

Part III

Copyright Update

Final installment on copyright developments of concern to editors.

By Lawrence Savell

In Parts I and II of "Copyright Update" I outlined copyright basics and discussed recent developments in electronic publishing. In this final segment, I'll give some specific ways you can help protect your publication against copyright infringement.

Fair Use

Copyright protection is not absolute. A key limitation is the doctrine of "fair use," which is defined as the privilege that those other than the copyright owner have to use copyrighted material in a reasonable manner without the owner's consent. To determine whether fair use has been made of copyrighted material, courts will consider and balance a number of interests between the owner and

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the user. These include: (1) the purpose and character of the use (the right to use for review, comment, or educational purposes is broader than for a purely commercial use); (2) the nature of the copyrighted work ("creative" works are more protected than purely factual works); (3) the proportion that was "taken" (the more, the more dangerous); and (4) the economic impact of the taking (the extent to which the use may

diminish the value of the original work).

On September 11, 1998, in *Morgenstein v. ABC Inc.*, the United States District Court for the Northern District of California ruled that the defendant network's publication of the plaintiff photographer's photograph of an elderly marijuana user, which previously appeared in *Newsweek* as part of a story about medical uses of marijuana, and which the network used as part of its story on how marijuana legalization advocates have changed the media's image of the symbolic marijuana user from that of a "long-haired hippie" to that of an individual with medical needs, constituted fair use under the Copyright Act. The court focused on the fact that the defendant used the photograph for purposes of news reporting, that the work was previously published and was factual and informative, and that it was unlikely that the new work would represent a substitute for the copyrighted original in the marketplace. The court therefore granted the defendants' motion to dismiss the copyright infringement action brought against the network.

However, on September 16, 1998, the United States District Court for the Southern District of New York, in *Feiner & Co. v. H.R.I.*

Industries, Inc., upheld its prior decision finding that a magazine publisher's use of a copyrighted photograph was not a fair use. The case involved the use of a still photograph that was derived from the Laurel & Hardy photoplay "Liberty" to which Feiner held the copyright. The court therefore ordered summary judgment in favor of the copyright holder.

Similarly, in the *Nihon* case noted above, the appellate court rejected the claim that the fair use doctrine exempted the defendants from liability. The court ruled that the defendants' abstracts of the plaintiff's copyrighted news articles did not constitute fair use of the articles, since the abstracts were mostly direct translations of the articles and added almost nothing new, since the defendants used a substantial amount of the plaintiff's work, and since the abstracts competed with and superseded the articles of the plaintiff in the marketplace.

That court also rejected the claim that the infringing use was de minimis — i.e., too minor or incidental to warrant action. It found that the de minimis doctrine did not preclude a finding of copyright infringement in the case. The defendants had argued that their abstracts infringed only 20 articles out of 90,000 produced by the plaintiff annually, and that the 20 abstracts in question represented "only a tiny fraction" of the abstracts the defendants published that year. The court ruled that the plaintiff was entitled to separate legal protection for each of its articles, and that the defendants could not excuse their wrongdoing by showing how much of their work did not infringe the copyrights of the plaintiff.

Derivative Works

Bear in mind that you cannot with impunity simply take another's copyrighted work, make a few changes, and consider the resulting work your own. Beyond simple infringement, under the federal Copyright Act, copyright owners also have the exclusive right to prepare so-called "derivative works" based upon the underlying copyrighted work. Thus, an unauthorized work derived from a copyrighted work could also be the basis for a legal claim against a publisher.

Injunctions for Infringement

First Amendment protection against prior restraints won out against copyright protection in the January 25, 1999 decision of the United States District Court for the Central District of California in *Globe International Inc. v. National Enquirer Inc.* There, the court ruled that a preliminary injunction was not warranted prohibiting the defendant tabloid magazine from publishing the defendant Suzen Johnson's "firsthand expression of her relationship with Frank Gifford or her dealings with [the *Globe*] in connection with that relationship," since such an injunction would be an impermissible prior restraint on speech, even though the plaintiff alleged that it would constitute copyright infringement.

The court also found that the *Globe* had failed to make a sufficient showing of a probable infringement of its copyrights, noting that copyright law does not protect facts or ideas but only the speaker's expression of those facts or ideas. Moreover, even to the extent the *Globe* held valid copyrights, the doctrine of fair use might preclude the granting of the injunctive relief it sought. The

court noted "[n]onfiction accounts are particularly appropriate for fair use by others."

Allegedly Obscene Materials

Of interest to publishers who may find themselves the subject of obscenity claims, on November 13, 1998, the United States District Court for the Southern District of New York denied an adult filmmaker's application for an order to seize unauthorized copies of films in a copyright infringement suit because the copies were obscene. In the case, *Devils Films, Inc. v. Nectar Video*, the court did not state whether obscenity constituted a legitimate defense in a copyright infringement suit. It pointed out that the plaintiff's sales of its obscene films violated the criminal prohibition against interstate distribution of pornography, making the films subject to forfeiture.

Newsletters

Of interest to publishers of daily newsletters, the Copyright Office on June 1, 1999 adopted a revision of its rule on group registration of daily newsletters. The change permits registration under terms similar to those for group registration of daily newspapers. The procedure applies prospectively to issues of daily newsletters published after July 1, 1999. This change should provide some relief following the Office's recent increase of its fees for various services, including registration.

Importance of Registration

On January 12, 1999, the United States District Court for the District of Kansas ruled in *Gerig v. Krause Publications Inc.*, that a federal district court lacked subject matter jurisdiction over a copyright infringement suit brought by

a plaintiff who possessed no copyright registration certificate. The case thus serves as a further justification for registering your copyrights. The court did note, however, that other courts have reached different conclusions on the issue of whether or not registration is required before suing for infringement in federal court. The case was dismissed without prejudice, allowing the plaintiff to file a new action upon receipt of a registration certificate.

On January 5, 1999, the United States Court of Appeals for the Second Circuit ruled in *Ernest Haas Studio, Inc. v. Palm Press, Inc.*, that the lower court properly dismissed a photography studio's copyright infringement complaint. The defendant was a publisher who reproduced and distributed a photograph of Albert Einstein taken in 1953 by the father of the president of the plaintiff and which was published in the June issue of *Vogue* that year. The Register of Copyrights had rejected the plaintiff studio's copyright application. The court ruled that the plaintiff's complaint did not adequately allege ownership of a valid copyright.

Legislative Efforts

Legislation was introduced on May 11, 1999 and passed by the House on August 2, 1999 designed to increase the statutory damages for copyright infringement. H.R. 1761, titled the "Copyright Damages Improvement Act of 1999," would increase the statutory damages available to copyright owners whose works are infringed. It would also add a new tier of damages targeting parties that engaged in a "repeated pattern or practice of infringement." The bill also contains language designed to prevent offenders from declaring

bankruptcy to avoid paying a copyright infringement judgment against them.

Technological Innovations

Although the risks of on-line/electronic copyright infringement may be even greater than in traditional print media, ironically the same technology may also increase the chances of detecting and prosecuting such offenses. For example, efforts are being made to develop techniques and software (such as embedding copyright information in the computer code of a picture) that will facilitate the identification of plagiarized images or text.

Conclusion

Editors need to be sensitive to the twin goals of: (1) assuring that their publications do not infringe the copyrights of others; and (2) taking steps necessary to minimize the risk that others will attempt to infringe their copyrights. Familiarity with the applicable legal principles and their evolving interpretation by the courts is essential. In-house counsel should be consulted (or outside counsel experienced in this area should be retained) in situations of uncertainty.

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