

ideas on

INTELLECTUAL PROPERTY LAW

Current issues on patents, trademarks and copyrights

Writers Win the Copyright Battle But Lose the War

In *New York Times Co. v. Tasini*, the U.S. Supreme Court recently held in favor of freelance authors. But though Tasini and his co-plaintiffs probably will collect some money from *The New York Times* and the other publishers for the unauthorized use of their works in electronic databases, the decision is unlikely to benefit freelance authors very much in the long run.

Some History

The New York Times, *Newsday* and *Time* paid freelance writers for articles they then published. Their agreements didn't specify whether the publishers could later republish the freelance articles as part of an electronic database in the form of a CD-ROM or allow Internet access to the articles. But without

the freelance authors' permission, these publishers licensed various database providers to republish the entire contents of their publications (including the freelance articles) in electronic formats.

One of the licensed republishers was Lexis-Nexis. Subscribers could search Lexis-Nexis via the Internet, and view, print or download the articles. Although the articles' online versions identified their original print publication dates, sections, page numbers, titles and authors, they appeared in isolation, without visible links to other stories originally published in the same issue. And Lexis-Nexis didn't reproduce the print publications' formatting features, such as headline size and page placement.

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The *Times* also licensed University Microfilms International (UMI) to reproduce *Times* articles on two CD-ROM products. One was a text-only database presenting articles essentially the same way they appear in Lexis-Nexis. The other was an image-based system that reproduced the *Times' Sunday Book Review* and *Magazine* exactly as they appeared on the printed pages, complete with photographs, captions, advertisements and surrounding materials. The two CD-ROM products were searchable in much the same way as the Lexis-Nexis materials. In both, articles that users retrieved provided no links to other articles appearing in the original print publications.

What Does the Statute Require?

If these authors had been the publishers' employees, the publishers would have owned the copyrights on their individual articles, because they would have been works for hire. But the Copyright Statute makes clear that, as freelance authors, they own the copyrights on their individual articles. The publishers had bought only the rights to include those articles in their overall print publications.

But Section 201(c) of the Copyright Statute assumes that the publishers had also bought the privilege of reproducing and distributing the articles as part of "any revision" of the newspaper or magazine, and "any later work in the same series."

So the publishers claimed that Section 201(c) gave them the right to republish the freelance articles in electronic form, because the electronic publications were either a "revision" of the original print publications or a "later work in the same series" as the original print publications. But the freelance authors disagreed. They argued that the print publishers had no right to electronic publication, suing both the print publishers and the electronic republishers for copyright infringement.

The Court's Rationale

The Court reasoned that Section 201(c) of the Copyright Statute didn't authorize republication because the electronic databases reproduced and distributed the freelance articles standing alone. As retrieved electronically, they were simply isolated articles — not at all part of any larger whole. So the individual articles were not republished as part of the original work or any revision thereof or any later collective work in the same series.



Such republication exceeded the rights the print publishers had bought, and constituted infringement of the freelance authors' copyrights.

Win or Lose?

In the wake of the Supreme Court's decision, the *Times* has announced that it will remove freelance articles from its electronic republications from now on. Also, the print publishers

may either rely solely on employee authors in the future or, if they do use freelancers, they may require them to give up electronic republication rights as a precondition.

Many freelance authors find the playing field decidedly unequal when they try to insist on a better bargain with large publishers such as the *Times* and *Time* magazine. So, in this case, winning is nearly indistinguishable from losing. ☹

The Injunction Done Gone

Fair Parody or Unauthorized Sequel?

Margaret Mitchell wrote and published *Gone With the Wind* in 1936. In 1988, the novel's copyright owners authorized the publication of *Scarlett: The Sequel to Margaret Mitchell's Gone With the Wind* by Alexandra Ripley, which incorporated the original novel's characters, character traits, settings, plot lines, title and other elements. They also entered into a contract tentatively authorizing a second sequel using copyrighted elements of the original novel, to be published later. The contract for the second sequel provides that neither Scarlett O'Hara nor Rhett Butler may die, thereby preserving the copyright owners' ability to authorize further sequels.

Whose Story Is It, Anyway?

But an interloper recently entered this tightly controlled literary world. In *The Wind Done Gone*, Alice Randall, an African-American woman, tells a similar story, but does it from the point of view of Scarlett's plantation

slaves. Randall's novel explicitly refers to *Gone With the Wind*'s core characters and their traits and relationships, repeats and summarizes its famous scenes and other plot elements, and employs some of its verbatim dialogues and descriptions.

Houghton Mifflin pointed out that the two works were not substantially similar.

The *Gone With the Wind* copyright owners asked Houghton Mifflin Co., publisher of *The Wind Done Gone*, to withdraw Randall's book from publication and distribution, but it refused. The *Gone With the Wind* copyright owners then obtained a preliminary injunction from a Georgia district court.

The Arguments

Houghton Mifflin pointed out that though Randall's book may have borrowed ideas from *Gone With the Wind*, the two works were not substantially similar. Houghton Mifflin also argued that, even if *The Wind Done Gone* leaned on the basic plot of *Gone With the Wind*, using the Reconstruction era as a historical setting was too generalized to be protectable. Houghton Mifflin conceded that Randall's book had a similar setting, characters and plot. But it argued that thematically the two works were radically different, were written in different styles and had different purposes in mind.

The trial court disagreed, ruling that the new work didn't create a new story of the South during Reconstruction. Rather, with the canvas of *Gone With the Wind* as a backdrop, the new work repeated the story of *Gone With the Wind* by summarizing the older work and exploiting its copyrighted characters, story lines and settings as the palette for the new story. According to the court, Randall had taken her characters, character traits, settings, physical descriptions and plot directly from *Gone With the Wind*. Randall's book merely renamed

some of the characters and settings but otherwise adopted, almost verbatim in many instances, those contained in *Gone With the Wind*. The court said that a reasonable person would easily recognize these aspects of the book as having been taken from *Gone With the Wind*. It concluded that in *The Wind Done Gone*, Randall had copied the heart of the earlier work's characters and scenes.

Fair Is Fair

Houghton Mifflin also raised the defense of fair use. It asserted that *The Wind Done Gone* is a parody. Thus, any event that echoed an element of *Gone With the Wind* did so to make that element appear ridiculous or suggest its limitations, as understood in the new context. It argued that the new work reversed the racial stereotypes of the earlier novel and thereby endowed the stereotypical black characters in *Gone With the Wind* with agency, cunning and effectiveness. Thus, the defendant urged, *The Wind Done Gone* mocks and ridicules *Gone With the Wind*, thereby achieving a parodic effect.

According to Randall, *Gone With the Wind* "has reached the status of myth in our culture. It is more powerful than history, because it

is better known than history. Unfortunately, *Gone With the Wind* is an inaccurate portrait of Southern history. It's a South without miscegenation, without whippings, without families sold apart, without free blacks striving for their education, without Booker T. Washington and Frederick Douglass. *Gone With the Wind* depicts a South that never ever existed."



In contrast to this counterfeit view of history, Houghton Mifflin argued that *The Wind Done Gone* provided a fresh perspective using *Gone With the Wind*'s characters and scenes. In addition, it did so in a way that criticized the earlier work's one-sided view and provided a more complete picture of the antebellum South.

But the court concluded that "while *The Wind Done Gone* in part criticizes *Gone With the Wind*, the new book's overall purpose is to create a sequel to the older work and provide Randall's social commentary on the antebellum South. The work retells the earlier story in a condensed version from a different

perspective but, in truth, merely encapsulates the same story while adding new twists."

Accordingly, the court rejected the fair use defense and also held that public interest and constitutional free speech considerations didn't prevail over the copyright owners' economic interests. It preliminarily enjoined publication of *The Wind Done Gone*.

Reverse That

But on appeal, the 11th U.S. Circuit Court of Appeals lifted the preliminary injunction and allowed *The Wind Done Gone* to be published. Why? We don't know. The court said it would provide its reasons at some unnamed future date. Stay tuned. ☺

Inventor Trials and Tribulations

How do we define an inventor? Can an inventor complain if not included in the patent application? Two recent cases shed light on these questions.

What Rights Does She Have?

In *Chou v. University of Chicago*, Dr. Joany Chou sued the university, her boss and others under a provision of the patent statute allowing the courts to correct a patent's inventorship when necessary. Chou was a graduate student and postdoctoral research assistant at the university's Department of Molecular Genetics and Cell Biology. Her employment agreement required her to assign to the university all patent rights arising from her research.

The senior faculty member for whom she worked applied for a patent, naming himself as the sole inventor. But Chou thought she should have been named as the sole inventor — or at least as a co-inventor.

The trial court rejected her suit. Without considering the merits of Chou's claim, it merely ruled that she was not entitled to invoke the patent statute's corrective provisions because she lacked an ownership interest in the patent. In legal jargon, Chou had no "standing to sue." She then appealed to the Federal Circuit Court of Appeals, which reversed the trial court's decision.

The Federal Circuit held that Chou didn't need an ownership interest in the patent to have

standing to sue. It was enough that she had a financial interest in being named as an inventor. That condition was fulfilled because, under her employment agreement with the university, she was entitled to 25% of the gross royalties and up-front payments from patent licensing plus 25% of the stock of any new companies based on the invention's use.

Accordingly, the Federal Circuit ordered the trial court to allow Chou to proceed with her attempt to correct the patent's inventorship.

Don't Exclude Me

So who is entitled to be named as an inventor? In another case, *Acromed Corp. v. Sofamor Danek Group Inc.*, an accused patent infringer argued that the suit against it should be thrown out on the ground that the patent was invalid because an inventor had been omitted. But the Federal Circuit held that the patent had properly excluded the alleged inventor.

The patent named Dr. Arthur Steffee as the sole inventor of a surgical plate. At several points during the device's development, Steffee had asked a machinist at the Cleveland Research Institute, Frank Janson, to make some parts for him. In response to Steffee's request for a way of locking down some moveable components, Janson suggested adding some "arcuate recesses" that met Steffee's requirements.



The arcuate recesses were incorporated into the plate's final design and were later mentioned in the patent claims. So during the subsequent infringement suit, the defendant argued that Janson should have been named as a co-inventor.

The Federal Circuit was unpersuaded. The fact that the patent claims included the arcuate recesses meant only that the invention consisted of the arcuate recesses in combination with all other claimed elements. The arcuate recesses were not in themselves an inventive contribution because, when considered alone, they were part of the "prior art." The arcuate recesses were new only as part of the structural environment Steffee had developed.

How Inventive

The *Acromed* case illustrates the difficulty of qualifying as an inventor. As for Chou, we'll have to wait to see whether she fares better than Janson in her effort to prove that her individual contribution was inventive. ©

Good News for Poor Spellers

ACPA Erases Typosquatting

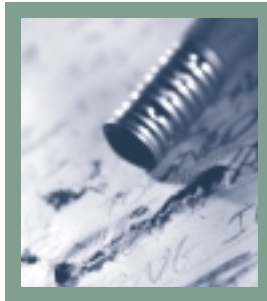
Graphic artist Joseph Shields creates, licenses, exhibits and markets cartoons under the name “Joe Cartoon.” His Web site, joe-cartoon.com, displays his cartoons and sells Joe Cartoon merchandise. Some years after Shields had established Joe Cartoon as a trademark and domain name, John Zuccarini, at domain name “wholesaler,” registered joescartoon.com, joecarton.com, joescartons.com, joescartoons.com and cartoonjoe.com. Zuccarini operated these and other Web sites as “mousetraps” — Web sites that don’t allow a viewer to exit without clicking on a succession of advertisements. Zuccarini received 10 cents to 25 cents per click.

Shields sued Zuccarini under various statutes, including the relatively new federal Anticybersquatting Consumer Protection Act (ACPA).

Profiting From Confusion?

One advantage of the ACPA is that it lets a plaintiff bar a cybersquatter from using a domain name confusingly similar to the plaintiff’s trademark — even if the parties’ products or services aren’t similar. For example, Shields’ cartoons and merchandise aren’t similar to Zuccarini’s mouse-trapping activities, apart from the fact that both use the Internet. Under traditional trademark infringement law, Shields might have had to show more similarity between the two activities. In addition, trademark dilution law doesn’t always help plaintiffs in such situations.

Although Shields won in the trial court, on appeal to the 3rd U.S. Circuit Court of



Appeals, Zuccarini cleverly argued that the ACPA applied only to “cybersquatting.” In these cases, a defendant registers a plaintiff’s actual name or trademark as a

domain name to prevent the plaintiff from registering it, then tries to sell the domain name to the plaintiff for an exorbitant sum. In contrast, Zuccarini said, his activities involved “typosquatting,” or intentional misspelling of the real name or trademark designed to trap careless or unskilled typists.

But the appellate court didn’t buy this argument. It found that the ACPA covers not only use of identical names or trademarks, but also use of confusingly similar names or trademarks. Zuccarini’s misspellings, the court found, were all similar to Joe Cartoon in that they involved merely a few additional or deleted letters or a simple word rearrangement. The similarity ensured that a relatively small typographical error would lead to one of Zuccarini’s deceptive Web sites.

A Better Mousetrap?

Zuccarini admitted that he had chosen his domain names precisely because they were likely misspellings of famous trademarks or personal names, and thus would lead victims to the wrong Web site. The court concluded that, because this met the definition of confusing similarity, it violated the ACPA. Zuccarini had not built a better “mousetrap.” ☉

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