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A Tale of Two Seusses and Argued Fair Uses: The Fact-Specific Nature of Copyright Fair Use

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Fair use in the copyright context is fact specific and can be frustratingly inconsistent to litigants. Perhaps the best illustration of the challenge of predicting the outcome of a fair use analysis is the opposite holdings of two courts considering whether commercial use of content from Dr. Seuss' well-known children's books was fair.¹

Fair Use Overview

The fair use doctrine is now firmly rooted in statute, codified at 17 U.S.C. § 107. The Copyright Act considers certain uses of copyrighted works "for purposes such as criticism, comment, news reporting, teaching, scholarship, or research" as non-infringing, based on an analysis and weighing of four, non-exclusive factors.² This provision was included to alleviate concerns that "excessively broad [copyright]

protection would stifle, rather than advance, the law's objective,' [and so] fair use doctrine 'mediates between' 'the property rights [copyright law] established in creative works, which must be protected up to a point, and the ability of authors, artists, and the rest of us to express them—or ourselves by reference to the works of others, which must be protected up to a point.'"³

The statutory fair use factors include:

- (1) The purpose and character of the use, including whether such use is of a commercial nature or is for nonprofit education purposes;
- (2) The nature of the copyrighted work;
- (3) The amount and substantiality of the portion [of the work] 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.⁴

These factors are non-exclusive, meaning that courts will consider and weigh the importance of these and other factors in determining whether, in the particular circumstances of a case, the use is a fair one.

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The Rise of “Transformative Use”

Over time, courts have emphasized various aspects of the fair use analysis. For example, in evaluating the “purpose and character” fair use factor, some courts have focused on whether the use at issue is “transformative.” The concept of “transformative use” was first raised in the 1994 Supreme Court case *Campbell v. Acuff-Rose Music*,⁵ where the U.S. Supreme Court analyzed the purpose and character of the use in large part by examining whether the use “merely supersede[d] the objects of the original creation, or whether and to what extent it [was] ‘transformative,’ altering the original with new expression, meaning, or message.”⁶ Analysis of “transformative use” was prominently featured in several well-known cases from the mid-2010s.

In the 2013 case *Cariou v. Prince*, the U.S. Court of Appeals for the Second Circuit assessed whether the artist Richard Prince’s use of photographs of Jamaican Rastafarians from magazines had infringed on the copyrights of photographer Patrick Cariou, or whether such use was fair.⁷ Noting that Prince had edited the images by altering their composition, color, size, and media (Prince added shapes or other photos on top of the original images), the court concluded that Prince’s use of the photographs was fair, based in significant part on its finding that Prince’s works were “transformative,” with “a different character . . . a new expression, and . . . new aesthetics with creative and communicative results distinct from Cariou’s.”⁸

In *The Authors Guild v. Google, Inc.*, the Second Circuit addressed whether Google’s inclusion of snippets of book text in its Google Library Project—which created a word-searchable database that would pull up a list of books that included the search term—infringed on the books’ copyrights.⁹ The Second Circuit reversed in part and upheld in part the district court, finding that this feature did not infringe on the copyrights of the books because it “communicate[d] something new and different from the original.”¹⁰ The court noted that “the result of a word search is different in purpose, character, expression, meaning, and message from the page (and the book) from which it is drawn,”¹¹ adding that the feature added value by allowing users to verify that the list of books rendered from the database was responsive to the user’s search.¹² The court here also referenced the commercial motivation of Google in creating this database, but focused on the

“highly convincing transformative purpose” aspect of the database which was given more weight and importance than the monetary incentive behind the database, as the database did not take away from the profits of the original works.¹³

In *Seltzer v. Green Day Inc.*, the U.S. Court of Appeals for the Ninth Circuit relied on the concept of transformative use in considering the band Green Day’s use of the street art “Scream Icon” in a background video during a live performance.¹⁴ The court observed that because, *inter alia*, Green Day had only used “Scream Icon” as the “raw material” to the backdrop, they had modified the “Scream Icon” image with red spray paint, and the live performance was of a song invoking religious criticism, Green Day’s use was sufficiently “transformative” to weigh in favor of fair use.¹⁵ The court also found that the market function of the original street art was distinct from Green Day’s use, which was limited to the backdrop, and the image was not sold in merchandise, albums, or any other promotional material—all weighing in favor of fair use.¹⁶

While the circuit courts have increasingly invoked transformative use as a basis for fair use determinations, its application is far from dispositive.

While the circuit courts have increasingly invoked transformative use as a basis for fair use determinations, its application is far from dispositive. In the Second Circuit case *TCA Tel. Corp. v. McCollum* from 2016, the court held that the use of a two-minute routine called “Who’s on First” in the play “Hand to God” was not a fair use, not only because “there is ‘nothing transformative’ about using an original work ‘in the manner it was made to be,’” but also because the play’s use of the “heart” of the “Who’s on First” routine could eat into the routine’s licensing market.¹⁷

Just the Facts: A Case-by-Case Approach to the Analysis and Weight of Fair Use Factors

One consistent thread running through fair use analysis is courts’ resistance to bright line rules, “favoring a case-by-case balancing” of the statutory test.¹⁸

In *Otto v. Hearst Communications, Inc.*, the U.S. District Court for the Southern District of New York rejected a fair use defense raised by Hearst Communications, which was sued for posting to Esquire.com a photograph of Donald Trump that was taken by the plaintiff during a wedding at Trump National Golf Club.¹⁹ Finding that the use was not fair, the court determined that the use was non-transformative and commercial, and although the original image was factual,²⁰ “publishing the Photograph without permission essentially destroys the primary market for its use.”²¹ Notably, the court took the time to “remind the parties . . . of the ‘fact-driven nature’ of the fair use inquiry and [that] . . . the outcome may have been different in a similar scenario.”²²

In *Kienitz v. Scottie Nation, LLC*, the U.S. Court of Appeals for the Seventh Circuit considered a fair use defense where the defendant created a small batch of T-shirts bearing a copyrighted image of the mayor of Madison, Wisconsin, Paul Soglin, along with the phrase “Sorry for Partying” and sold them at a block party.²³ In its analysis, the court focused on the third and fourth fair use factors, the amount taken and the potential effect on the market for the copyrighted work.²⁴ The court found that because the amount of the original work included in the new work was minimal, and the sales of the shirt did not cut into the profits of the original photograph, the use was fair.²⁵ Significantly, the Seventh Circuit directly questioned the Second Circuit’s invocation of transformative use in *Cariou*, cautioning that “asking exclusively whether something is ‘transformative’ not only replaces the list in § 107 but also could override 17 U.S.C. § 106(2), which protects derivative works. . . . We think it best to stick with the statutory list, of which the most important usually is the fourth (market effect).”²⁶

In a recent U.S. District Court for the Northern District of California case, *Lucasfilm Ltd. LLC v. Ren Ventures Ltd.*, the court was confronted with a fair use defense brought by a defendant who had marketed a mobile app for a card game using images and dialogue from the Star Wars franchise movies and television show.²⁷ Examining the four factors, the court concluded no fair use, reasoning that although the second and third factors supported the defendants’ claims of fair use, the first and fourth factors, which weighed against fair use, were “more important” because “a non-transformative

use of copyrighted works that creates little new and harms the economic incentive of artists can hardly ‘promote the Progress of Science and useful Arts.’”²⁸

Likewise, the Second Circuit in the 2018 case of *Fox News Network, LLC v. TVEyes, Inc.*, considered Fox News’ infringement claims against online monitoring service TVEyes, which allowed users to search with words for recorded television clips.²⁹ In its decision, the Second Circuit found that TVEyes could not hide behind fair use because the TVEyes service took a substantial amount of the original Fox works since it recorded all of Fox programming that users desired,³⁰ and the TVEyes service displaced potential Fox revenues by distributing Fox content for a fee, particularly given Fox’s own commercial licensing of its content.³¹ Following this decision, TVEyes petitioned the Supreme Court to hear the case, which would have had broad implications on fair use doctrine, as the Court would have provided guidance on how to analyze and weigh the fair use factors, particularly transformative nature and market effect, which it had not done since 1994 in *Campbell*.³² The Supreme Court declined to grant certiorari.

This brief survey of cases reflects the ebb and flow of the analysis of copyright fair use before the courts over the years and the factual nature of that evaluation.

Oh, the Places Fair Use Will Go . . .

Poignantly, illustrating the perhaps inconsistent and fact-specific nature of the fair use analysis, two courts, 20 years apart, came to opposite conclusions notwithstanding the fact that they both concerned alleged infringement of books by famed children’s author Dr. Seuss.

In *Dr. Seuss Enterprises, L.P. v. Penguin Books USA, Inc.*, the Ninth Circuit affirmed the U.S. District Court for the Southern District of California’s conclusion that “The Cat NOT in the Hat! A Parody by Dr. Juice,” a book on the O.J. Simpson murder trial, did not make a fair use of Dr. Seuss’s original book “The Cat in the Hat.”³³ The Ninth Circuit’s opinion walked through all four factors to arrive at its finding of no fair use. On the first factor, the court found that, despite the inclusion of the word “parody” in the title, the work did not have enough new expression, meaning or message, and was not, in fact, a parody of the original

work.³⁴ On the second factor, the court found that the plaintiff's original work was creative, imaginative, and original, weighing against fair use.³⁵ As to the amount and substantiality of the defendant's use of the original work, the court determined that the defendant's extensive use of the cat weighed against fair use because the cat character was at the core of the original work.³⁶ Lastly, the court found that the defendant's work was commercial and non-transformative, creating an inference of market harm.³⁷

In contrast, in *Dr. Seuss Enterprises, L.P. v. ComicMix LLC*, the Southern District of California, also in the Ninth Circuit, recently granted summary judgment for the defendant who claimed fair use in connection with its mashup of Star Trek with Dr. Seuss's "Oh, the Places You'll Go!," entitled "Oh, the Places You'll Boldly Go!"³⁸ In this case, the court found that the purpose and character of the defendant's work was, although commercial, sufficiently transformative.³⁹ On the second fair use factor, the court found slightly in favor of the plaintiff, noting that the original work, although "highly creative," was also widely published.⁴⁰ The court also ruled that the amount and substantiality of the original work taken was no more than necessary to create the mash-up,⁴¹ while the potential market harm was only speculative.⁴² The plaintiff's appeal to the Ninth Circuit, filed in March 2019, remains pending.

Litigants are now at this point left to wonder why the two courts in these cases reached such opposite conclusions about fair use despite certain apparent factual similarities. Both defendants' works prominently incorporate elements from the original Dr. Seuss works in a commercial context, yet only one such use was deemed fair. Interestingly, the *ComicMix* opinion does not cite to the 1997 *Penguin Books* case.

Certainly, it is difficult to ignore the differing contexts of each use which may well have impacted the outcomes, confirming the fact specific nature of the fair use analysis. The timing and subject matter of Penguin Books' "The Cat NOT in the Hat" may have created an environment perhaps less inclined to permit ready association, for profit, of a classic children's book with a highly publicized and gruesome murder trial than with the comparatively more family-friendly Star Trek universe. Indeed, the Southern District of California specifically noted "Oh, the Places You'll Boldly Go"'s "uplifting message."⁴³ Additionally, as "mash-ups"⁴⁴ and sharing have grown

in popularity and legitimacy, it may be that courts in 2019 are more amenable to fair use in such context.

As these two cases demonstrate, the fair use analysis still leaves litigants without certainty on the likelihood of success of a fair use defense. Where past case law has failed to provide clear guidance, perhaps future opinions, including the results of the Ninth Circuit appeal of *Dr. Seuss v. ComicMix*, will succeed – "98 and 3/4 percent guaranteed."⁴⁵ More likely however, consideration of all facts in relation to the fair use factors set out in the Copyright Act and the context and nature of the accused work at issue will continue to be evaluated and analyzed on a case-by-case basis.

Notes

1. See *Dr. Seuss Enterprises, L.P. v. Penguin Books USA, Inc.*, 109 F.3d 1394 (9th Cir. 1997), and the 2019 case *Dr. Seuss Enterprises, L.P. v. ComicMix LLC*, 372 F. Supp. 3d 1101 (S.D. Cal. 2019).
2. 17 U.S.C. § 107.
3. *Cariou v. Prince*, 714 F.3d 694, 705 (2d Cir. 2013) quoting *Blanch v. Koons*, 467 F.3d 244, 250 (2d Cir. 2006) (brackets omitted) (quoting Pierre N. Leval, *Toward a Fair Use Standard*, 103 Harv. L.Rev. 1105, 1109 (1990)).
4. 17 U.S.C. § 107.
5. 510 U.S. 569 (1994).
6. *Id.* at 569.
7. 714 F.3d at 698–99.
8. *Id.* at 708, citing *Campbell*, 510 U.S. at 579.
9. 804 F.3d 202, 208 (2d Cir. 2015).
10. *Id.* at 214.
11. *Id.* at 217 (citing *Authors Guild, Inc. v. HathiTrust*, 755 F.3d 87, 97 (2d Cir. 2014)).
12. *Id.* at 217.
13. *Id.* at 219.
14. 725 F.3d 1170 (9th Cir. 2013).
15. *Id.* at 1178.
16. *Id.* at 1179.
17. 839 F.3d 168, 182–83, 186 (2d Cir. 2016) (citing *On Davis v. Gap, Inc.*, 246 F.3d 152, 174 (2d Cir. 2001); *Ringgold v. Black Entertainment Television, Inc.*, 126 F.3d 70, 79 (2d Cir. 1997)).
18. 109 F.3d 1394, n.6 (9th Cir. 1997).
19. 345 F. Supp. 3d 412, 420, 430 (S.D.N.Y. 2018).
20. *Id.* at 430.
21. *Id.* at 432.
22. *Id.* at 433.
23. 766 F.3d 756 (7th Cir. 2014).
24. *Id.* at 758.
25. *Id.*

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26. *Id.*
27. 2018 WL 5310831, at *1 (N.D. Cal. June 29, 2018).
28. *Id.* at *6 (citing U.S. Const. art. I, § 8, cl. 8).
29. 883 F.3d 169 (2d Cir. 2018).
30. *Id.* at 179.
31. *Id.* at 180.
32. 510 U.S. 569 (1994).
33. 109 F.3d 1394, 1398 (9th Cir. 1997).
34. *Id.* at 1400.
35. *Id.* at 1402.
36. *Id.*
37. *Id.* at 1403.
38. 372 F. Supp. 3d 1101, 1125 (S.D. Cal. 2019).
39. *Id.* at 1115.
40. *Id.* at 1116.
41. *Id.* at 1117.
42. *Id.* at 1125.
43. *Id.* at 1115.
44. *Id.* at 1118 (finding defendants' use of only so much of the copyrighted work as necessary to serve its purpose, making a "mash-up," to weigh in favor of fair use).
45. Seuss, Oh, the Places You'll Go! (1990).

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