

ANA BREAKOUT 3A: Reference Materials (Azim-Khan, Ervin and Rafeedie)

Protecting Brand Characters:

Copyright Protections:

Copyright Protection and Infringement of Fictional Characters, Crown LLP

<https://crownllp.com/blog/copyright-protection-and-infringement-of-fictional-characters/>

This time of year Santa Claus is everywhere. Selling cars, soft drinks, kitchen appliances, and just about anything else you can think of. Can anyone use Santa to market their goods or services? What about other fictional characters like James Bond, Superman, or Rocky Balboa? Can they be used freely? Or does their use require a license?

It is believed that Santa Claus, as a character, first appeared in print as early as 1773. But it wasn't until the 1920s, when the Santa we are all familiar with here in the U.S. – a jolly overweight gent in a red suit with a white beard and an affinity for cookies – began appearing regularly in the U.S. in Coca Cola® ads created by the artist, Haddon Sundblom. Coca Cola's advertisements that included a depiction of Santa helped to create the myth that Coca Cola owns the copyright to the image of Santa Claus, which it does not. What Coca Cola (and/or the artist, Haddon Sundblom) may own is the copyright to Sundblom's particular graphic depiction of Santa, which means that you can't use Sundblom's visual work without consent. But nobody owns "Santa Claus," and anyone can use the name Santa Claus, and anyone can create and use their own original visual depiction of Santa for marketing, advertising, or any other purpose.

What about fictional characters of more recent vintage? First, it is important to differentiate between graphically depicted characters, like Superman, Batman, and Wonder Woman, and fictional characters that are not graphically depicted but, rather, require the reader to conjure an image of that character as the story develops, like the literary sleuths, [Sherlock Holmes](#) and Sam Spade. Graphically depicted characters have copyright protection not because they are more deserving, but because it is much easier to make a visual comparison between a character depiction and a copy, rather than a comparison of abstractions or descriptions.

Historically, the courts have extended copyright protection to characters only as part of a larger protected work, like a book or a play, and not as creations entirely independent of that work. The 1930 case of *Nichols v. Universal Pictures* is instructive. In *Nichols*, the playwright of a theatrical work in which an Irish Catholic girl falls in love with a Jewish boy sued the producer of a later film in which, you guessed it, an Irish Catholic girl falls in love with a Jewish boy, claiming copyright in the two primary characters. But the court found that the characters depicted were prototypes, not distinctly delineated and thus not capable of copyright protection. After all, isn't this Shakespeare's *Romeo and Juliet* story in different clothes? As the aptly-named Judge Learned Hand stated, the less developed the character, the less the copyrightability of the same.

The courts have developed two tests to determine whether a fictional character is capable of copyright protection on its own, entirely independent from the work the character appears in – the "distinctly delineated" test and the "story being told" test. Under the first test, a character is

“distinctly delineated” if the character possesses distinct, unique attributes that consistently apply across multiple appearances. Tarzan has been found to meet the “distinctly delineated” test and thus capable of independent copyright protection. The Ninth Circuit has developed the “story being told” test. Under that test, a character is capable of copyright protection only if it “constitutes the story being told.” In an early case on the issue, the character in question, Sam Spade of the Maltese Falcon detective novel, was held to be a “mere vehicle” for carrying the story forward and thus not capable of copyright protection. In the Sam Spade case, the court found that Sam Spade is a “mere chessman in the game of storytelling.”

The character of E.T. was found to be capable of independent copyright protection because it was both sufficiently distinct and central to the story being told. Rocky Balboa, the fighter depicted by Sylvester Stallone in the “Rocky” movies, has been determined to be both a well delineated character and central to the story being told, and thus capable of copyright protection. Likewise, that debonair, bespoke-suited, shaken-not-stirred martini swilling gentleman known as “Bond, James Bond,” is sufficiently delineated for independent copyright protection, despite the fact that the character has been played by multiple actors across numerous films since, among other reasons, these characteristics remained consistent across each of those films.

So, if you are creating a character that you hope to protect, and exploit, to the fullest extent possible, prepare a physical depiction of that character and register your copyright in that graphic work. If this is not possible, give the character many unique characteristics and make that character central to the story being told.

Right of Publicity in Fictional Characters:

An actor’s claim that his right of publicity has been violated by the commercialization, without his consent, of the character he portrays will only lie if the accused character evokes the persona of the actor.¹ Where it is not an actual person’s identity being exploited, but only the character he portrays, it is likely there will be no violation of a right of publicity.²

1 See *Landham v. Lewis Galoob Toys, Inc.*, 227 F.3d 619, 624–25 (6th Cir. 2000).

2 See *id.* at 625; *accord* *Burck v. Mars, Inc.*, 571 F. Supp. 2d 446, 454 (S.D.N.Y. 2008) (holding that while an M&M dressed as a naked cowboy in Times Square evokes the character of the Naked Cowboy portrayed by Burck it does not evoke Burck himself, and therefore does not violate New York’s right of publicity law). *Contra* *White v. Samsung Elecs. Am., Inc.*, 971 F.2d 1395, 1399 (9th Cir. 1992) (holding a robot that looks like Vanna White violated her rights of publicity).

Protection of Fictional Characters

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A. Legally Reviewed

B. Fact-Checked

The article [Protection Of Graphic Characters](#) provides an overview of the protection of characters and general guidelines for protection of a graphic character that is depicted by a cartoon or other graphic representation, such as Mickey Mouse or Superman. This article will focus on the protection available for a "fictional character" (also referred to as a "literary character"), such as James Bond, Sam Spade, Sherlock Holmes or Hopalong Cassidy, who is first represented by a "word portrait" and then possibly at some later date by a graphic representation.

Even though most stories and plots are forgotten, the characteristics of a fictional character frequently remain fixed in a reader's imagination; this fixation may then provide the true underlying value of a particular literary work or series. Because of the "value" that may be inherent in a fictional character, the creator and/or publisher should always take steps to ensure that the fictional character is protected, especially if there may be a possibility to use the fictional character in book sequels, or for licensing the use of the fictional character for films, television programming, electronic or other media or merchandising. It is only by maintaining control and protection of the fictional character that revenue streams may be maximized for the creator/publisher of that character.

The relevance of this topic is illustrated by an article in *The New York Times* regarding Vladimir Nabokov's 1955 novel *Lolita* and a new book, *Lo's Diary*, by Pia Pera that allegedly has made extensive use of *Lolita* and its main characters Lolita and Humbert Humbert. The Nabokov estate has reacted to the publication of *Lo's Diary* by bringing a lawsuit against Ms. Pera alleging [copyright infringement](#). Ms. Pera has reacted to the lawsuit by stating "Lolita belongs not just to literature but to everyday language and contemporary mythology. This suit makes one wonder whether new light can be cast on our cultural heritage only after the term of copyright has expired."

Three distinctive bodies of law -- copyright, [trademark](#) and unfair competition -- provide overlapping protection for a fictional character. This has led one commentator to conclude that the current situation that exists in many courts has resulted in a convergence of these distinct bodies of law into a new body of law formulated solely to protect characters. However, although the convergence theory exists for fictional characters it is not as demonstrable as it is for graphic characters.

Fictional characters have the same basic characteristics as graphic characters in that they portray the uniqueness of a particular character; the character has a name, physical appearance and attitude or character traits. The primary difference between the fictional and graphic character is that the physical appearance and characterization of the fictional character resides in

the imagination of the reader and is continually being developed in the reader's mind by the author's description of the character as the story unfolds. This is in contrast to the graphic character where the physical appearance and characterization are visually apparent for the reader. Although this is a rather self-evident difference it is an extremely significant one when evaluating the scope of protection that is available for fictional characters as compared to the protection available for graphic characters. This is because the fictional character presents a unique recognition problem since no two minds will see a particular character in the same way unless that character has been visually depicted. The protection problem may also exist when a later graphical representation of a fictional character is portrayed very differently than from the word portrait that initially appeared.

COPYRIGHT PROTECTION

Copyright law will only protect the characterization of a fictional character if the character is portrayed in a copyrighted work. One difficulty in protecting a fictional character under copyright law is that frequently a fictional character takes on a "life of its own" that is independent of the story in which it first appeared. The problem is how to protect the fictional character that takes this independent life. Another difficulty is that sometimes a fictional character, even when it is incorporated in a copyrighted work, is deemed by the court to not be entitled to copyright protection. Furthermore, even when the fictional character is protected it frequently receives less protection than that accorded to graphic characters.

The underlying reason for this varying degree of protection stems from the fact that similarities between fictional characters are frequently less concrete than those for graphic characters. Usually fictional characters are not represented by a singular physical image but instead are merely representations that appear in the reader's imagination and therefore different fictional characters are only abstractions that cannot easily be compared.

Although it is rather evident that copying of a particular fictional character has occurred if one uses identical or substantially similar language to describe their fictional character, but what more frequently occurs is a taking of the more abstract character traits and elements that only conjure up a mental image of that character for the reader. In reality, none of the verbally described characteristics of the fictional character are as dominant as the visually depicted characteristics of a graphic character and therefore the copyright law distinction between an unprotectable idea and protectable creative expression may prevent copyright law from protecting the fictional character.

Copyright protection for fictional characters appears to have had as its genesis, a subsequently much quoted statement by Judge Learned Hand. He suggested that characters might be protected independent from the plot of a story. "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." *See, Nichols v. Universal Pictures Corp.*, 45 F.2d 119 (2d Cir. 1930), cert. denied, 282 U.S. 902 (1931).

Although the decisions in cases involving the protection of fictional characters have not been consistent, the prevailing view has been that fictional characters are copyright protected. However, the general trend with respect to copyright protection must be categorized as one of

restrictive protection rather than an all-encompassing scope of protection. Generally in those cases where the fictional character was found to be protected, the character that was copied was "distinctively delineated" (or fully developed) in the original work and that the character's delineation was misappropriated in the copier's work. But even in those cases where the fictional character was protected the courts have had difficulty in explaining why the fictional character was distinctively developed. On the other hand, in those cases where the fictional character was found not to be protected, the character was not distinctively delineated in the original work and therefore that fictional character was only a particular "character type" and was not entitled to copyright protection. Thus any inquiry concerning the protection of fictional characters involves two questions. "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."

Some courts have adopted a "character delineation" test to help them decide whether fictional characters deserve copyright protection. This test analyzes whether a fictional character is developed specifically enough to warrant protection of the character as copyrightable expression or instead, does the character's description only describe a character type that it is nothing but an idea and thus undeserving of copyright protection. As one commentator has stated, "[f]ully realized characters in literature are little different than fully defined personalities in daily life. ... A literary character can be said to have a distinctive personality, and thus to be protectable, when it has been delineated to the point at which its behavior is relatively predictable so that when placed in a new plot situation, it will react in ways that are at once distinctive and unsurprising."

Therefore, to warrant copyright protection, a fictional character must be specifically described and fully developed. At times overcoming this "description hurdle" may be difficult to achieve. This is because some courts are very skeptical of protecting "word portraits" since they are unable to "see" the differences between one fictional character and another.

Other courts have adopted what is referred to as the "story being told" test. Some courts use this test by itself or sometimes in conjunction with the character delineation test when analyzing whether a fictional character deserves copyright protection. The story being told test was first used when a court determined that Dashiell Hammett's character, Sam Spade, in the novel *The Maltese Falcon* was not entitled to copyright protection. The court stated that the character Sam Spade was merely a vehicle for telling the story, rather than an essential part of the story itself, and therefore Sam Spade as a fictional character could not be protected under the copyright law. *See, Warner Bros. Pictures v. Columbia Broadcasting Sys.*, 216 F.2d 945 (9th Cir. 1954), cert. denied, 348 U.S. 971 (1955). For those of us who have read *The Maltese Falcon* and intimately know Sam Spade, this result reveals how difficult it may be to develop a fictional character so that a court will not merely view the fictional character only as the vehicle for telling a story. One may even wonder whether the court overlooked the fact that a reader of mystery fiction may be more interested in the protagonist than in the plot, and instead simply reasoned that Sam Spade was only the typical "detective" found throughout the mystery genre.

The proof required to demonstrate that copyright infringement of fictional characters has occurred is basically the same as that required for graphic characters. The publisher/creator must first prove that the alleged infringer had access to the fictional character. This element is

frequently and easily achieved because the court will infer that the infringer had access to a fictional character if the copyrighted work in which that character appeared was widely distributed. Next, one must prove that there is a "substantial similarity" between the original fictional character and the infringing character. The courts use a variety of different methods to ascertain substantial similarity. These methods include the character delineation test, the story telling test, an extrinsic test that ascertains whether there is a substantial similarity in the theme, plot and sequence, settings, mood, dialogues, and characters and finally an intrinsic test that looks at the total concept and feel of a fictional character to determine if that character has been copied and whether there is a substantial similarity in copyrightable expression. Comparing fictional characters to determine whether there is sufficient substantial similarity between them to result in a finding of copyright infringement is difficult; similarities and dissimilarities in the respective characters are relevant and "substantial similarity must exist not between names or types of characters, but in the complex of characteristics that amount to creative expression."

There is one exception to the substantial similarity analysis that is particularly relevant to fictional characters. This exception is known as the *scènes à faire* doctrine that prohibits a court from protecting material that is standard or common to a particular subject or topic. Thus a stereotyped fictional character, unless one copied the "exact" word portrait of that character, is not likely to be copyright protected. For example, it is unlikely that a court would find that an alleged infringer had infringed a mystery novel's main character just because both smoked a cigar and spoke with a New York accent. In this instance the court would probably conclude that the fictional character's characteristics of "smoking a cigar" and speaking with a "New York accent" were standard or common to the mystery genre.

TRADEMARK PROTECTION

A fictional character, similar to a graphic character, cannot obtain trademark protection for its own protection, but may only be protected when the trademark indicates a particular source of goods and services. However, unlike for graphic characters, courts have not fully embraced trademark protection for fictional characters. This attitude may be due less to the courts' unwillingness to utilize trademark law to protect a fictional character than to the likelihood of such a case arising since it is highly unusual for a character that had never previously been depicted graphically to be used in a commercial fashion.

A fictional character's "name" may be a trademark if the character's name is used as a title of a book, movie or series and therefore indicates a single source of the entertainment product or service or it is used on other than entertainment goods or services. Trademark protection may also be available for a fictional character's unique verbal expressions, such as the Lone Ranger's "Hi-yo Silver Away". Therefore, while the full spectrum of trademark protection may be available for highly successful graphical characters, such a possibility, other than for the unauthorized use of a fictional character's name or verbal expression is highly unlikely for most fictional characters. Furthermore, trademark protection may be precluded in those instances where there is a problem associated with relating the trademark to a single source such as in the entertainment industry where a character may be associated with an author, artist, film producer, sponsor or even with the character itself. If the source is fragmented then trademark protection may not be appropriate.

UNFAIR COMPETITION PROTECTION

Unfair competition protection involves a variety of different causes of action that are found in the federal Lanham Act and in state law and basically fall into the categories of [misrepresentation](#), false sponsorship, and misappropriation. Many courts have permitted various aspects of unfair competition law to protect fictional characters. However, as with trademark law, unless a fictional character is used wrongly in a commercial context, it is unlikely that unfair competition laws would provide protection for the fictional character.

CONCLUSION

While there may still be some degree of uncertainty and inconsistency regarding the legal protection of graphic characters, the legal protection available for fictional characters is even less uncertain and more inconsistent. Therefore, as a generalization, fictional characters have less legal protection than graphic characters. This is due to several factors.

Courts are uncomfortable affording protection to fictional characters that they are unable to see. The scope of legal protection is not as broad for fictional characters in that copyright law is the dominant form of protection for fictional characters while graphic characters may be broadly protected by a combination of copyright, trademark and unfair competition law. In addition, intellectual property law is usually used to prevent a diminution in the value of intellectual property. Therefore, unless an infringer blatantly misappropriated a fictional character's name and exactly duplicated a character's characteristics the damages complained of would often be more of an artistic and subjective nature rather than commercial damages, and courts frequently do not know how to compensate for these types of damages. Thus, the protection of a fictional character for artistic rather than commercial purposes may encounter particular difficulty. In fact, the most difficult aspect of protecting a fictional character is that one may be required to demonstrate that the value of the particular fictional character has decreased, and not that one has been harmed artistically since many courts would be unsympathetic to such a plea.

USEFUL HINTS

Three hints that you may find useful for protecting your fictional characters are:

1. Copyright register the underlying work that incorporates the fictional character.
2. Trademark register the fictional character's name or unique verbal expression.
3. Create and use a graphic representation of the fictional character and copyright register and trademark register the visualization of that character.

Digital Rights and Risks:

Garcia v. Build.com, Inc., (S.D. Cal. July 13, 2023)

- In *Garcia*, Judge Sabraw granted Build.com’s motion to dismiss. The court determined that the § 631 claim **failed under the party exception because Build.com could not eavesdrop on its own conversations.** The court also rejected plaintiff’s theory under § 631’s aiding and abetting clause, because while the complaint speculates on the identity of the third-party vendor supplying the chatbot, this speculation is insufficient to allege the existence of a third-party eavesdropper.
- On the § 632.7 claim, the court held that the statute only applied to communications transmitted by telephone, and that **engaging a website chat function using a smartphone “stretches the statutory language too far.”**
- In an attempt to survive dismissal, the plaintiff has since filed an amended complaint with more fulsome allegations about the third-party eavesdropper and how the defendant allegedly aided and abetted this third party’s CIPA violations.
- Bottom line – everything dismissed.

Valenzuela v. Nationwide Mut. Ins. Co., (C.D. Cal. Aug. 14, 2023)

- Judge Frimpong reached a different conclusion, finding that the **§ 631(a) theory survived dismissal.** She reached this conclusion because, in her view, the complaint alleged sufficient facts to make out claims that **Nationwide aided a vendor which attempted to learn the contents of chatbot communications and used those contents for commercial benefit.** In particular, it was enough to survive dismissal that the complaint alleged that the third-party vendor had the capability to intercept messages in realtime as a business objective to collect and analyze data.
- Nationwide argued that the complaint should still fail because the vendor was acting on its own behalf, and thus the party exception should apply. But the court rejected this argument, saying that a business arrangement did not transform the third-party vendor into a party to the communication. Unlike the complaints at issue in Build.com, the complaint in Nationwide effectively alleges facts to establish that the defendant has aided and abetted in eavesdropping.
- The court however rejected the plaintiff’s other claims, including the plaintiff’s § 632.7 claim because, she said, **the statute only prohibits intrusion on a communication between two phones, not between a smartphone and a website chat feature.**

Licea v. Jockey Int’l, Inc. (Cal. Sup. Aug. 11, 2023)

- Judge Richardson **overruled a demurrer on both the complaint’s § 631 and § 632.7 claims.** The complaint alleged that a vendor was collecting California data on behalf of Jockey and never obtained consent from website users. Unlike in *Build.com*, the

court said that *no specific details about the vendor were needed and that the facts alleged were sufficient to overcome the party exception* and for the complaint to survive dismissal.

- The *Jockey* court said the § 632.7 claim survived as well, citing a case where a *genuine issue existed as to whether § 632.7 covered Voice over Internet Protocol (“VoIP”) technology*. On this basis, she opined that she “cannot say as a matter of law, that the use of a smart phone for the purpose of transmitting a communication in the form of data on a defendant’s website, is not a communication for the purposes of section 632.7.”

Gladstone v. Amazon Web Services, Inc. (W.D. Wash July 2, 2024)

- Judge Lin found Gladstone *had sufficiently alleged a violation of § 631, applying the capability approach analysis*. Judge Lin noted the Ninth Circuit has split in the application of § 631, treating some software providers not as third parties "because they are a 'extension' of their customers and merely 'provide[] a tool'" while treating others as third parties when they have the 'capability' to use consumer data.
- First, Judge Lin concludes that the term *"device" within § 632 can include software*. Next, Judge Lin find that Gladstone sufficiently alleged that the Defendant "uses" the Amazon Connect software to collect content of any conversations.
- Distinctly, Plaintiff *did make physical calls* to the Capital One call center; this is not a case regarding chatbots.

United States of America v. Microsoft, (W.D. Wash. 2023)

- FTC settled a lawsuit with Microsoft over alleged COPPA violations for its data practices involving its Xbox live product. The FTC alleged that Microsoft violated COPPA by collecting children's data prior to obtaining parental consent, lacking sufficient privacy notices, and lacking proper data retention practices.
- Microsoft was fined \$20 million and was required to implement various privacy-protective measures, including a requirement to notify third parties who receive data from Microsoft that they have received children's data.
- The settlement order made clear that the FTC intends to enforce COPPA against any entity with "actual knowledge" that it processes children's information, regardless of whether that entity directs its services at children.