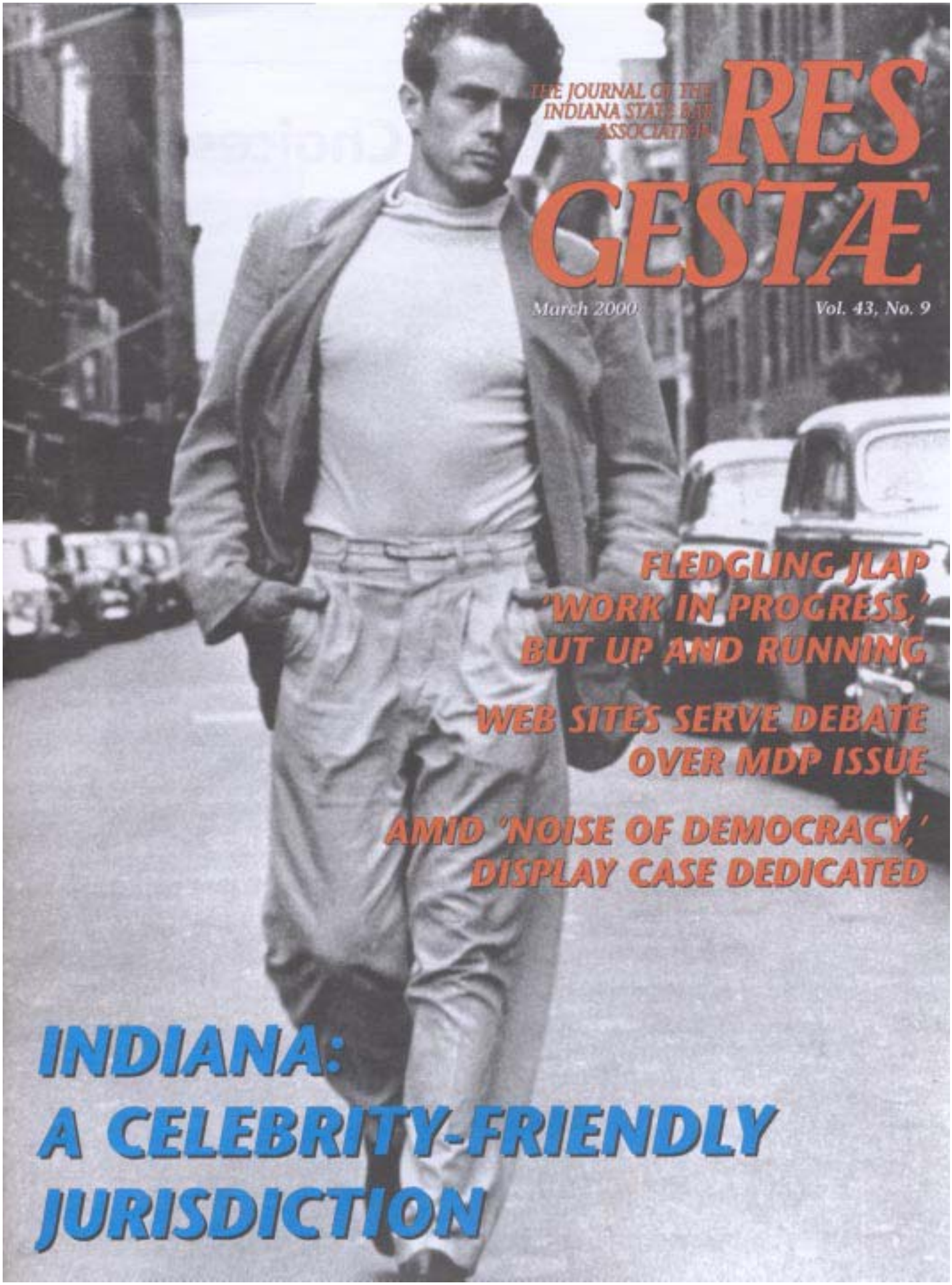

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FLEDGLING JLAP 'WORK IN PROGRESS,' BUT UP AND RUNNING

WEB SITES SERVE DEBATE OVER MDP ISSUE

AMID 'NOISE OF DEMOCRACY,' DISPLAY CASE DEDICATED

INDIANA: A CELEBRITY-FRIENDLY JURISDICTION

By Jonathan L. Faber

Indiana: a celebrity-friendly jurisdiction

It may seem surprising to the casual observer that Indiana is the home of the most comprehensive Right of Publicity statute in the United States. Since the elusive Right of Publicity is usually only implicated in high-profile celebrity lawsuits, intuition suggests that such a distinction might belong to California or New York. After all, the entertainment industry is concentrated in Los Angeles and New York City, and a significant percentage of celebrities aredomiciliaries of California and New York. Nevertheless, by virtue of the 1994 addition to the Indiana Code,as embodied in §§ 32-13-1-1 through 32-13-1-20, the distinction of having the most progressive publicity statute in the nation belongs to Indiana.

The Indiana Right of Publicity statute has received considerable attention from law students, professors and commentators who have both debated and celebrated the statute. Even greater testimony to the statute than ivory-tower review is the fact that the statute has become a model for other states seeking to adopt or amend their own Right of Publicity legislation. These developments reveal that Indiana's publicity statute should be viewed not as an anomaly in the law but rather as part of the natural evolution of the emerging Right of Publicity.

The most celebrated commentator on the Right of Publicity, J. Thomas McCarthy, has noted that the majority view extends the right to every individual, not just those who are famous (1). But as a practical matter, Right of Publicity disputes usually involve celebrities, since it is they who possess the names and images that help hype advertisements and sell products.

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The Right of Publicity is often confused with its more recognized cousins in the intellectual property family, copyright and trademark. However, the historical origins of copyright, trademark and the Right of Publicity demonstrate distinct policy rationales for the interests that each is designed to protect.

The Right of Publicity has little to do with copyright. Copyright applies to the bundle of rights one acquires in "original works of authorship fixed in any tangible medium of expression," according to 17 U.S.C. Section 102 (a), so the exclusive rights held by a copyright owner apply to the work itself. This can get complicated, as Right of Publicity and copyright considerations can simultaneously be implicated in a single usage. An advertisement featuring a celebrity's picture may require authorization from the photographer for the copyright use, and from the celebrity for the Right of Publicity use. Because these are wholly distinct claims with independent parties charged with standing to assert them, federal copyright laws generally will not preempt a state-based, Right of Publicity claim.

There are, however, some noteworthy similarities between the Right of Publicity and trademark law. Theoretically, the Right of Publicity is of the same genus as unfair competition and, more precisely, the doctrine of misappropriation -two hallmarks of trademark law, as reflected in the Lanham Act. Like a trademark, the Right of Publicity can function as a quality assurance to a consumer, especially if a celebrity, or his or her estate, maintains self-imposed quality standards and exercises discretion in licensing publicity rights. Also, proprietors of both trademark and publicity rights seek to prevent others from reaping unjust rewards by appropriation of the mark or celebrity's fame.

Given these occasional parallels, overlap is inevitable. In *Motown Record Corp. v. Hormel & Co*., for example, trademark laws were use to protect the "persona" of the legendary music group, the Supremes (2). But as a general proposition, the Right of Publicity stands apart from both trademark and copyright law, as a distinct body of law with its own underlying principles and history of precedent.

The Supreme Court of the United States has reviewed the Right of Publicity only once, in the seminal case of *Zacchini v. Scripps-Howard Broadcasting. Zacchini* involved a famous "human cannonba1l"

who objected to his entire 15-second performance being televised on the local news. The value of his act depended on the public's desire to witness the event, so televising the event detracted from the demand of people willing to pay to see his act.

The Court recognized Zacchini's Right of Publicity and rejected the Broadcasting Company's First and Fourteenth Amendment defenses. In so doing, the Court noted that the decision was not merely to ensure compensation for the performer; rather, it was to provide "an economic incentive for him to make the investment required to produce a performance of interest to the public (3)." Thus, in language reminiscent of the policies supporting copyright and patent laws, Justice White solidified the foundation of the Right of Publicity.

The most famous Right of Publicity cases are the so-called "impersonator" cases. *Midler v. Ford Motor CO.(4) and Waits v. Frito-Lay, Inc.(5)* involved similar fact patterns in that both Bette Midler and Tom Waits declined to lend their distinctive voices to advertising jingles for two prominent manufacturers. Undeterred, the advertisers in each case simply found sound-alike performers who could duplicate the vocal timbre and styling of Bette Midler and Tom Waits. Both Midler and Waits prevailed on Right of Publicity claims which yielded $400,000 for Midler and later.

In another famous impersonator case, *White v. Samsung Electronics America, Inc.*, Samsung utilized a robot that looked and acted like Vanna White of "Wheel of Fortune" fame (6). This usage was an infringement because Samsung had deliberately pawned the image and popularity of White and because White was readily identifi- able from the context of the use. She was awarded $403,000.

Numerous other noteworthy Right of Publicity cases have come down over the years. *Carson v. Here's Johnny Portable Toilets (7)* and *Motschenbacher v. R.J. Reynolds Tobacco Co.(8)* are significant in that neither case involved the name or image of the famous individual implicated in the case. The former of these cases involved the well known "Here's Jonny" introduction of Johnny Carson on the "Tonight Show" in an advertisement. The latter involved an advertising use of a distinctive race car that was identifiable as belonging to a specific driver. In each case, the companies were infringing because of the unequivocal association that the public could make between the

phrase and the car, and the famous individuals associated therewith.

In January of 1999, Dustin Hoffman asserted his Right of Publicity against a magazine publisher, but the use did not involve an advertisement, per se. In *Hoffman v. Capital Cities/ARC, Inc.,* Los Angeles Magazine created a feature photo spread by using a variety of celebrity images from famous movie still shots without authorization from the celebrities (9). The magazine digitally manipulated the images so it appeared that the celebrities were wearing modern designer clothing. For example, Dustin Hoffman's character in Richard Tyler gown and Ralph Lauren heels. Though there was no suggestion that Hoffman endorsed the article or the designers in which he was depicted, Hoffman was awarded $3,270,000 for the violation of his publicity rights. This amount consisted of $1.5 million in compensatory damages, $1.5 million in punitive damages, and $270,000 in attorney fees.

As the verdicts in these cases reveal, infringing a celebrity's Right of Publicity can be a costly error. For this reason, the use of a celebrity's name, image or likeness in any commercial endeavor should be carefully scrutinized to ensure compliance with the applicable publicity laws (as well as possible trademark considerations since certain aspects of a celebrity's persona also can qualify for trademark protection).

Celebrity status carries a hefty price tag, despite the wealth and adulation it may generate. Benedict

(Baruch) Spinoza, writing more than 300 years ago, identified this trade-off: "Fame has also this great drawback, that if we pursue it we must direct our lives in such a way as to please the fancy of men, avoiding what they dislike and seeking what is pleasing to them (10).

Recognition of this dilemma underscores the policies supporting the Right of Publicity, and it is not surprising that publicity rights have made it possible for the celebrity-licensing industry to develop rapidly in recent years. Celebrities typically invest considerable energy in nurturing their public image, and it would be patently unfair for a business to siphon the celebritie's success into their products to increase sales without compensating the celebrity for heightened profits.

The idea of nurturing and marketing one's public image is nothing new, as some of the greatest achievers in history have incresed the value of their namesakes through controvery, theatrics and sensationalism. Niccolo Paganini, perhaps the greatest violinist to ever live, understood how to market an image. At his sold-out concerts throughout Europe in the 19th century, his mysterious satge persona and unparalleled virtuosity led many to conclude that he (or perhaps his attorney) had negotiated a deal with the devil. Paganini fueled the controversy by wearing black costumes, which, in addition to his gaunt countenance and long hair, created the spectral appearance of a wraith floating across the stage.

Paganini's compositions witness the 24 Caprices- require a technical finesse to which performers painstakingly aspire. As if to mock the difficulty of his compositions, during the finale of his concerts, Paganini intentionally increased the tension on his strings to cause them to break one by one during his performance, and he would seamlessly finish the work on a single string. The German genius Louis Spohr, after attending a Paganini performance in 1830, said that "in his compositions and performance there is a strange mixture of the highest genius, childishness and tastelessness, so that one feels alternately attracted and repelled (11)." The same could be said of many of today's beloved personalities.

If the manipulation of one's image in order to increase revenue streams is nothing new, the advent of publicity laws in the 20th century at least ensure that the profits derived from these valuable personas are more equitably channeled. Indeed, publicity laws have led to results that the achievers and celebrities of previous ages could merely wish for, as The Wall Street Journal recently explored in a special Millennium edition: "Thanks to their ability to sell tickets and raise television ratings, top stars now command contracts and fees that make them more wealthy than the royal patrons who supported entertainers of yore (12)."

Of course, an additional factor in this revised equation is the fact that celebrities and celebrity estates have become ever more savvy in licensing their image or likeness. The recent alliance between McCann-Erickson and PMK suggests the increasing awareness of this natural synergy. The advertising agency of McCann-Erickson (clients include GM and Coca-Cola) and the publicity firm of PMK (clients include Tom Hanks and Tom Cruise) recently united if order to pool the strengths of their respective clientele (13).

The union reflects the fact that celebrity icons can help establish the branding of a trademark. A celebrity's image and persona can even operate as a brand in its own right. This union is not surprising, since manufacturers seek recognizable personalities to be associated with their product, and advertisers want the magnetic power of a celebrity image to draw consumers' attention to their advertisements.

But the policies supporting Right of Publicity laws are not simply about ensuring that a celebrity or celebrity estate gets paid. It is also about the right to control how a celebrity is commercialized, or if he or she will be used at all. As Vince Lombardi Jr. has said: "Nothing anyone can do is going to enhance my father's reputation, but they certainly can detract from it (14)." Thus, the ability to control commercialization in the first place is as much a policy objective of the Right of Publicity as is providing revenue streams for the rightful recipient.

As of this writing, 16 states recognize the Right of Publicity via statute, lS and the majority view is that the right exists by common law in every state that has not defined its position through legislation. The American Law Institute's Third Restatement of Unfair Competition (1995) §46 also recognizes the Right of Publicity as a distinct and viable legal theory. However, the parameters of the right vary from state to state, depending on the provisions of any given statute.

New York was the first state to enact a publicity law with the New York Civil Right Law in 1903. This statute prohibits the use of the name, portrait, or picture of any living person without prior consent for "advertising purposes" or "for the purposes of trade." In the early part of the 20th century, with little precedent for publicity rights, New York viewed publicity rights through the filter of personal rights.

New York's limiting viewpoint was addressed by Judge Jerome Frank in Haelan Laboratories, Inc. v. Topps Chewing Gum, Inc. 16. In his decision, Judge Frank distinguished the "right of publicity" from the "right of privacy" by focusing on the economic interests involved, rather than the personal interests characteristic of the right of privacy. Haelan is also cited as the first articulation of these interests as the "Right of Publicity."

Though New York still does not recognize a post-mortem Right of Publicity, New York is increasingly in the minority in failing to recognize the right beyond the death of the individual. That the right is of a proprietary nature appears to be an accepted principle as states enacting Right of Publicity legislation in recent years consistently provide for post-mortem rights.

The proprietary nature of publicity rights in Indiana is reflected in Section 16 of the Indiana statute. The provision states: "The rights recognized under this chapter are property rights, freely transferable and descendible, in whole or in part." The transfer of these rights may occur "by contract, license, gift, trust, testamentary document and [by] operation of the laws of in testate succession applicable to the state administering the estate and property of an in testate deceased personality, regardless of whether the state recognizes the property rights set forth under this chapter." This proprietary nature of the right in turn buttresses several of the other progressive provisions of Indiana's law, including the term of years that the right extends and the fact that it dispenses with the issue of domicile of the decedent in determining the applicability of the statute to an infringement.

The number of years that post-mortem publicity rights are recognized varies dramatically from state to state. For example, Tennessee recognizes the right for 10 years after death, Virginia for 20 years, Florida for 40 years, Kentucky, Nevada, and Texas for 50 years, California for 70 years (due to the recent amendment described below), and Washington for 75 years. With such substantial variations between states in the term of post-mortem protection, it is understandable that Indiana's publicity statute attracted attention upon passage. Section 8 of the Indiana statute states: " A person may not use an aspect of a personality's Right of Publicity for a commercial purpose during the personality's lifetime or for 100 years after the date of the personality's death. ..."

While this provision generated considerable response from law students and commentators, it appears that the Indiana statute is now something of a paragon among publicity statutes as other states have been increasing the term of years that the post-mortem right is recognized. The state of Washington, for instance, recently enacted a publicity statute, and followed the Indiana model by recognizing the right for 75 years after death. While not equaling Indiana's term, Washington's statute provides one of the longer terms of protection in the United States, suggesting that practitioners, legislators and businesses are becoming more

familiar with publicity laws and that the Indiana statute is an appropriate lead to follow. 17

Another notable provision of the Indiana statute relates to the fact that the Indiana statute takes effect upon any act or event that occurs within Indiana, regardless of a personality's domicile, residence or citizenship. This provision simplifies the application of the statute, for example, by efficiently eliminating many potentially complicated choice-of-law issues.

Indiana's statute, like most publicity statutes, contains various exceptions that address the First Amendment concerns that the Right of Publicity might otherwise raise. For example, 32-13-1-1 (c) (1-3) states that the provisions do not apply to books, films, single and original works of art, or for news reporting purposes. These exemptions also ensure that a newspaper publisher, for instance, will not be liable for publishing a third- party's advertisement that contains an infringement of an individual's publicity rights.

Finally, it is worth noting that the Indiana Right of Publicity statute provides for punitive dam- ages, though this is not unusual among those states with Right of Publicity laws on the books. Damages in publicity cases are measured by the commercial injury to the business value of personal identity. Infringement damages are therefore determined by the fair-market value of the plaintiff's identity, the infringer's actual profits, including profits derived from the unauthorized use (failure to pay a licensing fee), and damage to the licensing opportunities for the plaintiffs identity, as stipulated in sections 10-13. Treble or punitive damages, as the injured party may elect, are available if the violation is knowing, willful or intentional. In certain circumstances, discourgement could even provide an appropriate measure of damages for a Right of Publicity infringement (an approach guaranteed to get the infringer's attention).

Over the last 12 months, the Indiana statute helped fuel a hotly debated effort, to amend California's pd'Stmortem publicity laws. California's Senate Bill 209 was an effort to amend California's Section 990 provisions. The drafters of this legislation looked to the Indiana statute as a model of the sort of publicity rights that are essential to protect a celebrity's rights in and to their name, image and likeness in a meaningful fashion.18 Supporters of the bill also pointed to the scope of Indiana's publicity rights as a persuasive reason for expanding recognition of publicity rights in California, the jurisdiction with perhaps the most opportunity to address celebrity claims.

California enacted publicity rights long before Indiana. In 1972, through section 3344 of the California Civil Code, Right of Publicity protection-was extended to living personalities. In 1995, California enacted Section 990, the post-mortem publicity law, which extended the right for a term of 50 years.

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Senate Bill 209 was introduced in early 1999 by Senate President Pro Tempore John Burton with the help of Robyn Astaire, the widow of Fred Astaire. The bill was also sponsored by the Screen Actors Guild, as well as top Hollywood names like Arnold Schwarzenegger , Tom Cruise, Anjelica Huston and Michael Douglas. The bill was signed into law in the fourth quarter of 1999.

One issue of particular importance to Senate Bill 209's supporters involved issues spawning from the rapid advancement of digital manipulation technology, by which existing footage of celebrities is modified to produce new, spectacular results. Advertisers can now create the impression that John Wayne actually drank Coors beer, that Fred Astaire developed his dancing technique with a Dirt Devil, that Lucille Ball shopped at Service Merchandise, and that Ed Sullivan spoke glowingly of the M –Class Mercedes. The new amendment to California's law will forbid the alteration or manipulation of a deceased's name, voice, signature, photograph or likeness in a false manner that is portrayed as factual, unless the personality's heirs consent.

Indiana's Right of Publicity also provided inspi-

ration for increasing the term of protection of California's post-mortem rights, and for providing a cause of action for any act or event that occurs within the jurisdiction. Previously, a celebrity had to contend with complicated issues as to whether or not he or she was domiciled in California, or if the celebrity had developed and exploited their publicity rights while alive. California'~ post-mortem publicity rights will now extend for 70 years after death, a 20-year increase in the term of protection. The statute will also take effect upon any act or event that occurs in the jurisdiction –like Indiana -without requiring that the individual was a domiciliary of California.

The variations between states Right of Publicity laws occasionally generates scholarly debate over whether a federal Right of Publicity statute would be beneficial. Because of the aforementioned parallels with trademark law, some have proposed that the proper place for a federal Right of Publicity statute is in the Lanham Act. But as the policies and function of Right of Publicity and trademark laws vary, this notion is problematic, if not untenable.19

In 1995, the Patent, Trademark & Copyright Section of the American Bar Association began exploring the federalization of the Right of Publicity by drafting proposals for such a law. More recently, at an ABA meeting in Atlanta in August of 1999, a referendum to form a committee to review the possibility of drafting a federal publicity statute was passed. Perhaps this will take wings. However, these efforts still appear to be a long way from generating an acceptable federal law, as these types of efforts over the years have consistently broken down under the strain of unresolved debate.20 In fact, the state-based regime is not as unmanageable as it may appear, as there is a discernable consistency in Right of Publicity case law, even from jurisdiction to jurisdiction.

If a federal statute is ever passed, one hopes that the Indiana Right of Publicity statute will continue to be a source of inspiration in determining the scope of protection granted. After all, the Indiana statute has proven to be much more than a mere anomaly, but rather a harbinger of the rising significance of publicity rights in the new millennium.

I. See J. T. McCarthy, The Rights of Publicity and Privacy, §4.3 (1989).
2. 657 F. Supp. 1236 (C.D. Gal. 1987).
3.433 U.S. 562, 576 (1977).
4. 849F.2d 460 (9th Cir. 1989).
5.978 F.2d 1093 (9th Cir. 1992).
6. 971 F.2d 1395 (9th Cir. 1992).
7. 698 F.2d 831 (6th Cir. 1983).
8. 498 F.2d 821 (9th Cir. 1974). 9. 33 F. Supp.2d 867 (C.D. Cal. 1999).
10. [1632.1677] (from Tractatus de Intelledus Emendatione).
11. Arnold Whit tall, Romantic Music 45 (1987).
12. Peter Gumber, "Fame and Fortune," The Wall Street]., Ian. II, 1999, at R34.
13. Chris Taylor, "Marriage of Convenience: It's General Motors on Line One, Mr. Redford," Time magazine, Feb. 22, 1999, at 22.
14. Mark Hyman, "Dead Men Don't Screw Up Ad Campaigns," Business Week, March 10, 1997.
15. Cal. Civ. Code 3344 (Deering 1995); Cal. Civ. Code 990 (Deering 1995); Fla. Stat. Ann. 540.08 (West 1997); Ind. Code Ann. 32-13-1 et seq. (Michie 1995); Ky. Rev. Stat. Ann. 391.170 (Baldwin 1984); Mass. Gen. Laws Ann. Ch. 214 3A (West 1994); Neb. Rev. Stat. 20-201-20-211 (1979); Nev. Rev. Stat. 597.810(1)(b) (1993); Okla. Stat. Ann. tit. 12 1449 (1986); R.I. Gen. Laws 9-1-28 (1956); Tenn. Code Ann. 47-25-1104 (1984); Utah Code Ann. 45-3-1 (1981); Va. Code Ann. 8.01- 40 (1977); Wash. Rev. Code Ann. 63.50.040- 070 (West 1998); Wis. Stat. Ann. 895.50 (West 1977).
16. 202 F.2d 866 (2nd Cir. 1953).
17. Note that the Oklahoma publicity statute extends the right for 100 years as well. 12 Okla. Stat. Ann. 1448 (G).
18. See "Senate Bill 209: The Facts," written by the Screen Actors Guild to dispel the misconceptions propagated by the motion picture studios to the California Legislature.
19. See "Symposium: Rights of Publicity: An In- Depth Analysis of the New Legislative Proposals to Congress," 16 Cardozo Arts 6- Ent. L,J. 209, (1998).
20. SeeCardozoArts 6-Ent. L. 1.209, 1998.

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