

ARTICLES

THE INDEPENDENT LEGAL LIVES OF FICTIONAL CHARACTERS

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In this Article, Professor Kurtz analyzes the legal protection available for fictional characters when they are removed from their original context to lead new and independent lives. These characters have been protected, apart from the stories in which they appear, under copyright, trademark and unfair competition, and related doctrines. Each of these doctrines has been inconsistently applied, and few courts have attempted to distinguish the nature of what is protected under each, although they have different underlying rationales and confer different rights.

Professor Kurtz suggests that much of this confusion results from allowing these doctrines to drift too far from their conceptual moorings. The appropriate starting point in a copyright infringement case should not be a determination of whether a character is sufficiently developed to deserve protection, but a comparison of the characters in the allegedly infringed and infringing works. The law of trademarks and unfair competition should be restricted to protecting the capacity of a character or its elements to serve as a form of identification, and should not provide an alternative means for protecting a character as literary property. Nor should such protection be provided under other names, such as misappropriation or dilution.

In determining the extent to which the use of fictional characters should be restricted, it is necessary to strike a balance between protecting the ability of authors to control and profit from the use of their creations and protecting the public domain. Professor Kurtz suggests that in recent years this balance has tilted against the public domain. All artists build on the creativity of the past. Indeed, the creations of others are the building blocks of commerce as well as art. Overextending character protection will diminish the raw materials from which authors may draw to create new forms of expression and will unnecessarily limit competition.

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I. INTRODUCTION

Fictional characters are protected by copyright¹ within the context of the works in which they appear.² Together with the arrangement of incidents, the interplay among characters, and the setting, they are elements of a fictional work that is protected against infringement by the copyright statute.³ A character, however, is a nimble creature. It is not confined to the work in which it first appears, but can be removed from its original context to lead a new and independent life. Attempting to determine the legal status of these independent characters, apart from the stories in which they appear, creates a baffling problem.

Fictional characters are variable and elusive. They may be depicted visually, as in a cartoon; by word portraits, as in a book or story; or by actors, as in a motion picture or television program.⁴ They may consist of many different elements, including name, physical appearance, voice, pattern of speech, mannerisms, personality, attitudes, background, and attire.⁵ A character has tangible existence only in the specific words, pictures, and sounds created by its author. These words, pictures and sounds however, also create an image in the mind of the

1. 17 U.S.C. §§ 101-914 (1982 & Supp. 1985).

2. *Empire City Amusement Co. v. Wilton*, 134 F. 132 (C.C.D. Mass. 1903).

3. Copyright is not limited to protecting against verbatim or near verbatim copying. It "cannot be limited literally to the text, else a plagiarist would escape by immaterial variations." *Nichols v. Universal Pictures Corp.*, 45 F.2d 119, 121 (2d Cir. 1930). To decide whether an allegedly infringing work has crossed the line from appropriating unprotectible ideas to copying protectible expression, it is necessary to look at the characters contained in the work, at their development and interplay. Chafee, *Reflections on the Law of Copyright*, 45 COLUM. L. REV. 503, 514 (1945).

4. A character is usually a human being, but may be many things—an animal, an alien, a car, an insect, a robot, or even an invisible being.

5. William Gass' essay, *The Concept of Fiction*, in *THE SCRIBNER QUARTO OF MODERN LITERATURE* 566 (A. Walton Litz ed. 1978) discusses a character, Mr. Cashmore, "who would have been very red-headed if he had not been very bald, showed a single eyeglass and a long upper lip; he was large and jaunty, with little petulant movements and intense ejaculations that were not in the line of his type." *Id.* at 569. What, asks Gass, is Mr. Cashmore? He is, "(1) a noise, (2) a proper name, (3) a complex system of ideas, (4) a controlling conception, (5) an instrument of verbal organization, (6) a pretended mode of referring, and (7) a source of verbal energy. But Mr. Cashmore is not a person." *Id.*

reader or viewer, an image which may be more vivid than life. This mental image forms the basis for recognizing a character in new situations. It is only in this abstract form that a character can be said to have an independent existence. An independent character, therefore, is difficult to define or grasp clearly, since no two minds will conceive of it in precisely the same way.

It also is difficult to extricate a character cleanly from a plot which contains elements of its life history, and from the people, events and surroundings that have formed it. "[A] novel is a living thing, all one and continuous, like any other organism. . . . What is character but the determination of incident? What is incident but the illustration of character."⁶ Of course, some characters are more bound to their time and place and more dependent for their existence on their interrelationships with other characters.⁷ But almost any character brings with it trailing elements of plot that cannot be totally severed. We may remove Tarzan from the jungle and bring him to the city for a new adventure, but he is not Tarzan if he was not previously raised by apes in the jungle. Indeed, a character is more than a physical description and a name; it is a creature with a past, that reacts and has reacted in certain ways to the events surrounding it. It is a character by virtue of the drama in which it appears, for "[e]very creature of fantasy and art, in order to exist, must have his drama, that is, a drama in which he may be a character and for which he is a character."⁸

Furthermore, characters are not frozen forever in one form. Characters may change in physical appearance, personality and mannerisms. Their life histories may expand as they undergo new experiences. This may occur in a single work or over the course of a number of works. It may be true of pictorial as well as literary characters.⁹ For example, Mickey Mouse has softened over the years, in both physical appearance and behavior. When Mickey made his debut in *Steamboat Willie* in 1928, he was "a rambunctious, even a slightly sadistic fellow."¹⁰ Later, however, he became increasingly well-behaved, and his appearance changed as well. He became more youthful, developing "a

6. H. JAMES, *The Art of Fiction*, in *THE ART OF FICTION AND OTHER ESSAYS* 13 (1948).

7. See *infra* notes 198-203 and accompanying text.

8. L. PIRANDELLO, Preface to *Six Characters in Search of an Author*, in *NAKED MASKS, FIVE PLAYS BY LUIGI PIRANDELLO* 368 (E. Bentley ed. 1952). See also E.M. FORSTER, *ASPECTS OF THE NOVEL* 45 ("[t]he more we disentangle (the story) from the finer growths that it supports, the less shall we find to admire . . . [i]t runs like a backbone—or may I say a tape-worm, for its beginning and end are arbitrary").

9. See *infra* note 11.

10. S. GOULD, *A Biographical Homage to Mickey Mouse*, in *THE PANDA'S THUMB* 95 (1980). "In a remarkable sequence exploiting the exciting new development of sound, Mickey and Minnie pummel, squeeze and twist the animals on board to produce a rousing chorus of 'Turkey in the Straw.' They honk a duck with a tight embrace, crank a goat's tail, tweak a pig's nipples, bang a cow's teeth as a stand-in xylophone, and play bagpipe on her udder." *Id.*

larger relative head size, larger eyes, and an enlarged cranium—all traits of juvenality.”¹¹

Despite their elusiveness, fictional characters do have independent lives of their own. Characters such as Sherlock Holmes, Tarzan, Falstaff, Superman, James Bond, Pogo, Peter Rabbit, the Bobbsey Twins, Nancy Drew, Travis McGee, and Mickey Mouse may be better known and more valuable than any particular work in which they appear.¹² In

11. *Id.* at 96. Gould notes that “since the head-end of an embryo differentiates first and grows more rapidly in utero than the foot-end, a newborn child possesses a relatively large head attached to a medium-sized body with diminutive legs and feet.” *Id.* at 97. The head also changes as the child ages, with the bulbous cranium becoming more slanted and lower-browed. Since the eyes scarcely grow at all, they become relatively smaller in the enlarged adult head. *Id.* at 98.

Gould adds that national symbols are not altered capriciously, and cites Konrad Lorenz for the proposition that babyish features tend to elicit strong feelings of affection in adult humans. *Id.* at 100-01. “[T]he abstract features of human childhood elicit powerful emotional responses in us, even when they occur in other animals. I submit that Mickey Mouse’s evolutionary road down the course of his own growth in reverse reflects the unconscious discovery of this biological principle by Disney and his artists.” *Id.* at 104. Donald Duck has also become more juvenile in appearance, although to a lesser extent than Mickey. His enlarged beak receded and his eyes grew larger, but he remained more adult in appearance with a projecting beak and sloping forehead. *Id.* at 104. The Peanuts characters too have undergone change over the years, with the heads becoming increasingly refined. Davis Enterprise Weekend, May 23, 1985, at 6, col. 1.

In early works, Superman displayed extraordinary leaping ability which, in later works, became the power of flight. Warner Bros. v. American Broadcasting Cos., 720 F.2d 231, 236 (2d Cir. 1983). In an early edition of Action Comics, Superman risked his secret identity to get a story, behavior that would be unthinkable to the later Man of Steel. G. GROSSMAN, SUPERMAN, SERIAL TO CEREAL 8 (1977). The names of his parents, foster parents, and editor also changed. *Id.* Today, in comics, Superman is contemporary. He has “obtained rights from the United Nations to violate international air space, lest he be considered a red-caped missile from a hostile country,” and he has become involved in broadcasting. *Id.* at 9. He no longer fears “the once deadly rock, Kryptonite.” *Id.* However, in the recent Superman movies, he is still a newspaper reporter and can be harmed by Kryptonite.

Arthur Conan Doyle notes that the appearance of Sherlock Holmes in illustrations for his books differed from the word portrait he had created. Doyle found the drawings very unlike his own idea of the man. “I saw him as very tall—‘over 6 feet but so excessively lean that he seemed considerably taller,’ said ‘A Study in Scarlet.’ He had, as I imagined him, a thin razor-like face, with a great hawk’s-bill of a nose, and two small eyes, set close together on either side of it. Such was my conception. It chanced, however, that poor Sidney Paget who, before his premature death, drew all the original pictures, had a younger brother whose name, I think, was Walter, who served him as a model. The handsome Walter took the place of the more powerful but uglier Sherlock. . . . The stage has followed the type set by the pictures.” Doyle, *Sidelights on Sherlock Holmes*, in THE BAKER STREET READER 12 (P. Shreffler ed. 1984).

12. See, e.g., Brylawski, *Protection of Characters—Sam Spade Revisited*, 22 BULL. COPYRIGHT SOC’Y U.S.A. 77 (1974); Davis, *Sequel Rights: Federal Copyright Protection of Fictional Characters*, 2 PERF. ARTS REV. 315 (1971); Kellman, *The Legal Protection of Fictional Characters*, 25 BROOKLYN L. REV. 3 (1958); Nimmer, *Copyright Protection Afforded Fictional Characters*, 22 S. TEX. L. J. 341 (1982); Waldheim, *Mickey Mouse, Trademark or Copyright*, 54 TRADEMARK REP. 865 (1964); Waldheim, *Characters—May They Be Kidnapped*, 12 BULL. COPYRIGHT SOC’Y U.S.A. 210 (1954); Zissu, *Character Rights: Some Observations*, BULL. COPYRIGHT SOC’Y U.S.A. 120 (1981); Comment, *Literary Property in Characters: Protection Afforded Authors by Copyright & Unfair Competition*, 21 ALB. L. REV. 185 (1957); Comment, *Sequel Rights in the Law of Literary Property*, 48 CALIF. L. REV. 685 (1960).

Pirandello's play *Six Characters in Search of An Author* the character called the Father says:

[A]uthors, as a whole, hide the labours of their creations. When the characters are really alive before their author, the latter does nothing but follow them in their action, in their words, in the situations which they suggest to him; and he has to will them the way they will themselves—for there's trouble if he doesn't. When a character is born, he acquires at once such an independence, even of his own author, that he can be imagined by everybody even in many other situations where the author never dreamed of placing him; and so he acquires for himself a meaning which the author never thought of giving him.¹³

When Ibsen was asked why he called the heroine of *A Doll's House* Nora, he answered that “[s]he was named after her grandmother who was Italian. Her real name was Eleanora, but she had been pampered as a child and called Nora. To the objection that all this played no part in the play itself he replied in amazement: ‘But facts are still facts.’”¹⁴ When a friend of Balzac began discussing his sister's illness, Balzac interrupted, “that's all very well, but let's get back to reality. To whom are we going to marry Eugenie Grandet.”¹⁵ On his deathbed, “Balzac murmured, ‘Bianchon would have saved me’—referring to the great physician of Paris he himself had created.”¹⁶ To an author, it seems, a fictional character can become more real than reality itself.

13. L. PIRANDELLO, *supra* note 8, at 268. E.M. Forster made much the same point when he said that

characters arrive when evoked, but full of the spirit of mutiny. For they have these numerous parallels with people like ourselves, they try to live their own lives and are consequently often engaged in treason against the main scheme of the book. They ‘run away,’ they ‘get out of hand,’ they are creations inside a creation and often inharmonious towards it; if they are given complete freedom they kick the book to pieces, and if they are kept too sternly in check, they revenge themselves by dying, and destroy it by intestinal decay.

E.M. FORSTER, *supra* note 8, at 102. *But cf.* Gass, *supra* note 5, at 567 (“from any given body of fictional text, nothing necessarily follows, and anything plausibly may . . . [a]uthors are gods—a little tinny sometimes but omnipotent no matter what, and plausible on top of that, if they can manage it”).

14. 4 A. HAUSER, *THE SOCIAL HISTORY OF ART* 51 (Routledge & Kegan eds. 1962).

15. *Id.* at 52. The author states that the characters in Balzac's *Comédie Humaine*, many of which recur in a variety of different novels, “are broader and more substantial than the individual works and we always feel that Balzac is not telling us everything he knows about them and could tell.” *Id.* at 51. The existence of Balzac's characters outside the novels in which they appear is “such an unmistakable reality for Balzac and one which he takes so much for granted, that he would have been able to say of any play or book what Vautrin or de Marsay or Rastignac would think of it.” *Id.* at 52.

16. Starrett, *The Baker Street Irregulars*, in *THE BAKER STREET READER*, *supra* note 11, at 183-84.

The same may be true for an author's audience.¹⁷ A character may live in the public imagination, beyond the reach of any individual work.¹⁸ The publication of Goethe's *Young Werther* was followed by an epidemic of suicides. So many books have been written about Sherlock Holmes that he has been awarded his own Library of Congress Number.¹⁹ Members of The Baker Street Irregulars, the first formal organization dedicated to studying Holmes, take as a basic premise for their writings that Sherlock Holmes, Dr. Watson, and their adventures are real persons and events.²⁰ Sir Arthur Conan Doyle, if he is acknowledged at all, is merely Dr. Watson's literary agent.²¹ Doyle said that he never realized what "a living actual personality Holmes had become" until he heard a group of French schoolboys who, when asked what they wanted to see first in London, unanimously asked to see Sherlock Holmes' lodgings in Baker Street.²² Biographies have been written of Sherlock Holmes,²³ Dr. Watson,²⁴ and even Sherlock's

17. See Gass, *supra* note 5, at 566 ("fiction's fruit survives its handling and continues growing off the tree . . . [a] great character has an endless interest; its fascination never wanes . . . and characters are great when they are memorable."). Gass cites as examples Hamlet, Ahab, Julien Sorel and Madame Bovary.

18. See *DC Comics v. Unlimited Monkey Business, Inc.*, 598 F. Supp. 110, 118 (N.D. Ga. 1984).

19. L.C.N. PR 4624, Holmes, Sherlock (Fictitious Character). The phenomenon of Sherlock Holmes "has taken on its own life, quite independent of the detective's alleged creator; there is probably no character in fiction or non-fiction as instantly recognizable to anyone in the western world, literate or not." Shreffler, *Come Watson Come, the Game Is Afoot*, in *THE BAKER STREET READER*, *supra* note 11, at 4. More than one hundred movies and television programs have depicted his adventures. Wall St. J., Apr. 29, 1985, at 18, col. 1.

20. Baker Street Irregulars have included Dorothy Sayers, Rex Stout and Christopher Morley. Franklin D. Roosevelt and Harry Truman were honorary members. "[P]layers of the Grand Game find that they can approach the sixty adventures of Sherlock Holmes, known as the 'sacred writings' from the point of view, and using the methodology of, virtually any academic discipline." Shreffler, *supra* note 19, at 5. For examples of such writings, see *THE BAKER STREET READER*, *supra* note 11. Players of the game often take Holmes more seriously than did author Doyle. When William Gillette produced a Sherlock Holmes play, providing Doyle "with a share in the undertaking," he cabled Doyle, "[m]ay I marry Holmes?" Doyle's 'heartless' reply was, "[y]ou may marry or murder or do what you like with him." Doyle, *supra* note 11, at 11.

21. Shreffler, *supra* note 19, at 3-4.

22. Doyle, *supra* note 11, at 14. Doyle added that "many have asked me which house it is, but that is a point which for excellent reasons I will not decide." *Id.* The approach of the Baker Street Irregulars to the question of 221B Baker Street is illustrated in the following exchange (BSI stands for Baker Street Irregular): Rex Stout (BSI): "I would be astonished if I went to 221B Baker Street and didn't find him." Jacques Barzun: "You would? I'm afraid I went there in the same hope and was disappointed." Stout: "He was out on a case." Mark Van Doren: "Did you even find the number?" Barzun: "No, the number isn't there." Elmer Davis (BSI): "The number has been changed."

23. See, e.g., W. BARING-GOULD, *SHERLOCK HOLMES AT BAKER STREET: A LIFE OF THE WORLD'S FIRST CONSULTING DETECTIVE* (1962); V. STARRETT, *THE PRIVATE LIFE OF SHERLOCK HOLMES* (1933); Roberts, *A Biographical Sketch of Sherlock Holmes*, in *THE BAKER STREET READER*, *supra* note 11, at 47.

24. See, e.g., Roberts, *Doctor Watson, Prolegomena to the Study of a Biographical Problem*, in *THE BAKER STREET READER*, *supra* note 11, at 55.

brother Mycroft²⁵ and the villainous Professor Moriarty.²⁶ Holmes has appeared in recent novels, with new stories, written by new authors. In the book and film *The Seven Percent Solution*, Holmes is tricked by Watson into following Professor Moriarty to Vienna to be cured of cocaine addiction by Sigmund Freud, after which the two embark on a Holmesian adventure.²⁷ In *The Ectoplasmic Man*, Holmes and Watson clear the name of an innocent Houdini.²⁸ Steven Spielberg has produced *Young Sherlock Holmes*, recounting the adventures of the sixteen-year-old sleuth at Brompton Boarding School in London. Holmes has even been the subject of a law review article.²⁹

Certain characters are so memorable that their names have become part of our language. A person may be called Quixotic, a Don Juan, a Simon Legree or a Pollyanna.³⁰ There is Gargantua and his gargantuan appetite, King Tantalus and his tantalizing punishment.³¹ Authors have used other authors' characters to create new works. In *Rosencrantz and Guildenstern are Dead*³² Tom Stoppard used two of the minor characters from Shakespeare's *Hamlet* to explore the nature of tragedy in today's world.³³ Woody Allen has made use of Madame

25. See Mitchell, *Portrait of Mycroft*, in THE BAKER STREET READER, *supra* note 11, at 73.

26. See Smith, *The Napoleon of Crime: Prolegomena to a Memoir of Professor James Moriarty, Sc.D.*, in THE BAKER STREET READER, *supra* note 11, at 79.

27. See *Musto v. Meyer*, 434 F. Supp. 32 (S.D.N.Y. 1977), *aff'd mem.*, 598 F.2d 609 (2d Cir. 1979).

28. Wall St. J., July 2, 1985, at 24, col. 1. The review concludes that the new author's Holmes is a "buffoonish caricature of the original." *Id.* For other Sherlock Holmes stories by new authors, see 1 ANNOTATED SHERLOCK HOLMES 20-22 (W.S. Baring Gould ed. 1967). Sherlock Holmes' long suffering associate, Inspector Lestrade, is the hero of an adventure of his own, in which Holmes, Watson, Lord Tennyson, Oscar Wilde and Arthur Conan Doyle also appear. M.J. TROW, THE SUPREME ADVENTURE OF INSPECTOR LESTRADE (1985), discussed in The Sacramento Bee, Oct. 1, 1985, at D7, col. 1. Rex Stout, one of the founding Baker Street Irregulars, created the fictional detective Nero Wolfe, who will be appearing in a novel by a new author in 1986. Wall St. J., Oct. 14, 1985, at 1, col. 4.

29. Hogan & Schwartz, *The Manly Art of Observation and Detection*, 55 J. CRIM. L., CRIMINOLOGY AND POLICE SCI. 157 (1964). Other fictional characters have also demonstrated robust independent life. Leopold and Molly Bloom have been the subject of biography. P. COSTELLO, LEOPOLD BLOOM, A BIOGRAPHY (1981); J.H. RALEIGH, THE CHRONICLE OF LEOPOLD AND MOLLY BLOOM (1977). The histories of cartoon characters such as Superman and Donald Duck have been chronicled. G. GROSSMAN, SUPERMAN, SERIAL TO CEREAL (1977); M. BLITZ, DONALD DUCK (1979). "Entire books have been written about the characters in Dickens, Trollope, Tolstoi, Faulkner." Gass, *supra* note 5, at 568.

30. See Eberstein, *Introduction to*, ROTHENBERG, COPYRIGHT LAW, XXXII (1956).

31. See XII THE LANGUAGE QUARTERLY I (Summer 1985).

32. T. STOPPARD, *Rosencrantz and Guildenstern are Dead* (1967).

33. See Newsweek, Oct. 30, 1967, at 90, col. 2.

It was a brilliant idea to use Rosencrantz and Guildenstern, the attendant lords, fortune's privates, to write an "anti-Hamlet" that would explore the nature of tragedy in our time. R & G are no longer the faintly sinister false friends that Shakespeare drew, they are simply modern slobs in the mold of Beckett and Ionesco. They don't know

Bovary,³⁴ and Timothy Findley used a character created by Ezra Pound as a central figure in a murder mystery.³⁵ Jean Rhys wrote a novel about the first Mrs. Rochester³⁶ which illuminated her character and that of Mr. Rochester in *Jane Eyre*. In *The Man from Krypton*,³⁷ the author used Superman to expound on religion. Mickey Mouse has served as the basis for a discussion of biology and human evolution.³⁸ *The Economist* used the likeness of Superman on its cover³⁹ to illustrate a story called "Superdollar Overdoes It." The novel *Suspects* was written in the form of a series of biographies of characters from almost fifty films, interwoven in an attempt to comment on the blurred line between artifice and reality.⁴⁰ Thus, fictional characters have served as part of the cultural heritage from which an author can draw to create something new.

Perhaps the most common way for independent characters to appear today is in television and the movies. Continuing series, where the central character or characters appear in distinct adventures each week, often in the same setting, general situation and locale, are a staple of television.⁴¹ Sequels⁴² and spinoffs,⁴³ in which characters from an earlier work are used again in an otherwise completely new work, are be-

where they are, they're not even sure which of them is which, they only know something is happening, something is wrong, and they have been dragooned into the process.

34. W. ALLEN, *SIDE EFFECTS* (1980).

35. T. FINDLEY, *FAMOUS LAST WORDS* (1981).

36. J. RHYS, *WILD SARGASSO SEA* (1966).

37. J.W. WHITE, *THE MAN FROM KRYPTON* (1978).

38. S. GOULD, *supra* note 10. Gould found that as the personality of Mickey softened over the years his appearance changed, becoming more juvenile. This repeated the human evolutionary process, for humans today retain to adulthood the originally juvenile features of our ancestors. *Id.* at 106. "In short, we, like Mickey, never grow up although we, alas, do grow old." *Id.* at 107.

39. *The Economist*, Mar. 2, 1985.

40. Braudy, *Book Review*, CALIFORNIA MAGAZINE, May, 1985, at 49 (reviewing D. Thompson, *SUSPECTS* (1985)).

41. See Kellman, *supra* note 12, at 3.

42. A film or other work is a sequel when original characters or other elements from a story appear again in new stories; it is a remake when the same story is filmed again. R. WINCOR, *LITERARY RIGHTS CONTRACTS* 46 (1979). Sequel rights have been defined as the right to make subsequent stories employing the same characters in different plots or sequences. See I M. NIMMER, *NIMMER ON COPYRIGHT* § 10.14(C) (1985). A rather new development is the prequel, or subsequently written story that uses the same characters in a time setting before rather than contemporaneous with or after that of the earlier work. *Id.* The prequel is a particularly useful device when many of the characters in the earlier work die at the end, making a sequel difficult.

43. A spinoff is a new television series or program based on one or more characters appearing in an existing program or series. See I T. SELZ & M. SIMENSKY, *ENTERTAINMENT LAW* § 5:05 (1983); R. WINCOR, *LITERARY PROPERTY* 19, 39 (1967). Examples of spinoffs include "Rhoda," a spinoff of "The Mary Tyler Moore Show" and "Laverne and Shirley" a spinoff of "Happy Days." The most typical spinoff involves the extraction or use of characters. However, "fictional characters are not inevitably the bridge from one series to another. An imaginary locale or device might be spun off and reborn for a season or two elsewhere." *Id.* at 46-47.

coming more and more prevalent.⁴⁴ A character in a novel, a film, or a television series may be “pulled out and live dozens of lives elsewhere in new stories.”⁴⁵ The number of possible *James Bond* or *Rocky* movies, for example, appears to be without limit.

This Article examines the legal status of that elusive creation of the human mind, the fictional character. Fictional characters have been protected by copyright⁴⁶ and under the law of trademarks and unfair competition⁴⁷ and related doctrines.⁴⁸ The courts have applied these doctrines inconsistently and have seldom attempted to distinguish the nature of what is protected by each⁴⁹ although each theory has a different underlying rationale and confers different rights. It is, therefore, difficult to predict what elements of a character will be protected,⁵⁰ under what circumstances, or for how long.

Furthermore, in recent years, some courts have demonstrated a propensity to provide protection whenever a defendant makes some recognizable use of another’s fictional character, whether that use is in a new work of fiction or on merchandise such as children’s toys.⁵¹ The ancient decree of “to every cow her calf”⁵² finds a modern counterpart in the idea that authors should be granted the ability to control the use of their creations. They should have the right to mold the future of their characters, to prevent their abuse or distortion, and to benefit financially in the marketplace. Furthermore, unspoken ethical considerations often underlie a court’s desire to grant protection. Judges fre-

44. 1 M. NIMMER, *supra* note 42, § 2.12; The Sacramento Bee, Dec. 4, 1985, at F4, col. 1 (“Over the past few years, sequels—including *Indiana Jones*, *Jedi*, *Rambo*, and *Star Trek III*—have exerted an ever greater box-office magnetism”).

45. R. WINCOR, *supra* note 43, at 107-08;

So frequently do [a character’s] earnings surpass these of the original stories from which owners extract them that character merchandising is a huge industry on its own. Who, other than a monk, would not have cherished ownership of Sherlock Holmes? And yet Holmes is no unique case, however classic in literary terms.

R. WINCOR, *supra* note 42, at 21.

46. See *infra* notes 60-244 and accompanying text.

47. See *infra* notes 246-422 and accompanying text.

48. See *infra* notes 423-71 and accompanying text.

49. The process by which courts select the appropriate legal doctrine has been described as “such a complicated maze that the outcome is neither predictable nor fair.” Brylawski, *supra* note 12, at 77.

50. In 1957, Richard Wincor, in *Seven Basic Program Properties*, 47 TRADEMARK REP. 440, 452, asked: “Are we buying Sherlock Holmes, or his name, or a Hound of the Baskervilles plot, or a Knocking at his Gate in Baker Street effect, or a pipe and detective cap costume or a mere idea which does not have to be bought at all?” No clearer answer to this question exists today.

51. See *infra* notes 160-88, 379-405 and accompanying text.

52. In the case of *Finnian v. Columba*, which arose in 567, an Irish monastery, of which Finnian was the abbot, owned an illuminated psalter of exceptional beauty. When Columba, a monk from another monastery, secretly made a copy, Finnian demanded its surrender. The King decreed “[t]o every cow her calf . . . and to every book its copy.” A. LINDEY, PLAGIARISM AND ORIGINALITY 101 (1952).

quently view the defendant as a pirate, deserving of punishment rather than reward.

Countervailing considerations have received less judicial recognition. Fictional characters, like real people, are a part of the world in which we live, a part of our culture. Every artist builds upon the creativity of the past, and the creations of others are among the raw materials used to create new works of art. "[T]he mind cannot feed upon itself," but must use the elements that have been supplied to it from the outside.⁵³ Thus, the public domain must retain the materials that authors draw from to create new forms of expression.

Originality has not always been the most highly prized of artistic attributes,⁵⁴ and the greatest artist need not be the greatest innovator.⁵⁵ In fact, many of our greatest authors have been flagrant borrowers. Shakespeare's characters came from other sources, and often were little changed. Yet, they were, "more original than his originals. He breathed upon dead bodies and brought them to life."⁵⁶ Moliere, Spenser, Byron, Dickens, Rabelais, and Hugo have all made substantial use of the works of others.⁵⁷ The creations of others are the building blocks of commerce as well as art. Progress relies on a generous indulgence of copying,⁵⁸ which is an essential element of competition. Characters have been exploited in connection with a wide range of merchandise and have been used in "extensive licensing programs to promote everything from children's toys to fast-food restaurants."⁵⁹

It might be said that great authors borrow nobly and only hacks are thieves. However, the law does not possess the tools to distinguish great art from trash. There is no reason to credit judges with the ability to function as literary or artistic critics of last resort. Thus, it is necessary to survey the legal tools that are available to determine which uses of a character, or its elements, intrude impermissibly on the rights of an author and which belong to the public as a whole.

This Article first considers copyright, which protects the creative expression existing within a fictional character. It then examines the law

53. A. LINDEY, *supra* note 52, at 248.

54. See 1 A. HAUSER, *THE SOCIAL HISTORY OF ART* 65, 164 (Routledge & Kegan eds. 1962); A. LINDEY, *supra* note 52, at 18.

55. A. LINDEY, *supra* note 52, at 18-19. George Bernard Shaw also believed that artistry is not equivalent to innovation. He wrote: "In art, the highest success is to be the last of your race, not the first. Anybody, almost, can make a beginning; the difficulty is to make an end—to do what cannot be bettered." *Id.* at 18 (quoting *STANDARD EDITION OF THE WORKS OF BERNARD SHAW. Pen Portraits and Reviews* (1932)).

56. A. LINDEY, *supra* note 52, at 63. See also 2 A. HAUSER, *THE SOCIAL HISTORY OF ART*, 155 (Routledge & Kegan eds. 1962).

57. A. LINDEY, *supra* note 52 at 63, 85-90.

58. See B. KAPLAN, *AN UNHURRIED VIEW OF COPYRIGHT* 2 (1967).

59. *Conan Properties v. Conans Pizza*, 752 F.2d 145, 150 (5th Cir. 1985). See generally Grimes & Battersby, *The Protection of Merchandising Properties*, 69 *TRADEMARK REP.* 431 (1979).

of trademarks and unfair competition, which is concerned with a character's capacity to serve as a form of identification and to command public acceptance in the marketplace. The key question in unfair competition and trademark infringement is whether there is a likelihood of public confusion. The Article then discusses two doctrines which have sometimes been applied to protect characters outside copyright, even in the absence of public confusion — misappropriation and dilution. Finally, it analyzes the protection available for a character when the work in which it is embodied enters the public domain, and draws some general conclusions.

II. COPYRIGHT

Copyright is a legal device enabling authors to control the use of their intellectual creations.⁶⁰ Its primary purpose is to encourage creativity and the dissemination of creative works, so that the public may benefit from the labor of authors.⁶¹ Anthony Trollope said it succinctly: "Take away from English authors their copyrights, and you would very soon take away from England her authors."⁶² Encouragement is provided by giving copyright owners the exclusive right to profit from specified uses of the copyrighted work,⁶³ including reproduction, performance, and the preparation of derivative works.⁶⁴ Protection begins as soon as a work is fixed in any tangible medium of expression⁶⁵ and lasts for a limited time as required by both the United States Constitution and the Copyright Act.⁶⁶

60. REPORT OF THE REGISTER OF COPYRIGHTS ON THE GENERAL REVISION OF THE U.S. COPYRIGHT LAW 3-6 (1961) (quoted in A. LATMAN, R. GORMAN & J. GINSBURG, *COPYRIGHT FOR THE EIGHTIES* 11 (1985)).

61. See *id.* at 13; 1 M. NIMMER, *supra* note 42, at § 1.03[A]. See also *Twentieth Century Music Corp. v. Aiken*, 422 U.S. 151, 156 (1975); *Mazer v. Stein*, 347 U.S. 201, 219 (1954); *Rockford Map Publishers v. Directory Serv. Co.*, 768 F.2d 145, 148 (7th Cir. 1985) ("The copyright laws are designed to give people incentives to produce new works. [citation omitted] They allow people to collect the reward for their contributions.").

62. 1 A. TROLLOPE, *AN AUTOBIOGRAPHY* 142 (1883).

63. See 17 U.S.C. § 106 (1982 & Supp. 1985) (exclusive rights in copyrighted works). See also Goldstein, *Derivative Rights and Derivative Works in Copyright*, 30 J. COPYRIGHT SOC'Y OF THE U.S.A. 209, 216 (1982-83) ("The purpose of copyright is to attract private investment to the production of original expression. . . by giving copyright owners the exclusive right to reap the profits taken from . . . specifically prohibited uses of their original expression.").

64. The Copyright Act defines a derivative work as one "based upon one or more pre-existing works, such as a translation, musical arrangement, dramatization, fictionalization, motion picture version, sound recording, art reproduction, abridgement, [or] condensation. . . ." 17 U.S.C. § 101 (1982 & Supp. 1985).

65. See 17 U.S.C. § 102(a) (1982 & Supp. 1985).

66. The Constitution authorizes Congress "[t]o promote the Progress of Science and useful Arts, by securing for limited times to Authors and Inventors the exclusive right to their respective Writings and Discoveries. . . ." U.S. CONST. art. I, § 8, cl. 8 (emphasis added). A copyright ordinarily endures for the life of the author plus fifty years or, for anonymous works, pseu-

Because copyright protects creativity, it is the logical source of protection for fictional characters. Indeed, taking the idea of an independent character far too literally, courts often discuss whether a character is "copyrightable." Like the plot, setting or dramatic action, a character is a part of a work that is protected by copyright,⁶⁷ but is not itself the subject of copyright. A character as such has no tangible existence outside the specific work or works in which it appears. It has independent life only as an abstraction, as an image in the mind of the reader or viewer.

By focusing on the copyrightability of a character, courts have blurred the distinction between the concepts of infringement and copyrightability. This focus shifts the court's attention from comparing the characters in the allegedly infringed and infringing work, to analyzing whether a character is sufficiently distinctive or well-developed to deserve protection.⁶⁸ This requires judges to become literary and artistic critics, a dangerous undertaking for those whose education and experience are in the law.⁶⁹ Furthermore, once a character has been found worthy of protection, some courts find infringement when there is any recognizable use of a character, without discussing whether the similarity is sufficient to justify such a finding.⁷⁰ Copyright exists to promote creativity and the dissemination of creative works.⁷¹ Granting exclu-

donymous works, or works made for hire, seventy-five years from the year of first publication or 100 years from its first creation, whichever is earlier. 17 U.S.C. §§ 302(a), (b) and (c) (1982 & Supp. 1985). See also 17 U.S.C. §§ 303 and 304 (1982 & Supp. 1985) (duration of protection for joint works, works created but not published or copyrighted before Jan. 1, 1978).

67. See 17 U.S.C. § 102 (1982 & Supp. 1985), which states that copyright protection subsists in original works of authorship, fixed in any tangible medium of expression. "Works of authorship include the following categories: (1) literary works; (2) musical works, including any accompanying words; (3) dramatic works, including any accompanying music; (4) pantomimes and choreographic works; (5) pictorial, graphic and sculptural works; (6) motion pictures and other audiovisual works; and (7) sound recordings."

The register of copyright, explaining why fictional characters are not separately identified under the current Act, stated:

Proposals have been advanced for identifying fictional characters as copyrightable works in themselves under the bill. There are undoubtedly some characters that are developed in detail and with such breadth and depth that they emerge as separately identifiable parts of the copyrighted works in which they appear. Others, perhaps the large majority, cannot be said to represent independent creations apart from the literary or pictorial works depicting them. As is equally true in the case of detailed presentations of plot, setting, or dramatic action, we believe it would be unnecessary and misleading to specify fictional characters as a separate class of copyrightable works.

SUPP. REP. OF THE REG. OF COPYRIGHTS ON THE GENERAL REVISION OF U.S. COPYRIGHT LAW: 1965 REVISION BILL, 89 Cong., 1st Sess. (1965) at 6. See I M. NIMMER, *supra* note 42, § 2.12 n.2; Davidow, *Copyright Protection for Fictional Characters: A Trademark-Based Approach to Replace Nichols*, 8 COLUM. J. ART & LAW 513, 514 n.3.

68. See *infra* notes 134-88, 195-210 and accompanying text.

69. See *Bleistein v. Donaldson Lithographing Co.*, 188 U.S. 239, 251 (1903).

70. See *infra* notes 160-88 and accompanying text.

71. See *supra* notes 60-62 and accompanying text.

sive rights to an author provides an incentive to create and invest in creation, but it can also undercut the goals of copyright. Such rights may prevent new authors from building on the creativity of the past and hamper the dissemination of existing creative works. A balance must be struck between providing incentives to create and protecting the public domain from being stripped of the raw materials authors need to create anew.

This does not mean that a character should be unprotected by copyright. The unauthorized use of a character may be an infringement of the copyright in the work or works in which the character appears. To determine whether such use constitutes copyright infringement, it is necessary to consider the similarity between plaintiff's and defendant's works. In essence, infringement requires ownership of the copyright by the plaintiff and copying by the defendant.⁷² Because it is difficult to obtain direct proof of copying, the plaintiff ordinarily seeks to establish this indirectly by showing that the defendant had access to her work and that there is substantial similarity between the two works.⁷³ Substantial similarity serves a second function as well. Even where copying is clear, it is still necessary to determine whether the "copying went so far as to constitute improper appropriation."⁷⁴ The central question, therefore, is whether there is that substantial similarity between the characters necessary to constitute copyright infringement.⁷⁵ The degree of similarity that will be considered substantial, however, is one of the most uncertain and difficult questions in copyright.⁷⁶ Furthermore, the similarity between characters does not fit easily into either of the forms of substantial similarity suggested by Professor Nimmer, "comprehensive nonliteral similarity" or "fragmented literal similarity."⁷⁷

Comprehensive nonliteral similarity is found where the "fundamental essence or structure of one work is duplicated in another."⁷⁸ In

72. 3 M. NIMMER, NIMMER ON COPYRIGHT, § 13.01 (1985).

73. See A. LATMAN, THE COPYRIGHT LAW 161 (5th Ed. 1978); 3 M. NIMMER, *supra* note 72, § 13.01.

74. Universal Athletic Sales Co., v. Salkeld, 511 F.2d 904, 907 (3d Cir.), *cert. denied*, 423 U.S. 863 (1975). See Atari, Inc. v. North Am. Philips Consumer Elecs. Corp., 672 F.2d 607, 614 (7th Cir.), *cert. denied*, 459 U.S. 880 (1982); Arnstein v. Porter, 154 F.2d 464, 468 (2d Cir. 1946)(Plaintiff must prove "(a) that defendant copied from plaintiff's copyrighted work and (b) that the copying (assuming it to be proved) went so far as to constitute improper appropriation"). See also A. LATMAN, *supra* note 73, at 161-62, 165; Goldstein, *supra* note 63, at 218.

75. See 1 M. NIMMER, *supra* note 42, § 2.12. See also Ideal Toy Corp. v. Kenner Prods. Div. of Gen. Mills Fun Group, 443 F. Supp. 291, 302 (S.D.N.Y. 1977) ("the proper focus . . . lies not on the quality of the original characters but on establishing whether the allegedly infringing characters can be said to be 'copied' from the original").

76. See 3 M. NIMMER, *supra* note 72, § 13.03[A]. See also Burroughs v. Metro-Goldwyn-Mayer, 683 F. 2d 610, 623 (2d Cir. 1982); Warner Bros. v. American Broadcasting Cos., 654 F.2d 204 (2d Cir. 1981).

77. 3 M. NIMMER, *supra* note 72, § 13.03[A].

78. 3 M. NIMMER, *supra* note 72, § 13.03[A][1].

Nichols v. Universal Pictures Corp.,⁷⁹ Judge Hand noted that when the alleged plagiarist has not taken any part of the dialogue of a play, or any block of the work, but rather an abstract of the work as a whole, infringement is difficult to determine. In what has been called the *abstractions* test, he stated:

Upon any work, and especially upon a play, a great number of patterns of increasing generality will fit equally well, as more and more of the incident is left out. The last may perhaps be no more than the most general statement of what the play is about, and at times might consist only of its title; but there is a point in this series of abstractions where they are no longer protected, since otherwise the playwright could prevent the use of his "ideas," to which, apart from their expression, his property is never extended. . . . Nobody has ever been able to fix that boundary, and nobody ever can.⁸⁰

Comprehensive similarity, however, applies to an abstraction of the structure of the entire work, of its substance, skeleton or overall scheme. A single character is usually an abstraction that does not constitute the structure of the work, even if its presence is pervasive.

Fragmented literal similarity exists where there is literal—though not necessarily word for word—similarity between some portion of plaintiff's and defendant's works.⁸¹ If identical language is used to describe a character, or a particular illustration is copied, there is literal similarity. Ordinarily, however, the similarity between the characters in plaintiff's and defendant's works is more abstract. Even a cartoon character is an abstraction, because it consists not of one isolated depiction, but the features common to its representation in numerous drawings and situations.⁸²

When characters resemble one another only in idea or type, there is no infringement, for copyright extends to the particular expression of an idea, and not to the idea itself.⁸³ Allowing any person to control an

79. 45 F.2d 119 (2d Cir. 1930), *cert. denied*, 282 U.S. 902 (1931).

80. *Id.* at 121. Another attempt to distinguish protectible expression from unprotectible ideas was made by Professor Chafee, in what has been called the "pattern" test: "No doubt the line does lie somewhere between the author's idea and the precise form in which he wrote it down. I like to say that the protection covers the 'pattern' of the work . . . the sequence of events and the development of the interplay of characters." Chafee, *supra* note 3, at 515.

81. See 3 M. NIMMER, *supra* note 72, § 13.03[A][2].

82. See *Walt Disney Prods. v. Air Pirates*, 345 F. Supp. 108, 113 (N.D. Cal. 1972), *modified*, 581 F.2d 751 (9th Cir. 1978), *cert. denied*, 439 U.S. 1132 (1979).

83. *Warner Bros. v. American Broadcasting Cos.*, 720 F.2d 231, 239 (2d Cir. 1983); *Warner Bros. v. American Broadcasting Cos.*, 654 F.2d 204, 208 (2d Cir. 1981); *Durham Industries v. Tomy Corp.*, 630 F.2d 905, 912 (2d Cir. 1980); *Sid & Marty Krofft Television Prods. v. McDonald's Corp.*, 562 F.2d 1157, 1163 (9th Cir. 1977); *Reyher v. Children's Television Workshop*, 533 F.2d 87, 89 (2d Cir.), *cert. denied* 429 U.S. 980 (1976); *United Artists Corp. v. Ford*

idea's use would hamper creativity, because there are few ideas, but many expressions of the same idea.⁸⁴ *Scenes a faire*, which have been described as "incidents, *characters* or settings which are as a practical matter indispensable, or at least standard, in the treatment of a given topic," are considered unprotectible.⁸⁵ This is not because the trite cannot command protection. Ordinarily, only a minimal amount of originality or creativity is required for a work to receive protection under copyright.⁸⁶ Authors cannot claim protection for the abstract expression of their work, however, "if the work on such abstract level is not the product of his original authorship."⁸⁷ A stereotyped character, apart from the exact words used to describe it, is unlikely to be an author's original creation. Furthermore, if an author's character is indistinctly drawn or merely a type, any abstract similarity between it and

Motor Co., 483 F. Supp. 89, 93 (S.D.N.Y. 1980); 17 U.S.C. § 102(b) (1982 & Supp. 1985) ("In no case does copyright protection for an original work of authorship extend to any idea . . . regardless of the form in which it is described, explained, illustrated, or embodied in such work."). See Universal Pictures Co. v. Harold Lloyd Corp., 162 F.2d 354, 363 (9th Cir. 1947); Nichols v. Universal Pictures Corp., 45 F.2d 119, 121 (2d Cir. 1930), *cert. denied*, 282 U.S. 902 (1931); Dymow v. Bolton, 11 F.2d 690, 691 (2d Cir. 1926); Ideal Toy Corp. v. Kenner Prods., 443 F. Supp. 291, 304 (S.D.N.Y. 1977); Goodson-Todman Enters., Ltd. v. Kellogg Co., 358 F. Supp. 1245, 1247 (C.D. Cal. 1973), *rev'd on other grounds*, 513 F.2d 913 (9th Cir. 1975); Echevarria v. Warner Bros. Pictures, 12 F. Supp. 632, 635 (S.D. Cal. 1935).

Lindey lists numerous character types. One interesting one is the "Woman of Growing Awareness" described by John Crosby in the New York Herald Tribune as

one who is charmed by a strange man in a subway station (he retrieves her purse) or a saloon where she goes to the telephone (he rescues her from a drunk) or a midtown street corner (he gives her directions) and then marries him a week later after a whirlwind courtship mostly conducted on the roller coaster at Coney Island. Gradually she Grows Aware. There is something awfully fishy about her husband. He spends all his time in the cellar, digging. He disappears for weeks at a time, visiting his mother, he says. When he returns, he carries a lead box bearing the words hydrochloric acid in which, he explains, are his dirty shirts which he plans to wash personally in the cellar. After twenty minutes if this is radio, at the end of the second act if it's a play, page 212 if it's a book, she says: "Why are you staring at me that way?" That is a Woman of Growing Awareness. So widespread is this role it's become almost a separate branch of the acting profession.

A. LINDEY, *supra* note 52, at 297 n.4.

84. See 1 M. NIMMER, *supra* note 42, at § 2.03[D].

85. Atari Inc. v. North Am. Philips Consumer Elecs. Corp., 672 F.2d 607, 616 (7th Cir.), *cert. denied*, 459 U.S. 880 (1982) (quoting Alexander v. Haley, 460 F. Supp. 40, 45 (S.D.N.Y. 1978) (emphasis added). Nimmer has criticized the reference to "standard" in this definition, because "it implies that copyright protection is not available for the hackneyed, even if original with the copyright claimant." 3 M. NIMMER, *supra* note 72, § 13.03[A] n.43. See Berkic v. Crichton, 761 F.2d 1289, 1293 (9th Cir. 1985) ("the situations and incidents which flow naturally from a basic plot premise" are unprotectible *scenes a faire*); Zambito v. Paramount Pictures, 613 F. Supp. at 1107 (E.D.N.Y. 1985) ("characters, settings or events which necessarily follow from a certain theme or plot situation"); 3 M. NIMMER, *supra* note 72, at § 13.03[A] n.43 and cases cited therein.

86. See 1 M. NIMMER, *supra* note 42, §§ 2.01[B], 2.08[B][1]. See also Bleistein v. Donaldson Lithographing Co., 188 U.S. 239, 243 (1903); Alfred Bell & Co. v. Catalda Fine Arts, 191 F.2d 99, 102 (2d Cir. 1951); Heim v. Universal Pictures Corp., 154 F.2d 480, 488 (2d Cir. 1946); Ace Novelty Co. v. Superior Toy & Novelty Co., 221 U.S.P.Q. (BNA) 236, 240 (N.D. Ill. 1983); Fisher-Price Toys v. My-Toy Co., 385 F.Supp 218, 219 (S.D.N.Y. 1974).

87. 3 M. NIMMER, *supra* note 72, § 13.03[A][1].

another character is likely to be too insubstantial to constitute convincing evidence of copying or to amount to an unlawful appropriation.

If the resemblance between characters goes beyond idea or type, however, it is necessary to consider whether the similarity is sufficient to constitute copyright infringement. When the alleged infringer uses the name, appearance, personality and details of the life history of a character, copying is clear. The only question is whether the copying was sufficiently substantial to amount to an infringement of the work in which it appeared. More often, there are at least colorable differences between the plaintiff's and defendant's characters, and it is necessary to determine both whether there has been copying, and whether the copying went so far as to constitute infringement. There is a fine line between a character that is substantially similar to one in a copyrighted work, despite some differences in appearance, behavior or other traits, and a character that merely reminds the reader or viewer of a character in a copyrighted work.⁸⁸

In analyzing the question of infringement, this Part considers separately pictorial and literary characters, which have generally received different treatment. Courts have been far more willing to protect characters that have a visual component than to protect literary characters, which exist as more abstract mental images.⁸⁹ This Part then examines the special problems that exist under copyright when the allegedly infringed work is audio-visual. Finally, it discusses some unifying themes relevant to copyright protection for fictional characters, whether pictorial, literary or audio-visual.

88. See *Warner Bros. v. American Broadcasting Cos.*, 720 F.2d 231, 242 (2d Cir. 1983); *Warner Bros. v. American Broadcasting Cos.*, 654 F.2d 204, 208 (2d Cir. 1981); *Ideal Toy Corp. v. Fab-Lu Ltd.*, 360 F.2d 1021, 1022 (2d Cir. 1966); *Zambito v. Paramount Pictures*, 613 F. Supp. 1107, 1111 (E.D.N.Y. 1985); *Ideal Toy Corp. v. Kenner Prods.*, 443 F. Supp. 291, 305 (S.D.N.Y. 1977).

89. *Warner Bros. v. American Broadcasting Cos.*, 720 F.2d 231, 240; *Ideal Toy Corp. v. Kenner Prods.*, 443 F. Supp. at 301 (quoting M. NIMMER, *NIMMER ON COPYRIGHT* § 30, at 135 (1976)); 1 M. NIMMER, *supra* note 42, § 2.12; Kellman, *supra* note 12, at 10-11; Marks, *The Legal Rights of Fictional Characters*, 25 *COPYRIGHT L. SYMP. (ASCAP)* 35, 38-39 (1975); Zissu, *supra* note 12, at 126. See *Walt Disney Prods. v. Air Pirates*, 581 F.2d 751, 755 (9th Cir. 1978), *cert. denied*, 439 U.S. 1132 (1979) (comic book character is more likely than a literary character to contain protectible elements of expression since it has physical as well as conceptual qualities); Brylawski, *supra* note 12, at 84 (visual nature of certain cartoon characters has made those characters specific enough to be protected under copyright); Clark, *Of Mice, Men, and Supermen: The Copyrightability of Graphic and Literary Characters*, 28 *ST. LOUIS U. L. J.* 959, 962 (1984) ("graphic characters always will approximate the original, and any pictorial copy of the character always will be a copy of the original."). See text accompanying *infra* note 133.

A. Pictorial Characters

A long line of cases has found that copyright protection is available for cartoon characters.⁹⁰ The early cases, however, did not determine whether a cartoon character could be protected from use in another work of fiction without reference to plot elements.⁹¹ Nor did the courts decide whether similarity in the appearance of the characters alone, without similarity of personality, would be infringement.⁹² In *Detective Comics, Inc. v. Bruns Publications*,⁹³ the court found that the copyrights in eleven monthly issues of *Action Comics*, featuring the character Superman, were infringed by defendants' comic magazine *Wonderman*. Having discussed the similarities between the attributes and antics of Superman and Wonderman the court said:

We think it plain that the defendants have used more than general types and ideas and have appropriated the pictorial and literary details embodied in the complainant's copyrights. . . . So far as the pictorial representation and verbal descriptions of Superman are not a mere delineation of a benevolent Hercules, but embody an arrangement of incidents and literary expressions original with the author, they are proper subjects of copyright and susceptible of infringement. . . .⁹⁴

The court added, however, that the plaintiff is "not entitled to a monopoly of the mere character of a 'Superman' who is a blessing to mankind."⁹⁵ It is not clear from the opinion exactly what was found to be infringing—copying the appearance of Superman, his abilities and powers, the specific incidents of each cartoon, or all three in conjunc-

90. *Warner Bros., Inc. v. American Broadcasting Cos.*, 720 F.2d 231, 240 (2d Cir. 1983); *Walt Disney Prods. v. Air Pirates*, 581 F.2d 751, 754 (9th Cir. 1978), *cert. denied*, 439 U.S. 1132 (1979).

91. *See infra* notes 93-98 and accompanying text.

92. In *Warner Bros., Inc. v. American Broadcasting Cos.*, 720 F.2d 231, 241 (2d Cir. 1983), the court noted that "in determining whether a character in a second work infringes a cartoon character, courts have generally considered not only the visual resemblance but also the totality of the characters' attributes and traits."

93. 111 F.2d 432 (2d Cir. 1940).

94. *Id.* at 433-34.

95. *Id.* at 434.

tion.⁹⁶ In a later case involving Superman,⁹⁷ Judge Learned Hand, who sat on the panel that decided *Detective Comics v. Bruns Publications*, interpreted that decision restrictively. He said that the court had "limited the copyright to the specific exploits of 'Superman' as each picture portrayed them."⁹⁸

The use of characters called Nutt and Giff in the dramatic performance *In Cartoonland* was held to infringe the copyright in cartoons featuring the characters Mutt and Jeff.⁹⁹ The court found that Nutt and Giff were Mutt and Jeff. They were made up and costumed to look like Mutt and Jeff, their language contained direct quotations from catchwords used by Mutt and Jeff, and they spoke and behaved like Mutt and Jeff.¹⁰⁰ Thus, the defendants had copied both the physical characteristics of the cartoon characters and elements of their personalities.

While more modern cartoon cases have been clearer in finding that similarity between characters alone may be infringement, whether or

96. The court of appeals forbade publication of cartoons "portraying any of the feats of strength or powers performed by 'Superman' or closely imitating his costume or appearance in any feat whatever." *Id.* The court thus modified the district court's decree, which had forbidden the defendant to publish its cartoon character Wonderman in such form as would make that character trespass in any respect on the plaintiff's cartoon character Superman. *Detective Comics, Inc. v. Bruns Publications*, 28 F. Supp. 399, 401 (S.D.N.Y. 1939), *aff'd and modified*, 111 F.2d 432 (2d Cir. 1940). The court of appeals found the district court's decree to be too sweeping. 111 F.2d at 434.

97. *National Comics Publications v. Fawcett Publications*, 191 F.2d 594 (2d Cir. 1951).

98. *Id.* at 600. In a later *per curiam* opinion on plaintiff's petition for clarification, the *Fawcett* court added:

[W]e did not find which of the strips which the plaintiff put in suit in 'Fawcett' had infringed—i.e. copied so closely as to be actionable under *Detective Comics v. Bruns Publications*, 2d Cir., 111 F.2d 432 [sic]. That will demand a comparison of each strip put in suit by the plaintiff with 'Fawcett's' strip, which the plaintiff asserts does so closely copy that particular strip.

National Comics Publications v. Fawcett Publications, 198 F.2d 927 (2d Cir. 1952). Professor Kaplan says that in *Detective Comics v. Bruns*, "the further likeness in plots or incidents seems to have been a ponderable factor in the finding of infringement." B. KAPLAN, *supra* note 58, at 51. See also *Detective Comics v. Fox Publications*, 46 F. Supp. 872 (S.D.N.Y. 1942), where the court held that the defendant infringed "The Batman with Robin The Wonderboy" cartoons by deliberately copying the drawings and cartoons of Batman and his companion Robin. Fox called its cartoons "The Lynx with Blackie the Mystery Boy." It is unclear from the opinion whether it was merely the characters that were copied, or their adventures in five specific issues of plaintiff's magazines. The similarity between plaintiff's and defendant's works appear to go beyond character similarity.

99. *Hill v. Whalen & Martell*, 220 F. 359 (S.D.N.Y. 1914).

100. *Id.* at 360. The court also applied an early version of fair use. The court found that the play was not a parody, falling within the category of fair criticism, but reproduced so much as to seriously affect the value of plaintiff's copyright. Those who saw Nutt and Giff would have less desire to see Mutt and Jeff. *Id.* at 360. An even earlier case, *Empire City Amusement Co. v. Wilton*, 134 F. 132 (C.C.D. Mass. 1903) also involved cartoon characters used on the stage without permission. The plaintiff alleged that a play infringed the copyrighted cartoon series "Alphonse and Gaston" by including characters and incidents similar to those found in the cartoons. The court did not deal with the question of protecting a character out of context, but rejected an invitation to hold that there is no dramatic right in a series of cartoons. *Id.* at 134.

not plot elements are copied,¹⁰¹ there is still uncertainty as to whether copying only the graphic image is sufficient. In *Walt Disney Prods. v. Air Pirates*,¹⁰² the defendants admitted copying the graphic depictions of more than seventeen of Disney's cartoon characters, including Mickey and Minnie Mouse, Donald Duck, the Big Bad Wolf, the Three Little Pigs, and Goofy, in their adult, "counter culture" comic books. Although the names and appearances of the characters were the same, defendants placed them in situations far removed from those depicted in Disney's copyrighted cartoons.¹⁰³ Instead, the characters were shown as "active members of a free thinking, promiscuous, drug ingesting counterculture."¹⁰⁴ Disney claimed, among other things, that the use of these characters infringed its copyrights. Having rejected the argument that the characters could not be protected because they were not the separate subject of copyright,¹⁰⁵ the court concluded that the admitted copying was substantial enough to constitute infringement and that "copying a comic book character's graphic image constitutes copying to an extent sufficient to justify a finding of infringement,"¹⁰⁶ However, in rejecting defendant's claim of fair use, it noted that most cases dealing with cartoon characters "have considered the character's personality and other traits in addition to its image,"¹⁰⁷ thus seeming to question whether a substantial similarity of appearance is necessarily sufficient for infringement.¹⁰⁸

101. See, e.g., *Warner Bros. v. American Broadcasting Cos.*, 720 F.2d 231 (2d Cir. 1983); *D.C. Comics v. Reel Fantasy, Inc.*, 696 F.2d 24 (2d Cir. 1982); *Walt Disney Prods. v. Air Pirates*, 581 F.2d 751 (9th Cir. 1978), cert. denied, 439 U.S. 1132 (1979); *United Features Syndicate v. Sunrise Mold Co.*, 569 F. Supp. 1475 (S.D. Fla. 1983); *United Artists Corp. v. Ford Motor Co.*, 483 F. Supp. 89 (S.D.N.Y. 1980).

102. 581 F.2d 751 (9th Cir. 1978), cert. denied, 439 U.S. 1132 (1979).

103. This was described as the "Mickey Mouse World of scrubbed faces, bright smiles and happy endings." *Id.* at 753 (quoting Note, *Parody, Copyright and the First Amendment*, 10 U.S.F.L. REV. 564, 571, 582 (1976)).

104. 581 F.2d at 753.

105. *Id.* at 754. The court said that the fact that plaintiff's characters were not the separate subject of a copyright did not preclude their protection, since § 3 of the Copyright Act of 1909, which the case was decided under, provided protection for all the "copyrightable components of the work copyrighted." *Id.* Although no comparable language is found in the current act, 17 U.S.C. §§ 101-914 (1982 & Supp. 1985), this does not indicate any change in character protection. See 1 M. NIMMER, *supra* note 42, § 2.12 n.8 (citing H.R. Rep. No. 94-1476, 94 Cong. 2d Sess. 53). Section 102 amended § 3 of the Copyright Act of 1909. The House Report states that § 102(b), which deals with the distinction between idea and expression "in no way enlarges or contracts the scope of copyright protection under the present law." 1 M. NIMMER, *supra* note 42, § 2.03[D] (quoting H.R. Rep. 94-1476, 94 Cong. 2d Sess. 57 (1976)). See *United Feature Syndicate v. Sunrise Mold Co.*, 569 F. Supp. 1475, 1480 (S.D. Fla. 1983); *Berman & Boxer, Copyright Infringement of Audio-Visual Works and Characters*, 52 S. CAL. L. REV. 278, 328 n.57 (1979); *Davidow, supra* note 67, at 514 n.3.

106. 581 F.2d at 756.

107. 581 F.2d at 757 n.14.

108. See 1 M. NIMMER, *supra* note 42, § 2.12 ("Air Pirates expressly left open the question of whether a similarity of characters may be infringing although consisting merely of graphic

In a case involving the animated cartoon character The Pink Panther,¹⁰⁹ the court focused on the personality, as well as the appearance, of the allegedly infringing cat. Plaintiff owned copyrights in the motion pictures *The Pink Panther* and *The Return of The Pink Panther*, both of which featured an animated Pink Panther. The court said that the plaintiffs sought to enforce their rights in an animated character, which extend “not merely to the physical appearance of the animated figure, but also to the manner in which it moves, acts and portrays a combination of human and feline characteristics.”¹¹⁰ Although noting that a memorandum from one defendant to another had referred to the intentional resemblance between its animated cat and the Pink Panther,¹¹¹ the court found no infringement because the defendant’s feline, the Lincoln-Mercury animated cougar that appeared in television commercials, was a very different sort of animal. Plaintiffs were not entitled to copyright protection for the “concept of an animated feline character displaying humanoid characteristics,”¹¹² and the court found that the defendant’s animated cat did not resemble the Pink Panther in appearance, manner of movement or personality sufficiently to constitute infringement.¹¹³ In making the comparison, the court declined to limit itself to the physical characteristics of the two characters, but considered the characters in their totality.¹¹⁴

In *Warner Bros. v. American Broadcasting Cos.*,¹¹⁵ the court found that the television program “The Greatest American Hero” did not infringe plaintiff’s copyrights in a variety of works embodying the character Superman. Although these copyrights did provide their owners with

depiction, or whether, in addition to similarity of physical image there must also be similarity ‘of the character’s personality, pattern of speech, abilities, and other traits.’ ” 581 F.2d at 757).

109. *United Artists Corp. v. Ford Motor Co.*, 483 F. Supp. 89 (S.D.N.Y. 1980).

110. *Id.* at 91.

111. *Id.* at 94. A memorandum to the executives of defendant Lincoln-Mercury Dealers Association, written by an Account Supervisor of defendant Kenyon & Eckhardt, producer of the Lincoln-Mercury commercials using the allegedly infringing cat, stated: “Attached is a colorstat of the animated cat and I am sure you will agree that it has a very close resemblance to the Pink Panther of movie fame. That was our intention.” *Id.* The defendants argued that the writer of the memorandum had nothing to do with the creation of the animated cat and was merely explaining what an animated cat campaign would be like. The court said:

One could not conduct an intelligent conversation among animators or advertisers with respect to an animated duck, without reference to Donald Duck or with respect to an animated mouse, without reference to Mickey Mouse. We do not find it surprising, therefore, that there should be references to the Pink Panther in a description of what an animated cat would be like, or that comparisons to the Pink Panther should be made.

Id.

112. *Id.* at 93.

113. *Id.* at 96. For example, the defendant’s cougar was not pink, was more realistically catlike, and was more “strong and masculine” than the “fey, clumsy, inept” comical character in the first *Pink Panther* movie, or the “showbiz” personality in the second. *Id.* at 94-95.

114. *Id.* at 95.

115. 720 F.2d 231 (2d Cir. 1983).

protection for the cartoon character Superman,¹¹⁶ Ralph Hinkley, the leading character in "Hero," was not substantially similar to Superman. The court said that in determining infringement, courts generally have considered not only the visual resemblance between cartoon characters, but also "the totality of the characters' attributes and traits."¹¹⁷ Although Hinkley was similar in a variety of ways to Superman,¹¹⁸ he did not capture the total concept and feel of Superman.¹¹⁹ Superman was a proud, brave hero who came from another planet, was dedicated to fighting evil, and used his inborn powers with confidence and skill. Hinkley was an ordinary earthling who had become a reluctant superhero. He preferred continuing his normal life to making use of his superpowers, which he used in an inept and bumbling fashion.¹²⁰ Superman was a "tall, well-built, dark-haired and strikingly handsome young man."¹²¹ Although "Hinkley was attractive, his physical ap-

116. *Id.* at 235. In an additional case involving Superman, *DC Comics v. Unlimited Monkey Business*, 598 F. Supp. 110 (N.D. Ga. 1984), the court said plaintiff owned copyrights "pertaining to the fictional characters Superman and Wonder Woman, [and] their names and attributes." *Id.* at 112. Defendants were in the singing telegram business, and among the skits performed by defendants and their licensees were Super Stud and Wonder Wench. Plaintiffs sought a preliminary injunction barring the use of these characters. The court granted plaintiff's motion for summary judgment on liability and permanently enjoined defendants from, among other things, making use of the characters identified by defendant as Super Stud and Wonder Wench. *Id.* at 119. While the court seemed to consider infringement of the characters in context, it focused on elements surrounding the character Superman, rather than any particular story in which he appeared. These include the double identity of Superman and Clark Kent, the costume worn by Superman, his description as mild mannered, his co-worker Jimmy Olsen, his birth on the planet Krypton, and the phrases "faster than a speeding bullet! More powerful than a locomotive! Able to leap tall buildings in a single bound!", "It's a bird, it's a plane, it's Superman, and this must be a job for Superman." These phrases, standing alone and without any mention of Superman (e.g., "This must be a job for Super Stud.") were found to be evocative of the character Superman. *Id.* at 114.

117. *Warner Bros. v. American Broadcasting Cos.*, 720 F.2d 231 (2d Cir. 1983).

118. For example, both perform feats of miraculous strength; wear acrobatic costumes; battle villains; fly with their arms extended in front of them and cape billowing behind; are impervious to bullets; have a form of x-ray vision, fantastic hearing and sight; fly gracefully in the night sky past lit skyscrapers; lift a car with a single hand; and lead a double life. The power of both characters emanates from another planet and both are drawn to a mysterious spot to meet an extraterrestrial being. *Warner Bros. Inc. v. American Broadcasting Cos.*, 654 F.2d 204, 209 (2d Cir. 1981). The producer of "The Greatest American Hero" described the program as being about "what happens when you [the average person] become Superman." 720 F.2d at 236. Furthermore, the "Hero" series contained a number of lines and visual effects that call Superman to mind (e.g., "It's a Bird, it's a Plane, it's Ralph Hinkley."). *Id.* at 237.

119. *Id.* at 241-43.

120. *Id.* at 243. "In the genre of superheros, Hinkley follows Superman as, in the genre of detectives, Inspector Clouseau follows Sherlock Holmes." *Id.* Thus, the court uses fictional characters to make its point.

121. *Id.* at 235.

pearance was not imposing; he was of medium height with a slight build and curly, somewhat unkempt, blond hair."¹²²

These cases leave little doubt that copying a cartoon character without copying plot elements can be infringement. Extricating a cartoon character from its context presents no major conceptual problem. While it may not constitute the structure of a work in which it appears, the character is a vital component. Its visual element makes it one of the least abstract of abstractions, and provides something concrete and delineated which can be the subject of objective comparisons.

For similar reasons, sufficient similarity in appearance, even in the absence of similarity in other traits, should be enough to constitute copyright infringement. Indeed, in cases where cartoon characters such as Sparky,¹²³ Betty Boop,¹²⁴ and the Peanuts characters¹²⁵ have been reproduced as three-dimensional dolls or figures, infringement has been found, although there was no question of copying personality or plot. When a doll or other toy figure is alleged to be infringing, there is nothing to compare but the appearance of the characters. This similarity must be virtually exact, however, with no more than slight differences and variations, or it will not be sufficiently particular and concrete to amount to an appropriation of original elements of expression.¹²⁶ If the horse Sparky is closely copied, there is infringement; if a horse reminiscent of Sparky is created, there is not.

The appearance of a cartoon character ordinarily creates the dominant impression against which another character may be compared.¹²⁷ Thus, if the original aspects of visual expression are closely copied that should be sufficient for a finding of infringement, even if the two characters behave very differently. Where copying of the physical aspects is less complete, it is necessary to analyze such other elements as personality and manner of movement. A pink animated feline might not be similar enough to the Pink Panther to infringe. If the character moves, speaks, and reacts like the Pink Panther, however, the similarity may be sufficient.

Dissimilarities in appearance and personality are also relevant. Although a plagiarist cannot "excuse the wrong by showing how much of

122. *Id.* at 236. Their suits also differed. Superman wears a blue leotard with red briefs, boots and a cape; Hinkley wears a red leotard with a black cape, tunic top, and no boots. *Id.* at 237.

123. *King Features Syndicate v. Fleischer*, 299 F. 533 (2d Cir. 1924).

124. *Fleischer Studios v. Ralph A. Freundlich, Inc.*, 73 F.2d 276 (2d Cir.), *cert. denied*, 294 U.S. 717 (1934). *See Gruelle v. Molly-'Es Doll Outfitters, Inc.*, 94 F.2d 172, 176 (3d Cir. 1937) (*Raggedy Ann and Andy*).

125. *United Features Syndicate v. Sunrise Mold Co.*, 569 F. Supp. 1475 (S.D. Fla. 1983).

126. *See infra* note 223.

127. *See Warner Bros. v. American Broadcasting Cos.*, 720 F.2d 231, 242 (2d Cir. 1983).

a work he did not pirate,"¹²⁸ sufficient differences may undercut substantial similarity,¹²⁹ particularly with graphic works. A cartoon character is perceived as an entirety.¹³⁰ It provides a single mental image which is primarily visual, but it also contains elements of other traits, such as personality and manner of movement. Each difference in appearance or personality changes this dominant image and diminishes the perception that the characters are substantially similar. Eventually, the accused character will no longer be recognizable as having been appropriated from the copyright work.¹³¹ Stirring the memory of a character is not the same as substantial similarity, and only the latter is infringing.¹³²

B. Literary Characters

It may seem paradoxical that literary characters, some of which are among the greatest creations of the human mind, have received less copyright protection than cartoon characters, which Judge Hand has termed "silly pictures."¹³³ The difference in treatment is justified, however, because similarities between literary characters tend to be less concrete than those between cartoon characters. Using identical language or a close paraphrase to describe a literary character is analogous to copying the portrait of a visually depicted character. But when a literary character is copied, what is taken usually is more abstract, an amalgamation of traits and elements that conjures up mental images. It is far simpler to make visual comparisons than to compare abstractions.

Furthermore, literary characters do not provide a single physical image against which other characters can be compared. Literary characters are abstractions which can be seen not with the eyes but with the mind. None of their characteristics is as dominant as the visual appearance of a cartoon character. Thus, the distinction between protectible expression and unprotectible idea has proven to be particularly elusive concerning literary characters.

The possibility of protecting such characters seems to have had its origin in the much quoted statement by Judge Learned Hand in *Nichols v. Universal Pictures Corp.*,¹³⁴ where the author of the play *Abie's Irish*

128. *Sheldon v. Metro-Goldwyn Pictures Corp.*, 81 F.2d 49, 56 (2d Cir.), cert. denied, 298 U.S. 669 (1936).

129. See *Warner Bros. v. American Broadcasting Cos.*, 654 F.2d 204, 211 (2d Cir. 1981); *Durham Indus. v. Tomy Corp.*, 630 F.2d 905, 913 n.11 (2d Cir. 1980).

130. *Warner Bros. v. American Broadcasting Cos.*, 720 F.2d 231, 241 (2d Cir. 1983).

131. See *Ideal Toy Corp. v. Fab-Lu Ltd.*, 360 F.2d 1021, 1022 (2d Cir. 1966).

132. *Warner Bros. v. American Broadcasting Cos.*, 720 F.2d 231, 242 (2d Cir. 1983).

133. See *infra* note 295.

134. 45 F.2d 119 (2d Cir. 1930), cert. denied, 282 U.S. 902 (1931).

Rose alleged that her play had been infringed by the movie *The Cohens and the Kellys*.¹³⁵

[W]e do not doubt that two plays may correspond in plot closely enough for infringement. . . . Nor need we hold that the same may not be true as to the characters, quite independently of the 'plot' proper, though as far as we know, such a case has never arisen. If *Twelfth Night* were copyrighted it is quite possible that a second comer might so closely imitate Sir Toby Belch or Malvolio as to infringe, but it would not be enough that for one of his characters he cast a riotous knight who kept wassail to the discomfort of the household, or a vain and foppish steward who became amorous of his mistress. These would be no more than Shakespeare's "ideas" in the play, as little capable of monopoly as Einstein's doctrine of Relativity or Darwin's theory of the Origin of the Species. It follows that the less developed the characters, the less they can be copyrighted; that is the penalty an author must bear for making them too indistinct.¹³⁶

One year later, the court in *Lewys v. O'Neill*¹³⁷ found that the characters in plaintiff's work were merely types which were not sufficiently individualized to be infringed by defendant's work. "The plaintiff cannot copyright a type any more than could Miss Nichols in the case of *Abie's Irish Rose*, by taking for her characters stock figures, such as a low comedy Jew or a low comedy Irishman."¹³⁸

135. Both works involve feuding Irish and Jewish fathers whose children were in love, the marriage of the children, the birth of grandchildren, and a reconciliation. They had little else in common. See *id.* at 122.

136. *Id.* at 121. Judge Hand apparently found *Abie's Irish Rose* trite and lacking in originality. He was not alone. Robert Benchley, in his review of the play in *Life*, May 1922, said: On the night following the presentation of 'The Rotters,' residents of Broadway, New York City, were startled by the sound of horse hoofs clattering up the famous thoroughfare. Rushing to their windows they saw a man in colonial costume riding a bay mare from whose eyes flashed fire. The man was shouting as he rode, and his message was: "The Rotters" is no longer the worst play in town! "Abie's Irish Rose" has just opened! "Abie's Irish Rose" is the kind of play in which a Jewish boy, wanting to marry an Irish girl named Rosemary Murphy, tells his orthodox father that her name is Rosie Murphesky, and the wedding proceeds. Any further information, if such could possibly be necessary, will be furnished at the old office of "Puck," the comic weekly that flourished in the nineties. Although that paper is no longer in existence, there must be some old retainer still about the premises who could tell you everything that is in "Abie's Irish Rose."

G. OPPENHEIMER, *THE PASSIONATE PLAYGOER* 584-85 (1962).

137. 49 F.2d 603 (S.D.N.Y. 1931). The court found that the characters in plaintiff's *The Temple of Pallas-Athenae* were merely types, while defendant Eugene O'Neill's *Strange Interlude* contained characters that were individualized to an extraordinary degree. There does not appear to be any similarity between the two works.

138. *Id.* at 612.

Thus, in determining whether an alleged appropriation of a character appearing in a copyrighted work is an infringement under the analysis set forth in the *Nichols* case, two questions must be answered:

First, was the character as originally conceived and presented sufficiently developed to command copyright protection, and if so, secondly, did the alleged infringer copy such development and not merely a broader and more abstract outline.¹³⁹

The first of these questions, derived from Judge Hand's statement that "the less developed the characters, the less they can be copyrighted," may have led courts to discuss the "copyrightability" of characters. Many courts have cited *Nichols* and denied copyright protection because they considered a character insufficiently distinctive or developed to be copyrightable.¹⁴⁰ Others, finding a character sufficiently delineated to be protected, have found infringement without any reasoned consideration of whether substantial expression has been taken,¹⁴¹ thus turning a test designed to limit copyright protection into one which expands it.

These already cloudy waters were further muddied in 1954 when the Ninth Circuit provided a second major articulation of what is necessary before a literary character can be protected. In *Warner Bros. Pictures v. Columbia Broadcasting Sys.*,¹⁴² often called the *Sam Spade* case, Dashiell Hammett was the author of a mystery novel entitled *The Maltese Falcon* featuring the fictional detective, Sam Spade. He and his publisher granted Warner Brothers certain defined motion picture, radio and television rights to *The Maltese Falcon*. Hammett later used

139. 1 M. NIMMER, *supra* note 42, § 2.12. See *Zambito v. Paramount Pictures*, 613 F. Supp. 1107, 1111-12 (E.D.N.Y. 1985); *Smith v. Weinstein*, 578 F. Supp. 1297, 1303 (S.D.N.Y.), *aff'd mem.*, 738 F.2d 419 (2d Cir. 1984); *Warner Bros., Inc. v. American Broadcasting Cos.*, 530 F. Supp. 1187, 1193 (S.D.N.Y. 1982), *aff'd*, 720 F.2d 231 (2d Cir. 1983).

140. See *Giangrosso v. Columbia Broadcasting Sys., Inc.*, 534 F. Supp. 472 (E.D.N.Y. 1982); *Burns v. Twentieth Century Fox Film Corp.*, 75 F. Supp. 986 (D. Mass. 1948); *Lone Ranger Inc. v. Cox*, 39 F. Supp. 487, 490 (W.D.S.C. 1941), *rev'd on other grounds*, 124 F.2d 650 (4th Cir. 1942); *Caruthers v. R.K.O. Radio Pictures*, 20 F. Supp. 906 (S.D.N.Y. 1937); *Lewys v. O'Neill*, 49 F.2d 603 (S.D.N.Y. 1931); *Burtis v. Universal Pictures Co., Inc.*, 40 Cal. 2d 823, 256 P.2d 933 (1953). Cf. *Rokeach v. Avco Embassy Pictures*, 3 Med. L. Rep. (BNA) 1774, 1779 (S.D.N.Y. 1978) (a copyright does not protect its owner from the use of a character unless this use intrudes on the author's means of expression. Even when there are a number of characters with counterparts in another work, there is no infringement if the characters "flow from and result in an entirely different artistic conceptualization and portrayal." (citing *Bevan v. Columbia Broadcasting Sys.*, 329 F. Supp. 601, 606 (S.D.N.Y. 1971)); *Midas Prods. v. Baer*, 437 F. Supp. 1388, 1390 (C.D. Cal. 1977) ("there can be no property interest in stereotyped characters"); *Echevarria v. Warner Bros. Pictures*, 12 F. Supp. 632, 635 (S.D. Cal. 1935) (although "there are characters in both plays having similarity and some instances of similar phraseology, when the theory of the two plays is entirely different, there is no infringement.").

141. See *infra* notes 161-88 and accompanying text.

142. 216 F.2d 945 (9th Cir. 1954), *cert. denied*, 348 U.S. 971 (1955).

The Maltese Falcon characters, including Sam Spade, in new stories and authorized CBS to use them in radio broadcasts called the "Adventures of Sam Spade." Warner Bros. brought suit, claiming that it had acquired the exclusive right to use the individual characters from *The Maltese Falcon* in motion pictures, radio and television.

The Ninth Circuit rejected this argument, holding that sequel rights, the right to use characters and character names in future stories, were not within the rights granted to Warner Brothers. Its decision on this issue was sufficient to determine the case,¹⁴³ but the court went on to consider whether characters, with their names, should be protected by the copyright statute. The court said: "It is conceivable that the character really constitutes the story being told, but if the character is only the chessman in the game of telling the story he is not within the area of the protection afforded by the copyright."¹⁴⁴ Therefore, even if Hammett had assigned complete rights in the copyright to Warner Brothers, he still could use the character in other stories. "The characters were vehicles for the story told, and the vehicles did not go with the sale of the story."¹⁴⁵

The court thus recognized the possibility that the copyright in the work would protect against using the character in other stories. However, the test it used was very restrictive, far more restrictive than the *Nichols* standard. For example, Sherlock Holmes or Tarzan might be considered sufficiently delineated for protection under *Nichols*, but not to constitute the story being told. Indeed, each has appeared in a variety of stories being told.

The decision may have been prompted by the court's reluctance to deprive an author of the right to make further use of the characters he created. The judges may not have wanted to create a situation where

143. Because the case could have been decided solely on the contractual issue, the court's discussion of whether copyright protects characters could be considered dictum. See e.g. *Goodis v. United Artists Television, Inc.*, 425 F.2d 397, 406 n.1 (2d Cir. 1970); *Columbia Broadcasting Sys., Inc. v. DeCosta*, 377 F.2d 315,321 (1st Cir. 1967). However, the court in *Walt Disney Prods. v. Air Pirates*, 345 F. Supp. 108, 111-12 (N.D. Cal. 1972), modified, 581 F.2d 751 (9th Cir. 1978), cert. denied, 439 U.S. 1132 (1979), noting that other circuits had viewed the discussion as dictum said "a fair analysis of the opinion precludes either conclusion." Cf. *Hospital for Sick Children v. Melody Fare*, 516 F. Supp. 67, 72 (E.D. Va. 1980) (cites *Sam Spade* case to support the proposition that characters are not copyrightable); *Columbia Pictures Corp. v. National Broadcasting Co.*, 137 F. Supp. 348, 353 (S.D. Cal. 1955) (cites *Sam Spade* case to support the proposition that copyright does not ordinarily protect characters). The Ninth Circuit, in *Walt Disney Prods. v. Air Pirates*, 581 F.2d 751, 755 n.10 (9th Cir. 1978), cert. denied, 439 U.S. 1132 (1979), declined to resolve the "old dispute" as to whether it was holding or dicta, finding such resolution unnecessary to the determination of the case before it. It distinguished between literary and cartoon characters, explaining that the visual component of a comic book character makes it more likely to contain unique elements of expression. See *supra* note 89 and accompanying text. Therefore, protection for Disney's cartoon characters was not limited by the decision in the *Sam Spade* case.

144. 216 F.2d at 950.

145. *Id.*

authors who sold all rights to a story, including its copyright, would be unable to reuse the characters that appeared within it. However, the *Sam Spade* standard would have the result of excluding virtually any character from copyright protection, because it “seems to envisage a ‘story’ devoid of plot wherein character study constitutes all, or substantially all, of the work.”¹⁴⁶ The author is left free to use his character in new stories, but so is everyone else.

Outside the Ninth Circuit, the *Sam Spade* case has encountered rejection and engendered confusion. Some courts have declined to accept it¹⁴⁷ or have avoided its consequences, sometimes by distorting what is said.¹⁴⁸ It has been cited for the proposition that characters may not be copyrightable,¹⁴⁹ and in contradiction to that proposition.¹⁵⁰ Other cases have ignored the *Sam Spade* standard and applied *Nichols*.¹⁵¹ Within the Ninth Circuit, some courts interpreted the *Sam Spade* standard liberally, finding that it can be satisfied if the plot is subordinated to the character’s role and the principal appeal of plaintiff’s work is in the character.¹⁵² However, the Ninth Circuit has criti-

146. 1 M. NIMMER, *supra* note 42, § 2.12. The Ninth Circuit appears to agree with Nimmer’s statement. *Walt Disney Prods. v. Air Pirates*, 581 F.2d 751, 755 n.11 (9th Cir. 1978), *cert. denied*, 439 U.S. 1132 (1979).

147. See *Goodis v. United Artists Television, Inc.*, 425 F.2d 397, 406 n.1 (2d Cir. 1970) (while the Ninth Circuit did not reach the question, any conclusion that the characters from *The Maltese Falcon* are in the public domain “would be clearly untenable from the standpoint of public policy, for it would effectively permit the unrestrained pilfering of characters”); *Ideal Toy Corp. v. Kenner Prods.*, 443 F. Supp. 291, 301 (S.D.N.Y. 1977) (declining to follow the *Sam Spade* case because it is not the law of the Second Circuit and for policy reasons).

148. See *Columbia Broadcasting Sys. v. DeCosta*, 377 F.2d 315, 320 (1st Cir. 1967) (*Sam Spade* cast inapposite to the proposition that a character is not copyrightable, because it held only “(a) that the contract of assignment did not convey the exclusive right to use the characters in the novel, and (b) that the sequel . . . was not so similar as to infringe the copyright.”).

149. See *Hospital for Sick Children v. Melody Fare*, 516 F. Supp. 67, 72-73 (E.D. Va. 1980); *Tralins v. Kaiser Aluminum and Chem. Corp.*, 160 F. Supp. 511, 516 D.C.(D. Md. 1958).

150. See *Columbia Pictures Corp. v. National Broadcasting Sys., Inc.*, 1980 COPYRIGHT L. DECISIONS (CCH) ¶ 25,242, at 16,421, (C.D. Cal. 1980).

151. *Smith v. Weinstein*, 578 F. Supp. 1297, 1303 (S.D.N.Y.), *aff’d mem.*, 738 F.2d 419 (2d Cir. 1984); *Giagrasso v. Columbia Broadcasting Sys.*, 534 F. Supp. 472, 477 (E.D.N.Y. 1982); *Filmvideo Releasing Corp. v. Hasting*, 509 F. Supp. 60, 63, 66 (S.D.N.Y.), *aff’d*, 668 F.2d 91 (2d Cir. 1981); *Burroughs v. Metro-Goldwyn-Mayer, Inc.*, 519 F. Supp. 388, 391 (S.D.N.Y. 1981), *aff’d* 683 F.2d 610 (2d Cir. 1982); *Rokeach v. Avco Embassy Pictures*, 3 Med. L. Rep. (BNA) 1774, 1779 (S.D.N.Y. 1978); *Bevan v. Columbia Broadcasting Sys.*, 329 F. Supp. 601, 605 (S.D.N.Y. 1971).

152. In *Walt Disney Prods. v. Air Pirates*, 345 F. Supp. 108 (N.D. Cal. 1972), *modified*, 581 F.2d 751 (9th Cir. 1978), *cert. denied*, 439 U.S. 1132 (1979), the court found that Mickey Mouse was protectible because the plot was subordinated to the character’s role and the principal appeal of plaintiff’s work was in the character. See also *Warner Bros., Inc. v. Film Ventures Int’l*, 403 F. Supp. 522, 525 (C.D. Cal. 1975). Nimmer suggests that the case of *Walt Disney Prods. v. Air Pirates*, 581 F.2d 751 (9th Cir. 1978), *cert. denied*, 439 U.S. 1132 (1979) may have undermined “the story being told” standard with respect to literary characters. The *Sam Spade* limitation is explained as “being based on a recognition that ‘it is difficult to delineate distinctively a literary character . . . put another way, . . . many literary characters may embody little more than an

cized this interpretation.¹⁵³

These conflicting cases have created two related problems. The first is the application of inconsistent standards. Some courts, one as recently as 1980, have expressed doubt that literary characters are entitled to any copyright protection.¹⁵⁴ Others have resorted to a series of tests in making their decisions. In *Warner Bros. v. Film Ventures Int'l*,¹⁵⁵ for example, the court considered whether a film entitled *Beyond the Door* infringed plaintiff's copyright in the motion picture *The Exorcist*. Plaintiff did not claim any similarity of story or plot, but rather that defendants copied the character of Regan, the demonically possessed child in *The Exorcist*, and certain cinematic effects. The court said that ordinarily characters in a play are not protectible, and protection is only provided where the character is distinctively delineated by the author and such delineation is copied.¹⁵⁶ It also cited the *Sam Spade* case as holding that a character receives no copyright protection unless it really constitutes the story being told and is not merely a chessman in the game of telling the story. There was no infringement of *The Exorcist*, because the story was not subordinated to the character Regan, and there were substantial differences between Regan and defendant's allegedly infringing character, Jessica.¹⁵⁷ In 1983, a federal court sitting in California¹⁵⁸ determined that plaintiff's copyrighted play *Lokey From Mandelmar* was not infringed by the motion picture *E.T.—The Extraterrestrial*. Neither of the play's leading characters, Lokey and Fudwin-

unprotected idea.' 581 F.2d at 755. From this it would seem to follow that a literary character may achieve separate copyrightability even if it does not meet 'the story being told standard' provided the character is sufficiently developed and finely drawn so as to cross the line from 'idea' to 'expression.' " 1 M. NIMMER, *supra* note 42, § 2.12.

153. In *Walt Disney Prods. v. Air Pirates*, 581 F.2d 751 (9th Cir. 1978), *cert. denied*, 439 U.S. 1132 (1979), the court of appeals found it unnecessary to apply the *Sam Spade* test to a cartoon character, *see supra* note 143. However, the appellate court also criticized the district court for failing to recognize that the *Sam Spade* exception seemed limited to a story devoid of plot and assuming, incorrectly, that Disney's characters could be protected if together they constituted the whole story. *Id.* at 755-76, n.11.

154. *See Hospital for Sick Children v. Melody Fare*, 516 F. Supp. 67, 72-3 (E.D. Va. 1980) (discussing the characters in *Peter Pan*, the court said that individual characters may not be copyrightable); *Miller v. Columbia Broadcasting Sys.*, 1980 COPYRIGHT L. DECISIONS (CCH) ¶ 25,242, at 16,421 (C.D. Cal. 1980) ("ideas, themes, locale or characters in an author's copyrighted works are not protected by the law of copyright" (emphasis added)); *Columbia Pictures Corp. v. National Broadcasting Co.*, 137 F. Supp. 348, 353 (S.D. Cal. 1955) (ordinarily characters appearing in a copyrighted literary or dramatic work are not capable of ownership and may freely be taken by others without infringing the copyright). *Cf. Fuld v. National Broadcasting Co.*, 390 F. Supp. 877, 881 (S.D.N.Y. 1975) (while characters are not capable of protection, the manner of use and development of the characters are).

155. 403 F. Supp. 522 (C.D. Cal. 1975).

156. *Id.* at 525.

157. *Id.*

158. *Litchfield v. Spielberg*, 1983 COPYRIGHT L. DECISIONS (CCH) ¶ 25, 541 (C.D. Cal. 1983), *aff'd*, 736 F.2d 1352 (9th Cir. 1984), *cert. denied*, 105 S.Ct. 1753 (1985).

kle, was distinctively delineated and neither was the focus of the play.¹⁵⁹

This uncertainty has led to a second problem—overprotection. For a long time, literary characters appeared to be faring badly under copyright. As late as 1967, Professor Kaplan stated that no case of infringement of a literary character independent of plot had yet arisen.¹⁶⁰ Recently, however, some courts have been willing to protect copyright owners against the unlicensed borrowing of literary characters. Lacking a clearcut guide for determining if protection should be granted, these courts seem to seek for a way to protect copyright owners against any use of the characters appearing in their works. For example, in one case involving Tarzan,¹⁶¹ the court found that plaintiff's literary works were infringed by defendant's X-rated film, *Tarz, Jane, Boy and Cheeta*. The court stated that characters which are distinctly delineated in copyrighted works are protected by the copyright in these works and, without discussion, found that the characters in defendant's film were substantially similar to, and copied from, characters contained in plaintiff's copyrighted works.¹⁶²

In a later Tarzan case,¹⁶³ the court said that the copyright in the literary work *Tarzan of the Apes*, which covered the work as an entirety, did not protect the plot alone, "leaving the characters free for public exploitation. . . ."¹⁶⁴ Using the first prong of Judge Hand's formulation in *Nichols*, the court found that the character Tarzan was sufficiently well developed and distinctively delineated in the works of Edgar Rice Burroughs to be "copyrightable."¹⁶⁵ Describing Tarzan, the court said:

Tarzan is the ape-man. He is an individual closely in tune with his jungle environment, able to communicate with animals yet

159. *Id.* at ¶ 18,189. Lokey was described in plaintiff's 1978 play as a "bald egg-headed, gray-green, five-foot tall boy" and in her 1980 screenplay as a "tall gray hued skin, hairless alien." Fudinkle is a giant firefly in the play and a three-foot talking bug with a flashing phosphorus tail in the screenplay. The court found none of those descriptions complete or distinctive. *Id.* The court added that even if the similarities between the ideas of Lokey and E.T. were sufficiently substantial to satisfy the "extrinsic test," they would fail the "intrinsic test" since the total concept and feel were so different. *Id.* See *infra* note 218 for a discussion of these two tests.

160. B. KAPLAN, *supra* note 58, at 51. Kaplan said that the *Sam Spade* case was "wide of the present mark" and that some of its observations on the subject of characters were surely wrong. *Id.* at 51 n.44.

161. *Edgar Rice Burroughs, Inc. v. Mann*, 195 U.S.P.Q. (BNA) 159 (C.D. Cal. 1976).

162. *Id.* at 162.

163. *Burroughs v. Metro-Goldwyn-Mayer*, 519 F. Supp. 388 (S.D.N.Y. 1981), *aff'd*, 683 F.2d 610 (2d Cir. 1982).

164. *Id.* at 391.

165. *Id.*

able to experience human emotion. He is athletic, innocent, youthful, gentle and strong. He is Tarzan.¹⁶⁶

Nothing in this description indicates why Tarzan was distinctively delineated. The description is of little more than a type. Surely another author could write a non-infringing story about an individual in tune with a jungle environment and able to communicate with animals, who is athletic, innocent, youthful, gentle, and strong. Indeed, the description seems to fit Kipling's Mowgli as well as Tarzan. The court's difficulty in explaining why Tarzan was distinctively delineated illustrates the problem inherent in attempting to make such a determination without comparing the characters in the allegedly infringed and infringing works.¹⁶⁷

The same circuit rendered a very questionable decision in a case dealing with Hopalong Cassidy.¹⁶⁸ Clarence E. Mulford, the author of twenty-three Hopalong Cassidy novels, had granted Prudential Studios the right to make a series of motion pictures based on the books. A series of Hopalong Cassidy movies was created pursuant to this grant

166. *Id.*

167. *See infra* notes 194-203 and accompanying text. *See also supra* notes 68-71 and accompanying text. The court in this case, however, had nothing to compare, because the issue was not infringement, but whether the grant of the right to use the character arose under copyright. The court found that since Tarzan was copyrightable, a grant of a nonexclusive license to use the Tarzan characters was a right under copyright, subject to the termination provisions of the Copyright Act, 17 U.S.C. § 304 (1982), but that the purported termination of defendant's rights was ineffective. The Second Circuit, while affirming the district court's decision, specifically expressed no view on "the venerable question as to whether and in what circumstances an author's creation of a fictional character can be protected by copyright." *Burroughs v. Metro-Goldwyn-Mayer*, 683 F.2d 610, 621 (2d Cir. 1982). The appeals court concluded that defendant's film was not substantially similar to the plaintiffs' copyrighted work except to the extent permitted by agreement, and that the film complied with that agreement. *Id.* at 611. It agreed with the court below that plaintiffs' notice of termination was ineffective and consequently defendant continued to possess the granted rights. The court found it unnecessary to reach the question of whether a copyright interest was conveyed.

A colloquy that took place at the oral argument before the Second Circuit in this case illustrates the confusion arising from the idea that a character appearing in a literary work is itself "copyrightable." Judge Newman asked whether "any case had held a literary character infringed based on the character's attributes, regardless of any traditional lifting of story line." Plaintiff's counsel replied, "That is not the issue. The issue isn't whether the character has been infringed, Your Honor, but whether the literary work had been infringed." After some discussion of what right, under copyright, had allegedly been granted in the case at issue Judge Newman said "I thought we were talking about a copyright grant in the characters." Plaintiff's counsel said that he was not discussing a copyright grant in the characters or in the story, but whether the contract at issue "grants a right that is protected under the copyright laws to use literary expression contained in the . . . story." *Id.* at 621 n.10.

168. *Filmvideo Releasing Corp. v. Hasting*, 509 F. Supp. 60 (S.D.N.Y.), *aff'd*, 668 F.2d 91 (2d Cir. 1981). The Second Circuit did not deal with the copyrightability or similarity of the character. *See infra* note 180.

and was in the public domain at the time of suit.¹⁶⁹ The owners of the book rights contended that the copyrights in their books were violated by the television exhibition of the films, authorized by Filmvideo. The court found that certain characters in the books, especially Hopalong Cassidy, were sufficiently delineated, developed and well-known¹⁷⁰ to be copyrightable, and that the use of these characters would constitute infringement, "irrespective and independent of the similarity of the story lines."¹⁷¹ The character Hopalong Cassidy in the motion pictures, said the court, is "substantially similar to the character 'Hopalong Cassidy' in the books, and both characters exhibit the same basic traits."¹⁷²

Nothing in the case indicated anything particularly distinctive about the character. Nor did the book's character appear similar, in anything but name and basic setting, to the character in the motion pictures. The court described the book version of Hopalong Cassidy as a "diamond in the rough" who was "quick tempered and given to cuss words."¹⁷³ The motion picture Cassidy was, according to the court, "simply Cassidy turned inside out. The kind, sentimental, thinking person became exposed to public view through the motion picture media."¹⁷⁴ Upside down or inside out, the characters do not appear substantially similar. One commentator, who had appeared as an expert witness for Filmvideo, has given a more complete description:

Cassidy [in the books] is portrayed initially as a foulmouthed, tobacco-spitting, violence-prone young tough, who . . . is involved in countless battles, chases, and confrontations. . . . [He] grows into a hard-bitten, middle-aged gunman and sometimes peace officer. . . . [The movies] starr[ed] former silent screen idol William Boyd as a black-garbed, white horsed, alcohol-eschewing, straight shooting western hero. The movie character was so completely sanitized from Mulford's conception of the character that Mulford made constant complaints to the film-makers who generally responded,

169. The copyrights in the books had been renewed; those in the motion pictures had not, and the films were thus in the public domain. For a discussion of the problems arising from such a situation, see Jazzi, *When Works Collide: Derivative Motion Pictures, Underlying Rights, and the Public Interest*, 28 UCLA L. REV. 715 (1981); Nevins, *The Doctrine of Copyright Ambush: Limitations on the Free Use of Public Domain Derivative Works*, 25 ST. LOUIS U.L.J. 58 (1981).

170. While being well-known is important to character protection under unfair competition, see *infra* notes 253-55, it is not relevant to copyright.

171. 509 F. Supp. at 66.

172. *Id.* at 65. The court also found the film's portrayal of other characters from the books strikingly similar to those in the books and that taking into account the differences between books and films, they were "indistinguishable to the ordinary observer." *Id.* at 63-64.

173. *Id.* at 65.

174. *Id.*

as was their legal and aesthetic right, by ignoring his diatribes and sending him a box of cigars.¹⁷⁵

The only discernible reasons for finding similarity were the characters' common name, the Western setting, and the fact that the people who made the movies bought rights from the owner of the copyright in the book. These do not provide a basis for a finding of substantial similarity. The name of a character is not subject to copyright protection,¹⁷⁶ although using the name may be relevant to the question of infringement because it is evidence that the character as a whole was copied.¹⁷⁷ It might also be considered a factor in determining whether the alleged infringer copied the development of plaintiff's character, rather than a broader, more abstract outline.¹⁷⁸ If the character's development is not copied, however, using the name is not a basis for finding copyright infringement.¹⁷⁹ Nor is the fact that rights were purchased sufficient. A television or film adaptation of a book or play is not necessarily so similar to the underlying work that it would infringe if it were unlicensed. Even a licensed work should be examined to determine what underlying material was actually used and whether the similarities between the new work and the one on which it was purportedly based are sufficient to justify a finding of copyright infringement.¹⁸⁰

175. Nevins, *supra* note 169, at 68 (citing J. LUSKA, *THE FILMING OF THE WEST* 323 (1976)).

176. The Regulations of the Copyright Office, 37 C.F.R. § 202.1(a) (1985), provide that "[w]ords and short phrases such as names titles and slogans" are not subject to copyright protection. See also Circular R34 (Sept. 1983) ("Names, titles, and short phrases are not subject to copyright. . . . This is true even if the name, title or short phrase is novel, distinctive, or lends itself to a play on words.").

177. Cf. *The Robert Stigwood Group, Ltd. v. Sperber*, 457 F.2d 50 (2d Cir. 1977); *Wihtol v. Wells*, 231 F.2d 550 (7th Cir. 1956); *Mose v. Fields*, 127 F. Supp. 63 (S.D.N.Y. 1954); *Newcomb v. Young*, 43 F. Supp. 744 (S.D.N.Y. 1942); 1 M. NIMMER, *supra* note 42, § 2.16 (while the title of a work is not protected by copyright, copying a title may nonetheless be "one factor in establishing whether the substance of plaintiff's work (not the title) has been copied").

178. See 1 M. NIMMER, *supra* note 42, § 2.12 (although the "copying of a character's name is not in itself decisive, it is a factor to be considered in determining whether the character as appropriated is sufficiently distinctive to constitute an infringement").

179. See *Warner Bros. Pictures, Inc. v. Columbia Broadcasting Sys.*, 216 F.2d 945 (9th Cir. 1954), *cert. denied*, 348 U.S. 971 (1955); *Pellegrino v. American Greetings Corp.*, 592 F. Supp. 459, 462 (D.S.D. 1984), *aff'd mem.*, 760 F.2d 272 (8th Cir. 1985); cf. *Gordon v. Warner Bros. Pictures, Inc.*, 269 Cal. App. 2d 31, 34-35, 74 Cal. Rptr. 499, 501 (Ct. App. 1969) (similarity in nicknames of special agents and the names of their respective ladies do not entitle the characters to protection).

180. See Goldstein, *supra* note 63, at 222. Goldstein quotes B. KAPLAN, *supra* note 58, at 56, stating that it "is surely wrong to assume that what Hollywood is content to call a dramatization or screen treatment of a novel or play would necessarily be an infringing copy if not licensed." Goldstein states that firms may negotiate and pay for rights in order to obtain elements not protected by copyright, such as titles and character names.

More important, the license is the key to their participation in the overall commercial enterprise based on the underlying work. . . . And those firms are buying time. Timing often requires that licenses be executed well before the licensee knows whether its work will incorporate copyrighted elements of the underlying work. Indeed, rights are some-

A case presenting similar problems involved the character E.T.¹⁸¹ The producer of the copyrighted motion picture *E.T.—The Extra Terrestrial* brought suit against the manufacturer and distributor of merchandise bearing the inscriptions, “I Love You E.T.” and “E.T. Phone Home.” The court found that the character E.T. was a central component of the movie, “a unique and distinctive character about whom the movie revolves.”¹⁸² Using language from the *Sam Spade* case, it said that E.T. was more than a vehicle for telling the story, and actually constituted the story being told. The name E.T., said the court, was highly distinctive and inseparable from the character’s identity. Thus, the defendants’ use of the name conjured up the image and appeal of the character.¹⁸³ Because E.T. was a “copyrightable” character,¹⁸⁴ plaintiffs were likely to prevail on the claim that their copyright had been infringed by the defendant’s unauthorized use of the E.T. character and name.¹⁸⁵ The test for character infringement was satisfied because the “average lay observer would readily recognize the name ‘E.T.’ as having been taken from the copyrightable character.”¹⁸⁶ Although the court strained mightily to find that the character had been appropriated, all that had been taken was the name “E.T.” and the phrases “phone home” and “I love you,” which provided an insufficient basis for finding infringement.¹⁸⁷ Focusing on the character’s copyrightability, the court failed to analyze the substantiality of what the defendant

times licensed at a point when the literary property is hardly more than a twenty-page outline prepared by a well-known author. A license at this early stage assures the producer of the freedom to use copyrighted elements if it later so chooses.

These practical considerations suggest that it is mistaken to confuse the scope of an executed license with the substance of the work produced under it. Courts, unfortunately, have repeatedly made this mistake. . . . The tendency in these cases, always unarticulated because legally irrelevant, is to take the . . . quest for a copyright license as evidence that one was needed.

Goldstein, *supra* note 63, at 220-21.

This is, in essence, what the court of appeals did in *Filmvideo Releasing Corp. v. Hasting*, 668 F.2d 91 (2d Cir. 1981). It found that the underlying copyrighted matter incorporated into a licensed, derivative copyrighted work does not fall into the public domain when the derivative copyright is lost for failure to renew. Because the books were not in the public domain, Filmvideo’s activities with respect to the movies were infringing. The court failed to consider what, if any, underlying material was incorporated into the films and which films, if any, were substantially similar to the underlying material. Nor did it consider whether substantial similarity between the characters existed.

181. *Universal City Studios v. Kamar Indus.*, 1982 COPYRIGHT L. DECISIONS (CCH) ¶ 25,452 (S.D. Tex. 1982). The character E.T. is presented in the movie *E.T.—The Extraterrestrial* in visual form. However, the alleged infringement did not involve taking any part of E.T.’s physical image.

182. *Id.* at ¶ 17,684.

183. *Id.*

184. *Id.* at ¶ 17,685.

185. *Id.*

186. *Id.*

187. *See supra* note 176. *See also* 3 M. NIMMER, *supra* note 72, § 13.03[A][2].

had copied. Perhaps the court was attempting to protect the character's creator against one who appeared to be little more than a pirate. In any event, the court provided copyright protection for something that should be protected, if at all, under the more fluid doctrine of trademarks and unfair competition.¹⁸⁸

To criticize overprotection does not imply that literary characters should never be protected under copyright. Although the similarity between literary characters does not fit easily into either "comprehensive nonliteral similarity" or "fragmented literal similarity,"¹⁸⁹ a substantial similarity in expression between plaintiff's and defendant's characters may be sufficient to constitute infringement.¹⁹⁰ Copying the sharp etching of a particular and individualized character may "descend so far into what is concrete" as to invade the expression in the work.¹⁹¹ A character may be the most vivid and valuable part of a literary work, and its taking should, in appropriate circumstances, be actionable as copyright infringement. It is very difficult, however, to determine these appropriate circumstances.

Neither of the two major tests used by the courts in dealing with literary characters, the *Sam Spade* standard¹⁹² or the test derived from the *Nichols* case,¹⁹³ provides a good basis for distinguishing situations where copyright infringement exists from situations where it does not. The *Sam Spade* test makes it virtually impossible to find infringement

188. See *infra* notes 246-422. The court did find that the plaintiffs were likely to prevail under § 43[a] of the Lanham Act, and on their claims for common law trademark infringement, unfair competition, and misappropriation. *Universal City Studios v. Kamar Indus.*, 1982 COPYRIGHT L. DECISIONS (CCH) ¶ 25,452, at 17,686-87 (S.D. Tex. 1982). For a discussion of these doctrines, see *infra* notes 250-435 and accompanying text.

189. See *supra* notes 77-82 and accompanying text.

190. Nonliteral similarity between one sequence in plaintiff's and defendant's films, representing about 20% of plaintiff's entire film, has been found to constitute substantial similarity. 3 M. NIMMER, *supra* note 72, § 13.03[A][1] (citing *Universal Pictures Co. v. Harold Lloyd Corp.*, 162 F.2d 354 (1947)). See also *Sheldon v. Metro-Goldwyn Pictures Corp.*, 81 F.2d 49 (2d Cir.), *cert. denied*, 298 U.S. 669 (1936); *Chappell & Co. v. Fields*, 210 F. 864 (2d Cir. 1914); *Malkin v. Dukinsky*, 25 Misc. 2d 460, 203 N.Y.S.2d 501 (1960). Nimmer notes that "a particular incident not constituting a major portion of plaintiff's work has been held insufficient in itself to constitute substantial similarity." 3 M. NIMMER, *supra* note 72, § 13.03[A][1]. The examples given, however, a "little Negro boy fanning the table to keep flies away with resulting comic effect" (*Caruthers v. RKO*, 20 F. Supp. 906 (S.D.N.Y. 1937)), "Alexander Woolcott type character breaks (or apparently breaks) his leg and is thus forced to broadcast by remote control" (*McConnor v. Kaufman*, 49 F. Supp. 738 (S.D.N.Y.), *aff'd*, 139 F.2d 117 (2d Cir. 1943)), and a "gimmick whereby an apparently actual murder occurs in the audience at a stage play" (*Rush v. Oursler*, 39 F.2d 468 (S.D.N.Y. 1930)), all may be considered similar in idea, rather than expression, which similarity is not substantial or infringing.

191. *National Comics Publications v. Fawcett Publications*, 191 F.2d 594, 600 (2d Cir. 1940), *quoted in* *Warner Bros. v. American Broadcasting Cos.*, 654 F.2d 204, 209 (2d Cir. 1981).

192. *Warner Bros. Pictures v. Columbia Broadcasting Sys.*, 216 F.2d 945 (9th Cir. 1954), *cert. denied*, 348 U.S. 971 (1955).

193. *Nichols v. Universal Pictures Corp.*, 45 F.2d 119 (2d Cir. 1930), *cert. denied*, 282 U.S. 902 (1931).

based on character similarity. Substantial similarity between characters would be the basis for infringement only in the extraordinary situation where the character in the allegedly infringed work constitutes the story being told—where it constitutes the essence or structure of the work. The *Nichols* case provides more flexibility, but Judge Hand's statement that "the less developed the characters, the less they can be copyrighted,"¹⁹⁴ seems to have led courts to consider whether a character is copyrightable rather than to compare the characters.

No doubt, a character's distinctiveness or development is relevant to the question of copyright infringement. Only the copying of distinctive and well-developed qualities constitutes copying of expression rather than ideas. A character may be at a level of abstraction too basic to permit the inference of wrongful copying. If the use of broad or stereotypical qualities were considered infringement, lists of human characteristics would be withdrawn from the pool of what authors need to create fiction. In fact, the two-part *Nichols* test may be derived from the fact that fictional characters, like plots, are elements of a copyrighted work and not themselves the subject of copyright. Therefore, it seems necessary to define the "thing" that is entitled to protection.

In analyzing the issue of copyright protection for literary characters, however, the appropriate starting point is not a determination of whether the character is sufficiently developed to deserve protection but a comparison of the characters in question to see if they are substantially similar. Indeed, in most cases where a character has been found too stereotyped or insufficiently developed to be "copyrightable," there have been only vague and general similarities between plaintiff's and defendant's characters.¹⁹⁵ Attempting to determine the extent of a

194. *Id.* at 121.

195. See, e.g., *Nichols*, 45 F.2d at 119; *Litchfield v. Spielberg*, 1983 COPYRIGHT L. DECISIONS (CCH) ¶ 25,541 (C.D. Cal. 1983), *aff'd* 736 F.2d 1352 (9th Cir. 1984), *cert. denied*, 105 S.Ct. 1753 (1985); *Giangrasso v. Columbia Broadcasting Sys.*, 534 F. Supp. 472 (E.D.N.Y. 1982); *Rokeach v. Avco Embassy Pictures*, 3 Med. L. Rep. (BNA) 1774 (S.D.N.Y. 1978); *Midas Prods., Inc. v. Baer*, 437 F. Supp. 1388 (C.D. Cal. 1977); *Warner Bros., Inc. v. Film Ventures, Int'l*, 403 F. Supp. 522 (C.D. Cal. 1975); *Lewys v. O'Neill*, 49 F.2d 603 (S.D.N.Y. 1931); *Burtis v. Universal Pictures Co.*, 40 Cal. 2d 823, 256 P.2d 933 (1953). One exception was *Lone Ranger, Inc. v. Cox*, 39 F. Supp. 487 (W.D.S.C. 1941), *rev'd on other grounds*, 124 F.2d 650 (4th Cir. 1942). The Lone Ranger was the central character in a dramatic radio serial broadcast for many years. The defendant Powell, who had played the part of the Lone Ranger in a motion picture produced under license to plaintiff, had been appearing in a small circus as the Lone Ranger, riding masked on a white horse and crying out "Hi Ho Silver." The court said plaintiff was not entitled, "under its copyright, to a monopoly of a mere character as such," and cited *Nichols* for the proposition that the less developed a character, the less it can be copyrighted. 39 F. Supp. at 490. The copyright on the Lone Ranger radio series, including "a general description of the principal character and the idea expressed therein," would not support allegations of copyright infringement. *Id.* Thus, similarity in name, mask, horse, and cry were not sufficient. Since identifying elements of the character were taken, rather than creative expression, the case was more properly resolved under principles of unfair competition. *Lone Ranger, Inc. v. Cox*, 124 F.2d 650 (9th Cir. 1942). See *infra* notes 333-

character's development, without making comparisons, leads to abstract and fruitless speculation. If a court seeks to explain why Tarzan is distinctively delineated, the nearly inevitable result is a general description that covers the pattern of many characters.¹⁹⁶ If the characters in the allegedly infringed and infringing works are compared, however, the analysis takes on clarity and concreteness. Specific traits and their combinations can be compared to elucidate the characters' development.

Furthermore, looking at the extent of the character's development in the allegedly infringed work is only indirectly related to infringement. Removing even a well-developed character from its context may cause any similarity to dwindle into similarity of idea. Professor Kaplan, referring to Judge Hand's examples of Sir Toby Belch and Malvolio, asked how Malvolio might be described "free of the complex of Twelfth Night. As Malvolio's analogue (with a different name) was moved through different surroundings and episodes, the pattern common to both characters would tend to describe only a stock figure, 'idea' not 'expression,' unless the latter term is held to cover far too much."¹⁹⁷

Indeed, it may not be the most "developed" characters, in a literary sense, that will receive the most protection. The most well-rounded characters, those that are the most fully human, may be the most inextricably bound to their context.¹⁹⁸ A flatter character, with well-defined and consistent characteristics, may be more memorable and more readily removed from its initial context.

One great advantage of flat characters is that they are easily recognized whenever they come in—recognized by the reader's emotional eye. . . [T]hey are easily remembered by the reader afterwards. They remain in his mind as unalterable for the reason that they were not changed by circumstances; they moved through circumstances, which gives them in retrospect a comforting quality and preserves them when the book that produced them may decay.¹⁹⁹

35 and accompanying text. It rendered no decision on the copyright question, apparently because the plaintiff did not produce its copyright in evidence.

196. A description of a character will seldom demonstrate why it is well-developed enough to command protection. See *supra* notes 163-67 and accompanying text.

197. B. KAPLAN, *supra* note 58, at 51.

198. E.M. FORSTER, *supra* note 8, at 100-25. Forster divides characters into 'flat' and 'round.' A flat character is a type, a caricature, which in its purest form is constructed around a single idea or quality. "The really flat character can be expressed in one sentence such as 'I will never desert Mr. Micawber.' There is Mrs. Micawber—she says she won't desert Mr. Micawber, she doesn't, and there she is." *Id.* at 104.

199. *Id.* at 105-06.

Sherlock Holmes has been described as being both limited and defined. "He is absolutely clear. You know what he is, you know what he isn't."²⁰⁰ His creator said he wearied of Holmes "because his character admits of no light or shade."²⁰¹ Referring to Watson, Doyle said "[t]o make a real character one must sacrifice everything to consistency and remember Goldsmith's criticism of Johnson that 'he would make the little fishes talk like whales.'"²⁰²

A more rounded character, however, is remembered in connection with the scenes "through which she passed and as modified by these scenes—that is to say, we do not remember her so easily because she waxes and wanes and has facets like a human being."²⁰³ Withdrawing aspects that are most recognizably human would take too much from the public domain, from the common pool of that which is needed to create.

Comparing characters to determine when the similarity between them is sufficiently substantial to constitute copyright infringement is not an easy task. The pattern of a character is even more difficult to grasp than the pattern or plot of the work as a whole. The work ordinarily comprehends the arrangement of events in a sequential order and a complex of interrelationships among a variety of characters and their environment. Although a character moves through events, it does not itself exist sequentially. Thus, it is difficult to determine the point where the similarity between characters becomes sufficiently concrete to constitute infringement. Professor Kaplan states that we are "in a viscid quandary once we admit that 'expression' can consist of anything not close aboard the particular collocation in its sequential order."²⁰⁴

A two step analysis, similar to that derived from the *Nichols* case, but focusing solely on comparisons, provides a framework for deciding whether a copyright has been infringed. First, the characters in the al-

200. Charles Van Doren, in a radio discussion reproduced in *THE BAKER STREET READER*, *supra* note 11, at 22. Rex Stout responded: "I'm beginning to get mad already because Baker Street Irregulars don't agree that Holmes is a character. Holmes is a man! Holmes is a great man! One of our rules is, you know, that you're not allowed to mention the name of A. Conan Doyle in the Irregulars because there wasn't any such person." *THE BAKER STREET READER*, *supra* note 11, at 22.

201. Doyle, *supra* note 11, at 14. T.S. Eliot noted of Holmes: "[T]here is no rich humanity, no deep and cunning psychology and knowledge of the human heart about him; he is obviously a formula. He has not the reality of any character of Dickens or Thackeray or George Eliot or Meredith or Hardy; or Jane Austin (sic) or the Brontes or Virginia Woolf or James Joyce. Yet, as I suggested, he is just as real to us as Falstaff [Shakespeare] or the Wellers [Dickens]." Eliot, *The Complete Sherlock Holmes Short Stories: A Review*, in *THE BAKER STREET READER*, *supra* note 11, at 19.

202. Doyle, *supra* note 11, at 14. Of course, recognition is not in itself sufficient for infringement. A character may be recognized from its name and/or a few distinctive indicia rather than from substantial similarity in creative expression.

203. *Id.* at 106. A round character "is capable of surprising in a convincing way. If it never surprises, it is flat. If it does not convince, it is a flat pretending to be round." *Id.* at 118.

204. B. KAPLAN, *supra* note 58, at 48.

legedly infringed and infringing works should be compared to determine if any similarity between them amounts to more than similarity in idea. This will be particularly useful in weeding out cases where characters resemble each other only in general type. If the similarity is in more than idea, it will then be necessary to ask whether it is sufficiently substantial to infringe.

This question remains stubbornly unamenable to helpful generalization.²⁰⁵ However, the most detailed pattern common to the characters in the allegedly infringed and infringing works²⁰⁶ can be analyzed to determine whether the alleged infringer has taken the expression that made the work uniquely the author's own. An author's own unique arrangement or patterning of ideas out of an infinite number of possible permutations can amount to creative expression. Although each individual character trait might be dismissed as an unprotected idea, a similarity in the combination of traits may amount to substantial similarity in expression.²⁰⁷ Dissimilarities are also relevant. The greater and more detailed the dissimilarities, the greater the likelihood that the concept and feel of the character will be changed, producing such dissonance between the plaintiff's and defendant's characters that the defendant's character will no longer be recognizable as having been appropriated from the plaintiff's work.

Recognizing the character, however, is not sufficient. If it were, the use of a character's name²⁰⁸ together with its general type could be infringing. While the general test for substantial similarity is "whether an average lay observer would recognize the alleged copy as having been appropriated from the copyrighted work,"²⁰⁹ calling a character to mind or stirring one's memory of a character does not create sub-

205. See *supra* note 76 and accompanying text.

206. See *Nichols*, 45 F.2d at 121; B. KAPLAN, *supra* note 58, at 48.

207. See *Warner Bros. v. American Broadcasting Cos.*, 720 F.2d 231, 242 (2d Cir. 1983).

208. The use of the name, however, is relevant to infringement. Indeed when a character's name is used, some form of copying is usually acknowledged, and some of the circumstances of the character's life, including his relationship with others and the events that have formed him, are likely to be used as well. Nevertheless, it is still necessary to ask whether that copying is substantial enough to infringe. See *supra* notes 73-74 and accompanying text. When the name is not used, a finding of infringement ordinarily will be less likely. If the plaintiff's and defendant's characters have different names, some different characteristics, and appear in different plots, only similarities of the most distinctive, elaborate and individualized kind are likely to be sufficient to show unlawful appropriation. A coincidence of character traits can easily exist without copying.

209. *Warner Bros. v. American Broadcasting Cos.*, 654 F.2d 204, 208 (2d Cir. 1981) (quoting *Ideal Toy Corp. v. Fab-Lu, Ltd.*, 360 F.2d 1021, 1022 (2d Cir. 1966)); *Zambito v. Paramount Pictures Corp.*, 613 F. Supp. 1107, 1110 (E.D.N.Y. 1985). See *Atari, Inc. v. North Am. Philips Consumer Elccs. Corp.*, 672 F.2d 607, 614 (7th Cir. 1982) (the test is "whether the accused work is so similar to the plaintiff's work that an ordinary reasonable person would conclude that the defendant unlawfully appropriated the plaintiff's protectible expression by taking material of substance and value").

stantial similarity.²¹⁰ Substantial similarity must exist not between names or types, but in the complex of characteristics that amount to creative expression. If the identifying elements of a literary character, such as its name, are taken, but other creative expressions are not taken, the plaintiff may be able to recover under the law of trademarks and unfair competition.²¹¹

C. Characters Appearing in Audio-visual Works

Audio-visual characters are hybrid creatures. Some are treated as literary and others as pictorial, although they do not fully fit either model. Superman has been treated as a cartoon character, but he was also portrayed by a live actor in a movie. Regan in *The Exorcist* was treated as a literary character, but she possesses a visual component as well.

Audio-visual works are "works that consist of a series of images which are intrinsically intended to be shown by use of machines or devices. . . , together with accompanying sounds, if any, regardless of the nature of the material objects, such as films or tapes, in which the works are embodied."²¹² The copyright in a play protects only the script, not the visual or aural elements of any particular performance.²¹³ The copyright in an audio-visual work, however, protects the images and accompanying sounds that are part of the work. Therefore, characters appearing in audio-visual works may consist of visual and aural images as well as words.²¹⁴

One case that appeared to recognize this was *Sid & Marty Krofft v. McDonald's*,²¹⁵ where plaintiff alleged that the defendants' McDonald-

210. Warner Bros. v. American Broadcasting Cos., 720 F.2d 231, 242 (2d Cir. 1983); Ideal Toy Corp. v. Kenner Prods., 443 F. Supp. 291, 305 (S.D.N.Y. 1977). In Peter Pan Fabrics, Inc. v. Martin Weiner Corp., 274 F.2d 487, 489 (2d Cir. 1960), Judge Learned Hand said the question was whether "the ordinary observer, unless he set out to detect the disparities, would be disposed to overlook them, and regard their aesthetic appeal as the same."

211. See *infra* notes 246-422 and accompanying text.

212. 17 U.S.C. § 101 (1982 & Supp. 1985).

213. Only the script of a play is fixed and subject to copyright. If a particular performance of a play is recorded, that recording is an audio-visual work. See *infra* note 214 and accompanying text. Copying the appearance of the actors who have performed in a play is irrelevant to determining whether the copyright in the play has been infringed. See *Sheldon v. Metro-Goldwyn Pictures*, 7 F. Supp. 837, 843 (S.D.N.Y. 1934), *rev'd on other grounds*, 81 F.2d 49 (2d Cir. 1936) (if the leading players in the play *Dishonored Lady* had been engaged to perform in the allegedly infringing film *Letty Lynton* so that "the resemblancce between the appearances of characters in the Play and in the Picture would have been perfect, it would not have constituted any breach of the plaintiff's copyright of the Play").

214. Cf. *Berman & Boxer*, *supra* note 105, at 324 ("An audiovisual work . . . does more than tell a story. Its simultaneous presentation of two-dimensional sights and sounds engages most of the senses of its audience in a unique manner.").

215. 562 F.2d 1157 (9th Cir. 1977).

land advertisements infringed the copyright in its children's television show. The plaintiff's show had featured fancifully costumed characters living in a fantasyland inhabited by moving trees and talking books. The defendants had hired the expert who supplied the voices for plaintiffs' characters, and former employees of the plaintiffs to design and construct the costumes and sets for McDonaldland. The court first analyzed the characters within the context of their setting,²¹⁶ noting that plaintiffs' characters had developed personalities and particular ways of interacting with one another and their environment.²¹⁷ However, the court also focused on the visual similarities between plaintiffs' and defendants' characters:

Both lands are governed by mayors who have disproportionately large round heads dominated by long wide mouths. They are assisted by "Keystone cop" characters. Both lands feature strikingly similar crazy scientists and a multi-armed evil creature.

It seems clear that such similarities go beyond merely that of the idea into the area of expression.²¹⁸

A second case that addressed the dual nature of characters in audio-visual works is *Ideal Toy Corp. v. Kenner Products*.²¹⁹ The producers of the movie *Star Wars* and their licensee, Kenner, claimed that Ideal's "Star Team" toys infringed the copyright in the film *Star Wars* due to the toys' similarity to the *Star Wars* characters Darth Vader, C-3PO, and R2-D2. The court noted that it is particularly difficult to determine whether a three-dimensional toy infringes the copyright in a two-dimensional movie.²²⁰ The court found that such infringement is possible, and that in appropriate circumstances, the copyright in a dramatic work such as a movie or play can extend to cover the characters contained within the work.²²¹ Agreeing with Professor Nimmer that characters are "most readily protectible where both the original work

216. *Id.* at 1166.

217. *Id.* at 1169.

218. *Id.* at 1167 n.9. The court set forth a two step test for substantial similarity. First it must be determined whether there is a substantial similarity in ideas. This may be accomplished by an "extrinsic test," which depends on specific criteria which can be listed and analyzed and for which analytic dissection and expert testimony are appropriate. Second, it must be determined whether there is substantial similarity in the expression of these ideas, which is accomplished by an "intrinsic test," which relies on the response of the ordinary reasonable person rather than on external criteria and analysis. *Id.* at 1164.

219. 443 F. Supp. 291 (S.D.N.Y. 1977).

220. *Id.* at 301.

221. *Id.* The court cited Judge Hand's test, set forth in the *Nichols* case. *See supra* notes 136-40 and accompanying text. The court declined to apply the *Sam Spade* test, *see supra* notes 142-53, both because it was not the law in the Second Circuit, and on policy grounds. 443 F. Supp. at 301 n.8.

and the copied work consist of cartoons or other graphic representations rather than “word portraits,” the court observed that the *Star Wars* characters were visually depicted in the movie.²²² While they had both physical attributes and “character” in the sense that they interact with each other and with the events of the plot, the allegedly infringing toys had no such additional qualities. Thus, any comparison had to be made solely on the basis of physical appearance, with the toys’ sole attribute being compared to only one of the movie characters’ attributes.²²³ The court then found that the physical similarities which did exist were not substantial.²²⁴

Similar problems arose in *Universal City Studios v. J.A.R. Sales*,²²⁵ where the court faced a claim of copyright infringement of the motion picture *E.T.—The Extra-Terrestrial*, by an E.T. doll. The court stated that the character E.T. contained unique elements of expression and was subject to protection under copyright as an element of the motion picture. Because the defendant’s doll was substantially similar to the physical elements of the motion picture character E.T. and portrayed the same “mood of loveliness,” the plaintiffs would be likely to succeed at trial on their copyright infringement claims.²²⁶

Characters in audio-visual works partake of elements of both literary and cartoon characters, but not to equal degrees. Some characters, such as E.T., R2-D2, C3PO, and Darth Vader are very close to cartoon characters in their physical existence. Each is a unique visual creation. If its original visual elements are closely copied, that ordinarily should be sufficient for a finding of substantial similarity.

222. *Id.* at 301 (quoting M. NIMMER, NIMMER ON COPYRIGHT § 30, at 135 (1976)).

223. *Id.* The court refused to consider the packaging or promotion of either the film or the toys in determining copyright infringement, relegating those issues to the unfair competition claim. *Id.* at 302 n.10. The court also noted that it had not seen the actual toys, but only their photographs, and said that the problems involved in dealing with such situations may explain why courts that have found “interdimensional copyright infringement seem to have done so only in the relatively simple artistic world of copyrighted cartoons and where the copies challenged were either virtually exact reproductions of the original [citations omitted] or reproductions of ‘the essential characteristics’ of the original with only ‘[s]light differences and variations’ [citations omitted].” *Id.* at 302-03.

224. *Id.* at 303. See *infra* notes 371-72 for a description of the respective characters. To the extent that Ideal sought to make use of the themes embodied in the three characters and the movie itself, the court found no infringement. A theme is an unprotectible idea. *Id.*

225. 1982 COPYRIGHT L. DECISIONS (CCH) ¶ 25,460 (C.D. Cal. 1982).

226. *Id.* at ¶ 17,746. The characters in the computer game Pac-Man have also been found to be protected under copyright. *Atari, Inc. v. North Am. Philips Consumer Elecs. Corp.*, 672 F.2d 607 (7th Cir.), cert. denied, 459 U.S. 880 (1982). The Gobbler and ghost monsters were fanciful creations, expressions rather than ideas. The defendant used the same basic characters with similar features which, for the gobbler, included “the relative size and shape of the ‘body’, the V-shaped ‘mouth’, its distinctive gobbling action (with appropriate sounds), and especially the way it disappears upon being captured.” *Id.* at 618.

When the character's appearance is not the copyright owner's creation, a comparison of visual elements will not suffice to determine infringement. For example, Bruce Weitz, who plays Mick Belker on "Hill Street Blues", performed in Burger King commercials without permission.²²⁷ The producers of "Hill Street Blues" objected, stating that Weitz was playing Belker in the commercials and was therefore using a character owned by them.²²⁸ Obviously Weitz looked and sounded like Belker, but that is not a sufficient basis for a finding of copyright infringement.²²⁹ Surely Humphrey Bogart, who played the detective Sam Spade in the film *The Maltese Falcon*, could dress in similar street clothes and play a detective in another film without causing the new film to infringe the copyright in the old.²³⁰

The situation becomes still more complicated where the visual nature of the character is of hybrid form. Dracula, as portrayed by Bela Lugosi, is partly the Lugosi face and partly makeup and costume. The motion picture *Superman* is partly the appearance of the actor playing him and partly the distinctive Superman costume. One element the court found distinguishing between Superman and Ralph Hinkley, the central character in "The Greatest American Hero,"²³¹ was appearance. Superman was tall, well-built, dark and handsome Hinkley was of medium height, slight, and had curly, somewhat unkempt, blond hair.²³² Should it have affected the result if the actor who portrayed Superman in the movie was hired to portray Hinkley?

If Ralph Hinkley looked like Superman, this would be some evidence that the character as a whole was copied. It might also be a factor in determining whether the alleged infringer copied the development of

227. TV GUIDE, Aug. 3-9, 1985, at A-1, col.2.

228. *Id.*

229. According to *TV Guide*, Burger King argued that Belker was not copyrightable and that Weitz was not playing him in any case. All parties decided to drop the matter. *Id.*

230. *Cf. Price v. Hal Roach Studios, Inc.*, 400 F. Supp. 836, 842-43 (S.D.N.Y. 1975), where the court found that there was no basis in law for the argument that defendant's copyright in motion pictures starring Laurel and Hardy gave defendants a right to use their names and likenesses for all commercial purposes. In *Gracen v. Bradford Exch.*, 698 F.2d 300 (7th Cir. 1983), the court said that painting Judy Garland as Dorothy in the *Wizard of Oz*, without authority, would infringe the copyright in the film. The painting in that case, however, included Judy Garland in the costume she wore as Dorothy and background elements from the film, and was substantially similar to certain frames of the film. *But see Gross v. Seligman*, 212 F. 930 (2d Cir. 1914), where the court found that one photograph infringed another when the same photographer (who had assigned the copyright in the first photograph), placed the same nude model and similar props in a nearly identical pose. It should be noted, however, that the artist in that case created, through pose, props, light and shade, a close copy of the complete visual image of the original. He copied his own original artistic creation rather than merely that which could be found in nature.

231. *Warner Bros. v. American Broadcasting Cos.*, 720 F.2d 231 (2d Cir. 1983).

232. *Id.* at 235-36. The possible complications are endless. For example, a cartoon character is sometimes drawn to resemble an actor who played the same character in an earlier incarnation.

Superman, rather than a broader more abstract outline.²³³ However, there is no infringement unless the defendant appropriates a complex of characteristics that amounts to creative expression. That creative expression cannot be found in the physiognomy of the actor. Furthermore, in both motion pictures and television, the same characters have been played by different actors. For example, many actors have played Sherlock Holmes, three actors have played James Bond, and two actresses have played Miss Ellie on the television series "Dallas."

A similarity in performance or characterization presents an even more difficult problem. In *Supreme Records v. Decca Records*,²³⁴ the court pointed out that a particular impersonation or performance is not subject to copyright protection, for if it were, "Mr. Charles Laughton, for instance, could claim the right to forbid anyone else from imitating his creative mannerisms in his famous characterization of Henry VIII, or Sir Laurence Olivier could prohibit anyone else from adopting some of the innovations which he brought to the performance of Hamlet."²³⁵ In these instances, however the actor was playing a figure in the public domain—either a historical person or a fictional character from a work not protected by copyright. Thus, the character,²³⁶ as well as the performance, was unprotected. When a character is from a work that is not in the public domain, a serious problem arises. It is difficult to distinguish a particular actor's interpretation of a character from the characteristics of the character itself. A character whose idiosyncracies are described by words in a literary work may be described by gesture, movement or voice in an audio-visual work. It may be given as much shape and life by the performer as by the writer.

Audio-visual characters possess distinctive visual and aural elements that separate them from the word pictures of literary characters. However, these elements cannot be as determinative as appearance is for cartoon characters. The more an audio-visual character resembles a cartoon character in its physical existence, the more it should be treated as a cartoon character for the purposes of determining copyright infringement. When its physical existence is determined by the appearance, voice and mannerisms of the actor who embodies it, it should be treated more as a literary character. Thus, physical elements are rele-

233. Cf. *supra* notes 177-79 and accompanying text.

234. 90 F. Supp. 904 (S.D. Cal. 1950).

235. *Id.* at 909. In *Price v. Hal Roach Studios*, 400 F. Supp. 836 (S.D.N.Y. 1975), the court, dealing with the right of publicity of Laurel and Hardy, noted that the situation was different from the one described in *Supreme Records v. Decca Records*, because it was dealing with actors "portraying themselves and developing their own characters rather than fictional characters which have been given a particular interpretation by an actor." *Id.* at 845.

236. See *infra* notes 474-504 and accompanying text.

vant, but only as a part of a complex analysis of similarities and differences.

D. Unifying Themes

Much of the confusion and lack of clarity in the standards used to protect fictional characters under copyright can be avoided by recognizing that the "copyrightability" of a fictional character, whether literary, pictorial or audio-visual, is not the issue. The work in which the character appears is the subject of copyright. The issue is whether the defendant's character is substantially similar to the plaintiff's character. If so, the defendant has infringed the copyright in plaintiff's work. However, the degree of similarity which will be considered substantial is one of the most uncertain questions in copyright and "one which is the least susceptible of helpful generalizations."²³⁷ Nevertheless, analyzing the degree of similarity between characters, including any elements of trailing plot, is far more useful than attempting to determine whether a character is sufficiently developed to deserve protection. The use of comparisons also allows a consistent approach to all characters, whether depicted in drawings, in words, or by actors.

Because the method used to distinguish infringing uses is of necessity so vague and uncertain, it is also important to understand that not every recognizable use of a character constitutes copyright infringement. The recent tendency to provide copyright protection without adequate justification²³⁸ is cause for concern. Courts are properly solicitous of authors' right to profit from and determine the future of their creations. It must not be forgotten, however, that characters may encapsulate an idea, evoke an emotion, or conjure up an image. They may form the modern myths out of which we operate. Forbidding their use will diminish the pool from which all artists must draw.²³⁹ There have been hundreds of Romeos and Juliets, and Shakespeare's were not the first.

237. 3 M. NIMMER, *supra* note 72, § 13.03[A].

238. See *supra* notes 161-88 and accompanying text.

239. One partial solution to this conflict of rights could be to allow others to use an author's characters, but require them to pay for that use. However, creative control and the ability to reap economic rewards are ordinarily co-extensive, because both arise from the right to prevent others from using a character without permission. Creating compulsory licenses for characters would remove too much control from copyright owners, might result in unrealistic prices being set, and would create enormous administrative problems. Furthermore, compulsory licenses are no more appropriate for characters than any other element that is part of a creative work, and providing such a license would erode the basic consensual principles under which copyright operates. Compulsory licenses are provided for in the Copyright Act. See 17 U.S.C. §§ 111(d) (cable television), 115 (phonorecords), 116 (jukeboxes) (1982 and Supp. 1985). However, these provisions all resulted from political compromises in general areas where requiring consensual licenses would cause grave practical problems.

In granting exclusive rights to the authors, copyright does not distinguish between the right to copy and the right to create derivative works. Allowing authors to make productive use²⁴⁰ of an existing character, for new artistic purposes, seems more important than allowing others to make copies of a work. Perhaps the copyright period of life plus fifty years is too long a period to prevent the creative use of another's work. On the other hand, it is difficult to separate the hack's piracy of another's character, aimed at nothing more than benefitting from the efforts of others, from the truly creative use of character to produce a new effect. Furthermore, copying will not distort an author's work, but a purportedly creative use of the work can. The doctrine of fair use²⁴¹ allows, to some extent, the productive use of another's character. It is often difficult, however, to separate fair use from an unjustifiable appropriation.

A finding that there is no copyright infringement need not mean that a particular appropriation of a character is lawful. Copyright protection begins as soon as a work is created in tangible form,²⁴² lasts for a fixed term,²⁴³ and provides an extensive panoply of remedies.²⁴⁴ Unless there is a substantial taking of creative expression, copyright does

240. A use is productive when the alleged infringer "himself is engaged in creating a work of authorship whereby he adds his own original contribution to that which is copied." 3 M. NIMMER, *supra* note 72, § 13.05[A](1). When a use is productive, that is a factor in favor of it being fair use, *see infra* note 241, but it is not determinative. *Sony Corp. v. Universal Studios*, 464 U.S. 417, 455 n.40 (1984).

241. Fair use has been defined as a "privilege in others than the owner of copyright to use the copyrighted material in a reasonable manner without his consent, notwithstanding the monopoly granted to the owner by the copyright." H. BALL, *THE LAW OF COPYRIGHT AND LITERARY PROPERTY* 260 (1944). It "permits courts to avoid rigid application of the copyright statute when, on occasion, it would stifle the very creativity which that law is designed to foster." *Iowa State Univ. Research Found., Inc. v. American Broadcasting Cos.*, 621 F.2d 57, 60 (2d Cir. 1980). The doctrine was codified in § 107 of the Copyright Act of 1976, which states:

[T]he fair use of a copyrighted work . . . for purposes such as criticism, comment, news reporting, teaching . . . 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 copyrighted work as a whole; and (4) the effect of the use upon the potential market for or value of the copyrighted work.

17 U.S.C. § 107 (1982 and Supp. 1985).

The fair use defense is generally unsuccessful in cases involving character copying. *See Walt Disney Prods. v. Air Pirates*, 581 F.2d 751 (9th Cir. 1978), *cert. denied*, 439 U.S. 1132 (1979); *DC Comics v. Unlimited Monkey Business*, 598 F. Supp. 110 (N.D. Ga. 1984); *DC Comics v. Crazy Eddie*, 205 U.S.P.Q. (BNA) 1177 (S.D.N.Y. 1979); *Cf. DC Comics v. Reel Fantasy, Inc.*, 696 F.2d 24 (2d Cir. 1982); *Hill v. Whalen & Martell*, 220 F. 359 (S.D.N.Y. 1914). *But cf. Warner Bros. v. American Broadcasting Cos.*, 720 F.2d 231 (2d Cir. 1983) (dealing with phrases taken from the Superman works rather than the taking of the character himself).

242. *See supra* note 65 and accompanying text.

243. *See supra* note 66 and accompanying text.

244. *See* 17 U.S.C. §§ 502-505 (1982 & Supp. 1985).

not provide the best means of balancing the author's rights over the character against the need to maintain the public domain. A character includes elements that identify it but such elements do not contain creative expression. When no more is taken than certain recognizable elements of a character, such as its name and a few identifying indicia, other, more flexible legal doctrines are available.²⁴⁵

III. UNFAIR COMPETITION AND TRADEMARK

A fictional character contains within it not only elements of creative expression that are protectible under copyright, but also the capacity to serve as a form of identification and to command public acceptance in the marketplace.²⁴⁶ If Mickey Mouses's visual image is used in a new cartoon or on a coffee mug, the public may identify the cartoon or mug with Disney and believe that Disney is their source.²⁴⁷ The law of trademarks and unfair competition is concerned with a character's ability to symbolize a particular source of goods or services, rather than with its qualities of development and individualization.

The protection of trade-marks is the law's recognition of the psychological function of symbols. If it is true that we live by symbols, it is no less true that we purchase goods by them. A trademark is a merchandising short-cut which induces a purchaser to select what he wants, or what he has been led to believe he wants.²⁴⁸

The law of trademarks and unfair competition developed as an offshoot of the tort of fraud and deceit.²⁴⁹ The essence of the wrong was selling the goods of one manufacturer or vendor for those of another, which was called "Passing off" or "palming off".²⁵⁰ This wrong might be accomplished by using another's identifying mark.²⁵¹ The courts distinguished technical trademarks from trade names. If a mark was inherently distinctive, it was considered a technical trademark pro-

245. See *infra* notes 246-422 and accompanying text.

246. See Goldstein *supra* note 63, at 224. ("unlike copyright, which is concerned with expressive content, unfair competition is tailored to the capacity of information—symbols, titles and aggregates of ideas—to command public acceptance in the marketplace").

247. This association is not inevitable. See *infra* notes 406-11 and accompanying text.

248. *Mishawaka Rubber & Woolen Mfg. Co. v. S.S. Kresge Co.*, 316 U.S. 203, 205 (1942). See *DC Comics, Inc. v. Powers*, 465 F. Supp. 843, 846 (S.D.N.Y. 1978).

249. 1 J. MCCARTHY, TRADEMARKS AND UNFAIR COMPETITION § 5:2 (2d ed. 1984); Dencicola, *Trademarks as Speech: Constitutional Implications of the Emerging Rationales for the Protection of Trade Symbols*, 1982 WIS. L. REV. 158, 160; McClure, *Trademarks and Unfair Competition: A Critical History of Legal Thought*, 69 TRADEMARK REP. 305, 314 (1979).

250. 1 J. MCCARTHY, *supra* note 249, § 5:2. See *Hanover Star Milling Co. v. Metcalf*, 240 U.S. 403 (1916).

251. 1 J. MCCARTHY, *supra* note 249, § 5:2.

tectible upon adoption.²⁵² If a mark was not inherently distinctive, it could be protected as a “trade name” under the law of unfair competition upon proof of secondary meaning,²⁵³ when it had become associated in the public mind with a particular source. Although the distinction between “technical trademarks” and “trade names” has fallen into disuse,²⁵⁴ the distinctiveness of a mark and its capacity to indicate source, retains its significance today.²⁵⁵

Whether protection is sought under the doctrine of unfair competition, which includes the common law of trademarks and trade names;²⁵⁶ under Section 43(a) of the Lanham Act,²⁵⁷ which condemns

252. *Id.* § 4:3; Denicola, *supra* note 249, at 160 n.8. See McClure, *supra* note 249, at 316-17. Technical trademarks were required to be fanciful, arbitrary, inventive, nondescriptive. 1 J. MCCARTHY, *supra* note 249, at 160 n.8; McClure, *supra* note 249, at 316-17.

253. 1 J. MCCARTHY, *supra* note 249, § 4:3; Denicola, *Institutional Publicity Rights: An Analysis of the Merchandising of Famous Trade Symbols*, 62 N.C. L. REV. 603, 606 (1984); Denicola, *supra* note 249, at 160-61 n.8; McClure, *supra* note 249, at 316-17. The key to secondary meaning is the impact on the public mind. “The prime element of secondary meaning is a mental association in buyers’ minds between the alleged mark and a single source of the product.” 1 J. MCCARTHY, *supra* note 249, § 15:2 (emphasis in original). Secondary meaning exists when a word, phrase, or other identifying element has been “used so long and so exclusively by one producer with reference to his article that in that trade and to that branch of the purchasing public, the word or phrase had come to mean that the article was his product; in other words, had come to be, to them, his trademark.” *G & C Merriam Co. v. Saalfeld*, 198 F. 369, 373 (6th Cir. 1912). Secondary meaning has been defined as “the power of a name or other configuration to symbolize a particular business or company.” *Dallas Cowboys Cheerleaders, Inc. v. Pussycat Cinema, Ltd.*, 604 F.2d 200, 203 n.5 (2d Cir. 1979); *Universal City Studios v. Nintendo Co.*, 578 F. Supp. 911, 923 (S.D.N.Y. 1983), *aff’d*, 746 F.2d 112 (2d Cir. 1984); *Frederick Warne & Co. v. Book Sales, Inc.*, 481 F. Supp. 1191, 1195 (S.D.N.Y. 1979); *Ideal Toy Corp. v. Kenner Prods.*, 443 F. Supp. 291, 305 n.14 (S.D.N.Y. 1977).

254. 1 J. MCCARTHY, *supra* note 249, § 4:1, § 4:2, § 4:4; Denicola, *supra* note 249, at 161 n.8, Denicola, *supra* note 253, at 606.

255. 1 J. MCCARTHY, *supra* note 249, §§ 4:4, 11:1; Denicola, *supra* note 249, at 161 n.8.

256. The law of trademarks has developed as part of the broader law of unfair competition. *See, e.g.*, *Int’l Order of Job’s Daughters v. Lindeburg & Co.*, 633 F.2d 912 (9th Cir. 1980), *cert. denied*, 452 U.S. 941 (1981); *Frederick Warne & Co. v. Book Sales, Inc.*, 481 F. Supp. 1191 (S.D.N.Y. 1979); *Int’l Soc’y for Krishna Consciousness of W. Pa., Inc. v. Stadium Auth. of Pittsburgh*, 479 F. Supp. 792, 797 (W.D. Pa. 1979); *Jewel Cos. v. Westhall Co.*, 413 F. Supp. 994 (N.D. Ohio 1976), *aff’d*, 575 F.2d 1176 (6th Cir. 1978); 1 J. MCCARTHY, *supra* note 249, § 2.2.

257. 15 U.S.C. § 1125(a) (1982) provides that:

[A]ny person who shall . . . use in connection with any goods or services . . . a false designation of origin, or any false description or representation, including words or other symbols tending falsely to describe or represent the same, and shall cause such goods or services to enter into commerce . . . shall be liable to a civil action . . . by any person who believes that he is or is likely to be damaged by the use of any such false description or representation.

In cases involving fictional characters, courts have generally found that the same facts that would support a claim for common law unfair competition will support an action under § 43(a) of the Lanham Act. *Universal City Studios v. Nintendo Co.*, 746 F.2d 112, 115 (2d Cir. 1984); *Universal City Studios v. Kamar Indus.*, 1982 COPYRIGHT L. DECISIONS (CCH) ¶ 25,452 (S.D. Tex. 1982); *D.C. Comics, Inc. v. Reel Fantasy, Inc.*, 539 F. Supp. 141, 143 (S.D.N.Y.), *rev’d on other grounds*, 696 F.2d 24 (2d Cir. 1982); *Warner Bros. v. American Broadcasting Cos.*, 523 F. Supp. 611, 618 (S.D.N.Y.), *aff’d* 654 F.2d 204 (2d Cir. 1981). *See Warner Bros. v. American Broadcasting Cos.*,

false descriptions and designations of origin;²⁵⁸ or under Section 32 of the Lanham Act, which protects registered marks,²⁵⁹ the critical issue is

720 F.2d 231 (2d Cir. 1982); *Toho Co. v. Sears, Roebuck & Co.*, 645 F.2d 788 (9th Cir. 1981); *United Features Syndicate v. Sunrise Mold Co.*, 569 F. Supp. 1475 (S.D. Fla. 1983); *Ideal Toy Corp. v. Kenner Prods.*, 443 F. Supp. 291 (S.D.N.Y. 1977); *Lone Ranger, Inc. v. Currey*, 79 F. Supp. 190 (M.D. Pa. 1948). See generally *American Footware Corp. v. General Footware Co.*, 609 F.2d 655, 664 (2d Cir. 1979), cert. denied, 445 U.S. 951 (1980); *Bi-Rite Enters., Inc. v. Button Master*, 555 F. Supp. 1188, 1192 (S.D.N.Y. 1983); *Damn I'm Good, Inc. v. Sakowitz, Inc.*, 514 F. Supp. 1357, 1360 (S.D.N.Y. 1981.)

In cases of unfair competition, courts have ordinarily required a showing of secondary meaning. *Brylawski*, *supra* note 12; *Kellman*, *supra* note 12; *Zissu*, *supra* note 12. Most cases dealing with section 43(a) of the Lanham Act also have assumed that secondary meaning is necessary for recovery. See, e.g., *Universal City Studios v. Nintendo Co.*, 746 F.2d 112 (2d Cir. 1984); *Warner Bros. v. Gay Toys Inc.*, 724 F.2d 327, 332 (2d Cir. 1983); *Universal City Studios v. J.A.R. Sales*, 1982 COPYRIGHT L. DECISIONS ¶ 25, 460 (C.D. Cal. 1982). In *Frederick Warne & Co. v. Book Sales, Inc.*, 481 F. Supp. 1191, 1195 (S.D.N.Y. 1979), the court said:

Although the illustrations here are capable of distinguishing Warne's books from those of others, it cannot be said that they are so arbitrary, unique, and nondescriptive as to constitute 'technical trademarks' which are presumed valid as soon as they are affixed to the goods and the goods are sold. [Citation omitted.] Accordingly, plaintiff has the burden of establishing that these illustrations have acquired secondary meaning. . . .

See *Superior Models, Inc. v. Tolkien Enters.*, 211 U.S.P.Q. (BNA) 587 (D.Del.), modified, 211 U.S.P.Q. (BNA) 876 (D.Del. 1981). In *Processed Plastic Co. v. Warner Communications, Inc.*, 675 F.2d 852, 855 n.4 (7th Cir. 1982), the court said that although some doubt had been expressed as to "whether Section 43(a) requires proof of secondary meaning, most courts have used various terminology such as 'unique association' or 'distinguishing characteristic' or 'a quality similar to secondary meaning' to describe essentially the same requirement for relief: that the unregistered mark serve to distinguish the plaintiff's products from others by its association with a single source." See generally 1 J. GILSON, TRADEMARK PROTECTION AND PRACTICE § 7.02[1]:

A section 43(a) plaintiff asserting an unregistered trademark, name, or other designation must ordinarily prove a special form of association akin to secondary meaning. The mark must be associated with the plaintiff as the originator of the goods or services sold under the mark. Otherwise, if plaintiff's unregistered mark has not become 'so associated with its goods that the use of the same or similar marks by another company constitutes a representation that its goods come from the same source,'

Joshua Meier Co. v. Albany Novelty Mfg. Co., 236 F.2d 144 (2d Cir. 1956), there is no 'false designation.'

But see *Universal City Studios v. Kamar Indus.*, 1982 COPYRIGHT L. DECISIONS ¶ 25,452, at 17,686 (S.D. Tex. 1982) ("[a]n inherently distinctive name such as 'E.T.' . . . would qualify for protection under Section 43(a) even without a showing of secondary meaning").

258. A false designation of origin is not limited to geographic origin, but "covers any representation with respect to the originator of a product i.e. a particular source of manufacture by a certain business." *Geisel v. Poynter Products, Inc.*, 283 F. Supp. 261, 267 (S.D.N.Y. 1968), citing 1 R. CALLMAN, THE LAW OF UNFAIR COMPETITION TRADEMARKS AND MONOPOLIES § 18.2(b) (3d ed. 1967). A false description includes both express and implied misrepresentations that a product was authorized or approved by a particular source. *Geisel*, 283 F. Supp. at 267. "Liability under the statute is not restricted solely to descriptions and representations that are literally false. Relief may be granted if the actions of the defendants create a false impression." *Id.*

259. 15 U.S.C. § 1114 (1982). While the abstraction that is a character cannot be a trademark, names and pictorial representations of characters may be registered as trademarks or service marks under sections 2 and 3 of the Lanham Act, 15 U.S.C. §§ 1052, 1053 (1982), if they are adopted and used by a manufacturer or merchant to identify and distinguish his goods and services from those of others, 15 U.S.C. § 1127 (1982). See *Frederick Warne & Co. v. Book Sales, Inc.* 481 F. Supp. 1191 (S.D.N.Y. 1979); *Adams, Superman, Mickey Mouse, and Gerontology*, 64 TRADEMARK REP. 183, 187 (1974); *Brylawski*, *supra* note 12, at 81; Marks, *The Legal Rights of*

“whether there is any likelihood that an appreciable number of ordinarily prudent purchasers are likely to be misled, or indeed simply confused, as to the source of the goods in question.”²⁶⁰ In the most classical form of unfair competition, a seller passes off his goods as those of another. For example, if Smith creates and publishes a book of Donald Duck cartoons, using the name and likeness of the well-known Disney character, buyers are likely to be confused into believing that Disney created the book. To be confused, however, consumers need not be deceived into buying something in the belief that it is something else. Confusion as to approval, association or sponsorship is sufficient.²⁶¹ The public need not believe that Arthur Conan Doyle wrote the newest Sherlock Holmes story. The public need only believe that it was sponsored or approved by the Doyle estate.²⁶² Nor need consumers be aware of the name of the source. It is sufficient if they assume that products bearing the mark come from a single, though anonymous source.²⁶³

Fictional Characters, 25 COPYRIGHT L. SYMP. (ASCAP) 35, 71 N.127 (1975). For example, the mark Tarzan has been registered for goods such as books, comic books, toy archery sets, T-shirts, sweat shirts, coloring books, phonograph records, and card games. *Edgar Rice Burroughs, Inc. v. Manns Theatres*, 195 U.S.P.Q. (BNA) 159 (C.D. Cal. 1976).

260. *Universal City Studios v. Nintendo Co.*, 746 F.2d 112, 115 (2d Cir. 1984) (quoting *Mushroom Makers, Inc. v. R.G. Barry Corp.*, 580 F.2d 44, 47 (2d Cir. 1978), *cert. denied*, 439 U.S. 1116 (1979)). See *Armstrong Paint & Varnish Works v. Nu-Enamel Corp.*, 305 U.S. 315 (1938); *Marathon Mfg. Co. v. Enerlite Prod. Corp.*, 767 F.2d 214 (5th Cir. 1985); *Boston Pro. Hockey Ass'n v. Dallas Cap & Emblem Mfg.*, 510 F.2d 1004 (5th Cir. 1975).

Unfair competition law is broader in scope than trademark.

The emphasis and thrust of trademark protection and registration is in the direction of deciding whether an alleged symbol in fact functions to identify and distinguish the goods or services of one seller. . . . Liability for unfair competition can result from the buyer's likely confusion between two products or services based upon the total impact of all aspects of the parties' selling efforts.

1 J. MCCARTHY, *supra* note 249, § 2:2 (1984). See 1 J. GILSON, *supra* note 257, § 1:04.

261. 2 J. MCCARTHY, *TRADEMARKS AND UNFAIR COMPETITION*, § 24:3(B) (2d ed. 1984) (“when speaking of a ‘likelihood of confusion,’ this denotes any type of confusion, including: confusion of source; confusion of affiliation; confusion of connection; or confusion of sponsorship”); see *Dallas Cowboys Cheerleaders v. Pussycat Cinema, Ltd.*, 604 F.2d 200, 205 (2d Cir. 1979) (“public's belief that the mark's owner sponsored or otherwise approved the use of the trademark satisfies the confusion requirement”); 3A R. CALLMAN, *THE LAW OF UNFAIR COMPETITION, TRADEMARKS AND MONOPOLIES* § 20.03 (4th ed. 1983).

262. See *infra* note 500 and accompanying text.

263. 3A R. CALLMAN, *supra* note 261, § 19.25; 1 J. GILSON, *supra* note 257, § 1.03[1]; 1 J. MCCARTHY, *supra* note 249, § 15:2D. This is of particular importance in motion pictures, because few people can associate specific movies with the producing companies. A poll commissioned by United Artists showed that only “4% knew who brought the Godfather movies to the screen; only 6% knew who brought out Star Wars and The Empire Strikes Back; 7% could identify who made the James Bond movies and 6% Rocky I and Rocky II; and only 3% could correctly identify the makers of Smokey and the Bandit I or II. The Pink Panther movies drew the highest correct identification of movie maker on our list, with 8% correctly identifying United Artists.” S. BACH, *FINAL CUT* 19-20 (1985). An accompanying table showed that “fully 73 percent of the American public could not associate any movie at all with its releasing company.” *Id.* at 20. In *Processed Plastic Co. v. Warner Communications, Inc.*, 675 F.2d 852, 856 (7th Cir. 1982), the court said that

Furthermore, the doctrine protects against public confusion whether or not this confusion causes the public to suffer any detriment. Judge Frank once noted that if one company sells a soap under the name "Quick Clean" at seventy-five cents a cake, and a competitor begins selling an identical soap under the same name for fifty cents, purchasers are misled, but to their financial benefit.²⁶⁴ Nevertheless, the name will be protected.²⁶⁵ The public's ability to distinguish among competing producers is itself a value worthy of protection.²⁶⁶ This ability assures freedom of choice by allowing consumers to select desired products and avoid unwanted ones. "Trademarks, indeed, are the essence of competition, because they make possible a choice between competing articles by enabling the buyer to distinguish one from the other."²⁶⁷

However, courts have been moving towards protecting fictional characters under the law of trademarks and unfair competition apart from any deceptive effect.²⁶⁸ Some judges assume a likelihood of confusion whenever the defendant exploits the market demand created by the plaintiff. Perhaps they do so because protection of the public is not the sole objective of the law of trademarks and unfair competition.²⁶⁹

it was sufficient if consumers associated the car, the General Lee, with the "Dukes of Hazzard" television series, even if the public was unaware that the show was produced by Warner Bros. "[I]t is not necessary for the public to be aware of the name of the manufacturer which produces a product; rather it is sufficient if the public assumes that the product comes from a single though anonymous source." *Id.* See also *Universal City Studios v. Nintendo Co.*, 578 F. Supp. 911 (S.D.N.Y. 1983), *aff'd*, 746 F.2d 112 (2d Cir. 1984). *But cf.* *Anti-Monopoly, Inc. v. General Mills Group, Inc.*, 684 F.2d 1315 (9th Cir. 1981), *cert. denied*, 459 U.S. 1277 (1982) (indicating that a term may not function as an indicator of source unless consumers know the name of the product's manufacturer or producer). The *Anti-Monopoly* case was legislatively overruled by the Trademark Clarification Act of 1984, Pub. L. No. 98-620, U.S. CODE CONG. & AD. NEWS 98 Stat. 3335 (1984).

264. *Standard Brands v. Smidler*, 151 F.2d 34, 40-41 (2d Cir. 1945) (Frank, J. concurring).

265. *Id.*

266. *Park 'N Fly, Inc. v. Dollar Park and Fly, Inc.*, 105 S. Ct. 658, 664 (1985).

267. *In re Owens-Corning Fiberglass Corp.*, 774 F.2d 1116, 1123 (Fed. Cir. 1985) (quoting S. REP. NO. 1333, 79th Cong., 2d Sess. 4), *reprinted in* 1946 U.S. CODE CONG. & AD. NEWS 1274, 1275.

268. See generally Goldstein, *supra* note 63, at 222-23; Lange, *Recognizing the Public Domain*, 44 LAW & CONTEMP. PROBS. 147, 168 (1981).

269. Indeed, the public ordinarily is not a party to suits under trademark or unfair competition. It is the prior user of the mark who has the economic incentive to restrain those who would deceive the public by using a confusingly similar mark. While the public may be harmed by confusion, the prior user almost invariably is injured, because it may lose sales, suffer injury to its reputation or lose the possibility of expanding its market to other products. In any case, the prior user loses control of its reputation. "This is an injury, even though the borrower does not tarnish it, or divert any sales by its use; for a reputation, like a face, is the symbol of its possessor and creator, and another can use it only as a mask." *Yale Elec. Corp. v. Robertson*, 26 F.2d 972, 974 (2d Cir. 1928), *quoted in* *Alfred Dunhill, Inc. v. Kasser Distillers Prods.*, 350 F. Supp. 1341, 1361 (E.D. Pa. 1972, *aff'd mem.* 480 F.2d 917 (3d Cir. 1973)).

This doctrine also seeks to protect trademark owners' good will²⁷⁰ and ability to control their products' reputation.²⁷¹ Trademarks foster "the maintenance of quality by securing to the producer the benefits of good reputation."²⁷²

Nevertheless, the law of trademarks and unfair competition should not prevent the nondeceptive use of characters or their identifying characteristics. The likelihood of confusion requirement serves not only to protect the public, which may be unconcerned about confusion, but also to identify those uses of a mark (here a character or its identifying elements) that interfere sufficiently with plaintiff's economic expectations and incentives to justify a legal remedy. Not every use of a character should be actionable.

This Part first examines the elements of fictional characters that have been considered subject to protection under the law of trademark and unfair competition, and the problems that may exist in identifying a character with a single source. It then discusses character protection in two basic contexts—the reappearances of a character or its elements in new works of fiction and on their appearance in merchandise.

A. Protected Elements

One court has said that ingredients of "entertainment products" can be protected because "the ingredient can come to symbolize the plaintiff or its product in the public mind. Protectable 'ingredients' in-

270. For a discussion of the nature of good will, see 1 J. MCCARTHY, *supra* note 249, § 2.8. Having noted that good will is not easy to define, Professor McCarthy states: "Good will is a business value which reflects the basic human propensity to continue doing business with a seller who has offered goods and services which the customer likes and has found adequate to fulfill his needs. . . . [It] may be defined as the favorable consideration shown by the purchasing public to goods known to emanate from a particular source." *Id.* See 1 J. GILSON, *supra* note 257, §§ 1.03(3)(4); Note, *An Inquiry Into the Nature of Goodwill*, 53 COLUM. L. REV. 660 (1953).

271. *In re Owens-Corning Fiberglass Corp.*, 774 F.2d 1116, 1123 (Fed. Cir. 1985) (quoting S. REP. No. 1333, 79th Cong., 2d Sess. 4):

Trademarks encourage the maintenance of quality by securing to the producer the benefit of the good reputation which excellence creates. To protect trademarks, therefore is to protect the public from deceit, to foster fair competition and to secure to the business community the advantages of reputation and good will by preventing their diversion from those who have created them to those who have not.

Truck Equip. Serv. Co. v. Freuhauf, 536 F.2d 1210 (8th Cir.), *cert. denied*, 429 U.S. 861 (1976). See *In re Owens-Corning Fiberglass Corp.*, 774 F.2d 1116, 1130 (Fed. Cir. 1985); *James Burroughs v. Sign of Beefeater, Inc.*, 540 F.2d 266, 274 (7th Cir. 1976); *Standard Brands v. Smidler*, 151 F.2d 34, 40 (2d Cir. 1945) (Frank, J. concurring). See also *Atlas Mfg. Co. v. Street & Smith*, 204 F. 398, 405 (8th Cir. 1913), *cert. denied*, 231 U.S. 755 (1914) ("unfair competition has three basic objects: First, to protect the honest trader in the business which fairly belongs to him; second, to punish the dishonest trader, who is taking his competitor's business away by unfair means; third, to protect the public from deception").

272. *Park 'N Fly, Inc. v. Dallas Park and Fly, Inc.*, 105 S. Ct. 658, 664 (1985).

clude the names and nicknames of entertainment characters, as well as their physical appearances and costumes. . . ."²⁷³

Thus, a character's name although not protected by copyright,²⁷⁴ may be protected by the law of trademarks and unfair competition. For example, in *Patten v. Superior Talking Pictures*²⁷⁵ the defendant was using a character named Frank Merriwell in its film. The plaintiff had written 1236 stories evolving around a character with that name.²⁷⁶ There was no other similarity between plaintiff's and defendant's characters. The court found that the name had become associated in the public mind exclusively with the plaintiff's authorship, and enjoined the defendant from using the name under the principles of unfair competition.²⁷⁷ A character's name was also protected in a case involving the name "Old Maestro."²⁷⁸ The plaintiff was advertising its beer and malt beverages in weekly radio programs conducted by Ben Bernie who was known as the Old Maestro. The court found that the radio audience knew that Ben Bernie's radio broadcasts were sponsored by the plaintiff, and associated the name with plaintiff and its products, as well as with Ben Bernie.²⁷⁹ The defendant's use of the name Old Maestro Brew for its beer and ale, therefore, tended to confuse the public and destroy the effect of a means of identification belonging to the plaintiff.²⁸⁰ Similarly in a case where the defendants advertised the film *Tarz & Jane & Boy & Cheeta*,²⁸¹ the court found that the public had come to recognize the name Tarzan, individually and in conjunction with the names Jane, Boy, and Cheeta, with the plaintiff. Thus, the defendant's use of the

273. *DC Comics, Inc. v. Filimation Assocs.*, 486 F. Supp. 1273, 1277 (S.D.N.Y. 1980). *See Warner Bros. Inc. v. Gay Toys*, 658 F.2d 76, 78 (2d Cir. 1981) ("Section 43(a) has been held to encompass a broad spectrum of marks, symbols, design elements and characters which the public directly associates with the plaintiff").

274. *See supra* notes 176-79 and accompanying text. The name may, however, be of some marginal relevance in determining infringement. *Id.*

275. 8 F. Supp. 196 (S.D.N.Y. 1934).

276. The name appeared in the titles of these stories, and the court used standards generally used in protecting titles. The title of an individual literary work is not protected under copyright. *See* 1 M. NIMMER, *supra* note 42, § 2.16; 1 J. MCCARTHY, *supra* note 249, § 10:10; Kurtz, *Protection for Titles of Literary Works in the Public Domain*, 37 RUTGERS L. REV. 53, 54-55, and cases collected at 55 n.17. A title may be protected under unfair competition if it has developed a secondary meaning, and there is a likelihood that its use on another work will cause public confusion. 1 J. MCCARTHY, *supra* note 249, §§ 10:1, 10:5; 1 M. NIMMER, *supra* note 42, § 2.16; Kurtz, *supra*, at 59, 61.

277. 8 F. Supp. at 197. *See also Hospital for Sick Children v. Melody Fare Dinner Theatre*, 516 F. Supp. 67, 73 (E.D. Va. 1980) although individual characters may not be copyrightable, the title of a work, in this case Peter Pan, may constitute a description or designation of origin under § 43(a) of the Lanham Act, and the defendant's use of Peter Pan in their title and advertising was likely to cause confusion).

278. *Premier Pabst Corp. v. Elm City Brewing Co.*, 9 F. Supp. 754 (D. Conn. 1935).

279. *Id.* at 756.

280. *Id.* at 761.

281. *Edgar Rice Burroughs, Inc. v. Mann*, 195 U.S.P.Q. (BNA) 159 (C.D. Cal. 1976).

name Tarz in connection with an X-rated film was likely to cause confusion or mistake about the source or origin of defendant's film. The public was likely to believe the film was provided or authorized by plaintiff.²⁸²

Sometimes, however, character names have not been protected, even though the names used by plaintiff and defendant were identical. The names Ziggy,²⁸³ and Melvin the Monster,²⁸⁴ were denied protection, possibly because plaintiffs' works had virtually no circulation, were not associated in anybody's mind with the plaintiffs as the source, and the defendants' use of the names was therefore unlikely to cause public confusion. *West v. Lind*²⁸⁵ involved a dispute between Mae West, who had been billed and publicized as "Mae West as Diamond Lil," and Marie Lind, an entertainer who was also using the name Diamond Lil. The court refused to grant West the exclusive use of the name Diamond Lil, finding that there was no fraud or deception, because Lind was not imitating West and looked nothing like her.²⁸⁶

In addition to character names, protected elements have included key phrases associated with a character, such as "E.T. Phone Home" and "Hi-yo Silver Away!,"²⁸⁷ the distinctive clothing or costume worn by a character,²⁸⁸ and the appearance of a cartoon or other visually depicted character.²⁸⁹ Because copyright may protect a character's visual appearance²⁹⁰ one court questioned whether this appearance could

282. The court also found that a disclaimer, stating that the film is in no way connected with the plaintiff, could not prevent likely confusion about sponsorship and authorization, and ordered the defendants not to use the character name during the life of plaintiff's copyright. The court did not discuss what protection might be available once the copyright expired. For a consideration of this question, see *infra* notes 474-504 and accompanying text.

283. *Pellegrino v. American Greetings Corp.*, 592 F. Supp. 495 (D.S.D. 1984), *aff'd mem.*, 760 F.2d 272 (8th Cir. 1985).

284. *Gantz v. Hercules Publishing Corp.*, 15 Misc. 2d 1061, 182 N.Y.S.2d 450 (Sup. Ct. 1959). See also *Superior Models, Inc. v. Tolkien Enters.*, 211 U.S.P.Q. (BNA) 587 (D. Del.), *modified*, 211 U.S.P.Q. (BNA) 876 (D. Del. 1981) (protection for the names of fictional characters is dependent on proof that they acquired a secondary meaning before the alleged infringer began using them).

285. 186 Cal. App. 2d 563, 9 Cal. Rptr. 288 (1960).

286. The court also noted that only one person had testified that after seeing the advertisement for 'The one and only Diamond Lil' he expected to see Mae West.

287. *Lone Ranger, Inc. v. Cox*, 124 F.2d 650 (4th Cir. 1942) (Hi-yo Silver, away!); *Universal City Studios v. Kamar Indus.*, 1982 COPYRIGHT L. DECISIONS (CCH) ¶ 25,452 (S.D. Tex. 1982) (E.T. Phone Home).

288. See, e.g., *Warner Bros. v. American Broadcasting Cos.*, 720 F.2d 231 (2d Cir. 1983); *Lone Ranger, Inc. v. Cox*, 124 F.2d 650 (4th Cir. 1942); *D.C. Comics v. Unlimited Monkey Business, Inc.*, 598 F. Supp. 110 (N.D. Ga. 1984); *D.C. Comics v. Filmation Assocs.*, 486 F. Supp. 1273 (S.D.N.Y. 1980); *Wyatt Earp Enters. v. Sackman, Inc.*, 157 F. Supp. 621 (S.D.N.Y. 1958); *Lone Ranger v. Currey*, 79 F. Supp. 190 (M.D. Pa. 1948).

289. See *infra* notes 301-305.

290. See *supra* notes 90-132 and accompanying text.

also be protected under the law of trademarks and unfair competition.²⁹¹ John P. Gruelle designed and made dolls called Raggedy Ann and Raggedy Andy. He also wrote books and drew cartoons featuring these characters. The defendant made dolls marked Raggedy Ann and Raggedy Andy that looked like plaintiff's dolls. The court found that defendant's dolls possessed "a deceptively similar appearance to the dolls of Gruelle's books, cartoons and syndicated newspaper drawings."²⁹² and that the defendant, by using the character's name, had appropriated the valuable good will that Gruelle had built up in the Raggedy Ann character. The court restrained the defendant from using the names Raggedy Ann and Andy,²⁹³ but refused to restrain the defendant from selling the deceptively similar dolls. The court apparently believed that only copyright,²⁹⁴ and not unfair competition, could protect against copying a character's appearance, even though the appearance of defendant's dolls was deceptively similar, i.e., could lead to public confusion.²⁹⁵

Most courts, however, have found little difficulty protecting a cartoon character's appearance under the principles of trademark and un-

291. *Gruelle v. Molly-'Es Doll Outfitters*, 94 F.2d 172 (3d Cir. 1937), *cert. denied*, 304 U.S. 561 (1938).

292. *Id.* at 175.

293. The court found the name Raggedy Andy so closely related to the name Raggedy Ann that it restrained the defendant from using that name as well.

294. The court said that Gruelle's cartoons, drawings and books were copyrighted and that had Gruelle sued on copyright, the manufacture and sale of dolls deceptively similar to those in Gruelle's copyrighted works might also be restrained. Dolls that are deceptively similar are also likely to be substantially similar. *But see Knickerbocker Toy v. Winterbrook*, 1983 COPYRIGHT L. DECISIONS (BNA) ¶ 25,525 (D.N.H. 1982).

295. *Accord National Comics Publications v. Fawcett Publications*, 191 F.2d 594 (2d Cir. 1951), where plaintiff alleged that defendant's character Captain Marvel was copied from Superman. The court refused to provide protection under the doctrine of unfair competition because nobody cared who produced such silly pictures.

The owner's right to protect his name or mark from being copied depends primarily upon the likelihood that those who may wish to deal with him will be misled into dealing with the infringer; and that presupposes, not only that the mark has become associated with the owner as the source of the goods, but that this association is an inducement to deal with the owner. In the case of these silly pictures nobody cares who is the producer—least of all, children who are the chief readers—; the "strips" sell because they amuse and please, and they amuse and please because they are what they are, not because they come from "Detective." To allow the first producer of such pictures to prevent others from copying them, save as he can invoke the Copyright Law, would sanction a completely indefensible monopoly.

Id. at 603. This is an extreme view of "likelihood of confusion," because confusion does not depend on inducement or consumer motivation. *See infra* note 404.

fair competition.²⁹⁶ In *Fisher v. Star Co.*,²⁹⁷ the court protected the appearance as well as the names of the characters Mutt and Jeff under the doctrine of unfair competition. Harry C. Fisher drew the comic strip featuring these characters, which had been published first in the *San Francisco Chronicle*, and then published in the *New York American*, published by the Star Company. When Fisher stopped furnishing cartoons to the *American*, and began distributing them to other newspapers, the *American* continued to publish Mutt and Jeff cartoons, drawn by its employees. Fisher brought suit, not under copyright²⁹⁸ but under the common law doctrine of unfair competition, seeking to enjoin the Star Co. from making and publishing cartoons containing the Mutt and Jeff characters. The court found that the figures in the cartoons, and the names Mutt and Jeff, had acquired a secondary meaning—that Fisher “originated them and that his genius pervades all that they appear to do or say.”²⁹⁹ The Star Company’s use of new Mutt and Jeff cartoons would be unfair to the public and the plaintiff.³⁰⁰

296. See cases cited at *infra* notes 297-305. Cf. *Paramount Pictures Corp. v. Worldwide Entertainment Corp.*, 195 U.S.P.Q. (BNA) 539 (S.D.N.Y. 1977), where the plaintiffs complained that defendants’ advertisement for the motion picture *Ape* violated their rights in advertising for their motion picture, *King Kong*. Defendants’ advertisements closely resembled plaintiffs; each featured a large ape with similar facial expressions. The court granted plaintiffs a preliminary injunction, but only after requiring (and finding) not only secondary meaning and a likelihood of confusion, but also that defendants sought to palm off their work in a manner that would exploit the possibility of confusion and deceive the public.

297. 231 N.Y. 414, 132 N.E. 133, *cert. denied*, 257 U.S. 654 (1921).

298. Fisher had copyrighted certain cartoons in his own name before he began providing cartoons to the *New York American*. *Id.* at 415-16, 132 N.E. at 133-34. It is unclear why Fisher did not sue under copyright. Perhaps the earliest published cartoons containing Mutt were not copyrighted. See Marks, *supra* note 259, at 66 n.113. Thus, everything in these early cartoons might have been in the public domain, including Mutt. If this problem existed, it was apparently ignored or missed by the parties in the earlier case of *Hill v. Whalen & Martell, Inc.*, 220 F. 359 (S.D.N.Y. 1914) discussed at text accompanying *supra* notes 99-100.

299. 231 N.Y. at 432, 132 N.E. at 139.

300. The court also found that Fisher, not Star, was the owner of the “property right existing in the characters,” who had become well known as distinct characters before Fisher began providing them to Star. *Id.* The result was different in *New York Herald v. Star Co.*, 146 F. 204 (C.C.S.D.N.Y.), *aff’d mem.*, 146 F. 1023 (2nd Cir. 1906) and *Outcalt v. New York Herald*, 146 F. 205 (C.C.S.D.N.Y. 1906), involving the character Buster Brown. After Outcalt drew the *Buster Brown* comic strip, and sold it to the *New York Herald*, he began to sell the strip to the Star Company. Meanwhile, the *Herald* continued to publish a comic strip with the same title and characters, drawn by a different artist. The court found that the trademark *Buster Brown*, as a title heading for a comic section of a newspaper, belonged to the *Herald Company*,—rather than to “the original draughtsman of the so-called *Buster Brown* pictures.” 146 F. 204 at 205.

The court rejected Outcalt’s claim that it was unfair competition for anyone else to draw and offer for sale comic strips featuring characters which imitated those in strips sold by him to the *Herald*. Outcalt did not have a right to the characters displayed in the comic strip which he could maintain “to the exclusion of others, who depict them in other scenes and situations.” *Id.* at 206. It was unclear whether Outcalt would be permitted to continue to draw the *Buster Brown* cartoon, using another title. The court stated that Outcalt, or anyone else, could draw and publish comic pictures of the same kind provided that “they do not so closely imitate pictures already published and copyrighted as to be an infringement thereof.” 146 F. 204, 205. Apparently Outcalt (or Out-

The Court of Appeals for the Second Circuit has also had little difficulty protecting a cartoon character's appearance under the principles of trademark and unfair competition. It stated that "... the image of a cartoon character and some indicia of that character can function as a trademark to identify the source of a work of entertainment."³⁰¹ Similarly, the likenesses of characters from the "Peanuts" comic strip, including Snoopy, Woodstock, Linus, and Charlie Brown, were protected against copying under the doctrine of unfair competition and the Lanham Act, as well as copyright, because the defendant's manufacture, sale and distribution of plastic molds in the likeness of these characters was likely to confuse, mislead and deceive customers as to the origin of the molds.³⁰² Other characters whose physical appearance have been found to be protectable by trademark or unfair competition include Superman and Wonder Woman,³⁰³ E.T.,³⁰⁴ and Peter Rabbit.³⁰⁵

cault) did continue to draw, and the Star company to publish, cartoons featuring the Buster Brown characters, under the title *Buster*. See *Outcault v. Lamar*, 135 A.D. 110, 119 N.Y.S. 930 (App. Div. 1909).

The case might be distinguished from the *Fisher* case on the basis that Fisher had drawn the cartoon for others and had copyrighted some of the strips in his own name before he began furnishing them to Star. However, the *Fisher* court was willing to consider the question of the right to use the character in new cartoons under the principles of unfair competition, without regard to the question of copyright. *Fisher v. Star Company*, 231 N.Y. 414, 432, 132 N.E. 133, 139, *cert. denied*, 257 U.S. 654 (1921). Furthermore, the *Fisher* court found that the contract between employer and employee determined property rights in literary property. *Id.* The *Buster Brown* court, however, found no basis for giving a common-law title to cartoon characters to the artist who never copyrighted them and never acquired a right to the title in connection with newspaper publication. *Outcault v. New York Herald*, 146 F. 205, 206 (C.C.S.D.N.Y. 1906). The right to use the title belonged to the newspaper that bought the strips "paid for them, published them . . . and headed the page on which they were published with the words 'Buster Brown'." *New York Herald v. Star Co.*, 146 F. 204, 205 (C.C.S.D.N.Y.), *aff'd mem.*, 146 F. 1023 (2d Cir. 1906).

301. *Warner Bros. v. American Broadcasting Cos.*, 720 F.2d 231 (2d Cir. 1983). However, the court found no unfair competition or violation of the Lanham Act in the case before it. See also *D.C. Comics v. Filmation Assocs.*, 486 F. Supp. 1273, 1277 (S.D.N.Y. 1980) (protectible ingredients include the names and nicknames of entertainment characters as well as their physical appearances and costumes).

302. *United Features Syndicate v. Sunrise Mold Co.*, 569 F. Supp. 1475 (S.D. Fla. 1983). The court enjoined defendant from manufacturing and selling plastic molds which reproduce or utilize the likenesses of the Peanuts characters. The defendant also was enjoined from engaging in any conduct likely to confuse purchasers into believing that the unauthorized items sold by defendant originated from plaintiff, or were sponsored, approved or licensed by plaintiff, or were in any way connected or affiliated with plaintiff or the "Peanuts" comic strip. *Cf. Curtis Candy Co. v. Cannon*, 17 TRADEMARK REP. 286 (Ill. Cir. Ct. 1927) (defendants enjoined from using the name Skee-zix with or without a pictorial representation of the character in connection with candy).

303. *DC Comics v. Unlimited Monkey Business*, 598 F. Supp. 110 (N.D. Ga. 1984).

304. *Universal City Studios v. J.A.R. Sales*, 1982 COPYRIGHT L. DECISIONS (CCH) ¶ 25,460 (C.D. Cal. 1982).

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

Protection for a character under copyright and under the law of trademarks and unfair competition can coexist,³⁰⁶ if the requirements of each doctrine are met. "A character deemed an artistic creation deserving of copyright protection [citation omitted] may also serve to identify the creator, thus meriting protection under theories of trademark or unfair competition."³⁰⁷ Trademark protection should be available for elements which have found protection under copyright, such as the appearance of a pictorial character, and for those which have not, such as a character's name or nickname, if there is a likelihood of public confusion.

B. The Single Source

In the soap case described earlier, Judge Frank stated that the name "Quick Clean" was capable of indicating a single, though perhaps unknown, source.³⁰⁸ However, a fictional character's ability to indicate a single source is often no more than a convenient fiction. Characters have been found to be associated in the public mind with their authors,³⁰⁹ their producers,³¹⁰ their sponsors,³¹¹ and even with themselves.³¹² Most characters have more than one possible source

306. DC Comics v. Filmation Assocs., 486 F. Supp. 1273, 1277 (S.D.N.Y. 1980); Frederick Warne & Co. v. Book Sales Inc., 481 F. Supp. 1191, 1196 (S.D.N.Y. 1979). See Warner Bros. Inc. v. American Broadcasting Cos., 720 F.2d 231, 246 (2d Cir. 1983); *In re* DC Comics, 689 F.2d 1042, 1052 (C.C.P.A. 1982) (Nies, J., specially concurring); Boston Pro. Hockey Ass'n, Inc. v. Dallas Cap & Emblem Mfg., 510 F.2d 1004, 1014 (5th Cir.), *cert. denied*, 423 U.S. 868 (1975); DC Comics v. Unlimited Monkey Business, 598 F.Supp. 110 (N.D. Ga. 1984); United Features Syndicate v. Sunrise Mold Co., 569 F. Supp. 1475 (S.D. Fla. 1983); Universal City Studios v. J.A.R. Sales, 1982 COPYRIGHT L. DECISIONS (CCH) ¶ 25,460 (C.D. Cal. 1982); Archie Comic Publications, Inc. v. American News Co., 204 Misc. 1060, 1063, 125 N.Y.S. 2d 919, 922 (Sup. Ct. 1953), *aff'd mem.*, 283 A.D. 868, 129 N.Y.S. 2d 915 (App. Div. 1954). See *supra* notes 296-305 and accompanying text. *But see supra* notes 291-95 and accompanying text. When a work is in the public domain, however, protecting its characters under the law of trademarks and unfair competition presents serious problems. See *infra* notes 474-504 and accompanying text.

307. Frederick Warne & Co. v. Book Sales, Inc., 481 F. Supp. 1191, 1197 (S.D.N.Y. 1979).

308. See *supra* notes 264-65 and accompanying text.

309. Gruelle v. Molly-'Es Doll Outfitters, 94 F.2d 172, 176 (3d Cir. 1937), *cert. denied*, 304 U.S. 561 (1938); Patten v. Superior Talking Pictures, Inc., 8 F. Supp., 196, 197 (S.D.N.Y. 1934); Fisher v. Star Co., 231 N.Y. 414, 433, 132 N.E. 133, 139, *cert. denied*, 257 U.S. 654 (1921).

310. Processed Plastic Co. v. Warner Communications, Inc., 675 F.2d 852, 856 (7th Cir. 1982) (association with the producers and the television show); Lone Ranger, Inc. v. Cox, 124 F.2d 650, 652 (4th Cir. 1942); Universal City Studios v. J.A.R. Sales, 1982 COPYRIGHT L. DECISIONS (CCH) ¶ 25,460, at 17,742 (C.D. Cal. 1982) (association with the producer and the motion picture); Universal City Studios v. Kamer Indus., 1982 COPYRIGHT L. DECISIONS (CCH) ¶ 25,452, at 17,683 (S.D. Tex. 1982); Wyatt Earp Enters. v. Sackman, Inc., 157 F. Supp. 621, 625 (S.D.N.Y. 1958) (association with the producer and the television series); Lone Ranger v. Currey, 79 F. Supp. 190, 197 (M.D. Pa. 1948).

311. Premier Pabst Corp. v. Elm City Brewing Co., 9 F. Supp. 754, 761 (D. Conn. 1935).

312. DC Comics v. Unlimited Monkey Business, 598 F. Supp. 110, 115 (N.D. Ga. 1984).

with which they may be identified. If a character or one of its distinguishing elements does not identify a single source of goods or services there should be no protection.

This point was illustrated in *Frederick Warne & Co. v. Book Sales, Inc.*,³¹³ where plaintiff was the original publisher of a well-known series of children's books about Peter Rabbit and other animals, written and illustrated by Beatrix Potter. Warne claimed exclusive rights under trademark³¹⁴ to the cover illustrations "which were originally created by Beatrix Potter for Warne's editions of the seven books, and which do not appear within the text of the books themselves."³¹⁵ Warne claimed that because of its use³¹⁶ and licensing of these eight illustrations on a variety of products, they had "attained a place in the public esteem comparable to Mickey Mouse, Peter Pan, and Raggedy Ann and Andy."³¹⁷ Warne further claimed that these illustrations had acquired a trademark significance, identifying the publishing company, and not just the Beatrix Potter works Warne published. Apparently recognizing that the public was most likely to identify the illustrations with their author, the court said the plaintiff must show more than that the illustrations in question had come to signify Beatrix Potter as author. "[P]laintiff must show that they have come to represent its goodwill and reputation as publisher of those books."³¹⁸

313. 481 F. Supp. 1191 (S.D.N.Y. 1979).

314. Three of the covers had been registered under the Lanham Act as book trademarks. Protection for the others was sought under § 43(a). *Id.* at 1193. The court used essentially the same standard for the registered and unregistered marks, noting, however, that "the registration constitutes prima facie evidence of trademark validity." *Id.* at 1195 (citing 15 U.S.C. § 1115(a) (1982)). See 1 J. MCCARTHY, *supra* note 249, §§ 11:16, 15:12. The books were in the public domain and thus could not be protected under copyright.

315. *Id.* at 1193. Warne also claimed exclusive rights to an illustration appearing in the book *The Tale of Peter Rabbit*, referred to as the "sitting rabbit."

316. The illustrations had been created for and used on the original books and on packing for sets of Beatrix Potter's books. One cover illustration, referred to as the "running rabbit," was used on dust covers for several of her works. The "sitting rabbit" was used on original Warne publications, such as *Peter Rabbit's Natural Food Cookbook*, *The History of the Tale of Peter Rabbit*, *Beatrix Potter Coloring Book*, and Warne's *Complete Catalogue* of 1977. *Id.* at 1194 n.2.

317. *Id.* at 1194. The court said that the "notion that a British cony, however endearing, could gain as important a place in American hearts as Mickey Mouse seems dubious. Both are rodents, it is true, and thus equally entitled to our affections. But Mickey has had the benefit of competing for the American dollar through moving pictures, an insurmountable advantage. Luckily for plaintiff, though, its burden is far less than its papers suggest." *Id.*

318. 481 F. Supp. at 1195. Because the record did not permit a finding that secondary meaning and a likelihood of confusion existed, the court denied plaintiff's motion for summary judgment. *Id.* at 1196. Defendants' motion for summary judgment, based on the fact that the Peter Rabbit books were in the public domain, was also denied. See *infra* notes 484-92 and accompanying text. See also *Conan Properties v. Conans Pizza*, 752 F.2d 145 (5th Cir. 1985) (Conan the Barbarian was created in 1929 by Robert Howard. The character remained relatively dormant until the 1950's when L. Sprague de Camp rediscovered it and began writing books featuring the character. In 1976, the Howard estate and de Camp united their interests and formed Conan

A similar problem may have been anticipated by the plaintiff in the Hopalong Cassidy case,³¹⁹ where the owner of the copyright in the Hopalong Cassidy books managed to obtain copyright protection for little more than a name and milieu.³²⁰ Protection under unfair competition was probably unavailable. The name was well known, but if the public associated it with any single source, it would be the character in the public domain films, to which the plaintiff had no rights, rather than the character in the books.³²¹

Indeed, when a character appears in more than one medium, its source is often fractionalized. In *Universal City Studios v. Nintendo*,³²² the District Court found that Universal's *King Kong* lacked secondary meaning as a matter of law, because *King Kong* could not signify a single source to consumers. The rights to *King Kong* were divided among a number of parties. RKO, which released the first *King Kong* movie in 1933, held the copyright to that movie and all depictions of King Kong contained in it, including the right to license stills and footage. The movie had become a classic and scenes, "especially the one in which King Kong stands on top of the Empire State building holding Fay Ray captive," were instantly recognizable.³²³ Dino De Laurentis Corp. (DDL) held the copyright to a remake of *King Kong* which was released in 1976. Richard Cooper, son of the author of the *King Kong* story on which the movies were based, owned the world wide book and periodical right. Plaintiff Universal had acquired its rights from Cooper who, in an earlier action, had been found to have, as against RKO, all rights in the name, character and story of *King Kong* other than rights in the 1933 movie.³²⁴

The court said that "[e]xactly what shred of the King Kong character and name Universal owns is far from clear. Universal apparently owned those rights in the King Kong name and character that RKO,

Properties, Inc., thus creating a single source for Conan. If they had not united their interests, however, there could have been two competing sources.)

319. *Filmvideo Releasing Corp. v. Hastings*, 509 F. Supp. 60 (S.D.N.Y.), *aff'd*, 668 F.2d 91 (2d Cir. 1981).

320. *See supra* notes 168-80 and accompanying text.

321. *See also* Warner Bros. Pictures v. Columbia Broadcasting Sys., 216 F.2d 945 (9th Cir. 1954), *cert. denied*, 348 U.S. 971 (1955) (the *Sam Spade* case), which caused considerable confusion in the copyright infringement area. The court, dealing with plaintiff's unfair competition claim, said that the characters from the *Maltese Falcon* could not fairly be used in a way that would degrade or cheapen them so that the public would "not be interested in their capers." *Id.* at 951. Nor could they be used to deceive the public into believing they were "really witnessing the Maltese Falcon when they viewed showings of the other stories." *Id.* The court did not consider the question of possible confusion as to source. Perhaps it used this unusual standard because, if the public associated Sam Spade with a single source, it was most likely the author, Dashiell Hammett. For further analysis of the *Sam Spade* case see *supra* notes 142-53 and accompanying text.

322. 578 F. Supp. 911, 923 (S.D.N.Y. 1983), *aff'd*, 746 F.2d 112 (2d Cir. 1984).

323. 578 F. Supp. at 915.

324. *Id.* at 916, 917.

Cooper, or DDL did not own,"³²⁵ and the "vagueness of the image in which Universal claimed a trademark right violates the fundamental purpose of a trademark."³²⁶ Furthermore, in view of the conflicting rights to *King Kong*, the King Kong mark was incapable of indicating to consumers a single source of origin. There had been extensive merchandising use of two King Kong images, from the two films, that represented different product sources.³²⁷

If the source of a character becomes fragmented, protection under the law of trademarks and unfair competition will be inappropriate. These doctrines should protect characters only when they are capable of identifying a single source of goods or services.

These doctrines are also an inappropriate source of protection where there is no realistic likelihood of public confusion. It is useful to examine the question of public confusion in two separate contexts—where characters or their identifying elements are used in new works of fiction and where they are used on merchandise. Surprisingly, courts have paid little attention to the distinction between these two uses, even though the reappearance of a character in a new book is far more likely to indicate a common source than its appearance on a coffee mug. When a character that appeared in a book reappears in another book or movie, consumers are likely to believe that the creators of the first work created, or at least authorized, the second. Using a character or its identifying indicia on merchandise is less likely to produce such a belief. Although consumers may associate a coffee mug bearing the name of a well-known character with that character or the work in which it ap-

325. *Id.* at 924. Universal's claim of ownership was based on two documents: the "Cooper Judgment" of December 6, 1976, which stated that as between Cooper and RKO, all rights in the King Kong name, character and story vested in Cooper, other than the rights in the 1933 movie and its sequel *Son of Kong*, *id.* at 916, 921, and the Cooper-Universal assignment of December 16, 1976, by which Cooper assigned to Universal his rights in the name, character and story, *id.* at 916, 921, apparently reserving book publishing rights, *id.* at 914. "In Universal's view, then, the King Kong trademark's lineage is as follows: RKO created the King Kong trademarks over the period from the 1933 movie's release until 1976 by granting merchandising rights in the King Kong name, character and story. On December 6, 1976, Judge Real held that Cooper, not RKO, owned the rights to this trademark. Then, on December 5, 1976, Cooper sold these rights to Universal, and it is these rights which Nintendo is alleged to have infringed." *Id.* at 921.

326. *Id.* at 924. The court also found that Universal's trademark was invalid, because the transfer of the King Kong trademark rights from RKO to Cooper was invalid as a transfer in gross. *Id.* at 922-23. The Cooper judgment made RKO a constructive trustee for Cooper, requiring RKO to give Cooper the profits it had earned from using and licensing King Kong, but "it did not successfully transfer RKO's trademark rights to Cooper. . . . Trademark rights are fragile; they do not exist in the abstract, but only because of the public's association of them with a particular product or business." *Id.* at 923.

327. *Id.* at 925. Universal did not begin to exploit the King Kong name and character until late 1980. *Id.* at 917. The fact that RKO and DDL held copyrights, rather than trademarks, in the King Kong pictures did not change the result. "The copyrights mean that other commercial producers have legal rights to use other King Kong images commercially. The resulting consumer confusion is not reduced by the source of legal protection for the competing images." *Id.*

peared, they may not believe that the merchandise is authorized or sponsored. Instead they may believe that a number of producers are competing to take advantage of the popularity of the character or work.³²⁸

C. *New Works of Fiction*

When a well-known fictional character appears in identifiable form in another work of fiction, the law of trademarks and unfair competition will usually provide protection.³²⁹ In *Prouty v. National Broadcasting Co.*,³³⁰ for example, the author of the novel *Stella Dallas*, featuring a character with that name, sued the National Broadcasting Company (NBC) for broadcasting skits as episodes in the life of Stella Dallas. She alleged that the company was misappropriating the title, the "imaginatively created personality Stella Dallas and . . . the complainant's established goodwill developed by the complainant's successful authorship, to matters of . . . inferior grade. . . ." She contended that this would harm the sale of her novel, of any sequel, and her reputation.³³¹ The court denied NBC's motion to dismiss.

If it should appear that in these broadcasts the defendant had appropriated, without plaintiff's consent, the plot and principal characters of the novel, and that the use being made of her literary production was such as to injure the reputation of the work and of the author, and to amount to a deception upon the public, it may well be that relief would be afforded by applying well-recognized principles of equity which have been developed in the field known as "unfair competition."³³²

The Lone Ranger is another well-known fictional character that has been granted legal protection.³³³ The plaintiff, in two separate

328. See *In re DC Comics*, 689 F.2d 1042, 1051 (C.C.P.A. 1982)(Nies, J., specially concurring). ("In our economy, we expect that similar products will come from a number of sources. . .") See also *infra* notes 406-11 and accompanying text.

329. See *infra* notes 330-40 and accompanying text. But see *Walt Disney Prods. v. Air Pirates*, 581 F.2d 751 (9th Cir. 1978), *cert. denied*, 439 U.S. 1132 (1979) (Defendants used Mickey Mouse and other Disney characters in their "counter culture" comic books. Because the plaintiff failed to offer any evidence of a likelihood of confusion, the grant of summary judgment to plaintiff was improper.); *Columbia Pictures Corp. v. National Broadcasting Co.*, 137 F. Supp. 348 (S.D. Cal. 1955) (The producers of *From Here to Eternity* sued the broadcaster of a skit *From Here to Obscenity*. The court said: "In the absence of some attempt to deceive the public as to the origin of a literary work, action will not lie for unfair competition by reason of the use by one writer of a copyrighted literary work created by another.") *Id.* at 354.

330. 26 F. Supp. 265 (D. Mass. 1939).

331. *Id.* at 266.

332. *Id.*

333. *Lone Ranger, Inc. v. Cox*, 124 F.2d 650 (4th Cir. 1942); *Lone Ranger v. Currey*, 79 F. Supp. 190 (M.D. Pa. 1948).

cases, was the producer of a copyrighted radio series featuring the exploits of this mythical masked hero who rode a white horse named Silver and shouted "Hi-Yo Silver." In the first case,³³⁴ one of the defendants had played the Lone Ranger in a motion picture licensed by plaintiff, but later appeared without permission in a circus as the Lone Ranger. The court found that the plaintiff had built up a radio feature of great value and the defendants were trying to avail themselves of the good will created by the radio programs. The defendants were "attempting to pass off their show as being identified with the radio programs of plaintiff, or at least as being connected in some manner there with and thus to benefit from the good will which has been built up by plaintiff through its broadcasts and advertising."³³⁵ The other defendant,³³⁶ who appeared as the Lone Ranger at rodeo shows, had never appeared as the Lone Ranger in any production authorized by the plaintiff. He had the additional disadvantage of having been seen beating his horse unmercifully. The court found that the name Lone Ranger used by the plaintiff had acquired a secondary meaning. The defendants were attempting to pass their show off as having some connection with the plaintiff's show and to unjustly enrich themselves by deceiving the public and depriving plaintiff of the good will it had established.

The characters Superman and Wonder Woman were also protected against unauthorized use. In *DC Comics v. Unlimited Monkey Business*,³³⁷ the plaintiff owned copyrights and trademarks relating to these characters. The defendant was a singing telegram company that performed and licensed skits that featured characters named Superstud and Wonderwench. The Superstud and Wonderwench costumes were similar to those worn by plaintiff's characters. Telegram recipients were supplied with balloons depicting Superman and Wonder Woman,³³⁸ and the Superman name appeared in defendants' advertising. The court found that by virtue of the widespread popularity of the Superman and Wonder Woman stories and their principal characters and the extensive sales of goods by plaintiff and its licensees under the marks Superman and Wonder Woman, the marks had attained virtually universal recognition "as unique distinctive marks symbolizing the extensive good will associated with the public image of this hero and heroine."³³⁹ The court also found a likelihood of confusion as to the source, sponsorship and approval of the singing telegram services and that defendant was

334. *Lone Ranger, Inc. v. Cox*, 124 F.2d 650 (4th Cir. 1942).

335. *Id.* at 652.

336. *Lone Ranger v. Currey*, 79 F. Supp. 190, 194 (M.D. Pa. 1948).

337. 598 F. Supp. 110 (N.D. Ga. 1984).

338. These were copyrighted, licensed products of plaintiff. *Id.* at 114.

339. *Id.* at 115.

trading on the good will of plaintiff's mark. The court therefore granted the plaintiff summary judgment under the Lanham Act.³⁴⁰

When a character is not widely known, however, a plaintiff may be unable to recover, however complete the copying of his creation. The point was illustrated in the second of two decisions involving Victor DeCosta³⁴¹ in which the First Circuit found no unfair competition or violation of a common law service mark. De Costa participated in rodeos, horse shows, horse auctions and parades, wearing a moustache, black shirt, black pants, and a flat-crowned black hat, to which he affixed a St. Mary's medal. He called himself Paladin and carried a business card on which were printed "Have Gun Will Travel," and "Wire Paladin, N. Court Street, Cranston, Rhode Island." He used a silver copy of a chess knight on his holster and on his card. An antique deringer was strapped under his arm. He passed out his cards as well as photographs of himself to people at hospitals, drug stores, barber shops, sports shops, and diners.

Ten years after DeCosta began appearing as Paladin, he saw the first production of "Have Gun Will Travel," starring the moustachioed Richard Boone as Paladin. The television Paladin also wore a black costume, a flat-crowned black hat bearing an oval silver decoration, and a silver chess knight on his holster. He used a card featuring a chess piece and the words "Have Gun, Will Travel, Wire Paladin, San Francisco." Although the court had earlier conceded that the defendants were pirates,³⁴² it denied DeCosta relief. The court noted that plaintiff had engaged in "one of the purest promotions ever staged" because he never used the character for business purposes; he sought only to entertain others.³⁴³ Furthermore, there was no likelihood of confusion as to the television program's source. The parties had different audiences and their characters engaged in different activities. Although six witnesses testified, eleven years after the beginning of the television series, that they initially thought the television Paladin was the plaintiff, the court found their testimony to be either no evidence at all or too minimal evidence to support a finding of likely confusion.³⁴⁴

When the use of a character's name, appearance, or other identifying indicia is less than complete, it is less likely that the public will believe that the two characters have the same source, or even that the

340. 15 U.S.C. §§ 1114(1) (1982). See 598 F. Supp. at 115-16. For the same reason, the court also found defendant liable under the Georgia Deceptive Trade Practices Act, O.C. Ga. Ann. § 10-1-372 (1981). *Id.* at 116.

341. *De Costa v. Columbia Broadcasting Sys.*, 520 F.2d 499 (1st Cir. 1975), *cert. denied*, 423 U.S. 73 (1976).

342. *Columbia Broadcasting Sys. v. De Costa*, 377 F.2d 315 (1st Cir. 1967), *cert. denied*, 389 U.S. 1007 (1968).

343. 520 F.2d at 511.

344. *Id.* at 514-15.

creators of the first authorized the creation of the second. For example, in *Universal City Studios v. Nintendo*,³⁴⁵ the plaintiff claimed that defendants' video game, Donkey Kong, violated certain rights it had in the character King Kong. The District court found that even if King Kong possessed secondary meaning in association with Universal,³⁴⁶ there was no likelihood that purchasers would be confused as to the source of Donkey Kong. In the game, players try to maneuver a figure, Mario the Carpenter, up a structure of girders and ramps while avoiding obstacles such as cement tubs, barrels and beams, in order to free a woman from the hands of a large gorilla. This nonsexual, comical gorilla was different from the ferocious and sexually oriented King Kong. Given the weakness of plaintiff's mark, the difference in concept and feel of the two gorillas, and the lack of actual confusion, the court found no reasonable jury could find a likelihood of confusion.³⁴⁷ It granted the defendants summary judgment on plaintiff's claims, including those under section 43(a) of the Lanham Act and unfair competition. The court of appeals³⁴⁸ affirmed, saying that the characters and stories in King Kong and Donkey Kong were so different that no question of fact was presented on the issue of likely consumer confusion. Donkey Kong had a totally different concept and feel from King Kong, with "nothing in common but a gorilla, a captive woman, a male rescuer and a building scenario."³⁴⁹

If neither the name or appearance of a character is used, a claim of unfair competition or trademark infringement will ordinarily fail. Less tangible qualities, such as physical abilities and personality traits, have been found to be incapable of achieving "that fixture or consistency of representation that would seem necessary to constitute a symbol in the public mind."³⁵⁰ When such fixed symbols are not used and there is no substantial similarity between characters, there is little basis for a find-

345. 578 F. Supp. 911 (S.D.N.Y. 1983), *aff'd*, 746 F.2d 112 (2d Cir. 1984).

346. The Court found that there was no such secondary meaning. *See supra* notes 322-27 and accompanying text.

347. *Id.* at 929.

348. *Universal City Studios v. Nintendo Co.*, 746 F.2d 112 (2d Cir. 1984).

349. *Id.* at 117. Thus, Universal's claim could not stand without some indication of actual confusion or a survey of consumer attitudes under actual market conditions. *Id.* The court also found no likely confusion because of the names. Kong and King Kong were widely used and associated by the general public with "apes and other objects of enormous proportion" and Donkey and King were completely dissimilar. *Id.* In a later development in the same case, the district court found that Universal's *Tiger* videogame infringed Nintendo's *Donkey Kong* because the tone and feel of *Donkey Kong* was closely replicated in *Tiger*. *Universal City Studios v. Nintendo Co.*, 615 F. Supp. 838 (S.D.N.Y. 1985). Nintendo also was awarded damages on its claim for tortious interference with contract, punitive damages, and attorneys fees. *Id.* at 841.

350. *DC Comics v. Filmation Assocs.*, 486 F. Supp. 1273, 1277 (S.D.N.Y. 1980). *See also Universal City Studios v. Nintendo Co.*, 578 F. Supp. 911, 924 (S.D.N.Y. 1983), *aff'd*, 746 F.2d 112 (2d Cir. 1984).

ing of likely consumer confusion.³⁵¹ A general similarity between the characters in plaintiff's and defendant's works is not likely to confuse consumers into believing the characters originated from the same source.

For example, the publisher of a comic book called *Archie* brought suit against the publisher of the comic books *Stevie* and *Mortie*,³⁵² alleging that the similarity between the characters indicated that the defendants were attempting to trade on the success of plaintiff's product. The characters were similar to one another in their general nature and relationships, but did not share the same appearance or names. Therefore, the court found no unfair competition or copyright infringement. In *Smith v. Weinstein*,³⁵³ the plaintiff, who had written treatments and a screenplay concerning a prison rodeo, brought suit against the creators of the film *Stir Crazy*, which also involved a prison rodeo. With respect to plaintiff's copyright claim, the court found that there was no substantial similarity as a matter of law. With respect to plaintiff's unfair competition claim, the court granted the defendant summary judgment and stated:

Given the lack of similarity in the parties' respective works and the industry practice of according conspicuous screen credit to the actual authors, plaintiff's unsupported assertion that his name had acquired a secondary meaning as the originator of the prison rodeo movie concept, and that viewers of

351. See, e.g., *Warner Bros. v. American Broadcasting Cos.*, 720 F.2d 231, 246-47 (2d Cir. 1983). Because the basis for alleged confusion was the similarity between the plaintiff's and defendant's works, "[a] visual comparison of the Superman works with the Hero series and promos establishes as a matter of law a lack of substantial similarity that would create a likelihood of confusion as to source"; *Durham Indus. v. Tomy Corp.*, 630 F.2d 905, 918 (2d Cir. 1980) ("absence of substantial similarity leaves little basis for asserting a likelihood of consumer confusion or passing off"); *Smith v. Weinstein*, 578 F. Supp. 1297 (S.D.N.Y. 1984), *aff'd mem.*, 738 F.2d 419 (2d Cir. 1984) (see *infra* note 354 and accompanying text); *Warner Bros. v. American Broadcasting Cos.*, 523 F. Supp. 611, 618 (S.D.N.Y. 1981), *aff'd* 654 F.2d 204 (2d Cir. 1981) ("ordinary observer/substantial similarity test that the court applied in considering plaintiff's copyright infringement claim . . . is very close to the standard used in unfair competition cases"). Cf. *Litchfield v. Spielberg*, 736 F.2d 1352, 1357-58 (9th Cir. 1984), *cert. denied*, 105 S. Ct. 1753 (1985) (although the court had not yet decided whether reverse passing off is limited to bodily appropriation or extends to substantial similarity as well, there could be no reverse passing off under § 43(a) if substantial similarity is lacking); *United Artists Corp. v. Ford Motor Co.*, 483 F. Supp. 89, 96-97 (S.D.N.Y. 1980).

352. *Archie Comic Publications, Inc. v. American News Co.*, 204 Misc. 1060, 125 N.Y.S.2d 919 (Sup. Ct. 1953), *aff'd mem.*, 283 A.D. 868, 129 N.Y.S.2d 915 (App. Div. 1954). The court cited both unfair competition and copyright cases, and did not distinguish between the requirements for the two claims. Perhaps this was because it found that "an appropriation of the general idea is not unfair competition unless it goes to the extent of violating a copyright." 129 N.Y.S.2d at 922. Appropriation of a general idea is not a copyright violation. See *supra* note 83.

353. 578 F. Supp. 1297 (S.D.N.Y.), *aff'd mem.*, 738 F.2d 419 (2d Cir. 1984).

defendant's work could be confused as to origin fails to raise a genuine dispute of material fact.³⁵⁴

Similarly, when a local radio station tried to prevent its former employee, Giannoulas, from wearing a chicken suit, the court found there was no unfair competition.³⁵⁵ Giannoulas had made public appearances as a character known as the KGB chicken. After his relationship with KGB ended, the station sought to prevent him from making local appearances in a chicken suit, although he did not wear the KGB logo or imply that he represented KGB. The court noted that unlike the Lone Ranger, who is a well defined character with a name, specific garb and appearance, Giannoulas' performance followed no set script and his antic chicken depended for its life on individual performances.³⁵⁶ Although KGB may have an exclusive right to the KGB chicken, bearing the KGB insignia and colored in a particular manner, chicken suits were already in common use before the KGB chicken came on the scene and ought not be subject to exclusive monopoly.³⁵⁷

The law of trademarks and unfair competition is not an alternative basis for protecting a character as literary property. Copyright protects creative expression, which allows the public to benefit from the labor of authors. It is not necessary to provide additional incentives, under the law of trademarks and unfair competition, to persuade authors to create or to encourage investment in the production of original expression.

When using the name or other identifying indicia of a character is likely to confuse the public and lead to the appropriation of good will, however, trademark and unfair competition provide a more flexible form of protection than copyright. Unlike copyright, it does not provide protection for a fixed term, but only as long as a character or its

354. *Id.* at 1307. See also *Litchfield v. Spielberg*, 736 F.2d 1352 (9th Cir. 1984), *cert. denied*, 105 S. Ct. 1753 (1985); *Universal City Studios v. Nintendo Co.*, 578 F. Supp. 911, 924 n.4 (S.D.N.Y. 1983), *aff'd.*, 746 F.2d 112 (2d Cir. 1984).

355. *KGB v. Giannoulas*, 104 Cal. App. 3d 844, 164 Cal. Rptr. 571 (Ct. App. 1980).

356. *Id.* at 851, 852 n.3, 164 Cal. Rptr. at 579.

357. *Id.* Similarly, in *Reddy Kilowatt v. Mid-Carolina Elec. Coop.*, 240 F.2d 282 (4th Cir. 1957), the court found that the plaintiff could not monopolize all characters and symbols that suggest electricity. Plaintiff's Reddy Kilowatt was an animated cartoon figure that consisted of a body of jagged lines, simulating lightning, a rounded head with a lightbulb nose, and plug-in socket ears. The defendant's, Willie Wirehead had hips and legs shaped like an electric wall plug, a body like an electric wire, and a head like a socket with a push button nose. Both were humanized, animated symbols of electricity. The court found that the two characters were of the same type and suggestive of one another. Because the characters were easily distinguishable, however, it found no infringement.

Whatever property the plaintiff has resides in the figure itself, which it has created, and not in the . . . activity in which the plaintiff sees fit to place it. The plaintiff has no monopoly on the thousands of situations which it has chosen to depict, for otherwise no other personalized figure in the electrical field would have any validity.

Id. at 286.

distinctive elements continue to signify a single source to the public. Also, unlike copyright protection, which exists as soon as the work containing the character is fixed,³⁵⁸ protection under trademark and unfair competition is granted only when a newcomer's use of the plaintiff's character is likely to cause public confusion. The remedies provided under the law of trademarks and unfair competition are also more flexible than those provided by the copyright statute. The court may forbid the use of a character, its name, or some other indicia, but less drastic remedies are possible. For example, a new author may be permitted to use the character, but only if she takes steps to distinguish her work from the original author's work.³⁵⁹

Thus, when there is a real likelihood of confusion as to source, the doctrine of trademarks and unfair competition will protect the public and the author's good will, and allow authors some control over their creations' use, even if that creation is not copied sufficiently for copyright infringement. The flexibility provided by the doctrine of trademarks and unfair competition should lessen the likelihood that new authors will be prevented, unnecessarily, from using the elements of the world around them in their works. However, the nondeceptive use of characters or their indicia should not be prevented. Protecting fictional characters from appropriations that do not amount to substantial takings of expression creates little additional incentive to create. Any incentive that may be added is outweighed by the danger that too much will be removed from the public domain.³⁶⁰

D. Commercial Products

The names, images and other indicia of well-known characters are frequently exploited in connection with a wide range of merchan-

358. 17 U.S.C. § 102(a) (1982 & Supp. 1985).

359. In an effort to avoid public confusion, courts may require labeling or distinguishing language rather than forbid the use of a mark. 2 J. MCCARTHY, *supra* note 261, § 30:3. See *Spring Mills, Inc. v. Ultracashmere House, Ltd.*, 724 F.2d 352 (2d Cir. 1983); *Warner Bros. Pictures Corp. v. Majestic Pictures Corp.*, 70 F.2d 310 (2d Cir. 1984); *Hospital for Sick Children v. Meldoy Fair Dinner Theater*, 516 F. Supp. 67 (E.D. Va. 1980); *Mushroom Makers, Inc. v. R.G. Barry Corp.*, 441 F. Supp. 1220 (S.D.N.Y. 1977), *aff'd*, 580 F.2d 44 (2d Cir. 1978), *cert. denied*, 439 U.S. 1116 (1979); *Geisel v. Poynter Products, Inc.*, 295 F.Supp. 331 (S.D.N.Y. 1968). See also *infra* notes 479-82 and accompanying text. Distinguishing language, however, is often considered insufficient to avoid the likelihood of public confusion. See *Gilliam v. American Broadcasting Cos.*, 538 F.2d 14 (2d Cir. 1976); *Boston Pro. Hockey Ass'n v. Dallas Cap & Emblem Mfg., Inc.*, 510 F.2d 1004 (5th Cir.), *cert. denied*, 423 U.S. 368, *reh'g denied*, 423 U.S. 991 (1975); *Edgar Rice Burroughs, Inc. v. Manns Theaters*, 195 U.S.P.Q. (BNA) 159 (C.D. Cal. 1976). The scope of the injunction to be entered "depends on the manner in which plaintiff is harmed, the possible means by which that precise harm can be avoided, the viability of the defenses raised, and the relative inconvenience that would be caused to defendant by each of the several means of avoidance." 2 J. MCCARTHY, *supra* note 261, § 30:3.

360. See *infra* notes 423-71 and accompanying text.

dise,³⁶¹ and have been used in "extensive licensing programs to promote everything from children's toys to fast food restaurants."³⁶² In 1978, the licensing of cartoon characters yielded 65.3 million dollars.³⁶³ Product licensing may sometimes be more profitable than the fictional work from which the character is derived.³⁶⁴ It is important to determine to what extent a character's creator should be able, apart from copyright, to control and profit from such exploitation.

When a character's name, likeness or other identifying traits are used in marketing a product, they are often a part of the product itself, rather than simply a means to distinguish the product from others and indicate its origin. The popularity of the character or the work in which it appeared may create the demand for the product. However, consumers will not necessarily believe that the character's creators sponsored or authorized this additional use. The public may identify the merchandise with the work or character, but expect that similar products will come from a variety of sources.³⁶⁵ When consumers purchase a mug bearing the words "E.T. Phone Home," they are likely to associate the phrase with the film *E.T.—The Extraterrestrial*. They may not, however, believe that the makers of the film authorized the mug's production, but rather that any number of manufacturers will be taking advantage of the film's popularity to sell mugs. Protection for the indicia of characters, used on merchandise, has often depended on the way a court interprets the relationship between public identification and public confusion as to source.

In some cases, courts have denied protection although defendants have sought to capitalize on the plaintiff's character and the defendant's merchandise is likely to be associated with that character. Toho, Co., the producer of the *Godzilla* movies,³⁶⁶ tried to stop Sears from using the name "Bagzilla" and a humorous caricature of a reptilian monster on its garbage bags, together with the slogan "monstrously strong bags." Although the defendant's monster was reminiscent of plaintiff's, and may have been intended to capitalize on plaintiff's mark,³⁶⁷ the court denied relief. The court emphasized that Sears sold garbage bags

361. *Universal City Studios v. J.A.R. Sales*, 1982 COPYRIGHT L. DECISIONS (CCH) ¶ 25,460, at 17,745 (C.D. Cal. 1982).

362. *Conan Properties v. Conans Pizza*, 752 F.2d 145, 150 (5th Cir. 1985). See also *Grimes & Battersby*, *supra* note 59, at 431.

363. *Id.* at 436 (citing Johnson, *The Cartoon Creature as Salesman: Better Than Ever*, N.Y. Times, Feb. 11, 1979, at F3, col. 1).

364. *Warner Bros. v. Gay Toys*, 658 F.2d 76, 79 (2d Cir. 1981).

365. See *In re DC Comics*, 689 F.2d 1042, 1051 (C.C.P.A. 1982) (Nies, J., specially concurring).

366. *Godzilla* is a fictitious, gigantic, green, lizard-like monster. *Toho Co. v. Sears Roebuck & Co.*, 645 F.2d 788, 789 (9th Cir. 1981).

367. *Id.* at 791 n.2.

while Toho provided literary works and toys; Sears used the name Bagzilla, not Godzilla, and puts its name prominently on the package; the two creatures looked different, and one was a humorous caricature; the marketing channels were different; and Sears did not intend to confuse, but only to make a pun.³⁶⁸ Thus, there was no likelihood of confusion as to source or sponsorship.³⁶⁹

When the producer of the motion picture *Star Wars* and its licensee, Kenner Products, sought to prevent Ideal Toys from making and marketing toys³⁷⁰ that they claimed were confusingly similar to certain *Star Wars* characters, the robots C-3PO and R2-D2 and the villainous Darth Vader,³⁷¹ the court denied them a preliminary injunction. Although Ideal's toys, the robots Zeroid and Zem-21, and the villainous Knight of Darkness were not physically identical to the *Star Wars* characters, there were major similarities.³⁷² Each trio consisted of a small non-humanoid robot with a dome-shaped top, a humanoid robot made of metal, and a large black-colored villain. Although Ideal did not sell its toys as a single unit, it marketed them together under the

368. *Id.* at 793-94, 790-91.

369. *Id.* at 793. See *DC Comics v. Reel Fantasy, Inc.*, 539 F. Supp. 141 (S.D.N.Y.), *rev'd*, 696 F.2d 24 (2d Cir. 1982), where the plaintiff was the owner of all trademarks and copyrights relating to a variety of comic strip characters, including Batman, whose secret hideout was known as the Batcave. Defendant used the name Batcave as the name of its retail bookstores and mail order business, which sold books, comic books, and movie memorabilia. The district court said, with remarkable credulity, that defendants may not have sought to capitalize on the fame of Batman, because they claimed that they picked the name Batcave to capitalize on the subterranean location of the store. It found no likelihood that an appreciable number of purchasers would be misled or confused as to source, and granted summary judgment to defendant. The court of appeals reversed, 696 F.2d 24 (2d Cir. 1982), noting that customers might well believe that the bookstores were official Batman stores operated or sponsored by the creators or publishers of the Batman comic books, and that an affidavit was presented as evidence that a consumer did associate the store with Batman. *Id.* at 27.

370. *Ideal Toy Corp. v. Kenner Prods.*, 443 F. Supp. 291 (S.D.N.Y. 1977). Ideal commenced the action, seeking a declaration that its production and distribution of these toys did not infringe any rights possessed by Twentieth Century Fox, the producers of the film *Star Wars*, or by the Kenner Prods. Div. of Gen. Mills Fun Group, Inc., the holder of a license from Fox to produce toys based on characters from the film. The defendants filed a counterclaim, seeking injunctive and monetary relief and moved for a preliminary injunction, which the court denied.

371. R2-D2 is a small robot of non-humanoid appearance, consisting of a cylindrical, whitish body, with a dome-shaped silver metal top which swivels and is equipped with computer lights and a radar eye. C-3PO is a humanoid robot of gold-colored metal, who often accompanies R2-D2. Darth Vader is a large malevolent figure dressed entirely in black, with flowing black robes, and a face entirely masked by an angular breath screen. *Id.* at 297-98.

372. Zeroid, like R2-D2, is a small round computer-type metallic robot with a domed top and two appendages. Zeroid, however, is gray, rather than white, is thinner than R2-D2, and moves on treads rather than appendages. Zem-21, like C-3PO, is a humanoid robot made of metal. Zem-21, however, is silver in color rather than gold, sports a rather grotesque green head rather than a gold colored head, and is more supple than C-3PO. The Knight of Darkness, like Darth Vader, is large and black-colored, with capes and helmets. The Knight differs from Darth Vader in that his head is round and simple in line, his torso is covered with a silver-metallic tunic, and he carries a ray-gun rather than Darth Vader's light saber. *Id.* at 303.

trademark "Star Team" and each toy's packaging included pictures of all three.³⁷³ Ideal admitted that it was seeking to capitalize as quickly as possible on the space toy fad, which had been created, at least in part, by the popularity of *Star Wars*.³⁷⁴ A survey introduced by Kenner showed that approximately sixty percent of the people interviewed associated Ideal's toys with the movie *Star Wars*.³⁷⁵

Nevertheless, the court found that Kenner had failed to show probable success on the merits of its unfair competition claim under the common law or section 43(a) of the Lanham Act. Ideal had used its own trade names and not names taken from the movie. The visual similarity between the Ideal toys and the movie characters was insufficient to create a misimpression of sponsorship by or derivation from *Star Wars*. Although there was "little doubt that these figures will call to mind the movie, particularly since they are lifeless figures to which any observer can attach the attributes of the *Star Wars* characters without fear of contradiction,"³⁷⁶ Ideal's toys did not bear so striking a resemblance to the movie's characters that the public would be confused as to the identity of the products.³⁷⁷ The majority of those surveyed associated the toys with the movie, but the fact that the toys looked like or reminded someone of the movie "does not mean that the prospective purchaser thinks that the toys are derived from the movie or 'sponsored' by the movie."³⁷⁸

Other courts have been more willing to assume a likelihood of confusion when the defendant has exploited the demand created by the plaintiff. In the *Wyatt Earp* case,³⁷⁹ the court granted plaintiff a preliminary injunction restraining the defendant from manufacturing and selling children's playsuits under the name Wyatt Earp, although that was the name of a not entirely fictitious character. The plaintiff was the producer of a successful television series entitled "The Life and Legend of Wyatt Earp," which was very loosely based on the historical Earp. The court said that even a name out of history may be protected if it connotes a single source of the goods to which it is applied. The court emphasized that the commercial value the name Wyatt Earp enjoyed was due almost entirely to the television program, and that the defendant's outfits were very similar to the one worn by the television character and

373. *Id.* at 297. All three figures appear on the packaging for each figure, together with the name of the figure and the trademark "Star Team," as well as the name "Ideal."

374. *Id.* at 294.

375. *Id.* at 299.

376. *Id.* at 305.

377. *Id.* at 306. The court also found that Ideal, by the entirety of its merchandising efforts, had not sought to mislead the public into thinking that its toys were sponsored by, or derived from, *Star Wars*. *Id.* at 307.

378. *Id.* at 308.

379. *Wyatt Earp Enters. v. Sackman, Inc.*, 157 F. Supp. 621 (S.D.N.Y. 1958).

were characterized as “official.”³⁸⁰ It found that the public was “moved to buy merchandise because of an identification with the name ‘Wyatt Earp’ as developed by the plaintiff’s television program,” and that the public was likely to believe, “erroneously that [defendant’s] playsuits were licensed or sponsored by the plaintiff, to the injury of the plaintiff’s good will and to the hazard of its reputation.”³⁸¹

The court in *Universal City Studios v. Kamar Industries*,³⁸² reached a similar result. In that case the producers of the motion picture *E.T.—The Extra Terrestrial* sued the manufacturer of mugs, bearing the inscriptions “I Love E.T.” and “E.T. Phone Home.” The court found that the defendant’s use of these key phrases from the motion picture including the name E.T., on its products was likely to confuse the public into believing that they were sponsored, approved or licensed by the plaintiffs. The testimony of defendant’s president that defendant intended to capitalize on the E.T. fad,³⁸³ and to trade on the good will and public recognition of the *E.T.* movie and character, created “a presumption of likelihood of confusion as to the association or connection between the defendant’s products and Universal’s motion picture.”³⁸⁴ The fact that Kamar identified itself as the manufacturer on its products did not dispel this likely confusion.³⁸⁵

In another *E.T.* case, the defendants were preliminarily enjoined from selling dolls that looked like the character E.T.³⁸⁶ The court found that the physical appearance of E.T. had acquired a secondary meaning connecting and associating it with Universal and the motion picture.³⁸⁷ It was “common practice in the entertainment industry to exploit commercially the popularity of well-known motion picture and television personalities and characters in connection with a wide range of merchandise, and the public has come to expect such exploitation.”³⁸⁸ In view of the success and popularity of the motion picture and the extensive campaign to merchandise authorized E.T. products,

380. Defendant had been previously licensed by plaintiff to use the name and the likeness of the star of plaintiff’s television series on its playsuits. When the agreement was not renewed, the defendants continued to use the name, but stopped using the likeness. *Id.*

381. *Id.* at 625.

382. 1982 COPYRIGHT L. DECISIONS (CCH) ¶ 25,452 (S.D. Tex. 1982).

383. *Id.* at ¶ 17,684.

384. *Id.* at ¶ 17,686.

385. *Id.*

386. *Universal City Studios v. J.A.R. Sales*, 1982 COPYRIGHT L. DECISIONS (CCH) ¶ 25,460 (C.D. Cal. 1982). *See also* *United Features Syndicate v. Sunrise Mold Co.*, 569 F. Supp. 1475 (S.D. Fla. 1983), where defendants’ manufacture and sale of plastic molds in the likeness of the Peanuts characters was found likely to confuse, mislead and deceive the public as to the origin of those molds.

387. *Id.* at ¶ 17,744.

388. *Id.* at ¶ 17,745.

there was a likelihood of confusion as to the source or sponsorship of the defendant's dolls.³⁸⁹

The cases that most clearly illuminate the problem of distinguishing between public identification and public confusion involve the General Lee, an orange 1969 Dodge Charger with a confederate flag on the roof and the numerals 01 on the door.³⁹⁰ The General Lee was featured prominently in the television series "The Dukes of Hazzard," produced by Warner Brothers. Companies that had manufactured toy cars for a number of years modified their cars to make them similar to the General Lee in order to benefit from the consumer demand the television series created for such toys. Children often bought the toy car—or induced their parents to buy it—as a prop that would allow them to play act the adventures of the "Duke Boys."³⁹¹ However, the toy manufacturers gave the cars different names and did not claim any association with the television series or its producer.

The toy car in *Processed Plastics Co. v. Warner Communications, Inc.*,³⁹² the PPC Rebel, was bright orange in color, with a confederate flag affixed to the roof and the numerals 07 on the two side doors. The court found that the association of the PPC Rebel with the "Dukes of Hazzard" television show was sufficient to establish secondary meaning because the toy cars were associated with a single source, the television series sponsored by Warner. The court also found that the survey conducted by Warner indicated that at least some consumers were confused and that PPC's admission that it had deliberately copied the General Lee to capitalize on the popularity of the television show was an important factor. "In instances of intentional copying the second comer is generally presumed to have intended to create a confusing similarity of appearance and to have succeeded in doing so."³⁹³ The court granted Warner a preliminary injunction.

In the other case involving the General Lee,³⁹⁴ Warner Brothers sued the manufacturer of the Dixie Racer, an orange 1969 Dodge Charger toy car with a confederate flag decal and the numerals 10 on the door.³⁹⁵ The district court had denied plaintiff's motion for a preliminary injunction, saying that purchasers of the Dixie Racer were not

389. *Id.* at ¶ 17,747.

390. *Processed Plastic Co. v. Warner Communications, Inc.*, 675 F.2d 852 (7th Cir. 1982); *Warner Bros. v. Gay Toys*, 658 F.2d 76 (2d Cir. 1981).

391. *Processed Plastic Co. v. Warner Communications, Inc.* 675 F.2d 852, 856 (7th Cir. 1982); *Warner Bros. v. Gay Toys*, 658 F.2d 76, 79 (2d Cir. 1981).

392. 675 F.2d 852 (7th Cir. 1982).

393. *Id.* at 857.

394. *Warner Bros. v. Gay Toys*, 658 F.2d 76 (2d Cir. 1981).

395. When Gay Toys customers complained that the numerals were reversed, Gay Toys would send them labels of a "1" and a "0," telling the customers to attach the numbers as they saw fit. *Warner Bros. v. Gay Toys*, 724 F.2d 327 (2d Cir. 1983).

concerned with who manufactured the car or whether it was sponsored by the producer of the television series.³⁹⁶ The court of appeals reversed, finding a sufficient likelihood of confusion as to the toy car's source. The court said that the defendant had deliberately used the bright orange color, the confederate decal and the door numerals to capitalize on the demand created by the television series and to divert business to itself by misleading consumers about the Dixie Racer's source and sponsorship.³⁹⁷ It added that any "lingering doubt" was dispelled by Warner's survey, which showed that eight out of ten children "responded immediately to the 'Dixie Racer' as the 'General Lee' or 'The Dukes of Hazzard Car' and the affidavit which confirms that retailers sold the 'Dixie Racer' as 'The Dukes of Hazzard Car.'" ³⁹⁸

On remand the district court, in an opinion that made clear its disagreement with the court of appeals, reluctantly granted the plaintiff summary judgment.³⁹⁹ The district court noted that children's desire to act out the parts of characters appearing in successful children's television programs leads to a market for toys that would assist the children in pursuing this desire. Therefore, the legal question to be answered was "whether or not a television producer should be entitled—in addition to whatever direct revenue it may obtain by selling its program to networks and independent stations—to exploit such demand for toy imitations by restricting their distribution to their own licensees."⁴⁰⁰ The district court's own analysis focused on whether children care about a toy's sponsorship. The court said that the court of appeals had "conclusively presumed—from the conceded fact that the facsimilies manufactured by the defendant are immediately associated by children with plaintiff's show—both the desire of the plaintiff's audience for sponsored toys and the deliberate creation by defendant of sufficient confusion to warrant invocation of the protection of the Lanham Act."⁴⁰¹ If, however, the factual basis for this presumption were to be explored, the inquiry would be whether consumers would, if fully advised of the facts, "demand sponsored toys, or . . . prefer the lower prices presumably

396. 658 F.2d at 78.

397. *Id.*

398. *Id.* at 79. The court also noted that Warner Brothers had licensed other toy manufacturers to produce authorized replicas of the General Lee, and that this was the custom and practice of the industry. Indeed, in the case at issue, "product licensing arrangements were ultimately more profitable than the T.V. series itself." *Id.*

399. *Warner Bros. v. Gay Toys*, 553 F. Supp. 1018 (S.D.N.Y.), *aff'd*, 724 F.2d 327 (2d Cir. 1983).

400. *Id.* at 1019. The court added that the question is, "[i]n other words, whether—in the absence of copyright, trademark or patent protection—a producer can be granted a monopoly over any market created by the popularity of its show." *Id.* The court read the opinion of the court of appeals as "adopting the position that a television producer is entitled to monopolize any market created by the popularity of its shows." *Id.* at 1021.

401. *Id.* at 1020.

made available by unlimited competition and the elimination of the producer's royalty."⁴⁰²

The court of appeals affirmed,⁴⁰³ but disagreed vigorously with the district court's analysis, particularly its focus on consumer motivation. The appellate court's opinion would have been less troublesome if it had simply stated that confusion as to source may exist even if consumers do not care about a product's source.⁴⁰⁴ However, the court seemed to say that the plaintiff need not show any likelihood of confusion at all. The court said it was sufficient if consumers bought the toy car because of its identification with the television series, even though "there was no showing that consumers believed that the toy cars marketed by Gay Toys were sponsored or authorized by Warner's."⁴⁰⁵

Those who create fictional characters do not possess an inalienable right to capture the market for lunchboxes, mugs, T-shirts and toys. The assumption that public recognition is equivalent to a likelihood of confusion is unwarranted.⁴⁰⁶ Even if the defendant's merchandise is associated with the plaintiff's character or the work in which it appeared, there may be no confusion as to its source. It cannot be assumed that consumers believe any use of a well-known character means

402. *Id.* at 1020 n.4.

403. *Warner Bros. v. Gay Toys*, 724 F.2d 327 (2d Cir. 1983).

404. Courts sometimes discuss the likelihood of public confusion in terms of consumer motivation, asking whether the public is moved to buy because of an item's source. *See, e.g.*, *American Footwear Corp. v. General Footwear Co.*, 609 F.2d 655 (2d Cir. 1979); *Superior Models, Inc. v. Tolkien Enters.*, 211 U.S.P.Q. (BNA) 587 (D. Del.), *modified*, 211 U.S.P.Q. (BNA) 876 (D. Del. 1981). The issue, however, is not whether purchasers are moved to buy an article because of its source. "[T]he primary objective of purchasers is to obtain particular goods, not to seek out particular sources or producers, as such." *In re DC Comics, Inc.*, 689 F.2d 1042, 1054 (C.C.P.A. 1982) (Nies, J., specially concurring). *See Warner Bros. v. Gay Toys*, 724 F.2d 327 (2d Cir. 1983). The use of a motivation test in *Anti-Monopoly, Inc. v. General Mills Fun Group*, 684 F.2d 1316 (9th Cir. 1981) in finding the trademark "Monopoly" invalid as a generic term, was legislatively overruled. "The primary significance of the registered mark to the relevant public rather than purchaser motivation shall be the test for determining whether the registered mark has become the common descriptive name of goods or services. . . ." Trademark Clarification Act of 1984, Pub. L. No. 98-620, 1984 U.S. CODE CONG. & AD. NEWS (98 Stat.) 3335.

405. *Warner Bros. v. Gay Toys*, 724 F.2d 327, 333-34 (2d Cir. 1983).

406. The assumption that recognition of a symbol is the equivalent of likely public confusion has not been limited to cases involving characters. In *Boston Pro. Hockey Ass'n v. Dallas Cap & Emblem Mfg.*, 510 F.2d 1004 (5th Cir.), *cert. denied*, 423 U.S. 368, *reh'g denied*, 423 U.S. 991 (1975), the defendant marketed embroidered emblems depicting the symbols of National Hockey League teams. The court said:

The confusion or deceit requirement is met by the fact that the defendant duplicated the protected trademarks and sold them to the public knowing that the public would identify them as being the teams' trademarks. The certain knowledge of the buyer that the source and origin of the trademark symbols were in plaintiffs satisfies the requirement of the act. The argument that confusion must be as to the source of the manufacture of the emblem itself is unpersuasive, where the trademark, originated by the team, is the triggering mechanism for the sale of the emblem.

Id. at 1012.

its creators sponsored or approved of it. Consumers will not necessarily believe that children's playsuits, bearing the name Wyatt Earp, are licensed by the producers, at least if the suits are not labelled "official." Those who associate the phrases "I Love E.T." and "E.T. Phone Home" with the film and character *E.T.* will not inevitably assume that mugs bearing these inscriptions were sponsored or authorized by the film's producers. Although consumers undeniably purchase toy cars that look like the General Lee so that their children may play at being Dukes of Hazzard, this is not equivalent to confusion as to source. In *Processed Plastic*,⁴⁰⁷ even the plaintiff's survey showed that many more people identified the defendant's toy car with the "Dukes of Hazzard" television series than believed that the toy was sponsored or authorized.⁴⁰⁸

Nor is the fact that a defendant intentionally copied from the plaintiff and sought to capitalize on the demand the plaintiff created convincing evidence of a likelihood of public confusion. When a merchant, who has open to him a vast field of potential trademarks, chooses to copy from a competitor, courts often infer that he sought to pass off his goods as those of his competitor and was likely to succeed in doing so.⁴⁰⁹ Those who use a character or its indicia on merchandise, however, have other reasons for copying than a desire to gain sales by confusing the public. They may copy to take advantage of a fad, or a public desire to purchase merchandise associated with successful works of fiction, without inducing or seeking to induce public confusion about the merchandise's source.

Furthermore, it may be possible to protect product differentiation without granting exclusive merchandising rights. For example, the unauthorized version of the General Lee could be required to compete with the authorized version, with the source of each clearly marked. Consumers might well be able to distinguish each product's source. However, by expanding the scope of protection under the law of trademarks and unfair competition, courts may be creating a likelihood of public confusion where none existed before. Several courts have noted that the public has come to expect the exploitation and licensing of well-known characters.⁴¹⁰ If courts continue to provide protection so that only a single authorized version may be marketed legally, this may af-

407. *Processed Plastic Co. v. Warner Communications*, 675 F.2d 852 (7th Cir. 1982).

408. *Id.* at 855. Eighty-two percent of those surveyed—children between the ages of 6 and 12—identified the car as the "Dukes of Hazzard" car while fifty-six percent believed it was "sponsored or authorized by the 'Dukes of Hazzard' television program."

409. 2 J. MCCARTHY, *supra* note 261, at § 23:35.

410. *Conan Properties v. Conans Pizza*, 752 F.2d 145 (5th Cir. 1985); *Warner Bros. v. Gay Toys*, 658 F.2d 76, 79 (2d Cir. 1981); *Universal City Studios v. J.A.R. Sales*, 1982 COPYRIGHT L. DECISIONS (CCH) ¶ 25,460 at 17,745 (C.D. Cal. 1982).

fect the public's perception. Consumers may come to believe that any use of a character on a product indicates approval or sponsorship. If others are permitted to offer unauthorized merchandise, however, so that a variety of versions compete for public acceptance, any public belief that such products are sponsored or authorized will be undermined.⁴¹¹

However, a refusal to protect characters from unauthorized use on merchandise should not be based on the doctrine of functionality. This doctrine states that if a feature of a product gives the product more utility or contributes to economy of manufacture, the feature is functional and not protectible as a trademark or under the law of unfair competition, even if it does serve as an identifier of source.⁴¹² Such features do more than indicate source and symbolize good will, and depriving competitors of the right to copy these features would create too great a competitive advantage. A functional feature "is unlike those dispensable features of the particular brand that . . . rivals do not need in order to compete effectively. . . . To put this differently, a functional feature is one which competitors would have to spend money not to copy but to design around. . . ."⁴¹³

One of the manufacturers of toy replicas of the General Lee automobile suggested that the car's color and marking were functional, because they were essential to enable children to play act the "Dukes of Hazzard" with the car.⁴¹⁴ The court wisely rejected this argument.⁴¹⁵ The product had utility not because of any innate superiority in design or economy of manufacture, but because of its associations with the plaintiff's television program.⁴¹⁶ Nor should the court have applied the

411. See Denicola, *supra* note 249, at 170.

412. 1 J. MCCARTHY, *supra* note 249, § 7:26A. See 1 J. GILSON, *supra* note 257, § 2.13[3]; Fletcher, *The Defense of "Functional" Trademark Use: If What is Functional Cannot Be A Trademark, How Can A Trademark Be Functional*, 75 TRADEMARK REP. 249 (1985); Zelnick, *The Doctrine of "Functionality"*, 73 TRADEMARK REP. 128 (1983). See also *Inwood Laboratories, Inc. v. Ives Laboratories, Inc.*, 456 U.S. 844, 850-51 n.10 (1982) (a feature is functional if it is "essential to the use or purpose of the article or affects the cost or quality of the article"). For example, in *Kellogg Co. v. National Biscuit Co.*, 305 U.S. 111 (1938), the court found that the shape of Nabisco's Shredded Wheat biscuits could not be protected because their form was functional. "[T]he cost of the biscuit would be increased and its high quality lessened if some other form were substituted for the pillow-shape." *Id.* at 122.

413. *W.T. Rogers Co. v. Keene*, 778 F.2d 334, 339 (7th Cir. 1985).

414. *Warner Bros. v. Gay Toys*, 724 F.2d 327, 330 (2d Cir. 1983).

415. *Id.* The court found the argument paradoxical, because it was "precisely the fact that the symbols provide identification that make them 'functional.'" *Id.* at 330. The court then overstated the case, adding: "Carried to a logical conclusion, Gay Toys' argument would enlarge the functionality defense so as to eliminate any protection for any object, since presumably each feature of any object is designed to serve a particular 'function' in Gay Toys' sense of the term." *Id.*

416. See *Warner Bros. v. Gay Toys*, 724 F.2d 327 (2d Cir. 1983). See also, *In re DC Comics, Inc.*, 689 F.2d 1042 (C.C.P.A. 1982) where the court rejected the view that the design of a Superman doll was utilitarian because children who wanted to enact a Superman adventure "would simply not be satisfied with any doll that was not a replica of the appropriate character."

much disputed doctrine of aesthetic functionality.⁴¹⁷ The car's features were valued not for their intrinsic attractiveness but because of the associations created by plaintiff.⁴¹⁸

Manufacturers should be permitted to capitalize on a market or fad created by others, provided that they do so in a manner that does not confuse the public.⁴¹⁹ Those courts that have provided protection in the absence of a real likelihood of public confusion appear to be motivated by their concern that the defendant is being unjustly enriched. However, not every use of another's creation is wrongful or "unjust." A system that allows the non-confusing copying and exploitation of another's creations may achieve greater social utility and economic value than a system that forbids such activities.⁴²⁰ "[I]mitation is the life blood of competition. It is the unimpeded availa-

Id. at 1047. The court said: "Superiority in the utility or economy of manufacture of a doll is [not] connected to the use of the particular design of appellant's dolls or their costumes." *Id.* at 1048.

417. If goods are bought for their aesthetic appeal, forbidding others to copy the aesthetically appealing features may significantly hinder competition. See RESTATEMENT OF TORTS, § 742, comment a (1938). In *Pagliari v. Wallace China Co.*, 198 F.2d 339 (9th Cir. 1952), the court refused to enjoin Pagliero from copying the floral designs on Wallace's china plates, saying that functional "might be said to connote other than a trademark purpose. If the particular feature is an important ingredient in the commercial success of the product, the interest in free competition permits its imitation in the absence of a patent or copyright." *Id.* at 343. The concept of aesthetic functionality is not without difficulty. Ordinarily, a manufacturer will try to choose a pleasing symbol or design, and these features may serve a dual purpose, "one part of which is functional in the sense of making the product more attractive, and is distinct from identifying the manufacturer or his brand to the consumer." *W.T. Rogers Co. v. Keene*, 778 F.2d 334, 340 (2d Cir. 1985). Furthermore, the doctrine might provide a disincentive for the creation of attractive and appealing designs. See *In re DC Comics, Inc.*, 689 F.2d 1042, 1048-50 (C.C.P.A. 1982); *Keene Corp. v. Paraflex Indus.*, 653 F.2d 822, 825-27 (3d Cir. 1981). The doctrine has received a mixed reception from the courts and some criticism from the commentators. See 1 J. MCCARTHY, *supra* note 249, §§ 7.26(D),(E); Denicola, *supra* note 249; Duft, *Aesthetic Functionality*, 73 TRADEMARK REP. 151 (1983).

418. See *Warner Bros. v. Gay Toys*, 724 F.2d 327 (2d Cir. 1983); *In re DC Comics*, 689 F.2d 1042 (C.C.P.A. 1982); *Boston Pro. Hockey Ass'n v. Dallas Cap & Emblem Mfg.*, 510 F.2d 1004 (5th Cir.), *cert. denied*, 423 U.S. 868, *reh'g denied*, 423 U.S. 991 (1975). *But see International Order of Job's Daughters v. Lindeburg & Co.*, 633 F.2d 912 (9th Cir. 1980).

419. See *Toho Co. v. Sears Roebuck & Co.*, 645 F.2d 788, 791 n.2 (9th Cir. 1981); *International Order of Job's Daughters v. Lindeburg & Co.*, 633 F.2d 912, 919 (9th Cir. 1980); *American Footwear Corp. v. General Footwear Co.*, 609 F.2d 655, 662 (2d Cir. 1979), *cert. denied*, 445 U.S. 951 (1980); *Bi-Rite Enters. v. Button Master*, 555 F. Supp. 1188, 1195 (S.D.N.Y. 1983); *Universal City Studios v. Montgomery Ward & Co.*, 207 U.S.P.Q. (BNA) 852, 857 (N.D. Ill. 1980).

420. See *Bi-Rite Enters.*, 555 F. Supp. at 1194-95. In discussing the use of well-known trademarks on buttons, the court said:

Indeed, a system that permits nonconfusing copying may achieve greater social utility and wealth than a system that protects marks without a showing of confusion. The originator of a mark may in some circumstances lose far less in economic value because of copying by others than is gained by the copiers and the public. Copying enables one to sell the mark for a lower price than the originator is able or inclined to sell, thereby making the goods involved accessible to more consumers as the price is reduced. Indeed, the freedom to copy tends to create competition among copiers, and will drive down prices to the point where the marginal return on investment is merely adequate, thus

bility of substantially equivalent units that permits the normal operation of supply and demand to yield the fair price society must pay for a given commodity."⁴²¹ Granting one company a monopoly on the right to merchandise, or license the merchandising, of items bearing indicia of a character is costly.⁴²² When this monopoly is based on copyright, it may be justified by the interest in encouraging creativity. The competing interests of encouraging creativity by granting exclusive rights and maintaining the public domain have been carefully balanced in the copyright statute. When protection is not based on copyright, a monopoly must be justified on some other ground. If the creators of fictional characters are given exclusive merchandising rights, this may encourage investment in entertainment properties containing character elements capable of supporting a merchandising effort. Skewing investment to such properties is not a value for which legal protection need be provided.

IV. MISAPPROPRIATION AND DILUTION

The key question in unfair competition and trademark infringement is whether there is a likelihood of public confusion. Two other doctrines have sometimes been applied to protect characters outside copyright, even in the absence of likely public confusion—misappropriation and dilution.

A. Misappropriation

The Supreme Court's decision in *International News Service v. Associated Press*⁴²³ established the doctrine of misappropriation. The parties were competitors in the business of gathering news from around the world and selling it to subscriber newspapers. Associated Press (AP) complained that International News Service (INS) was taking news from bulletin boards and early editions of east coast papers served by

creating the broadest practicable public access to good and tending to prevent monopoly profits and prices.

Id.

421. *American Safety Table Co. v. Schreiber*, 269 F.2d 255, 272 (2d Cir.), *cert. denied*, 361 U.S. 915 (1959).

422. Professor Denicola has suggested that granting exclusive merchandising rights in famous trade symbols may be less costly than might be expected. Denicola, *supra* note 253, at 637-41. In particular, he notes that although royalties may raise manufacturing costs, and thus the price to the ultimate purchaser, there is elasticity in the demand for items decorated with famous names and symbols, and therefore the market may not permit manufacturers to pass through all of the royalty costs to purchasers. *Id.* at 640. Nevertheless, he recognizes that some increase in cost to consumers is likely. *Id.* at 641.

423. 248 U.S. 215 (1918).

AP, and selling it to their own western customers.⁴²⁴ The court found that AP was entitled to relief even in the absence of palming off, holding that INS' actions constituted an actionable misappropriation of the news gathered by AP.⁴²⁵ INS was "taking material that had been acquired by [AP] as a result of organization and the expenditure of labor, skill, and money, and . . . [INS] in appropriating it and selling it as its own is endeavoring to reap where it has not sown."⁴²⁶ By doing so, INS was "appropriating to itself the harvest of those who have sown."⁴²⁷ AP had no right to monopolize either the gathering or distribution of the news, and could not stop the public from using it. AP did, however, have a "quasi property" right in the news that gave it the right to prevent competitors from appropriating it, at least until its commercial value as news to AP had vanished.

The basic problem confronting the court was that INS was interfering with AP's business at the point where profit was to be made, and might end up destroying AP's business by destroying its profitability. By copying AP's news, INS would avoid the cost of news gathering and could charge a lower price for the same service.

Indeed, it is one of the most obvious results of defendant's theory that, by permitting indiscriminate publication by anybody and everybody for purposes of profit in competition with the news-gatherer, it would render publication profitless, or so little profitable, as in effect to cut off the service by rendering the cost prohibitive in comparison with the return.⁴²⁸

If AP was left unprotected it might stop producing that which was being appropriated. INS might end up killing the goose that lays the golden eggs.

The INS court did little to define the elements of a claim for misappropriation, and its outlines have remained unclear. Ordinarily, how-

424. During World War I, British censors had barred INS from using British facilities to send news to the United States. E. KITCH & S. PERLMAN, *LEGAL REGULATION OF THE COMPETITIVE PROCESS* 35 (3d ed. 1986).

425. AP had not copyrighted its stories and did not allege copyright infringement. Many of the stories were rewritten, and the news element in the stories was not subject to copyright. *International News Service*, 248 U.S. at 234. Even with respect to those stories that were not rewritten, copyright protection would have been difficult to retain, because if any of AP's subscribers had published a story without the appropriate copyright notice, the result would have been a forfeiture of AP's copyright. See Baird, *Common Law Intellectual Property and the Legacy of International News Service v. Associated Press*, 50 U. CHI. L. REV. 411, 412 n.5 (1984) (citing *Holmes v. Hurst*, 174 U.S. 82 (1899)).

426. *International News Service*, 248 U.S. at 239.

427. *Id.* at 239-240.

428. *Id.* at 241.

ever, three elements must be present.⁴²⁹ First, the "thing" allegedly appropriated, the "quasi property," must be created by a substantial investment of time, effort and money. Second, the defendant must appropriate this thing at little or no cost, thus "attempting to reap where it has not sown." Third, the plaintiff must be injured by the misappropriation, ordinarily by a diversion of profits. Both the nature of the thing that constitutes "quasi property" and the sort of appropriation that can be stigmatized as misappropriation remain hazily defined.

Although character protection cases have considered the misappropriation doctrine, the courts have applied the doctrine inconsistently. Some courts have been uncertain whether the doctrine should be recognized at all in character cases.⁴³⁰ In other cases involving characters, courts have mentioned "misappropriation,"⁴³¹ or referred to the defendant reaping where he has not sown,⁴³² but have based their decisions on whether there was a likelihood of public confusion.⁴³³ In a few cases, misappropriation has been recognized as a separate basis for liability, but has been used only as an alternate explanation of a decision

429. See 1 J. MCCARTHY, *supra* note 249, § 10:25; Comment, *The Misappropriation Doctrine After Sears-Compco*, 2 U.S.F.L. REV. 292, 295 (1968). Cf. Abrams, *Copyright, Misappropriation, and Preemption: Constitutional and Statutory Limits of State Law Protection*, 1983 SUP. CT. REV. 509, 513:

A rough working definition might be: Misappropriation is a business tort whose elements include the unauthorized taking of the results of another's efforts, typically the start up or development costs, in creating a valuable property and using them to provide a competitive product or service in such a way as to obtain an unfair cost saving in the relevant market without any infringement of the injured party's trade identify.

430. See *Conan Properties v. Conans Pizza*, 752 F.2d 145 (5th Cir. 1985) (Texas courts have not yet determined whether a cause of action for misappropriating merchandising property exists independent of common law trademark and unfair competition law); *Columbia Broadcasting Sys. v. DeCosta*, 377 F. 2d 315, 317-18 (1st Cir.), *cert. denied*, 389 U.S. 1007 (1967) (it is not certain that it is an actionable wrong "to appropriate and exploit the product of another's creative effort"). Cf. *Toho Co. v. Sears Roebuck & Co.*, 645 F.2d 788 (9th Cir. 1981) (plaintiff failed to make out a case for misappropriation drawn from "the *pre-Erie* doctrine of federal common law formulated in *International News Service v. Associated Press*. . . ." *Id.* at 794. This doctrine, which prohibits "substantial copying of another's commercial labors even where there is no likelihood of confusion," is not applicable in the absence of a substantial taking. The only taking alleged by Toho related to Sears' use of its trademark, and Toho had cited no cases extending the misappropriation doctrine to trademarks. *Id.*); *West v. Lind*, 186 Cal. App. 2d 563, 9 Cal. Rptr. 288 (1960) (Mae West argued that Lind's use of the name Diamond Lil was a "misappropriation for the commercial advantage of one person of a benefit or property right belonging to another." *Id.* at 568, 9 Cal. Rptr. at 292. In California, however, it was doubtful whether there was a property right in such subject matter as the "type" or name of Diamond Lil. *Id.* at 569-70, 9 Cal. Rptr. at 292-93.).

431. See *Superior Models, Inc. v. Tolkien Enters.*, 211 U.S.P.Q. (BNA) 587 (D.Del.), *modified*, 211 U.S.P.Q. (BNA) 876 (D.Del. 1981); *United Artist Corp. v. Ford Motor Co.*, 483 F. Sup. 89, 97 (S.D.N.Y. 1980); *Ideal Toy Corp. v. Kenner Prods.*, 443 F. Supp. 291 (S.D.N.Y. 1977); *Prouty v. Nat'l Broadcasting Co.*, 26 F. Supp. 265 (D. Mass. 1939).

432. See *Warner Bros. v. Gay Toys*, 658 F. 2d 76 (2d Cir. 1981); *Fisher v. Star Co.*, 231 N.Y. 414, 132 N.E. 133, *cert. denied*, 257 U.S. 654 (1921).

433. See *supra* notes 431-32.

that had already been made on other grounds.⁴³⁴ Thus, although the doctrine has been recognized and accepted in some cases involving character protection, it has not changed the results that were reached under other doctrines.⁴³⁵

Protecting fictional characters from copying that does not amount to a substantial appropriation of expression creates, once again, the danger that too much will be removed from the public domain. Professor Kaplan has stated that "if man has any 'natural' rights, not the least must be a right to imitate his fellows, and thus to reap where he has not sown."⁴³⁶ In his dissent in *International News Service v. Associated Press*, Justice Brandeis said: "The general rule of law is, that the noblest of human productions—knowledge, truths ascertained, conceptions, and ideas—become after voluntary communication to others, free as the air to common use."⁴³⁷ Every author depends in part on those who come before her. "Historically viewed, all artistic creativity is related and interdependent, continuous and cumulative. Every work, past and present, is but a link in the chain."⁴³⁸ New authors should not be deprived of the ability to use these links without good reason.

Misappropriation is an open-ended and loosely defined doctrine. Using it to protect characters leaves uncertain what is protected and under what circumstances. The doctrine may remove too much from the public domain and decrease competition. Little will be lost by refusing to apply the misappropriation rationale to characters or their indicia. In the *INS* case, denying protection under the doctrine of misappropriation could have destroyed AP's incentive, or indeed its ability, to continue in business.⁴³⁹ But denying fictional characters protection

434. In *Lone Ranger v. Cox*, 124 F.2d 650 (4th cir. 1942) and *Universal City Studios v. Kamar*, 1982 COPYRIGHT L. DECISIONS (CCH) ¶ 25,452 (S.D. Tex. 1982), the court found both misappropriation and passing off. In *KGB v. Giannoulas*, 104 Cal. App. 3d 844, 164 Cal. Rptr. 571 (1980), the court found neither. Cf. *West v. Lind*, 186 Cal. App. 2d 563, 9 Cal. Rptr. 288 (1960).

435. However, two federal courts, interpreting Texas law, have shown an inclination to approve claims for misappropriation of a merchandising property, under which a plaintiff can recover by showing that "the defendant appropriated and used its property (e.g., trademark or other unique pecuniary interest) without its authority and in competition with its own licensing program." *Conan Properties v. Conans Pizza*, 752 F.2d 145, 155-56 (5th Cir. 1985). See *Universal City Studios v. Kamar Indus.*, 1982 COPYRIGHT L. DECISIONS (CCH) ¶ 25,452 (S.D. Tex. 1982) (misappropriation may provide a claim for the "unauthorized appropriation and use, in competition with plaintiff's licensing program, of the elements and symbols of a successful television series").

436. B. KAPLAN, *supra* note 58, at 2.

437. 248 U.S. 215, 250 (1918).

438. A. LINDEY, *supra* note 52, at 273. "Our cultural wealth is made up of the legacy of the past and the yield of the present. The growth of literature, art and music depends on contributions to this wealth and withdrawals from it." *Id.* at 279.

439. *International News Service v. Associated Press*, 248 U.S. 215, 241 (1918). See *supra* text accompanying note 428.

under the misappropriation doctrine will not destroy an author's incentive to create such characters. When creative expression is copied, protection will be available under copyright.⁴⁴⁰ Furthermore, a character will be protected under the law of trademarks and unfair competition when there is a likelihood that the public will be confused.⁴⁴¹ The addi-

440. Claims of character misappropriation may have been preempted by the Copyright Act of 1976, 15 U.S.C. § 301 (1982 & Supp. 1985). State protection is preempted if it (1) extends to subject matter that is within the scope of copyright as specified by §§ 102 and 103 of the Act, and (2) affords rights equivalent to any of the exclusive rights within the general scope of Section 106 of the Act. The legislative history concerning preemption of state claims for misappropriation is ambiguous and confusing. 1 J. MCCARTHY, *supra* note 249, § 10:30; 1 M. NIMMER, *supra* note 42, § 1:01[B]; Abrams, *supra* note 429, at 512-48.

The Second Circuit, in *Warner Bros. v. American Broadcasting Cos.*, 720 F.2d 231, 247 (2d Cir. 1983), dealing with the claimed misappropriation of Superman, said that "since the Copyright Act is exclusive after January 1, 1978 only with respect to rights equivalent to any of the exclusive rights within the general scope of copyright . . . state law claims that rely on the misappropriation branch of unfair competition are preempted." *Id.* at 247. *See also* *Durham Indus., Inc. v. Tomy Corp.*, 630 F.2d 905, 919 (2d Cir. 1980) ("To the extent that Tomy's unfair competition claim seeks protection against Durham's copying, it is a claim based on a right equivalent to" an exclusive right within the scope of copyright, even though Tomy's work lacked sufficient originality for copyright protection); *Smith v. Weinstein*, 578 F. Supp. 1297, 1307 (S.D.N.Y.), *aff'd men.*, 738 F.2d 419 (2d Cir. 1984); *Original Appalachian Artworks, Inc. v. Blue Box Factory, Ltd.*, 577 F. Supp. 625, 631 (S.D.N.Y. 1983); *Giangrasso v. CBS, Inc.*, 534 F. Supp. 472, 478 (E.D.N.Y. 1982); cf. *Litchfield v. Spielberg*, 736 F.2d 1352, 1358 (9th Cir. 1984), *cert. denied*, 105 S. Ct. 1753 (1985) (insofar as the state claims for unfair competition "are restatements of the copyright infringement claims, they are preempted by federal copyright law"); *DC Comics v. Filmation Assocs.*, 486 F. Supp. 1273, 1278 (S.D.N.Y. 1980) (plaintiff's claims under the law of unfair competition were not preempted because New York law, "unlike the Copyright Act, requires a showing of misappropriation and a likelihood of public confusion . . .").

Ordinarily misappropriation requires the same reproduction, distribution, performance or display that constitute infringement of an exclusive right under copyright. *See* 1 J. MCCARTHY, *supra* note 249, § 10:30; 1 M. NIMMER, *supra* note 42, § 1:01[B]. *See generally* Abrams, *supra* note 429, at 550-59. *But cf.* Denicola, *supra* note 249, at 180, n.101.

Therefore, as Professor Nimmer states:

The preemption issue under the current Act would seem to turn on whether, if a character is denied copyright protection, this is because such character does not fall within the protectible 'subject matter' of copyright. . . . It seems more likely, however, that the courts will conclude that a character which is nonprotectible under the Copyright Act is not within nonprotectible subject matter, but is rather a component part of a work which may be the subject of statutory copyright. . . .

1 M. NIMMER, *supra* note 42, § 2.12 n.25. *See* 1 J. MCCARTHY, *supra* note 249, § 10:30 (misappropriation preempted "where plaintiff's creation is within the subject matter of copyright" but has failed to qualify for copyright protection because it is too minimal or lacking in originality, or because it has fallen into the public domain); *see also* *Durham Indus. v. Tomy Corp.*, 630 F.2d 905, 918-19 (2d Cir. 1980); H. Rep. No. 1476, 94th Cong., 2d Sess. 131 (1976), 1976 U.S. CODE CONG. & AD. NEWS 5747 ("As long as the work fits within one of the general subject matter categories of sections 102 and 103, the bill prevents the states from protecting it even if it fails to achieve Federal Statutory copyright because it is too minimal or lacking in originality to qualify"). *But see* *Roy Export Co. v. CBS*, 672 F.2d 1095, 1106 (2d Cir), *cert. denied*, 459 U.S. 826 (1982).

441. State law protecting characters under unfair competition of the passing off variety is not preempted by § 301 of the Copyright Act. 1 M. NIMMER, *supra* note 42, § 2.12. *See* *Warner Bros. v. American Broadcasting Cos.*, 720 F.2d 231, 247 (2d Cir. 1983) ("to the extent that plaintiffs are relying on state law unfair competition law to allege a tort of 'passing off,' they are not asserting rights equivalent to those protected by copyright and therefore do not encounter pre-

tional incentive gained by prohibiting a nondeceptive appropriation that does not infringe a copyright does not appear significant,⁴⁴² and does not justify the accompanying loss in competition and to the public domain.

B. Dilution

The concept of dilution, as a separate basis for protecting trademarks, was suggested in 1927 by Frank I. Schechter.⁴⁴³ He suggested that a unique mark should be protected as a property right without regard to the existence of public confusion.⁴⁴⁴ If a defendant has used a mark on unrelated goods or services, buyers may be unlikely to believe that they are sponsored by plaintiff. Dilution consists of the diminution or whittling away of the value of a name or mark.⁴⁴⁵ It is harmful, even in the absence of public confusion, because it leads to a weakening of the mark's hold on the public mind,⁴⁴⁶ of its "propensity to bring to mind a particular product, service or source of either."⁴⁴⁷ In short, dilution causes the mark to blur and become weaker and less effective as a selling tool.

A number of states have supplemented protection against unfair competition with anti-dilution statutes. The New York statute is typical:

Likelihood of injury to business reputation or of dilution of the distinctive quality of a mark or trade name shall be a ground for injunctive relief in cases of a mark registered or not registered or in cases of unfair competition notwithstanding the absence of competition between the parties or the absence of confusion as to the source of goods or services.⁴⁴⁸

emption"); *Smith v. Weinstein*, 578 F. Supp. 1297, 1307 (S.D.N.Y. 1984); *Frederick Warne & Co. v. Book Sales, Inc.*, 481 F. Supp. 1191, 1196 (S.D.N.Y. 1979); Goldstein, *Preempted State Doctrines, Involuntary Transfers and Compulsory Licenses: Testing the Limits of Copyright*, 24 UCLA L. REV. 1107, 1116 (1977). Character protection under the Lanham Act is not subject to preemption, because the Copyright Act does not preempt other federal statutes. 1 M. NIMMER, *supra* note 42, §§ 2.12 n.25, 1.01[B][4]. Section 103(d) of the Copyright Act, 17 U.S.C. § 103(d) (1982 & Supp. 1985) states: "Nothing in this title annuls or limits any rights or remedies under any other Federal Statute."

442. See Denicola, *supra* note 249, at 178-79.

443. Schechter, *The Rational Basis of Trademark Protection*, 40 HARV. L. REV. 813 (1927).

444. *Id.* at 831.

445. *Id.* at 825. See 2 J. MCCARTHY, *supra* note 261, § 24:13.

446. Schechter, *supra* note 443, at 823.

447. *Stop the Olympic Prison v. United States Olympic Comm.*, 489 F. Supp. 1112, 1123 (S.D.N.Y. 1980). See *Sally Gee, Inc. v. Myra Hogan, Inc.*, 699 F.2d 621, 624-25 (2d Cir. 1983).

448. N.Y. GEN. BUS. LAW § 368-d (McKinney 1984).

For a long time courts, particularly in New York, resisted the anti-dilution statutes, often refusing to take literally the statutory language and requiring a likelihood of confusion.⁴⁴⁹ This judicial hostility may have arisen from a concern that the dilution doctrine might "swallow up all competition in the name of protection against trade name infringement,"⁴⁵⁰ and that plaintiffs who used the doctrine were seeking too much protection.⁴⁵¹ Recently, however, courts have begun to accept the literal meaning of the anti-dilution statutes, and to recognize that a plaintiff need not demonstrate likelihood of confusion as to source.⁴⁵² The focus has shifted to considering whether a mark is sufficiently distinctive to command protection⁴⁵³ and whether there has been a blurring or tarnishing of its distinctive quality.⁴⁵⁴

The anti-dilution statutes have been used to protect the names, likenesses, and other identifying characteristics of fictional characters.⁴⁵⁵ Where dilution has been found, the characters at issue, such as

449. See 3A R. CALLMAN, *supra* note 261, § 21.11; 2 J. MCCARTHY, *supra* note 261, § 24:13; Pattishall, *The Dilution Rationale for Trademark—Trade Identity Protection, Its Progress and Prospects*, 71 NW. U. L. REV. 618, 624 (1977).

450. *Coffee Dan's v. Coffee Don's Charcoal Broiler*, 305 F. Supp. 1210, 1217 n.13 (N.D. Cal. 1969). See also *Toho Co. v. Sears, Roebuck & Co.*, 645 F.2d 788, 793 (9th Cir. 1981); *Carter-Wallace, Inc. v. Proctor & Gamble Co.*, 434 F.2d 794, 803 n.3 (9th Cir. 1970); *HMH Publishing Co. v. Lambert*, 482 F.2d 595, 599 n.8 (9th Cir. 1973).

451. 2 J. MCCARTHY, *supra* note 261, § 24.13 "It is difficult to dispute that application of the dilution theory lays a heavy hand upon one who adopts the trade name or mark of another." *Id.* (quoting *Polaroid Corp. v. Polaroid, Inc.*, 319 F.2d 830, 836 (7th Cir. 1963)).

452. See, e.g., *Universal City Studios v. Nintendo Co.*, 746 F.2d 112 (2d Cir. 1984); *Warner Bros. v. American Broadcasting Cos.*, 720 F.2d 231 (2d Cir. 1983); *Sally Gee, Inc. v. Myra Hogan, Inc.*, 699 F.2d 621 (2d Cir. 1983); *Toho Co. v. Sears Roebuck & Co.*, 645 F.2d 788 (9th Cir. 1981); *Polaroid Corp. v. Polaroid, Inc.*, 319 F.2d 830 (7th Cir. 1963); *Scott v. Mego Int'l*, 519 F. Supp. 1118 (D. Minn. 1981); *Allied Maintenance Corp. v. Allied Mechanical Trades, Inc.*, 42 N.Y.2d 538, 369 N.E.2d 1162, 399 (Ct. App. 1977); *Wedgwood Homes, Inc. v. Lund*, 294 Or. 493, 659 P.2d 377 (1983).

453. "To save the dilution doctrine from abuse by plaintiffs whose marks are not famous and distinctive, a large neon sign should be placed adjacent wherever the doctrine resides, reading: 'The Dilution Rule: Only Strong Marks Need Apply.'" 2 J. MCCARTHY, *supra* note 261, § 24:14. See *Universal City Studios v. Nintendo Co.*, 746 F.2d 112, 120 (2d Cir. 1984) (plaintiff need not show a likelihood of confusion, but must possess a strong mark—"one which has a distinctive quality or has acquired secondary meaning which is capable of dilution"); *Warner Bros. v. American Broadcasting Cos.*, 720 F.2d 231, 248 (2d Cir. 1983) ("there must be a mark of sufficient distinction to warrant the statute's special protection"); Pattishall, *Dawning Acceptance of the Dilution Rationale for Trademark—Trade Identity Protection*, 74 TRADEMARK REP. 289, 296 (1984). See also *Sally Gee, Inc. v. Myra Hogan, Inc.*, 699 F.2d 621, 625 (2d Cir. 1983); *Toho Co. v. Sears, Roebuck & Co.*, 645 F.2d 788, 793 (9th Cir. 1981); *Amstar Corp. v. Domino's Pizza, Inc.* 615 F.2d 252, 265 (5th Cir. 1980), *cert. denied*, 449 U.S. 899 (1980); *S.S. Kresge Co. v. United Factory Outlet*, 598 F.2d 694, 697 (1st Cir. 1979); *Polaroid Corp. v. Polaroid, Inc.*, 319 F.2d 830, 837 (7th Cir. 1963); *Allied Maintenance Corp. v. Allied Mechanical Trades*, 42 N.Y.2d 538, 545, 369 N.E.2d 1162, 1166 (Ct. App. 1977). *But see* *Esquire, Inc. v. Esquire Slipper Mfg. Co.* 243 F.2d 540, 544 (1st Cir. 1955); *Wedgwood Homes, Inc. v. Lund*, 294 Or. 493, 659 P.2d 377, 380 (1983).

454. *Mennen Co. v. Gillette Co.*, 565 F. Supp. 648, 656 (S.D.N.Y. 1983). See *infra* notes 460-67 and accompanying text.

455. See *infra* notes 456-59 and accompanying text.

Superman, Wonderwoman,⁴⁵⁶ the Peanuts characters,⁴⁵⁷ and Tarzan,⁴⁵⁸ were very well known and the court also found a likelihood of confusion of source or sponsorship, making the finding of dilution little more than an afterthought, a "harmless redundancy."⁴⁵⁹

Courts that have refused to protect a character under trademark or unfair competition have also denied protection under anti-dilution statutes, usually finding that the mark was not distinctive enough to warrant protection from dilution,⁴⁶⁰ or that there was no blurring or tarnishing of the mark sufficient to constitute dilution.⁴⁶¹ One court,⁴⁶² for example, said that the defendant's use of "Bagzilla" did not tarnish, degrade, or dilute the distinctive quality of Godzilla. It neither impaired the effectiveness of Godzilla's name and image nor linked him with something unsavory or degrading.⁴⁶³ In a case involving the alleged dilution of the character Superman by Ralph Hinkley of "The Greatest American Hero,"⁴⁶⁴ The court rejected plaintiff's claims. Assuming that the Superman character and related indicia

function as trademarks with the requisite distinctiveness, plaintiffs have failed as a matter of law to present a triable issue as to the blurring or tarnishing of their marks. . . . Even if

456. *DC Comics v. Unlimited Monkey Business*, 598 F. Supp. 110 (N.D. Ga. 1984) (The court, protecting trademarks and trade names concerning Superman and Wonder Woman, said defendants had "used the same and similar trade names in their advertising and in their products, and the same and similar labels on their costumes. There is . . . a clear likelihood of dilution of the distinctive quality of plaintiff's trademarks and trade names." *Id.* at 115. The court also found that the Superman and Wonder Woman marks were very strong, "hav[ing] obtained virtually universal recognition in the United States and throughout the world as unique, distinctive marks symbolizing the extensive goodwill associated with the public image of this hero and heroine.") *Id.*

457. *United Features Inc. v. Sunrise Mold Co.*, 569 F. Supp. 1475, 1479 (S.D. Fla. 1983) (manufacture and sale of unauthorized molds in the likenesses of the Peanuts characters was "likely to dilute the distinctive quality of plaintiffs' proprietary rights in the names and likenesses of said characters and the good will related thereto").

458. *Edgar Rice Burroughs, Inc. v. Mann*, 195 U.S.P.Q. (BNA) 159 (C.D. Cal. 1976) (use of the title *Tarz & Jane & Boy & Cheeta* for an X-rated film over which plaintiff had no control, would dilute the value of plaintiff's strong mark, Tarzan).

459. *See James Burrough Ltd. v. Sign of Bcefeater, Inc.*, 540 F.2d 266, 274 n.16 (7th Cir. 1976); 2 J. McCARTHY, *supra* note 261, § 24.13.

460. *Universal City Studios v. Nintendo Co.*, 578 F. Supp. 911 (S.D.N.Y. 1983), *aff'd*, 746 F.2d 112 (2d Cir. 1984) (To merit protection, the mark or name King Kong must be truly distinctive or one that has acquired a secondary meaning in the public's mind. "There is indication that the statute protects only extremely strong marks." *Id.* at 930 (quoting *Sally Gee, Inc., v. Myra Hogan, Inc.*, 699 F.2d 621, 625 (2d Cir. 1983). Because King Kong lacked secondary meaning, it could not qualify under the more stringent requirement of distinctiveness.)

461. *Universal City Studios v. Nintendo Co.*, 746 F.2d 112 (2d Cir. 1984); *Warner Bros. Inc. v. American Broadcasting Cos.*, 720 F.2d 231 (2d Cir. 1983); *Toho Co. v. Sears Roebuck & Co.*, 645 F.2d 788 (9th Cir. 1981); *United Artists v. Ford Motor Co.*, 483 F. Supp. 89 (S.D.N.Y. 1980).

462. *Toho Co. v. Sears Roebuck & Co.*, 645 F.2d 788 (9th Cir. 1981).

463. *Id.* at 793.

464. 720 F.2d 231 (2d Cir. 1983).

Superman's trademarks are not as indestructible as the character that spawned them, no reasonable jury could find the Hero series or 'promos' blurred or tarnished those marks.⁴⁶⁵

Similarly, in *Universal City Studios v. Nintendo Co.*,⁴⁶⁶ the court found no evidence that the game Donkey Kong would adversely affect King Kong's reputation or deprive it of its distinctiveness.⁴⁶⁷

Courts have been understandably reluctant to protect characters by reason of dilution when protection is not available under other doctrines. Unless the doctrine is applied with caution, it could swallow up competition without providing a reciprocal benefit. In the typical case where the defendant has used the plaintiff's mark on a dissimilar product and deprived that mark of its distinctiveness, thereby lessening its selling power, there is little reason to allow defendant's use. However, using the dilution doctrine to prevent the copying of famous characters or their identifying traits, in the absence of copyright protection or a likelihood of public confusion, may impoverish the public domain. Furthermore, because the character ordinarily is not only a mark, but also an element of the product being sold, competition in the creation and marketing of products that use the character will be hampered. Indeed, when an element of a character is used on merchandise, dilution is unlikely, because the basis for complaint is that the defendant's use of the character capitalizes on existing associations, rather than that it burdens it with new ones.⁴⁶⁸

However, if a character or its elements are used in a manner that tarnishes the character and burdens it with derogatory implications, the dilution doctrine, which does not require likely confusion, may provide a much needed protection. If a newcomer uses a character in an unsavory, degrading or inappropriate fashion, the very offensiveness of the use may prevent consumers from believing that it is authorized. For example, when characters resembling Poppin Fresh and Poppie Fresh, used by Pillsbury in its advertising, were depicted in *Screw Magazine*

465. *Id.* at 248.

466. 746 F.2d 112 (2d Cir. 1984).

467. *Id.* at 120.

468. See Denicola, *supra* note 253, at 639. However, it has been suggested that dilution can only occur when confusion as to source or origin is absent, when an awareness that a particular mark signifies a single thing coming from a single source becomes instead an unmistakable, correct awareness that the mark signifies various things from various sources. Pattishall, *supra* note 453, at 300. Thus, if the public becomes aware that elements of a character are being used on merchandise emanating from a variety of sources, it might be argued that dilution has occurred. However, when a defendant uses an element of character on merchandise, and there is no confusion, the defendant has not really employed the character as a trademark, because it identifies neither the defendant nor his products. Distinctiveness is not undermined, because the character is not associated with another. See Denicola, *supra* note 249, at 188.

engaging in sexual activity,⁴⁶⁹ consumers were unlikely to believe that Pillsbury had approved it.⁴⁷⁰ However, cheapening or degrading a character is likely to harm the ability of the character's creators to control the character's image and to benefit from their own use of the character, because its value may be reduced to all users.

It must also be remembered, however, that characters are elements of creation, and may be used for the purposes of satire or parody. Any attempt to forbid a humorous play on words or imagery may leave us "at the mercy not of a legal standard but rather a particular judge's moral precepts, prejudices, or sense of humour."⁴⁷¹ What disgusts one viewer may amuse another. The doctrine of dilution should not be permitted to develop into a means of repressing what some may find to be distasteful speech.

V. THE PUBLIC DOMAIN PROBLEM

While a work is protected by copyright, the characters contained within it should be subject to dual protection under copyright and the law of trademarks and unfair competition. A character may contain creative expression and serve as an identifier of source. The doctrines confer different rights and have different underlying rationales.⁴⁷² Indeed, the availability of an alternate form of protection for characters that are only vaguely similar, but share the same name, may prevent courts from providing copyright protection where there is no copying

469. Pillsbury Co. v. Milky Way Prods., Inc., 215 U.S.P.Q. (BNA) 124 (N.D. Ga. 1981).

470. Other examples of tarnishment, whether acknowledging the dilution rationale or using a distorted version of the likelihood of confusion test, include Dallas Cowboy Cheerleaders, Inc. v. Pussycat Cinema, Ltd., 604 F.2d 200 (2d Cir. 1979) (pornographic movie *Debbie Does Dallas* featuring an actress in and out of the Dallas Cowboy Cheerleader's uniform); Chemical Corp. of Am. v. Anheuser-Busch, Inc., 306 F.2d 433 (5th Cir. 1962), cert. denied, 372 U.S. 965 (1963) ("where there's life, there's Bugs," a modified version of the well-known Budweiser beer slogan); Edgar Rice Burroughs, Inc. v. Manns Theaters, 195 U.S.P.Q. (BNA) 159 (C.D. Cal. 1976) (pornographic Tarzan movie); General Elec. Co. v. Alumpa Coal Co., 205 U.S.P.Q. (BNA) 1036 (D. Mass 1979) ("Genital Electric" used on T-shirts and brief); Coca Cola Co. v. Gemini Rising, Inc., 346 F. Supp. 1183 (E.D.N.Y. 1972) ("Enjoy Cocaine" employed in the "Enjoy Coca Cola" design).

471. 1 J. GILSON, *supra* note 257, § 5.05[2][b].

472. See *supra* notes 60-82, 246-67, and 358-59 and accompanying text. See also Boston Pro. Hockey Ass'n, Inc. v. Dallas Cap & Emblem Mfg., 510 F.2d 1004, 1014 (5th Cir.), cert. denied, 423 U.S. 868 (1975) ("In the case of a copyright, an individual creates a unique design and, because the Constitutional fathers saw fit to encourage creativity, he can secure a copyright for his creation for a [limited period of time]. After the expiration of the copyright, his creation becomes part of the public domain. In the case of a trademark, however, the process is reversed. An individual selects a word or design that might otherwise be in the public domain to represent his business or product. If that word or design comes to symbolize his product or business in the public mind, the individual acquires a property right in the mark. The acquisition of such a right through use represents the passage of a word or design out of the public domain into the protective ambits of trademark law."); Bi-Rite Enters. v. Button Master, 555 F. Supp. 1188, 1194 (S.D.N.Y. 1983).

of significant expression. Unfair competition allows courts greater flexibility in fashioning a remedy and need not extend protection for the full term provided in the copyright statute.⁴⁷³

When a work containing a character is in the public domain, however, protecting that character under the law of trademarks and unfair competition becomes more problematical. A key distinction between copyright and trademark law is the role of time. Copyright lasts for a limited period, after which the work goes into the public domain.⁴⁷⁴ At this point,⁴⁷⁵ the copyright owner loses all exclusive rights, and anyone may use the work freely. Unlike copyright, unfair competition and trademark protection have no definite duration.⁴⁷⁶ Once a work has

473. See *supra* notes 358-59 and accompanying text. It has been suggested that the best way to deal with the various doctrines under which characters have been protected is to divide characters into two parts—1) the character name and 2) the characterization or personality portrait, which includes the pictorial representation of a cartoon character or the verbal portrait of a literary character. Brylawski, *supra* note 12; Marks, *supra* note 259, at 35. The first would be protected only under unfair competition and trademark, and the latter only under copyright. This separation, however, cannot be made so neatly. Although using the name of a character does not constitute copyright infringement, it may be relevant to determining whether such an infringement has taken place. Conversely, in determining whether a likelihood of confusion exists, it is necessary to look at all elements of a character, not just its name. If other elements, such as appearance, characterization and phrases from the original work are taken, this bolsters the likelihood that consumers will believe that the new work originated from the creators of the previous work. On the other hand, differences in surrounding elements may decrease the likelihood of confusion as to source.

474. See *supra* note 66. A work can enter the public domain for reasons other than the expiration of the copyright. Copyright protection may be forfeited if a work is published without the prescribed notice. "If a copyright notice is required, and its omission is not excused, the legal consequence is to inject the work into the public domain." 2 M. NIMMER, *supra* note 42 § 7.14[A][1]. See *Fantastic Fakes, Inc. v. Pickwick Int'l., Inc.*, 661 F.2d 479, 486 n.6 (5th Cir. 1981); *Beacon Looms, Inc. v. Lichtenberg & Co.*, 552 F. Supp. 1305, 1309 (S.D.N.Y. 1982). However, omission of the prescribed notice may sometimes be excused. See 17 U.S.C. § 405 (1982 & Supp. 1985); 1 M. NIMMER, *supra* note 42, § 7.13.

475. Copyright protects a fictional work, including its characters, while the work is under copyright. If a character appears in more than one work, some of them may enter the public domain while others remain protected. Nimmer states that "once the copyright in the first work which contained the character enters the public domain, then it is not copyright infringement for others to copy the character in works which are otherwise original with the copier, even though later works in the original series remain protected by copyright." 1 M. NIMMER, *supra* note 42, § 2.12. See *Burroughs v. Metro-Goldwyn-Mayer, Inc.*, 683 F.2d 610, 631 (2d Cir. 1982) (Newman, J., concurring); Davis, *supra* note 12, at 342; Marks, *supra* note 259, at 84-85; Note, *The Protection Afforded Literary and Cartoon Characters Through Trademark, Unfair Competition, and Copyright*, 68 HARV. L. REV. 349, 360 (1954). If the first work containing a character goes into the public domain because of the unexcused omission of a copyright notice, see *supra* note 474, depriving the author of the right to prevent the copying of her character seems harsh. However, characters do change and develop over time. Copying new material from works still protected by copyright is infringement if what is copied is sufficiently substantial.

476. Angel, *Legal Protection for Titles in the Entertainment Industry*, 52 S. CAL. L. REV. 279, 297 (1979); Klein, *Is Unauthorized Use of Titles of Artistic Works in Unrelated Fields Actionable Piracy?*, 28 BROOKLYN L. REV. 59, 72 (1961); Kurtz, *supra* note 276, at 57; Marks, *supra* note 259, at 64. See *Boston Pro. Hockey Ass'n v. Dallas Cap & Emblem Mfg.*, 510 F.2d 1004, 1011 (5th Cir.), cert. denied, 423 U.S. 868 (1975) ("trademark laws are based on the needed protection of the

entered the public domain, it is unclear whether others may make use of the characters contained within it, even if that use will cause public confusion as to source. Public confusion and the resulting appropriation of good will do not become less of a problem just because the copyright period has expired. However, copyright "is intended to motivate the creative activity of authors . . . and to allow the public access to the products of their genius after the limited period of exclusive control has expired."⁴⁷⁷ Forbidding the use of characters from public domain work will undermine the policy of encouraging competition in using material in the public domain and allowing new authors to build upon the creativity of the past.

A similar conflict exists when protection is sought for the title of a public domain work.⁴⁷⁸ Ordinarily, the use of such a title will not be forbidden if labelling or distinguishing language is used to avoid deceiving the public.⁴⁷⁹ In the *Encyclopaedia Britannica* case,⁴⁸⁰ for example, defendants sold cheap reprints of plaintiff's *Encyclopaedia Britannica, Ninth Edition* which, except for certain copyrighted articles, was in the public domain in the United States. The defendants called their publication *The Encyclopaedia Britannica*. The court found this permissible, as the defendants had set out the name of the publisher on the title page and announced the encyclopaedia as an American reprint containing articles rewritten by eminent Americans.⁴⁸¹ A similar approach has been used for the names of well-known characters.⁴⁸² This creates a

public and business interests and there is no reason why trademarks should ever pass into the public domain by the mere passage of time"); *Frederick Warne & Co. v. Book Sales, Inc.*, 481 F. Supp. 1191, 1196-97 (S.D.N.Y. 1979); *Kirkland v. National Broadcasting Co.*, 425 F. Supp. 1111, 1114-15 (E.D. Pa. 1976), *aff'd*, 565 F.2d 152 (3d Cir. 1977).

477. *Sony Corp. v. Universal City Studios, Inc.*, 464 U.S. 417, 429 (1984). See 1 M. NIMMER, *supra* note 42, §§ 1.03[A], 1.05[D], 4.03.

478. Angel, *supra* note 476; Klein, *supra* note 476; Kurtz, *supra* note 276; Shapiro, *The Validity of Registered Trademarks for Titles and Characters After the Expiration of Copyright on the Underlying Work*, 31 COPYRIGHT L. SYMP. (ASCAP) 69 (1984).

479. See 1 M. NIMMER, *supra* note 42, § 2.16; Kurtz, *supra* note 276. A similar approach was taken earlier with respect to products on which the patent had expired. In *Singer Mfg. Co. v. June Mfg. Co.*, 163 U.S. 169 (1896), the Court said that others could use the name of the patented product along with the product, after expiration, if this use was accompanied by indications "that the thing manufactured is the work of the one making it." *Id.* at 200.

480. *Black v. Ehrich*, 44 F. 793 (C.C.S.D.N.Y. 1891).

481. It is often difficult, however, to determine what distinguishing language will suffice. See *infra* note 501. See also Kurtz, *supra* note 276, at 93-95.

482. *Patten v. Superior Talking Pictures*, 8 F. Supp. 196 (S.D.N.Y. 1934) ("[A] name which has become descriptive, and is closely identified in the public mind with the work of a particular author, may not, during the life of the copyright, be used so as to mislead. [citations omitted] Nor may such a name be used even after the expiration of the copyright, unless adequate explanation is given against mistake.") *Id.* at 197. The *Patten* case was cited in *Edgar Rice Burroughs, Inc. v. Mann*, 195 U.S.P.Q. (BNA) 159 (C.D. Cal. 1976), dealing with the character Tarzan, for the proposition that "famous character names in copyrighted works may not be used by others during the life of the copyright without the authorization of the copyright proprietor."

balance between the interest in protecting against public confusion and the interest in the widest possible dissemination and use of public domain material.

However, there has been some willingness to use the law of trademarks and unfair competition to forbid newcomers to use pictorial representations of characters from public domain works.⁴⁸³ In *Frederick Warne & Co. v. Book Sales, Inc.*,⁴⁸⁴ for example, the original publisher of the *Peter Rabbit* books written by Beatrix Potter claimed exclusive rights under trademark to the cover illustrations on seven of these books, all of which were in the public domain. These illustrations were originally created by Beatrix Potter for Warne's editions of the books and did not appear within the text of the books themselves.⁴⁸⁵ The defendant had published a book entitled *Peter Rabbit and Other Stories*, which included redrawings of the cover illustrations from the seven Warne books, placed at the beginning and end of the public domain stories for which they were originally designed. Photographic reproductions from each of the Warne covers were also used as "cover ornaments" on most of the pages of each of the seven stories, and a reproduction of the "sitting rabbit" was used on the cover of defendant's book.⁴⁸⁶

The defendant sought summary judgment, claiming that its use of the illustrations was legally sanctioned because they were parts of copyrightable works now in the public domain.⁴⁸⁷ The court disagreed:

The fact that a copyrightable character or design has fallen into the public domain should not preclude protection under the trademark laws so long as it is shown to have acquired independent trademark significance, identifying in some way the source or sponsorship of the goods.⁴⁸⁸

No mention was made of use of the character names after expiration of the copyright. See *Atlas Mfg. Co. v. Street & Smith*, 204 F. 398 (8th Cir. 1913), *cert. denied*, 231 U.S. 755 (1914).

483. See *infra* notes 484-97 and accompanying text.

484. 481 F. Supp. 1191 (S.D.N.Y. 1979).

485. *Id.* at 1193.

486. 481 F. Supp. at 1194. See *supra* notes 315-16. This design appeared in one of the original *Peter Rabbit* books, but was also the principal symbol of Warne's licensing enterprise. 481 F. Supp. at 1194. After Warne instituted its action, defendant changed to a rabbit design of its own creation. *Id.*

487. *Id.* at 1196.

488. 481 F. Supp. at 1196, *quoted in* *Universal City Studios v. Nintendo Co.*, 578 F. Supp. 911 (S.D.N.Y. 1983), *aff'd*, 746 F.2d 112 (2d Cir. 1984). The *Nintendo* court said that a finding that the *King Kong* story was in the public domain was not dispositive of the trademark issue. 578 F. Supp. at 919. See also *Adams*, *supra* note 259. In *Fisher v. Star Co.*, 231 N.Y. 414, 132 N.E. 133, *cert. denied*, 257 U.S. 654 (1921), the court, in discussing whether the use of the Mutt and Jeff figures and names by the Star Co. would be unfair to Fisher, said

The principle which interdicts unfair competition in trade will protect a publisher who has imparted to his books peculiar characteristics which enable the public to distinguish

If any of the illustrations in question had come to identify Warne's publications, defendant's use of it might lead the public to believe that "defendant's different, and allegedly inferior, publication has been published by or is somehow associated with the plaintiff. This kind of danger of misrepresentation as to the source of copied public domain material may establish a claim for unfair competition."⁴⁸⁹

The court did note the possibility "that trademark and unfair competition theories might serve to protect a character beyond the term of copyright applicable to the underlying work." It found, however, that the question "need not be reached, since plaintiff does not seek to establish exclusive trademark rights in the characters themselves but only to protect its limited right to use specific illustrations of those characters."⁴⁹⁰ The proper factual inquiry was not

whether the cover illustrations were once copyrightable and have fallen into the public domain, but whether they have acquired secondary meaning, identifying Warne as the publisher or sponsor of goods bearing these illustrations, and if so, whether defendant's use of those illustrations in "packaging" or "dressing" its editions is likely to cause confusion.⁴⁹¹

Cover illustrations were not analogous to the title of a public domain work, which may be essential to the distribution of the work, because "[a] title is generally the primary identifier of a literary work; the cover illustrations are not."⁴⁹²

them from books published by others and containing the same literary matter against the copying of the characteristics though the copyright on the literary matter has expired.

Id. at 431, 132 N.E. at 138. Although the court did not specifically discuss whether Mutt and Jeff were in the public domain, it appeared to assume that this was irrelevant to unfair competition protection. The court found it unnecessary to discuss rights, under copyright, to reproduce cartoons that had been published, because plaintiff's claim that others could not use the characters in new cartoons rested not on copyright but on principles of unfair competition. *Cf. W.T. Rogers Co. v. Keene*, 778 F.2d 334, 337 (7th Cir. 1985) (indefinite term of trademark protection does not create inconsistency with protection under design patent). *But see National Comics Publications v. Fawcett Publications*, 191 F.2d 594 (2d Cir. 1951), where Judge Hand indicated that, at least with respect to cartoons, unfair competition protection would be denied. Because nobody cares who produces these "silly pictures," allowing the first producer to prevent others from copying them, "save as [they] can invoke the Copyright Law, would sanction a completely indefensible monopoly." *Id.* at 603.

489. 481 F. Supp. at 1197.

490. *Id.* at 1197 n.3.

491. *Id.* at 1198.

492. *Id.* The court found the "fair use" defense, based on § 33(b)(4) of the Lanham Act, 15 U.S.C. § 1115(b)(4) (1982) to be unpersuasive, in part because it was not clear that defendant's use of these illustrations was "necessary to the full and effective exploitation of the public domain works." *Id.* The court noted, however, that a mere showing that the illustrations had come to signify the author of the Peter Rabbit books and her works would not suffice. If plaintiff could establish "a specialized secondary meaning—that the illustrations represent Warne's goodwill and reputation as the source of children's books and other products—it [would] have a protectible

A similar problem was also recognized in *In re DC Comics, Inc.*,⁴⁹³ where DC Comics sought to register particular drawings of the characters Superman, Batman and Joker as trademarks for three dimensional toy versions of the same characters.⁴⁹⁴ Judge Neis, in her special concurrence, noted the potential difficulty with such a registration. "If trademark rights are recognized in a picture of a product, the design itself may be perpetually protected contrary to the limited term of protection afforded to some designs under the copyright or design patent statutes."⁴⁹⁵ It was not necessary, however, to consider the possibility of perpetual protection for the doll design during the copyright period. "If others become entitled to use the design upon the expiration of copyright protection, the continued registration of the designs as trademarks may be addressed in the context of a conflicting right to use, but the question of possible loss of rights is not before us."⁴⁹⁶ Judge Neis did state, however, that "if a copyrighted doll design is also a trademark for itself, there is a question whether the quid pro quo for the protection granted under the copyright statute has been given, if, upon expiration of the copyright, the design cannot be used at all by others."⁴⁹⁷

When a work of fiction is in the public domain, anyone should be permitted to use its characters, including their names and images, in new works of fiction, if they use labelling or disclaiming language to disclose that the new work is not written or authorized by the original author. A character's name may not serve as the prime identifier of a work to the same degree as a title. Nevertheless, the right to copy a public domain story includes the right to use the characters as part of the story, and that right cannot be used effectively unless the names of

trademark interest, except to the extent that the covers contain material necessary to identify the book itself." *Id.* The court recognized that this would not be an easy task. *Id.*

493. 689 F.2d 1042 (C.C.P.A. 1982).

494. The court reversed the decision of the U.S. Patent and Trademark Office Trademark Trial and Appeal Board, which had upheld the examiner's refusal to register the marks because they were incapable of functioning as trademarks. The examiner had found the marks to be so descriptive that they were incapable of functioning as trademarks and were "commercially functional." *Id.* at 1043. The majority of the court said that even if the drawings were pictorial representations of the dolls—which the court did not believe to be the case—they would not be descriptive of the dolls to such an extent that they would be incapable of functioning as trademarks. Nor did the aesthetic features of the drawings render them functional in a utilitarian sense and thus unable to perform as trademarks for toy dolls.

495. *Id.* at 1052 (Neis, J., specially concurring).

496. *Id.* The majority agreed with Judge Neis that "absent a conflicting claim of right to use designs embodied by [DC's] drawings, the question of possible loss of rights by [DC] in the future is not before us." *Id.* at 1045. As long as nobody else could use the drawings nothing useful was being removed from the public domain. The majority did not deal with the question of what the result would be if the drawings were in the public domain.

497. *Id.* at 1052-53 n.6.

the characters can be used.⁴⁹⁸ The image of a pictorial character is a primary creative element of the work in which it is embodied, and should remain in the public domain.

It has been suggested that the right to use a public domain story includes the right to use a character contained within it as part of that story, but that the unauthorized use of the character in new stories may be prohibited as unfair competition.⁴⁹⁹ However, this argument ignores the nature of the public domain. Authors are entitled to make use of that which lies within it, whether to copy or to create something new. Free competition in the use of public domain material includes competition in the creation, exploitation and dissemination of derivative works as well as copies.

New stories that use characters created by another are more likely to cause confusion than a simple recreation of the original. The public may believe that the new stories emanate from the author of the original work. For example, if someone writes a new Sherlock Holmes story, the public may assume that it was written by Arthur Conan Doyle, or someone who has the approval of the Doyle estate.⁵⁰⁰ Requiring distinguishing language will be less effective in protecting against public confusion and preserving good will than forbidding the use of a character.⁵⁰¹ Such a prohibition, however, not only diminishes the creative pool from which all artists must draw, but does so for an unlimited period of time.

498. It has been suggested that "upon the lapse of copyright protection, the configuration or pictorial representation of a cartoon character or the verbal portrait of a literary character could be re-created, imitated or otherwise copied by anyone as long as he adopts a different character name." Brylawski, *supra* note 12, at 96. If the character may be used, however, the name should go with it, for otherwise the right to use the character in an evocative fashion would be destroyed. Granting the right to use the character without the name is likely to cause more difficulty and perplexity than if both go together. Indeed Brylawski suggested, subject to several exceptions, that rights in character name ordinarily should lapse "when the author dies or the copyright on the last work embodying the character expires, whichever happens last." Brylawski, *supra* note 12, at 100. Under the Copyright Act of 1909, which was in force when Brylawski was writing, copyright could often expire during the life of the author, something that is increasingly unlikely under the Copyright Act of 1976. *See supra* note 65.

499. Tannenbaum, *Protection of Fictional Characters in the Entertainment & Literary Fields*, 4 BEV. HILLS BAR J. 11, 18 (1970); Waldheim, *Characters—May They Be Kidnapped*, *supra* note 12, at 217.

500. *See Author's League Symposium On Copyright*, 29 J. COPYRIGHT SOC'Y U.S.A. 611, 643 (1982).

501. Although it is easy to state that newcomers must take reasonable measures to distinguish their works from those of their predecessors, it is difficult to determine what those measures should be. Should the new author of a Sherlock Holmes story be required to state that the story was not written or authorized by the Doyle estate, or is it sufficient simply to give the name of the author of the new story? Nor is it easy to determine where such language should be placed or how large it should be. Similar problems of placement and size exist with respect to promotional and advertising materials. *See Kurtz, supra* note 276, at 94.

A newcomer should also be permitted to use elements of a character from a public domain work on merchandise, provided distinguishing language is used to guard against confusion. Public confusion is far less likely when elements of a character are used on merchandise than when a character is used in new works of fiction.⁵⁰² In any event, once a work is in the public domain, an identification of the character with that work or its creator should not prevent competition in marketing goods bearing indicia of that character. If, however, the elements of the character are used solely as a label, to identify the source of the goods themselves, the fact that the character derives from a public domain work becomes irrelevant to protection under the law of trademarks and unfair competition. In the *DC Comics* case,⁵⁰³ for example, once the works containing Superman enter the public domain, anyone should be permitted to produce Superman dolls, if the source of each doll is clearly marked. However, there is no reason to invalidate DC's use of a particular stylized drawing of Superman as a trademark for DC's particular version of Superman dolls.⁵⁰⁴

Where claims of likely confusion are based on an association between a fictional character and a public domain work, the law of trademarks and unfair competition should not be used to prevent the use of public domain material. Labelling or distinguishing language, although less effective in avoiding public deception, is nevertheless the best means of balancing competing interests. One person's right is another's restraint, and the cultural heritage from which all may draw should not be indefinitely diminished.

VI. CONCLUSION

Fictional characters do not fit comfortably within any of the legal doctrines that have been used to accommodate them. These fragile yet durable beings who live in the human mind possess unlimited variety in type, form and use. The confusion surrounding their protection, however, is far greater than necessary. Much of this confusion arises from

502. See *supra* notes 328-422 and accompanying text. Furthermore, if a character from a public domain work is used in new works of fiction by new authors, this will undermine the capacity of the character to distinguish a single source.

503. *In re DC Comics*, 689 F.2d 1042 (C.C.P.A. 1982).

504. As Judge Neis noted, a drawing of Superman is descriptive of Superman dolls, and thus must acquire a secondary meaning before it can be registered as a trademark. The majority did not address this issue. Similarly, in *Frederick Warne & Co. v. Book Sales, Inc.*, 481 F. Supp. 1191 (S.D.N.Y. 1979), the defendant should be permitted to use the cover illustrations from the public domain books as illustrations in its own book, if it indicates that its book was published by itself and not by Warne. The use of the sitting rabbit, which had been used by Warne as the principal symbol of its licensing enterprise, on the cover of defendant's book might be enjoined, however, if that use had obtained an independent trademark significance indicating Warne, and its use by the defendant would be likely to cause confusion as to source.

applying the doctrines inconsistently and allowing them to drift too far from their conceptual moorings.

Characters have an independent existence as abstractions, as images in the human mind. They enjoy copyright protection, but only in the sense that the substantial copying of a character may infringe the copyright in works in which the character appears. Cases dealing with literary characters have been particularly inconsistent because of the courts' focus on whether a particular character is entitled to protection—whether it is sufficiently developed or distinctive, or whether it constitutes the story being told. Both the *Sam Spade* and *Nichols* approaches should be discarded. The appropriate starting point is a comparison of the characters in the allegedly infringed and infringing works, not a determination of whether a character is sufficiently developed to deserve protection. However, distinctiveness remains relevant because only copying distinctive and well developed qualities creates similarity of expression rather than idea.

Comparing specific traits and the way in which they are combined provides a way to analyze the characters in a concrete fashion and elucidate their development. Without such comparison, courts tend to engage in abstract speculation and to grant more protection to characters they deem “worthy,” which requires artistic and aesthetic judgment. Using comparisons also allows a consistent approach to all characters, whether cartoon, literary or audio-visual. The central question in all cases will be whether there is enough similarity between the characters to constitute infringement. If the defendant copies the physical appearance of a cartoon character, or an audio-visual character that is very similar to a cartoon character, this will usually be infringing. Otherwise, a detailed analysis of similarities and differences between the characters will be necessary to determine whether the similarity is concrete enough for infringement.

The law of trademarks and unfair competition should not provide an alternative means for protecting a character as literary property. This doctrine does not protect creative expression, but protects instead the capacity of a character or its elements to serve as a form of identification, to symbolize the source of goods and services. If a character or one of its distinguishing elements does not identify a single source of goods or services, the doctrine should afford no protection. Nor should there be protection in the absence of likely confusion. The confusion requirement not only avoids deceiving the public, but distinguishes uses of a character which interfere sufficiently with plaintiff's economic expectations and incentives to justify a legal remedy. Nor should such protection be provided under other names, such as misappropriation or

anti-dilution, except to the extent that the dilution doctrine may be used to prevent tarnishment.

When a well-known character appears in identifiable form in a new work of fiction, it is likely that the public will believe it emanates from the same source as the original. If neither the name or the appearance of the character is used, it is unlikely that less tangible qualities will be sufficient to constitute a symbol in the public mind. General similarity between characters in the plaintiff's and defendant's works is not likely to mislead consumers into believing that they originated from the same source. A character's appearance on merchandise, such as a coffee mug, is less likely to indicate a common source or origin than its reappearance in a new work of fiction. Although the demand for a product may be derived from the popularity of the character or work in which it originally appeared, this does not mean that consumers will assume that the character's creators sponsored or authorized the additional use.

Limiting copyright and the law of trademarks and unfair competition to their proper spheres will avoid the recent tendency to protect against any recognizable use of another's fictional character. Not every appropriation should be actionable. The freedom to copy tends to allow competition among producers and broad public access to goods, and to prevent monopoly prices and profits. Overextending character protection impoverishes the public domain and unnecessarily limits competition. "Our cultural wealth is made up of the legacy of the past and the yield of the present. The growth of literature, art and music depends on contributions to this wealth and withdrawals from it."⁵⁰⁵ To ensure withdrawals as well as deposits, imitation should not invariably be deemed an ill to be avoided. "Education, after all, proceeds from a kind of mimicry, and 'progress,' if it is not entirely an illusion, depends on a generous indulgence of copying."⁵⁰⁶

While a work is protected by copyright, the characters within it should be subject to dual protection. Copyright and the law of trademarks and unfair competition can operate together in harmony. For example, using a character bearing the appearance and name of Snoopy in a new cartoon may violate both doctrines. The defendant may have taken the creative expression contained within the character and caused a likelihood of confusion as to source. If she places the same image on a coffee mug, this will be copyright infringement, but is less likely to violate the law of trademarks and unfair competition, because confusion as to source is less likely. On the other hand, if the literary character Sam Spade appears in a new novel, no more may be used than the name

505. A. LINDEY, *supra* note 52, at 279.

506. B. KAPLAN, *supra* note 58, at 2.

and a few broadly drawn traits. This may be an insufficient invasion of creative expression for copyright infringement, but enough of a taking of identifying elements to cause a likelihood of confusion. Copying and disseminating the Hopalong Cassidy films would not infringe the copyright in the Hopalong Cassidy books, because only the name, type and milieu were taken;⁵⁰⁷ nor would it cause a likelihood of confusion as to source because the public is likely to associate Cassidy with the public domain movie, not the books.

Once the work containing a character has entered the public domain, anyone should be free to use the character in new works of fiction or on merchandise, if steps are taken to avoid confusion as to source. Otherwise, the effect of the law will be to diminish indefinitely the raw materials of art and commerce. As Francis Bacon said in another context: "So let great authors have their due, as time, which is the author of authors, be not deprived of his due. . . ."⁵⁰⁸

507. See *supra* notes 168-80 and accompanying text.

508. F. BACON, *THE ADVANCEMENT OF LEARNING*, Book I, IV. 12 (Oxford University Press ed. 1951). The work was first published in 1605.

