

A Publication of Maryland Lawyers for the Arts: Left-Brain Support for Right-Brain People

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Avoiding Gripes About Your Parody Web Site (p.1)

Chamber of Commerce Sues Yes Men Over IP (p.1)

Fairey Admits Lying About "Hope" Photo (p.4)

Ethical Challenges for Documentarians (p.5)

Sports Artist Wins One in Trademark Case (p.6)

Appeals Court Rules for Thomas the Tank Photographer (p.7)

Copyright Alliance Urges Obama to Support Artists' Rights (p.7)

Avoiding Gripes About Your Parody Web Site

By Corynne McSherry*

Here's a story we hear a lot at Electronic
Frontier Foundation (EFF): You think BadCo,
Inc. is a bad actor and you've developed a
really cool site to tell the world why. Maybe
just by griping about them or maybe through

a bit of parody.

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Fast forward two weeks: you're basking in the pleasure of calling BadCo out when bam! You find out your site's been shut down. You call your internet service provider to find out what's going on. After way too much time climbing phone trees and sitting on hold you get an answer — BadCo has claimed that your site violates its intellectual property rights.

The above scenario is all too common — and, often, could have been avoided (or at least discouraged) by a few simple measures. Below, we'll give you some tips for warding off complaints about your gripe or parody site. But first, some background on common claims and defenses.

Trademark

Many trademark owners are not happy when they see their marks (e.g., the name of the company [like McDonald's], logos [like Nike's swoosh] and or trademarked phrases [like "Let's Get Ready to Rumble! "]) on their critics' websites or in a domain name. They may argue (to the site owner or webhost) that these uses infringe their trademarks, dilute their trademarks, and/or constitute cybersquatting. *Infringement* means using a mark in such a way as to cause a likelihood of confusion as to the source of good

(continued on page 2)

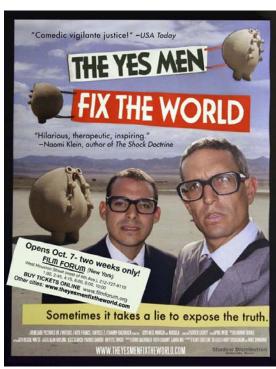


Image courtesy of Yes Men

FALL 2009

Chamber of Commerce Sues Yes Men Over IP

by Marcia Semmes, MLA Executive Director
The U.S. Chamber of Commerce sued filmmakers Jacques Servin and Igor Vamos — the
"Yes Men" — in federal court in Washington,
D.C., Oct. 26, claiming that they infringed its
trademarks and other intellectual property in
promoting their new movie, "The Yes Men Fix
the World."

The Chamber filed suit a week after the Yes Men staged a parody press conference in Washington, D.C., at which they announced that the Chamber was reversing its longstanding opposition to climate change legislation.

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(continued on page 4)

(Avoiding Gripes from page 1)

Founded in 1985, Maryland Lawyers for the Arts provides pro bono legal assistance to income-eligible artists and arts organizations, and educational workshops and seminars on topics affecting artists.

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MLA Arts Brief aims to educate and inform Maryland artists about legal issues affecting them. It is not intended as a substitute for legal advice. Artists with legal issues should seek legal counsel to address specific questions.

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or services; dilution means using a nationally famous mark (like Coca-Cola) in a way that tarnishes the mark or blurs the connection in the consumer's mind between the mark and the mark-owner's goods or services; cybersquatting means using a domain name with a bad faith intent to profit from the goodwill associated with someone's trademark.

However, several courts have held that U.S. trademark law does not reach entirely noncommercial uses. In addition, your use may be a nominative fair use if:

- 1. It's not easy to identify the product/company without using a mark (e.g., using the term "Chicago Bulls" instead of "the basketball team that plays in Chicago");
- 2. Only so much is used as is necessary to identify the product/company and accomplish your purpose; and
- 3. You do nothing to suggest the mark-owner has endorsed or sponsored your site.

Finally, your use may be protected by the First Amendment if use of the mark is part of your message, courts will consider whether the First Amendment interest in free expression outweighs the public interest in preventing consumer confusion.

A trademark claim will normally start with a cease and desist letter sent to you or your service provider. This kind of letter is designed to accomplish the mark-owner's objectives relatively cheaply, i.e., without the expense of going to court. If you or your service provider refuse to comply, the mark-owner may let the matter go, may sue, or, if it is primarily interested in your domain name, may seek to have the domain name transferred under the Uniform Domain Name Dispute Resolution Policy (UDRP). According to the UDRP, a mark-owner who believes a domain name was registered and is being used in bad faith may demand an arbitrator be assigned to assess the matter. If so, you'll have a chance to explain your position to the arbitrator. If the arbitrator nonetheless orders a transfer (note that URDP decisions overwhelmingly tend to favor established mark-owners), you can ask a U.S. court to intervene.

Copyright

Some complaints we've seen are based on alleged copyright violations, i.e., a claim that the website infringes original creative material owned by the complaining party. Usually this will take the form of a Digital Millenium Copyright Act (DMCA) notice to you or your service provider. In 1998, Congress granted online service providers (like hosting services) certain protections from copyright infringement

liability, so long as they meet certain requirements. One requirement of this "DMCA safe harbor" is that online service providers must implement a "notice-and-takedown" system. Under this system, your provider has strong incentives to take down your site as long as the notice it receives complies with the DMCA. However, if you believe your copying, if any, was a fair use (or otherwise noninfringing), you can submit a counter-notice and call the copyright owner's bluff. If the copyright owner does not file suit in federal court within 10-14 business days, your site should go back up.

How do you decide whether your use is fair? In evaluating whether something is a fair use, courts generally consider four factors:

- 1. The nature of your use (transformative works are more likely to be fair uses, as are noncommercial works);
- 2. The nature of the copyrighted work (you have more fair use leeway with factual works like news stories than purely creative works);
- 3. The amount taken from the copyrighted work (this is both a quantitative and qualitative inquiry); and
- 4. The effect on the market for or value of the work.

No one factor is dispositive, and the cases say that all the issues need to be considered together, rather than simply calculating a win-loss record on the four factors.

It is not always easy to figure out the exact basis of a complaint — copyright, trademark, or something else. If the complaint went to your service provider, ask them to tell you the exact basis for the complaint and give you a copy of any documents they have received.

Avoiding Trouble

Whatever the nature of the complaint, dealing with it can be time-consuming, intimidating and interfere with your ability to accomplish your main purpose: legitimate criticism. Fortunately, there are some simple things you can do in advance to either stave off complaints, or give yourself some tools to nip them in the bud:

- I. Be noncommercial no ads, no links to commercial sites, no affiliate links, no Café Press T-shirt sales, no fundraising if you can help it. Several court rulings have held that noncommercial uses fall entirely outside the reach of federal trademark laws, and lack of commerciality can weigh in your favor under copyright law as well.
- Don't use the target's name alone in the domain name
 — adding "sucks" is good, but you can be creative. Point is, www.badco.com is more likely to be perceived by a

trademark owner as confusing than www.ihatebadco.com. And remember, if your content is good and people link to it, your site will likely come up in Google searches for your topic, no matter what your domain name is. Often, the domain name isn't worth the trouble.

- 3. Have a prominent disclaimer that explains that your target is neither affiliated with nor endorses your site.
- 4. Find a service provider with backbone. All too often, internet service providers will choose to take your site down simply because it's cheaper to do so than to pay a lawyer to evaluate whether your target's claims have merit. Services that have stood up for their customers' free speech rights in the past are Computer Tyme, MayFirst and Project DoD. A list of other service providers that reportedly "won't dump you at the first sign of controversy" can be found at http://whdb.com/2007/free-speech-hosting-I I-web-hosts-that-wont-dump-you-at-the-first-sign-of-controversy.
- 5. If you borrow from the target's own materials, such as text or images from the target's own websites, be selective. Make sure that you have taken no more than necessary to accomplish your purpose. Consider altering them in such a way that no one could possibly be confused about endorsement or sponsorship.
- 6. If a mark-owner challenges your use of a mark in a domain name, don't offer to sell it to the mark-owner without the assistance of legal counsel. An offer to sell, particularly at an apparently inflated price, could be seen by a UDRP arbitrator (and possibly a U.S. court) as evidence that you are a cybersquatter.

To be clear: You don't need to follow any of these suggestions to have a perfectly legal site. On the flip side, following them won't guarantee you won't get complaints. But it should help minimize your legal risk, so you can focus on the primary task — raising public awareness about the issues that are important to you.

* Corynne McSherry is a senior staff attorney with EFF.

HELP MLA HELP ARTISTS!

To volunteer your time or to make a tax-deductible donation to MLA Maryland Lawyers for the Arts, visit www.mdartslaw.org or call 410.752.1633.

As the Yes Men web site states, Servin and Vamos have an unusual hobby: "posing as top executives of corporations they hate. Armed with nothing but thrift-store suits, the Yes Men lie their way into business conferences and parody their corporate targets in ever more extreme ways — basically doing everything that they can to wake up their audiences to the danger of letting greed run our world." After Servin, who posed as a Chamber of Commerce executive at the Oct. 19 press conference, was interrupted by an actual Chamber of Commerce official, both called the other frauds and demanded to see their credentials.

According to the Chamber, the Yes Men and their associates created a fraudulent Web site that was an exact replica of and linked to the Chamber's actual site; and falsely claimed to be speaking as the Chamber under the Chamber's copyright.

The Chamber contends that: "The defendants are not merry pranksters tweaking the establishment. Instead, they deliberately broke the law in order to further commercial interest in their books, movies, and other merchandise. Ironically and unfortunately, this lawsuit might even help in that regard, but these acts are nothing less than commercial identity theft masquerading as social activism and must be stopped."

The complaint alleges that the Yes Men and others working with them registered a domain name very similar to the Chamber's, which contained a fake "Speeches" page and a fake "Press Releases" page. The two pages use the Chamber's logo and service mark without permission and fraudulently claimed a 2009 Chamber copyright on the bottom of each page, the complaint stated.

"Moreover, rather than create a parody site that resembles the Chamber's site, the fraudulent pages copy embedded software elements from the Chamber's web site," the suit said, ensuring "that if a visitor 'clicks' any links on the fraudulent pages they are taken to the authentic Chamber web site. This painstaking, sophisticated design is aimed at concealing the fraudulent nature of the 'Speeches' and 'Press Releases' page."

The Chamber of Commerce earlier issued a takedown notice under the Digital Millennium Copyright Act to Hurricane Electric Internet Services demanding that they take down the site. Attorneys for the Electronic Frontier Foundation opposed the takedown on the Yes Men's behalf. EFF Senior Staff Attorney Matt Zimmerman said in a press release: "Parody is a well-established right, protected under copyright law and the First Amendment. Hopefully, the Chamber will reconsider its position and realize that such strongarm tactics are inappropriate and counter-productive."

Fairey Admits Lying About "Hope" Photo

by Marcia Semmes

Shepard Fairey's suit against the Associated Press (AP) took another surprising turn in October as he admitted that he lied, submitted false images, and deleted other images in an attempt to mislead the defendants about which source photo he used for his iconic Obama "Hope" poster.



Fairey conceded that he "discovered early on in the case" that he was wrong and AP was right about which source photo he used — a Mannie Garcia closeup of Obama and not a photo of the then-candidate with actor George Clooney — and that he deliberately attempted to conceal that mistake. The artist apologized for his "lapse in judgment," but added, "Regardless of which of the two images was used, the fair use issue should be

the same." Fairey said he is also sorry that his "actions may distract from what should be the real focus of my case — the right to fair use so that all artists can create freely."

AP disputed Fairey's version of events in a court filing soon after the artist issued his statement, saying that he admitted destroying and fabricating evidence only after being caught red-handed. "It is simply not credible that Fairey somehow forgot in January 2009 which source image he used to create the Infringing Works, which were completed only a year earlier in January 2008," AP said, adding, "It also strains credulity that an experienced graphic designer such as Shepard Fairey misremembered cropping George Clooney out of a source image and making other changes ... when no such cropping or other changes were ever made."

Fairey sued AP in February, seeking a declaration that his use of the photo did not infringe any copyrights held by AP and is protected by the fair use doctrine, a defense to copyright infringement that allows works to be reproduced without payment or penalty in some situations — criticism, comment, news reporting, teaching, scholarship, and research. AP countersued in March, calling Fairey hypocritical for repeatedly copying the works of others artists and photographers without paying or crediting them. Photographer Mannie Garcia intervened in the suit in July, arguing that since he was a freelancer when he took the photo of Obama, and not an AP employee, that he holds the copyright on the photo under the work-for-hire doctrine.

Ethical Challenges for Documentarians

by Marcia Semmes

American University's Center for Social Media released the latest in a series of white papers for artists in September, titled "Honest Truths: Documentary Filmmakers on Ethical Challenges in Their Work."

Noting that conflicting obligations to subjects, audiences, and artistic visions can create ethical challenges, authors Patricia Aufderheide, Peter Jaszi, and Mridu Chandra called for new standards and practices to help filmmakers in ethical dilemmas. But first, they noted, a larger, more sustained, and public discussion of ethics is needed, which will require safe zones for sharing questions and reporting concerns so that filmmakers don't face risk of censure or jeopardize a potential job. The authors proposed to facilitate the discussion through a Web site where filmmakers can anonymously share their experiences and seek recommendations from peers.

The report points out that unlike journalism, documentary filmmaking has largely been an individual, freelance effort. Documentary filmmakers typically are small business owners, selling their work to a range of distributors, mostly in television. While some of these outlets may ask filmmakers to observe ethical standards and practices derived from print or broadcast journalism, for the most part, documentary filmmakers have largely depended on individual

judgment, guidance from executives, and occasional conversations at film festivals and on listservs.

The report noted that concerns about documentary ethics have intensified recently, due to documentarians' increased role as media makers and alternative voices, falling public confidence in the mainstream media and the integrity of the political process, and the need for quality programming to fill an increasing number of media outlets.

The authors interviewed 45 filmmakers for the study, finding three common, but conflicting, sets of responsibilities: to subjects, to viewers, and to their own artistic vision and production exigencies.

According to the report, the ethical questions that arose in relation to subjects focused on how to maintain a humane working relationship with the person whose story they were telling - issues like how much decision-making power does one share with a subject, paying subjects, or whether one can deceive a subject.

Ethical tensions in the relationship with viewers focused on ways to maintain their faith in the accuracy and integrity of the work — including questions of framing and editing, how far one can go in staging or restaging events, and the use of archival materials.

In both cases, "militating against what filmmakers might prefer personally to do was the obligation to complete a compelling and honest documentary story within budget."

The authors found that filmmakers were frustrated in two main areas — the lack of clarity and standards in ethical practice and the lack of support for ethical deliberation under

typical work pressures.



Budget pressures, for example, forced one wildlife filmmaker into an ethical dilemma on learning that an animal wrangler had broken a rabbit's leg to get a shot of a hunter and its prey: "On the next take, they then asked, 'Should we break its leg again?' ... the DP [director of photography] was sitting there, saying 'No, I'm sure you wouldn't want to do it,' but nodding his head yes. I made the decision, let them break it.

I regret it. It eats me up every day. I can sort of rationalize this, that it might be killed by a natural predator. But for us to inflict pain to get a better shot was the wrong thing to do."

According to report author Aufderheide, thousands of filmmakers are working on films on a professional basis across the United States and an incalculable number are working on documentaries on a nonprofessional basis. The Center for Social Media is noted for its codes of best practices in fair use, the most longstanding of which is the Documentary Filmmakers' Statement of Best Practices in Fair Use. The full report can be found at: centerforsocial media. org/resources/publications/honest_truths_documentary_ filmmakers on ethical challenges in their work/.

Sports Artist Wins One in Trademark Case

by Marcia Semmes

Artist Daniel Moore, best known for his hyper-realistic paintings of University of Alabama (UA) football games, won a legal victory in UA's suit against him Nov. 2 as a federal trial court rejected the university's claim that Moore's paintings violated its trademark in the players' crimson and white uniforms.

The court carefully limited its opinion to Moore's fine artistic creations — "paintings and prints treated as art without the use of any symbols, logos, etc. of the University of Alabama depicted thereon" — distinguishing cases involving cards, T-shirts, cups, mugs, posters, mini-prints, calendars, and the like.

The judge acknowledged that his ruling will not be the final word in the four-year-old case, but merely "a way station on the route to appellate courts." He noted that "There are a plethora of issues for the courts to disentangle," including artistic expression, the First Amendment and Fair Use.

While copyright protects works of artistic creation, a "trademark is a word, name, symbol, or device, or any combination, used, or intended to be used, in commerce to identify and distinguish the goods of one manufacturer or seller from goods manufactured or sold by others, and to indicate the source of the goods. In short, a trademark is a brand name."

UA claimed that the uniforms worn by its football team — "the Crimson Tide" — were "trade dress" on which it had a protectable trademark and that Moore could not

sell football scenes including those uniforms without first obtaining a license. Trade dress basically refers to the total packaging and design of a product.

The court decided that while the colors of the uniforms in Moore's paintings may be a weak trade dress mark, possibly creating some confusion about whether UA sponsors Moore's paintings, the public interest in freedom of expression entitles Moore to prevail."The depiction of the uniforms in the paintings is incidental to the purpose and expression of the paintings," the court said — "to artistically depict and preserve notable football plays in the history of University of Alabama Football. The only relevance of the colors is to correctly depict the scene."

The court quoted from the landmark case of Rogers v. Grimaldi, Ginger Rogers' suit against the makers of the film "Ginger and Fred." The U.S. Court of Appeals for the Second Circuit held that the film gave no explicit indication that she had endorsed the film or had a role in producing it.

Further, the court said, "We believe that in general the [Lanham] Act should be construed to apply to artistic works only where the public interest in avoiding consumer confusion outweighs the public interest in free expression.

MLA volunteer Neal Dongre, an attorney with Gorman & Williams in Baltimore, said the decision "shows that courts will often err on the side of individual freedoms when engaged in the difficult task of balancing Constitutional rights against intellectual property protections. It is also remarkable that this court was so forthright in its acknowledgment that the law in that particular area is so murky."

"The depiction of the uniforms in the paintings is incidental to the purpose and expression of the paintings — to artistically depict and preserve notable football plays in the history of University of Alabama Football. The only relevance of the colors is to correctly depict the scene."

"The Blowout" courtesy of New Life Art, Inc.



Appeals Court Rules for Thomas the Tank Photographer

by Marcia Semmes

A photographer hired to take advertising photos of Thomas the Tank toys owned the copyright in the photos to the extent they contained additional original expression, a federal appeals court ruled Nov. 5.

Copyright in a "derivative work" like the photos arises by operation of law, the U.S. Court of Appeals for the Seventh Circuit said, and not through authority from the owner of the copyright in the underlying work. The parties may, however, alter this default rule by agreement, the court added.

HIT Entertainment, which owns the copyright to the Thomas & Friends train characters, licensed Learning Curve International to make toys of the characters. Learning Curve hired Chicago photographer Dan Schrock to take the pictures, which he did for four years. Learning Curve then stopped giving Schrock work, but continued to use his photographs in its advertising and product packaging.

After Learning Curve stopped giving him work, Schrock registered his photos for copyright protection and sued Learning Curve and HIT for infringement. The lower court held that the photos were derivative of the "Thomas & Friends" characters copyrighted by HIT and that Schrock needed permission from Learning Curve not only to make the photographs but also to copyright them. Because Schrock had permission to make but not permission to copyright the photos, the court dismissed his claim for copyright infringement.

Reversing the lower court's opinion, the Seventh Circuit held that Schrock created the photos with permission and therefore owned the copyright to the photos provided they satisfied the other requirements for copyright and the parties did not contract around the default rule.

The Seventh Circuit also clarified its own 1983 opinion in Gracen v. Bradford Exchange, in which it said that "a derivative work must be substantially different from the underlying work to be copyrightable."

The only originality required for a new work to be copyrightable is enough expressive variation from public-domain or other existing works to enable the new work to be readily distinguished from its predecessors, the Seventh Circuit said.

The court concluded that Schrock's photos of Learning Curve's "Thomas & Friends" toys possessed sufficient incremental original expression to qualify for copyright.

However, because there was not enough evidence to be able to tell whether the parties agreed to alter the default rule regarding copyright or whether Learning Curve had an implied license to continue to use Schrock's photos, the Seventh Circuit sent the case back to the trial court for additional proceedings on those issues.

"This case underscores the value of a clear, written agreement between the parties that addresses key issues in the parties' relationship, including the ownership of the work that is created by the photographer and the parties' surviving rights (if any) after the agreement is terminated, two issues that arise quite frequently in agreements relating to copyright," MLA board member Michael S. Yang said. "In reaching its decision, the Court ultimately cites to the lack of clear language in the parties' respective agreements, stating that 'the best evidence of the terms of an agreement is, of course, the agreement itself," the Gorman & Williams attorney added.

Copyright Alliance Urges Obama to Support Artists' Rights

The Copyright Alliance delivered a letter signed by more than 11,000 artists to the White House Nov. 16, urging the Obama administration to pursue policies that support artists' rights. Noting that copyright, which allows artists to earn a living from their work, is increasingly under attack, Lucinda Dugger, the director of outreach initiatives for the Copyright Alliance, said the letter's goal is "to remind our nation's most powerful leaders that creativity and art and entertainment don't just happen. They require investment, hard work and talent."

A delegation of emerging artists delivered the letter and met with key personnel on the arts and technology in the White House Office of Public Engagement.

The letter states in part:

"[W]e are under assault. Our rights to control the distribution, use, and reproduction of our works in our vibrant digital age are dismissed by many who do not understand the value we bring to society. They tell us to work harder, create better, and give our works away. Some think that they should control our works and that they should be able to appropriate, perform, and copy them how they please, without our consent, benefit, or participation."

The letter may be viewed and signed at http://www.copyrightalliance.org/letter/.

Please join Maryland Lawyers for the Arts and the School 33 Arts Center for the latest in their "Entrepreneurship for Artists" workshop series.

Saturday, Dec. 5, from 1:30 to 4:00 pm at School 33, 1401 Light St., Baltimore, MD 21230

"Marketing Your Work/Banking Basics": Artists and designers need to be more than just creative: they need to have the knowledge and business savvy to survive in the competitive environment of the creative industry. Ann Clark Priftis presents the "Top Ten Ways to Increase Your Art Sales," gleaned from her years of experience as art appraiser, dealer, and consultant, while Keiffer Mitchell explains the basics of a business plan and making the case for a business loan. Free, registration required. Please call 410-396-4641 or email william.pace@promotionandarts.com.

Ann Clark Priftis owns and operates Clark Priftis Art LLC, a comprehensive fine art services company specializing in professional fine art appraisals, gallery consultation, corporate and private collections management, and fine art purchasing/acquisition advisement, with offices in Baltimore and New York. In addition, Ann is Vice President and Director of GINA Gallery of International Naive Art, which opened April I in New York. Keiffer J. Mitchell is an officer of Small Business Banking at Wachovia Bank, specializing in nonprofit clients. Previously, he was a three-term Baltimore City Council member, member of the Democratic State Central Committee, and second vice-chair of the Maryland Democratic Party.

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