too different in nature to be considered a copy. The *Mura* court defined a copy as "that which comes so near to the original as to give to every person seeing it the idea created by the original."¹⁰⁵ This is now referred to as the "substantial similarity" test, in which the question is whether the observer would recognize the alleged copy as different from the original copyrighted work.¹⁰⁶ Certainly, since the actual puppet was used, the image is similar to the object it rep-

For example, glossy interior design magazines often photograph plush living rooms containing artwork. Even if the author is actually pleased with this type of exposure, there is still the potential for an infringement claim for reproduction, display and maybe distribution. The same situation arises when a recognizable painting is hung on a wall in a television backdrop or set and then is filmed as the background in a nationally broadcast episode. Although there is admittedly a difference between a national broadcast on television and a national distribution of a magazine, the concept remains the same. See *Buck v. Swanson*, 33 F. Supp. 377, 387 (D. Neb. 1939) (concerning contractual limitations).

102. *Mura*, 245 F. Supp. 587, 589. The *Mura* court did not, but should have, addressed the display violation issue.

103. *Id.* at 589. BLACK'S LAW DICTIONARY 388 (5th ed. 1979) defines "*de minimis non curat lex*" as: "The law does not care for, or take notice of, very small or trifling matters."

104. The *Mura* court explained that "[t]he electronic image produced in live television broadcasting . . . is not permanent. After 1/15,000 of a second plus the time for the phosphor decay, which is measured in milliseconds, the image disappears and nothing is left. No proof of any distribution of any copy of the live television broadcast was adduced." *Mura*, 245 F. Supp. at 589.

105. *Id.* (quoting *White-Smith Music Publishing Co. v. Apollo Co.*, 209 U.S. 1, 17 (1908)).

106. "[T]he appropriate test for determining whether substantial similarity is present is whether an average lay observer would recognize the alleged copy as having been appropriated from the copyrighted work." *Ideal Toy Corp. v. Fab-Lu Ltd.*, 360 F.2d 1021, 1022 (2d Cir. 1966). See *supra* note 41.

resents. However, the court reasoned that since only the image was shown, and no three dimensional objects were reproduced, there was no substantial similarity between the image and a physical object. Thus, the presentation on the television program, of an image reproduction of a transitory and impermanent nature was not a reproduction according to the Second Circuit. The court's reasoning suggests that a different medium may have a significant impact on the issue of reproduction.¹⁰⁷

Similarly, the court in *Heyman v. Salle*¹⁰⁸ noted the differences between the photograph in the book and the photograph as part of the large backdrop which consisted of a "different image and appearance." Taking the *Mura* court's reasoning one step further, this court states that the physical copy and the image of that copy are *not* substantially similar. This reasoning appears to contradict the statutory definition of a "copy" which states that the medium is irrelevant to the finding of a reproduction.¹⁰⁹

B. *Interpretations of Display Protection*

Courts have found display violations more frequently than reproduction violations. This is mostly because there is no fixation requirement in the former and therefore courts do not need to determine the permanent nature of a television broadcast and whether it was fixed. A single showing, however brief, may result in a display infringement even though it does not result in a reproduction violation.

Although the *Cohen* court found a television broadcast to be a display violation, and not a reproduction violation, the display charge was dismissed because it was impermanent and therefore not infringing. The court reasoned that a consumer, equipped merely with a conventional television set, has no means of capturing any part of the television display; "when the program is over it vanishes, and the consumer is powerless to replay it. Because they originate outside the home, television signals are ephemeral and beyond the viewer's grasp."¹¹⁰ This analysis did not differentiate between live versus taped television and whether that would have any effect on the finding of reproduction. The case that did address live broadcasting, *Mura v. Columbia Broadcasting System, Inc.*,¹¹¹ did not

107. *But see supra* note 34 and accompanying text.

108. *Heyman v. Salle*, 743 F. Supp. 190, 194 (S.D.N.Y. 1989).

109. 17 U.S.C. § 101. *See supra* note 34 and accompanying text.

110. *Cohen v. Paramount Pictures Corp.*, 845 F.2d 851, 854 (9th Cir. 1988). *See supra* note 103 and accompanying text. *See also Mura*, 245 F. Supp. at 589 (a "copy" must be permanent or it is considered *de minimis*); *Elsmere Music, Inc. v. National Broadcasting Co.*, 482 F. Supp. 741, 743-44, *aff'd*, 623 F.2d 252 (2d Cir. 1980) (insignificant copying is non-infringing).

111. 245 F. Supp. 587.

discuss the display violation in its analysis.

The Supreme Court also found unauthorized broadcasts of copyrighted work to be in violation of section 106(5)¹¹² of the 1976 Copyright Act. In *Mills Music, Inc. v. State of Arizona*,¹¹³ the court determined that a radio broadcast of copyrighted musical works constituted public performance. The defendants in *Mills* used the plaintiff's copyrighted musical work as part of the promotion and presentation for the Arizona State Fair. Although the *Mills* case dealt with the performance of a musical work, the same reasoning may be applied where display of artwork is concerned. The difference between the performance and display infringement is one of degree or quantity. If a sequence of sections or images of the work were used it would result in a performance violation. Alternatively, if only a single section or image of a work were used it would constitute a display violation. For example, the unauthorized showing of a film will violate the performance right, whereas the unauthorized showing of only one frame of that same film will violate the display right. The Supreme Court restated the law as it relates to the radio broadcast of unauthorized performances of copyrighted material:

With the advent of commercial radio, a broadcast musical composition could be heard instantaneously by an enormous audience of distant and separate persons operating their radio receiving sets to reconvert the broadcast to audible form. Although Congress did not revise the statutory language, copyright law was quick to adapt to prevent the exploitation of protected works through the new electric technology. *In short, it was soon established in the federal courts that the broadcast of a copyrighted musical composition by a commercial radio station was a public performance of that composition for profit—and thus an infringement of the copyright if not licensed.*¹¹⁴

This court reached the same conclusion as the *Aiken* Court, namely that radio or television broadcasts are public performances while radio or television receptions are not.

In *Triangle Publications, Inc. v. Knight-Ridder Newspapers, Inc.*¹¹⁵ the defendant used a rendition of the competitor's product, *T.V. Guide*, in an advertisement without the plaintiff's permission. The court agreed with the plaintiff's claim that the *T.V. Guide* held by the actor in the advertisement was a violation of the plaintiff's display right. The reason the work was used (in this instance for

112. 17 U.S.C. § 106(5) gives the owner of the copyrighted work the exclusive right to display "pictorial, graphic, or sculptural works, including the individual images of a motion picture or other audiovisual work"

113. 187 U.S.P.Q. (BNA) 22 (D. Ariz. 1975), *aff'd*, 591 F.2d 1278 (9th Cir. 1979).

114. *Id.* at 34 (quoting *Twentieth Century Music Corp. v. Aiken*, 422 U.S. 151, 157-58 (1975) (emphasis in original)).

115. 445 F. Supp. 875 (S.D. Fla. 1978), *aff'd*, 626 F.2d 1171 (5th Cir. 1980).

comparative advertising) is not a factor in determining the existence of a copyright violation. It may, however, have significant bearing on whether the use is allowed under an exception.¹¹⁶ Therefore, despite the *Cohen* court's conclusion that images are not reproductions,¹¹⁷ a visible piece of copyrighted artwork in the background of a broadcast will likely violate the copyright owner's display right. Although the *Cohen* court reasoned that television broadcasting is too impermanent to constitute a fixing, it stated that a recording would be permanent. Unless the television show is broadcasting live, the image would be fixed on tape and therefore in violation of the copyright law.¹¹⁸

C. Interpretation of the Fair Use Doctrine

It is likely that a background showing of a copyrighted work on a national broadcasting will violate the reproduction and display rights of an owner. Thus, courts must decide if the infringement is allowed under the ambiguous fair use exception. In section 107 of the 1976 Copyright Act four factors provide a guide to the fair use analysis,¹¹⁹ and many courts have chosen to add their own elements to the analysis as well.¹²⁰

1. Purpose and Character of Work Under Fair Use

The first element to be examined under section 107 is the purpose and character of the use. Courts examine whether the work is used

116. In this case, the district court found the use to be allowable not under the fair use doctrine but under the Constitutional guarantee of free speech. *Id.* at 882-84. Freedom of speech considerations are often an important part of the fair use analysis.

117. *Cohen v. Paramount Pictures*, 845 F.2d 851 (9th Cir. 1988). See *supra* notes 95-99 and accompanying text.

118. Under 17 U.S.C. § 110(5), even a one-time showing would violate the display right. See H.R. REP. No. 1476, *supra* note 17, at 62, reprinted in 1976 U.S.C.C.A.N. at 5675-76.

119. 17 U.S.C. § 107 states:

Notwithstanding the provisions of sections 106 and 106A, the fair use of a copyrighted work, including such use by reproduction in copies or phonorecords or by any other means specified by that section, for purposes such as criticism, comment, news reporting, teaching (including multiple copies for classroom use), scholarship, or research, is not an infringement of copyright. In determining whether the use made of a work in any particular case is a fair use the factors to be considered shall include—

- (1) the purpose and character of the use, including whether such use is of a commercial nature or is for nonprofit educational purposes;
- (2) the nature of the copyrighted work;
- (3) the amount and substantiality of the portion used in relation to the copyright work as a whole; and
- (4) the effect of the use upon the potential market for or value of the copyrighted work.

120. See *infra* notes 127-34 and accompanying text.

for a profit or non-profit purpose.¹²¹ Finding that a given use is "of commercial nature" does not necessarily negate a fair use determination,¹²² and use for a "non-profit educational" purpose does not mandate a finding of fair use.¹²³ The pronouncement nevertheless remains that "every commercial use of copyrighted material is presumptively an unfair exploitation of the monopoly privilege that belongs to the owner of the copyright"¹²⁴ so that any type of commercial use tends to weigh against a finding of fair use.¹²⁵ Although commercial motivation does not preclude the finding of fair use, the court may consider whether the "use of copyrighted work was primarily for public benefit or for private commercial gain."¹²⁶ "The crux of the profit/nonprofit distinction is not whether the sole motive of the use is monetary gain but whether the user stands to profit from exploitation of the copyrighted material without paying the customary price."¹²⁷

In *Pacific & Southern Co. v. Duncan*,¹²⁸ the Eleventh Circuit added additional elements to the profit test; it expressly addressed whether the use needed to be "productive" as well as "non-commercial."¹²⁹ The defendant in *Pacific* videotaped segments from copyrighted television news programs and marketed them to the individual subjects of the particular news clip.¹³⁰ The lower court

121. Even an unsponsored television broadcast may be regarded as a commercial use since a television station may gain at least indirect commercial benefit from the ratings boost occasioned by an unsponsored program. *Roy Export Co. Establishment of Verduz v. Columbia Broadcasting Sys.*, 503 F. Supp. 1137, 1144 (S.D.N.Y. 1980), *aff'd*, 672 F.2d 1095 (2d Cir.), *cert. denied*, 459 U.S. 826 (1982).

122. *See, e.g., Harper & Row, Publishers, Inc. v. Nation Enters.*, 471 U.S. 539, 592 (1985) (Brennan, J., dissenting).

123. *Marcus v. Rowley*, 695 F.2d 1171, 1175 (9th Cir. 1983); *see Macmillan Co. v. King*, 223 F. 862 (D. Mass. 1914); *see also Wihtol v. Crow*, 309 F.2d 777 (8th Cir. 1962).

124. *Sony Corp. v. Universal City Studios, Inc.*, 464 U.S. 417, 451 (1984).

125. *Triangle Publications, Inc. v. Knight-Ridder Newspapers, Inc.*, 626 F.2d 1171, 1175 (5th Cir. 1980).

126. *MCA, Inc. v. Wilson*, 677 F.2d 180, 182 (2d Cir. 1981). A commercial use may be of such limited duration, or otherwise so insignificant as to justify holding for the defendant under the principle of *de minimis non curat lex*. *See Knickerbocker Toy Co. v. Azrak-Hamway Int'l, Inc.*, 668 F.2d 699 (2d Cir. 1982).

127. *Harper & Row, Publishers, Inc. v. Nation Enters.*, 471 U.S. 539, 562 (1985) ("Fair use 'distinguishes between "a true scholar and a chiseler who infringes a work for profit."') *Id.* at 563.

128. 744 F.2d 1490 (11th Cir. 1984), *cert. denied*, 471 U.S. 1004 (1985).

129. *Id.* "Rosemont Enters., Inc. v. Random House, Inc.", 366 F.2d 303 (2d Cir. 1966), *cert. denied*, 385 U.S. 1009 (1967), has added additional elements to the 'fair use' doctrine. The opinion written by Judge Moore confirmed the rule that the privilege of 'fair use' is not limited to borrowing for the purposes of scholarship and research, but is equally available to writers and publishers of commercial works." John Schulman, *Fair Use and the Revision of the Copyright Act*, 53 Iowa L. Rev. 832, 833-34 (1968).

130. *Pacific & S. Co.*, 744 F.2d at 1493.

held that the preamble to section 107 required fair use to be a "productive" use.¹³¹ If the use is not productive, the court need not look further into the elements of whether it is a fair use. The court of appeals, ultimately finding no fair use, felt that the district court should have looked to the four factors set out in the statute concerning fair use.¹³² The Supreme Court earlier that same year, in *Sony Corp. v. Universal City Studios, Inc.*¹³³ refused to look at productivity alone in determining what constituted fair use. In addition, the Court noted that nonproductive uses could still qualify as fair use and listed some examples.¹³⁴ This reasoning supported the approach previously taken by the *Italian Book* court which stated that it is not necessary to find "that the use in question resounded to the commercial benefit of the copyrighted work. It is sufficient if . . . the use complained of had no adverse effect upon the sales or market for the copyrighted work."¹³⁵ Often this determination of motives will depend on the type of work that was used and whether that work lends itself to commercial use.

2. The Nature of the Copyrighted Work Under Fair Use

The second consideration in determining fair use is the nature of the copyrighted work and the interest at stake.¹³⁶ Where the nature of the copyrighted work is more a collection of facts than a creative or imaginative work, alleged infringers have greater license to use portions of such work under the fair use doctrine.¹³⁷ There is also more freedom to use a work without consent where there is great public interest in disseminating copyrighted material.¹³⁸ Despite the *Sony* Court's interpretation of the legislative history,¹³⁹ a claim of fair use will probably be scrutinized more closely if the work is characterized as entertainment rather than educational or of public-

131. *Pacific & S. Co.*, 572 F. Supp. 1186, 1195 (N.D. Ga. 1983).

132. *Pacific & S. Co.*, 744 F.2d at 1495.

133. 464 U.S. 417, 455 n.40 (1984).

134. Examples included a citation to the House Committee Report for the current Act which identified as a fair use "[m]aking a copy of a copyrighted work for the convenience of a blind person . . . with no suggestion that anything more than a purpose to entertain or to inform need motivate the copying." *Id.*

135. *Italian Book Corp. v. American Broadcasting Cos.*, 458 F. Supp. 65, 70 (S.D.N.Y. 1978).

136. 17 U.S.C. § 107.

137. See *New York Times Co. v. Roxbury Data Interface, Inc.*, 434 F. Supp. 217, 221 (D.N.J. 1977). Defendants were creating a "Personal Name Index to 'The New York Times Index' 1851-1974" and it was alleged that they were thereby infringing the copyrighted "The New York Times Index."

138. See *Iowa State Univ. Research Found., Inc., v. American Broadcasting Cos.*, 621 F.2d 57, 61 (2d Cir. 1980).

139. See H.R. REP. No. 1476, *supra* note 17, at 66, reprinted in 1976 U.S.C.C.A.N. at 5679-80.

interest in nature.¹⁴⁰ Courts will also consider the propriety of the defendant's conduct¹⁴¹ in addition to whether a work has been unpublished which has been described by one court as a critical element of its "nature."¹⁴² The nature of the work used in these situations will almost always be of the entertainment type rather than the educational type as the very reason the work is used is for decorative purposes. This does not preclude a finding of fair use, however, and most courts do not weigh this factor heavily in their analyses.

3. The Amount and Substantiality of the Portion Used in Relation to the Whole Under Fair Use

The third factor concerns the substantiality of the use. This includes a determination of quantitative and qualitative substantiality.¹⁴³ In determining fair use, courts consider whether there was a minimal degree of exposure of the work. The more brief the display and the less attention focused on the work the greater likelihood of finding incidental and fair use.¹⁴⁴

The *Mura* court looked to the nature of the use and found that

140. Compare *Rubin v. Boston Magazine Co.*, 645 F.2d 80, 84 (1st Cir. 1981) (denying a fair use defense in regard to the reproduction of scientific "scales" in order to entertain readers of a magazine which was held to be a "commercial" use) with *Italian Book Corp. v. American Broadcasting Cos.*, 458 F. Supp. 65, 68-71 (S.D.N.Y. 1978) (recognizing fair use in a television broadcast containing a portion of plaintiff's song) and *Keep Thomson Governor Comm. v. Citizens For Gallen Comm.*, 457 F. Supp. 957, 960-61 (D.N.H. 1978) (recognizing fair use regarding a political commercial on television containing a portion of plaintiff's song).

141. See *Fisher v. Dees*, 794 F.2d 432, 437 (9th Cir. 1986). On a more general note, fair use presupposes good faith and fair dealing. *Time, Inc. v. Bernard Geis Assocs.*, 293 F. Supp. 130, 146 (S.D.N.Y. 1968), quoted in John Schulman, *Fair Use and the Revision of the Copyright Act*, 53 IOWA L. REV. 832 (1968). Should the mural on "The Cosby Show" be determined to be an unauthorized reproduction and display this would make a more difficult case because the alleged copy of the original mural in that instance was knowingly used after negotiations failed and permission was denied.

142. *Harper & Row, Publishers, Inc. v. Nation Enters.*, 471 U.S. 539, 551 (1985) (holding that the scope of fair use is narrower with respect to unpublished works since the author's right of first publication encompasses not only the choice whether to publish at all, but also the choices when, where and in what form first to publish a work). This theory runs contrary to the legislative history which explains that the unpublished nature of a work is a significant, though not necessarily determinative, factor tending to negate a defense of fair use raised on a copyright infringement action. H.R. REP. NO. 1476, *supra* note 17, at 72, reprinted in 1976 U.S.C.C.A.N. at 5685-86.

143. See *Harper & Row*, 471 U.S. at 565 (finding magazine's verbatim quotes from unpublished presidential memoirs to be infringement. The 300 words copied from the plaintiff's 450-page book constituted 13% of the defendant's article. Although it was a minimal part of the defendant's article, it was the "heart" of the unpublished memoirs.).

144. This seems to be a *de minimis* argument in the author's opinion.

although there was an unauthorized use of the puppets, it was subordinate and incidental to the principal action on the show.¹⁴⁵ The puppets were not featured on the show as the principal objects of attention and thus there was fair use.¹⁴⁶ Other courts have also applied the doctrine of fair use in instances where, although the plaintiff has established a *prima facie* case (e.g., use of the actual work),¹⁴⁷ the defendant is immunized from liability for trivial usage.¹⁴⁸ In these cases there is substantial, if not total, similarity that is nonetheless used for such insubstantial purposes that the cause of action as a whole is *de minimis* and relief should be denied.

However, a number of courts have held that the defense of fair use is never available to immunize copying which results in similarity which is not only substantial, but is indeed virtually complete or almost verbatim.¹⁴⁹ This denial of fair use rests on the "productive use" principle.¹⁵⁰ The underlying theory of this principle is that "by incorporating all or substantially all of the copied work, the distinction of function vanishes since whatever the intent of the copier, a verbatim reproduction will of necessity serve the function of the plaintiff's work as well as that of the defendant's."¹⁵¹ This may have

145. *Mura*, 245 F. Supp. at 587. See also *Karll v. Curtis Publishing Co.*, 39 F. Supp. 836 (E.D. Wis. 1941).

146. *Mura*, 245 F. Supp. at 587.

147. See *NIMMER*, *supra* note 94, § 8.01[G], at 8-25. See also *Shapiro, Bernstein & Co. v. P.F. Collier & Sons Co.*, 26 U.S.P.Q. (BNA) 40, 41 (1934) (There is no issue of similarity if the two works are identical.); *Elsmere Music, Inc. v. National Broadcasting Co.*, 482 F. Supp. 741, 743-44 (S.D.N.Y.), *aff'd*, 623 F.2d 252 (2d Cir. 1980) (reproducing object itself can violate copyright).

148. See *Werlin v. Reader's Digest Ass'n, Inc.*, 528 F. Supp. 451, 463-64 (S.D.N.Y. 1981) (finding minimal copying to be *de minimis not curat lex* and therefore non-infringing); see also *Elsmere Music, Inc. v. National Broadcasting Co.*, 482 F. Supp. 741 (S.D.N.Y.), *aff'd*, 623 F.2d 252 (2d Cir. 1980) (Although copied portion of copyrighted composition was more than *de minimus*, its incorporation in a parody constituted a non-infringing fair use of the work.).

149. *Walt Disney Prods. v. Air Pirates*, 581 F.2d 751, 758 (9th Cir.), *cert. denied*, 439 U.S. 1132 (1979) ("excessive copying precludes fair use" even if the other fair use factors point to a contrary result); *Benny v. Loew's Inc.*, 239 F.2d 532 (9th Cir. 1956), *aff'd by an equally divided court sub nom. CBS, Inc. v. Loew's Inc.*, 356 U.S. 43 (1958), *reh'g denied*, 356 U.S. 934 (1958); *Marcus v. Rowley*, 695 F.2d 1171, 1177-78 (9th Cir. 1983) ("wholesale copying" precludes fair use). However, "Sony Corp. teaches us that the copying of an entire work does not preclude fair use *per se*." *Hustler Magazine, Inc. v. Moral Majority, Inc.*, 796 F.2d 1148, 1155 (9th Cir. 1986) (allowing reproduction of entire advertisement in order to rebut its derogatory and offensive content). See also *Triangle Publications, Inc. v. Knight-Ridder Newspapers, Inc.*, 626 F.2d 1171, 1175-78 (5th Cir. 1980) (allowing display for purposes of comparative advertising).

150. The "productive use" theory was rejected by the Supreme Court in *Sony Corp. v. Universal City Studios, Inc.*, 464 U.S. 417, 455 (1984), but used in *Pacific & S. Co. v. Duncan*, 744 F.2d 1490 (11th Cir. 1984).

151. *NIMMER*, *supra* note 94, § 13.05[D], at 13-90.14. "[T]here may be limited situations wherein copying of even the entire work for a different functional purpose may be regarded as fair use. *Id.*

been part of the reason why the *Mura* court allowed the defendant to use the puppet. The court in *Mura* added this previously unaddressed element to the fair use analysis. In determining the extent of infringement, the court decided that since the puppets were being used for the purpose intended (manipulation before an audience in a show) the owner could not complain about infringement because it was fair use.¹⁵² If the owner did not implicitly authorize this type of use in the sale of the puppet, then it would be infringement.

The Court of Appeals for the Ninth Circuit in *Universal City Studios, Inc. v. Sony Corp. of America*, disagreed and held that mere reproduction of a work in order to use it for its intrinsic purpose may not be considered fair use.¹⁵³ The Supreme Court in its reversal held that the defense of fair use is not "rigidly circumscribed" by the productive use requirement.¹⁵⁴ It acknowledged that the distinction between productive and unproductive uses "may be helpful in calibrating the balance, but it cannot be wholly determinative."¹⁵⁵

In limited situations it may be regarded as fair use to copy an entire work if it is for a different functional purpose than the original.¹⁵⁶ For example, if the defendant's work, although containing substantially similar material, performs a different function than that of the plaintiff's, the defense of fair use may be invoked.¹⁵⁷ The Ninth Circuit, despite the Supreme Court's *Sony* decision, continues to state that the scope of fair use is expanded when the original and copy do not serve the "same intrinsic purpose."¹⁵⁸ "Another example of a different functional purpose notwithstanding the reproduction of the entire work arises if a motion picture includes a scene wherein a copyrighted work is incidentally reproduced or otherwise

152. *Mura*, 245 F. Supp. at 590.

153. 659 F.2d 963 (9th Cir. 1981), *rev'd*, 464 U.S. 417 (1984). Part of the reason why the court refuses to find fair use in this situation can also be presumed to be because such a copy, with the same intrinsic purpose, will necessarily have a negative impact on the potential market for the original. See *infra* notes 154-63 and accompanying text.

154. *Sony Corp. v. Universal City Studios, Inc.*, 464 U.S. 417, 455 n.40 (1984).

155. *Id.*

156. *Update Art, Inc. v. Maariv Israel Newspaper, Inc.*, 635 F. Supp. 228, 231 (S.D.N.Y. 1986) (citing NUMMER ON COPYRIGHT § 13.05[D]), *aff'd on other grounds sub nom. Update Art, Inc. v. Modiin Publications Ltd.*, 843 F.2d 67 (2d Cir. 1988); *Hustler Magazine, Inc. v. Moral Majority, Inc.*, 796 F.2d 1148, 1155 (9th Cir. 1986). See also *Triangle Publications, Inc. v. Knight-Ridder Newspapers, Inc.*, 445 F. Supp. 875 (S.D. Fla. 1978), *aff'd*, 626 F.2d 1171 (5th Cir. 1980).

157. See *Pacific & S. Co. v. Duncan*, 744 F.2d 1490, 1496 (11th Cir. 1984), *cert. denied*, 471 U.S. 1004 (1985) ("Some commercial purposes, for example, might not threaten the [copyright owner's] incentives because the user profits from an activity that the owner could not possibly take advantage of.").

158. *Narell v. Freeman*, 872 F.2d 907, 914 (9th Cir. 1989) (dictum); *Marcus v. Rowley*, 695 F.2d 1171, 1175 (9th Cir. 1983); *Jartech, Inc. v. Clancy*, 666 F.2d 403, 407 (9th Cir. 1982).

copied."¹⁵⁹ For example, one of the actors may read a magazine in such a way that the picture on the cover of the magazine is visible.¹⁶⁰

Some courts have determined that such incidental reproduction would constitute a fair use.¹⁶¹ For example, in *Shapiro, Bernstein & Co. v. P.F. Collier & Son Co.*,¹⁶² the plaintiff, the owner of a valid copyright of a song, sued the defendant publisher for quoting verbatim ten out of eighteen lines of the chorus of the song in an article. The court, in trying to determine whether there had been a reproduction infringement, noted that even though the quotations are identical (i.e., clearly substantially similar) "their use is a mere incident in the story."¹⁶³ The court observed that "[p]erhaps an apt analogy would be the instance of a person being photographed incidentally reading a current magazine in which the copyrighted cover of a magazine was reproduced as a matter of background. I doubt if it could be successfully contended, in the absence of some special circumstance, that the publication of the photograph with the magazine cover was anything more than a 'fair use' of the copyrighted cover, or that the statute intended to forbid such a use."¹⁶⁴

A similar claim is brought in *Italian Book Corp. v. American Broadcasting Cos.*¹⁶⁵ except that part of the song is performed on television rather than printed in a magazine. In *Italian Book*, a music publisher brought an action against a television broadcaster for copyright infringement that allegedly occurred when defendant televised a parade during which music copyrighted by the plaintiff was played. The district court held that the broadcaster's use of the work in question was privileged under the fair use doctrine. The filming and recording of the song as part of the television news report was wholly fortuitous and was in no manner a subterfuge for private or commercial exploitation. The use of the song was incidental to the overall purpose of the newscast.¹⁶⁶

159. NUMMER, *supra*, note 94, § 13.05[D][3], at 13-92.

160. It is not certain whether the motion picture has infringed the copyright in the picture appearing on the magazine. Accordingly, many companies are careful to include within photographed scenes only props which are not protected by copyright. However, there may also be a claim for the showing of the magazine itself as it is copyrighted.

161. *Mura v. Columbia Broadcasting Sys.*, 245 F. Supp. 587 (S.D.N.Y. 1965). See also *Shapiro, Bernstein & Co. v. P.F. Collier & Sons Co.*, 26 U.S.P.Q. (BNA) 40 (S.D.N.Y. 1934). However, in *Tennessee Fabricating Co. v. Moultrie Mfg. Co.*, 421 F.2d 279 (5th Cir. 1970), a two-dimensional reproduction of plaintiff's three-dimensional object was held not to be a fair use.

162. 26 U.S.P.Q. (BNA) 40 (S.D.N.Y. 1934).

163. *Id.* at 41.

164. *Id.* at 43.

165. 458 F. Supp. 65 (S.D.N.Y. 1978).

166. *Id.* at 66. See also *Coleman v. ESPN*, 764 F. Supp. 290 (S.D.N.Y. 1991). In *Coleman*, a case still pending, a class action was brought by composers and music

The determination of substantiality depends on the nature of the work. Accordingly, excerpts of relatively short duration may be considered substantial where they constitute the highlights of the copyrighted broadcast from which they are copied. In *New Boston Television v. Entertainment Sports Programming Network*,¹⁶⁷ the court would not accept a fair use defense where the defendant, a cable network (ESPN), copied highlights of hockey and baseball games from a local television station which was the owner of exclusive rights to televise such games.

A similar analysis was applied in *Heyman v. Salle*,¹⁶⁸ where the court was trying to determine substantial similarity of a photograph and a backdrop incorporating that photograph. Plaintiffs in this case were photographers who created a book of photos from which one of the photos was taken and used in an opera backdrop by the defendant. The court stated the test for substantial similarity to be whether "an average lay observer would recognize the alleged copy as having been appropriated from the [original] copyrighted work,"¹⁶⁹ and determined that the differences between the huge backdrop and the photograph prevented it from finding substantial similarity. The court noted the difference in size, context and medium as well as the minimal amount of time the work was shown and concluded that "the [b]ackdrop was simply a component of a larger image created by the performers being superimposed on it."¹⁷⁰

4. The Effect of the Use on the Potential Market for or Value of the Copyrighted Work

The final element is the effect the unauthorized use will have on the market for the work.¹⁷¹ The *Mura* court noted that "among the most important factors bearing on whether a use is a fair one . . . is whether the use tends to interfere with the sale of the copyrighted article."¹⁷² Since the television images could not be used as a sub-

publishers asserting copyright infringement by ESPN. The complaint arose from the fact that ESPN's broadcast of various live sporting events included background music. ESPN argued that ambient arena noise: 1) is not under its control; 2) is merely incidental to its coverage of live sporting events; and, 3) is picked up only fortuitously, all of which makes its use not infringing. The court denied the plaintiffs' motion for summary judgment on the fair use defense when it determined that a more detailed examination of this issue would be necessary.

167. 215 U.S.P.Q. (BNA) 755 (D. Mass. 1981).

168. 743 F. Supp. 190 (S.D.N.Y. 1989).

169. *Id.* at 193 (citing *Ideal Toy Corp. v. Fab-Lu Ltd.*, 360 F.2d 1021, 1022 (2d Cir. 1966)).

170. *Id.* at 194. See *Coleman*, 764 F. Supp. at 293 (ESPN argued that "background music used by athletes as accompaniment for their routines can not give rise to copyright infringement because such background music 'is not "essential" to ESPN's programming.'" This case is still pending.)

171. 17 U.S.C. § 107(4) (1988).

172. *Mura*, 245 F. Supp. at 590 (citing NIMMER ON COPYRIGHT § 145, at 646

stitute for the original physical work, the television use would not have any negative impact on the work's market.¹⁷³ The court added that the exhibition would not prejudice sales, but instead, would stimulate sales of the puppets.¹⁷⁴ A potential boost in sales alone does not negate the infringement, but rather tends to reduce the likelihood of finding a denial or deprivation of profits to the creator. The court in *Italian Book* stressed that "ABC's television newscast constitute[d] a medium and setting which were noncompetitive with the media and settings in which the song would normally be offered or used. ABC's use of the song did not, and could not, have any adverse effect upon the market for the song, the song's value, or the song itself."¹⁷⁵

In *Mura*, the buyer of the legal copy of the puppet did not manufacture and sell, or copy and distribute the work itself. Nor was there any intent to pirate the work.¹⁷⁶ In *Italian Book*, the user also did not use the work for commercial or private exploitation. In both cases the use was incidental and in both cases the courts found that the use did not compromise either the sale or abstract value of the original works. Where subsequent use of a protected work is not in competition with the copyrighted use, and no showing is made that such subsequent use lessens the value of the copyrighted work, the fair use defense is generally sustained.¹⁷⁷ "In determining the effect of the defendant's use upon the potential market for or value of the plaintiff's work, a comparison must be made not merely of the media in which the two works may appear, but rather in terms of the function of each such work regardless of media."¹⁷⁸ This is referred

(1963)); HOWELL'S COPYRIGHT LAW 152 (rev. ed. 1962). Nimmer states: "It is believed that the actual decisions bearing upon fair use, if not always their stated rationale, can best be explained by looking to the central question of whether the defendant's work tends to diminish or prejudice the potential sale of the plaintiff's work."

173. *Mura*, 245 F. Supp. at 590 (citing *Shapiro, Bernstein & Co., Inc. v. P.F. Collier & Son, Co.*, 26 U.S.P.Q. (BNA) 40, 43 (S.D.N.Y. 1943) (The use was deemed fair where "copies complained of . . . could not be used as a substitute for the original work.")). See also *supra* notes 151-52 and accompanying text.

174. See also *Time Inc. v. Bernard Geis Assocs.*, 293 F. Supp. 130, 146 (S.D.N.Y. 1968) (granting summary judgment for defendant on question of liability where it appeared, *inter alia*, that subsequent publication "would, if anything, enhance the value of the copyrighted work").

175. *Italian Book Corp. v. American Broadcasting Cos.*, 458 F. Supp. 65, 68 (S.D.N.Y. 1978). But see *Schumann v. Albuquerque Corp.*, 664 F. Supp. 473, 477 (D.N.M. 1987) (Broadcast of entire copyrighted songs played by band at local festival was not fair use because it had "entertainment value," and was therefore held to be competitive with uses copyright owners would license.).

176. *Mura*, 245 F. Supp. at 589.

177. *Rosemont Enters., Inc. v. Random House, Inc.*, 366 F.2d 303, 310-11 (2d Cir. 1966), *cert. denied*, 385 U.S. 1009 (1967).

178. NIMMER, *supra* note 94, § 13.05[B], at 13-88.18 (1991) (citing *Metro-Gold-*

to as the "functional test."¹⁷⁹

The courts' underlying concern in a fair use analysis seems to be a general devaluation of the work. The Second Circuit observed in *Meeropol v. Nizer* that "[a] key issue in fair use cases is whether the defendant's work tends to diminish or prejudice the potential sale of plaintiff's work."¹⁸⁰ Use of a work that tends to diminish or prejudice the potential demand, sale or profits is presumed not to be fair use.¹⁸¹ Reduction of value is irreplaceable once a work has been commercialized and mass produced. It may be argued that as soon as the work is reproduced, the unique quality of the work is devalued. In terms of tangible rights,¹⁸² if the use reduces the market for the original work it infringes the creator's copyright.

Fair use, however, is not an ideal defense to all potential actions for reproduction and display violations. It is an especially tricky concept and can easily be rejected. To negate a claim of fair use the plaintiff only needs to show that if the challenged use becomes widespread, it will adversely affect the potential market for the copyrighted work.¹⁸³ Courts are likely to reject a fair use defense if the owner suffers economic repercussions from the unauthorized use. It is also a poor defense because it requires defendants to admit that they have infringed and then to try to justify the unauthorized use. It would be incongruous for the defendant to argue that, although she is concededly using another's work, the owner is entitled to nothing. The greatest problem with the fair use defense is that the merits of this defense cannot be decided without analyzing the facts; and that requires a trial. At trial, if the court returns a judgment for the plaintiff, the defendant may have to pay fees for

wyn-Mayer, Inc. v. Showcase Atlanta Cooperative Prods., Inc., 479 F. Supp. 351 (N.D. Ga. 1979)).

179. *Id.*

180. 560 F.2d 1061, 1070 (2d Cir. 1977), *cert. denied*, 434 U.S. 1013 (1978). That economics underlie all copyright law was stressed by the Supreme Court in *Mazer v. Stein*, 347 U.S. 201, 219 (1954): "It is believed that the actual decisions bearing upon fair use, if not always their stated rationale, can best be explained by looking to the central question of whether the defendant's work tends to diminish or prejudice the potential sale of the plaintiff's work." *Id.*

181. *Harper & Row, Publishers, Inc. v. Nation Enters.*, 471 U.S. 539, 567 (1985). Some states, in addition to many foreign countries, also take into consideration a devaluation of the abstract work. This protection from having the work used in an unfit or distasteful manner is encompassed in something called "moral rights, which can not be measured economically." LATMAN, *supra* note 11, at 507-509.

182. Tangible rights are those rights which can be more easily assessed and remedied.

183. *Harper & Row, Publishers, Inc. v. Nation Enters.*, 471 U.S. 539, 568 (1985). As of 1989, the United States became a signatory of the Berne Convention, which provides the artist with something called moral rights. That is, the copyright owner can regulate how the work is used. It is not enough that the user get permission and pays a fee, she must use the work in an unoffensive way.

the authority to use the work, actual damages, derived profits,¹⁸⁴ statutory damages for the violation if authority is not obtained, and most significantly, attorney's fees.¹⁸⁵ The infringing articles may also be seized,¹⁸⁶ and the defendant may be subject to criminal penalties.¹⁸⁷ The prescribed penalty for criminal copyright infringement depends in part upon the nature of the work infringed, and in part upon the particular acts of infringement.

III. SOLUTIONS

No precedent or even directly applicable case law addresses the issue of whether the use of copyrighted work in the background of a television scene violates the copyright law. Thus, it is necessary to apply the existing fair use scheme in analyzing the use of images of pictorial works in the medium of television.

Unfortunately, the confusion and complexity involved with this analysis has led many producers to conclude that using a work without authority, even if it is a *de minimis* use, is not worth the risk of a legal battle. Some producers will not use the works that require payment for the use since it is easier for them to use generic art. This results in a chilling effect on the dissemination of art.

The industry needs guidance regarding incidental uses. Ultimately, Congress should address incidental use in the next copyright amendment. In the meantime, *Mura v. Columbia Broadcasting System, Inc.* provides a model approach to the analysis of infringement. Other courts have added elements in a piecemeal way which will also be useful in determining fair use.

Courts should use these guidelines to create a comprehensive test that can be applied generally and consistently. The test should encompass the fair use provisions laid out in section 107 of the 1976 Copyright Act as well as the factors laid out by the courts.

Thus, courts should analyze: 1) the purpose and character of the use including whether it is profit or non-profit;¹⁸⁸ 2) the nature of the copyrighted work used¹⁸⁹ and whether the work is used in the intended way; 3) the amount of time the work is shown (whether the

184. 17 U.S.C. § 504 (1988). "In establishing the infringer's profits, the copyright owner is required to present proof only of the infringer's gross revenue, and the infringer is required to prove his or her deductible expenses and the elements of profit attributable to factors other than the copyrighted work." *Id.* § 504(b). This is quite a heavy burden of proof.

185. *Id.* § 505 provides for costs and attorney's fees.

186. *Id.* § 503 provides for the impounding and disposition of infringing articles.

187. *Id.* § 506(a). "Any person who infringes a copyright willfully and for purposes of commercial advantage or private financial gain shall be punished as provided in section 2319 of title 18." *Id.*

188. 17 U.S.C. § 107(1) (1988).

189. *Id.* § 107(2) (1988).

work is focused on or is quickly panned); 4) the substantiality of the use and whether all or part of a work is used or shown;¹⁹⁰ 5) the context in which the work is shown; 6) the medium (whether the copy or display is transmitted in a different and non-competitive market or whether the copy or display may be used as a substitute for the original); and 7) the effect on the market¹⁹¹ and whether the use is more like free advertising that will boost sales or more like a devaluation from overexposure. In addition, *de minimis* or incidental and fortuitous use should be excused under the fair use section of the next amendment to the Copyright Act.

Application of these principles indicates that copyrighted work in background scenery of a television set should fall into the fair use category. First, the work is used in a reasonable way for decoration in a show of entertainment. The work is being used for the purpose the artist could reasonably foresee. The use of the work brings no direct profit or commercial gain to the user as it would be difficult to claim that the background of a scene affects the show's ratings. Second, the artists' interests in preserving the value of the work are not compromised by allowing the broadcast to show briefly a small scaled piece of work in a backdrop. Moreover, the work is shown in a way that is consistent with its intended use. It is either hung on a wall or arranged in a bookshelf or worn as an emblem on a piece of clothing. Third, although the duration of the display will vary, the fourth and fifth factors minimize the effect of the duration. Fourth, the use of the work in the background forms only a small part of the overall picture or scene and is purely decorative. Fifth, in the context of a television show, the background is barely noticeable as it is usually partially obstructed by actors or other props, or out of focus.¹⁹² Sixth, the two dimensional image of a picture on a television screen could not replace the original three-dimensional work. It is not a substitute and it is not the same as having the picture right on your wall. Seventh, a television image could not devalue the actual copyrighted work. It does not make the work commonplace, nor does it over-saturate the market for the work. Thus, the use would be incidental and fortuitous and should be allowed under the fair use exception.

An artist may not want her work used in a television series backdrop because she does not want a viewer to associate the artist and the work with the opinions the show or the producer espouses. This

190. *Id.* § 107(3) (1988).

191. *Id.* § 107(4) (1988).

192. Admittedly, this makes a more difficult case for the use of the mural on "The Cosby Show" as the large mural is displayed every week in the opening credits. Although the actors dance in front of it for a short period of time, it could be considered a focus of the show, or even a type of insignia associated with the show. This would make a much more difficult case for fair use.

may occur when, for example, a show's network had refused to divest in South Africa, or a show's theme is distasteful to the artist, such as pornography. The artist could sue the show and contest the use. Some may argue that once the work is sold, the artist should expect that the work could end up anywhere in the public market. In addition, policing all uses of all works is impossible and undesirable. Others will argue that the sale of an object does not pass along to the purchaser the exclusive rights which remain with the copyright owner. Therefore any unauthorized use that is not expressly exempted in the Act is an automatic infringement. This gives the owner the right to limit the work's uses.

There are also commercial considerations, such as free advertising, for some work and not others. This is especially problematic where trademarked products are concerned.¹⁹³

The present copyright law is overbroad concerning unauthorized use of copyrighted work in the backdrop of a set. The law seems to encourage litigation and those most disadvantaged will be the ones with the deepest pockets (i.e., the producer for the reproduction and the broadcaster for the display). The law may also result in a chilling of first amendment expression. Presently, the only sure way to stay within the bounds of the law is either to get permission and pay the fees, or avoid the use of the work altogether. Because the few courts that have analyzed these cases have failed to reach any consistent conclusions, many in the television industry have avoided any potential problems by not using the work. They have done so without understanding that there is room for change and clarification. This need not be the case.

Congress should include a more comprehensive fair use provision, with an express exception for incidental and *de minimis* use in the next amendment to the 1976 Copyright Act. In the meantime, the courts must apply the same guidelines and reach consistent results. When the suggested analysis is applied, showing the image of a copyrighted work in a backdrop will be permitted under the fair use exception in section 107.

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193. The ultimate problem concerning producers may lie with the sponsors and their commercials. It seems that the free advertising for a particular product or work on a program may alienate anyone paying thousands of dollars for a thirty second spot. This economic argument will work well with use of recognizable clothing designers and their visible names and logos; it may not work as well with art work. Although it is rare, a company may receive unwanted free publicity, as was the case with the Coca-Cola Company in the sexual-harassment hearings for Supreme Court nominee Clarence Thomas. See *Coca-Cola Receives Unwanted Publicity*, WALL ST. J., Oct. 16, 1991, at B8.