Commercial Speech and the Transformative Use Test: The Necessary Limits of a First Amendment Defense in Right of Publicity Cases

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COMMERCIAL SPEECH AND THE TRANSFORMATIVE USE TEST:

THE NECESSARY LIMITS OF A FIRST AMENDMENT DEFENSE IN RIGHT OF PUBLICITY CASES

I. INTRODUCTION

Why should someone be able to profit from the commercial use of an individual's identity without his or her consent? If the use of an individual's identity has commercial value, that individual should have the exclusive right to control the use of that identity and should be compensated for such use. The right of publicity—entirely rooted in state law—functions to protect an individual from this type of exploitation without compensation or consent. Of course, in order to profit from the commercial exploitation of one's identity, that identity must possess some sort of value. Because celebrities are the "principal parties who have value in their names and likeness," celebrities are especially prone to violations of their publicity rights. Celebrities who have relied on their right of publicity for relief in this context include: Michael Jordan, Bette Midler, The Three Stooges, along with college football players, who may not possess celebrity status in the traditional sense but who have nonetheless worked to bring value to their name and likeness.

The right of publicity has arisen in two major contexts: (1) those cases involving the use of a celebrity's likeness in connection with commercial advertising, and (2) those cases involving the use of a celebrity's image in connection with expressive works. In the context of commercial speech, the protection afforded by the First


2. Id.


Amendment is necessarily limited. In *Jordan v. Jewel*, the Seventh Circuit recently held that image advertising is properly characterized as commercial speech, even if it has noncommercial elements. Thus, commercial advertising is not afforded the full protections granted by the First Amendment and cannot defeat an individual right of publicity claim. Unfortunately, the extent of this limitation has not been affirmatively decided in connection with the right of publicity. As a result, various tests have been developed among jurisdictions to determine what level of First Amendment protection should be afforded to defendants who use a celebrity's image in an expressive way. A recent line of right of publicity cases, involving the unauthorized use of digital replicas of former college football players in the NCAA series of videogames, have brought the tension between the right of publicity and the First Amendment to the forefront of the ongoing debate.

Noting the transformative use test's advantages over the other two prevalent balancing tests, the Third Circuit, in *Hart v. EA*, recently adopted the transformative use test as the most viable test for balancing an individual's right of publicity against the First Amendment in the context of expressive works. This decision has solidified the transformative use test as the most prominent balancing test employed by courts in these cases today.

This Article focuses on these two recent opinions, considering the proper level of protection afforded by the First Amendment to defendants in right of publicity cases, depending on the nature and context of their work. Section II will outline the origins and development of the right of publicity. Section III will outline the First Amendment implications inherent in the right of publicity and the commercial versus noncommercial speech distinction as explained by the court in *Jordan v. Jewel*. Section IV will examine the various tests employed by courts to resolve the

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9. *Id.*
11. *Id.*
12. *Id.*
tension between the right of publicity and the First Amendment in the context of expressive works, as well as the majority and dissenting opinions in *Hart v. EA Sports* and the implications of these decisions. Finally, Section V will propose a more sensible application, combining the teachings of the two cases, that would resolve many of the tensions between the right of publicity and the First Amendment and provide more predictable and uniform outcomes.

II. BACKGROUND/ORIGINS OF THE RIGHT OF PUBLICITY

A. What is the Right of Publicity?

The right of publicity is a state law cause of action that protects an individual from the unauthorized use of his or her identity for commercial purposes. The right of publicity “protects the unauthorized commercial exploitation of a celebrity’s name (actual or legal), likeness, as well as other aspects of identity such as photograph, portrait, caricature, and biographical facts and records of performance.”

Courts “apply and interpret the right of publicity in cases involving the use of celebrities’ names, likenesses, and occasionally, other identifying characteristics on, in connection with, or to endorse or promote a myriad of products and services.” The general test for a violation of a right of publicity involves the following inquiry: Whether the defendant (1) used the plaintiff’s name/image/likeness (2) without consent (3) for a

13. Biederman, supra note 1, at 210. The right of publicity “protects the unauthorized commercial exploitation of a celebrity’s name (actual or legal), likeness, as well as other aspects of identity such as photograph, portrait, caricature, and biographical facts and records of performance.” Id.

14. Id.

15. Id.

commercial purpose.\textsuperscript{17} In order to fully understand the implications and effects of the right of publicity in modern society, one must first understand the origins of the right of publicity, including the right at common law, as well as the state right of publicity statutes that have developed thenceforth.

\textbf{B. Development of the Right of Publicity at Common Law}

At common law, appropriation of a person's name or likeness for commercial purposes "emerged as a distinct branch of privacy law."\textsuperscript{18} The "appropriation prong" of an invasion of privacy suit "originally sought to compensate for the emotional distress accompanied by the unauthorized use of one's likeness and identity."\textsuperscript{19} However, as the appropriation tort developed, it became clear that it was the commercial interests in one's identity, rather than the emotional distress caused by the unauthorized use of that identity, that the "appropriation prong of tort serve[d] to protect the most."\textsuperscript{20} Thus, while the right of \textit{privacy} protects one's "right to be let alone," the right of \textit{publicity} protects one's right to control the commercial value of his or her identity.\textsuperscript{21} In this sense, publicity rights function primarily to protect a celebrity's "proprietary interest in the development of a marketable image."\textsuperscript{22}

\textit{Haelan Laboratories, Inc. v. Topps Chewing Gum} was the first case to expressly recognize a "right of publicity."\textsuperscript{23} Here, the Second Circuit had to decide whether a baseball player had the right to grant a chewing gum company an exclusive license to use his image in connection with their product. In so holding, the court explained that "in addition to and independent of the right of

\textsuperscript{17} No Doubt v. Activision Publ'g, Inc., 192 Cal. App. 4th 1018, 1028 (2011).
\textsuperscript{18} Matthew D. Bunker, \textit{Free Speech Meets the Publicity Tort: Transformative Use Analysis in Right of Publicity Law}, 13 COMM. L. & POL'Y 301.
\textsuperscript{19} Montgomery v. Montgomery, 60 S.W.3d 524, 528 (Ky. 2001).
\textsuperscript{20} \textit{Id}.
\textsuperscript{21} \textit{Id}.
\textsuperscript{22} BIEDErMAN, \textit{supra} note 1, at 210.
\textsuperscript{23} See generally Haelan Labs., Inc. v. Topps Chewing Gum, 202 F.2d 866 (2d Cir. 1953).
privacy,” an individual has a “right in the publicity value of his photograph, i.e., the right to grant the exclusive privilege of publishing his picture.” 24 As the court explained, 

[i]t is common knowledge that many prominent persons (especially actors and baseball players), far from having their feelings bruised through public exposure of their likeness would feel sorely deprived if they no longer received money for authorizing advertisements, popularizing their countenances displayed in newspapers, magazines, busses, trains and subways. 25

C. State Right of Publicity Statutes

Given the vast number of celebrities who reside in or around Los Angeles, it shouldn’t be surprising that California was the first state to create an express right of publicity statute. 26 California’s right of publicity statute, created in 1985, provides in part:

Any person who knowingly uses another’s name, voice, signature, photograph, or likeness, in any manner, on or in products, merchandise, or goods, or for purposes of advertising or selling, or soliciting purchases of, products, merchandise, goods or services, without such person’s prior consent ... shall be liable for any damages sustained by the person or persons injured as a result thereof. 27

In Midler v. Ford Motor Co., for example, the famous Bette Midler sued an automobile company that used a “sound alike” to

24. Id. at 868.
25. Id. But see Cardtoons v. Major League Baseball Players, 838 F. Supp. 1501 (N.D. Okl. 1993) (holding that the baseball cards were a parody (i.e., not a literal depiction of the character) and not subject to liability).
27. Id. The common law claim for misappropriation of the right of publicity is similar, “except there is no requirement that the misappropriation have been done knowingly.” See Haelan Labs., 202 F.2d at 868.
imitate her voice for a television commercial as part of the company’s popular “Yuppie Campaigns.” Midler chose to rely on the common law right of publicity, rather than California’s right of publicity statute, because it was broader than the statutory cause of action that allowed for a parallel common law cause of action to exist. Midler prevailed. The court held that Midler’s voice was sufficiently unique and identifiable among the public as being Bette Midler’s especially when combined with a song for which she was so well known. As the court noted, “when a distinctive voice of a singer is widely known and deliberately imitated to sell a product,” the right of publicity should protect the unauthorized use of that voice.

Since then, several other states have followed suit in enacting right of publicity statutes which best accommodate the individual needs of that state. Nonetheless, some states continue to rely on the common law right of publicity, while others do not recognize the right at all, creating an obvious lack of uniformity between jurisdictions. In addition, while a number of states have adopted statutory provisions, most state statutes “do not necessarily cover all possible scenarios.”

III. COMMERCIAL SPEECH & THE FIRST AMENDMENT

A person’s right of publicity may be protected by state law to the extent that it does not infringe on a person’s First Amendment

28. Midler, 849 F.2d at 461.
29. See id. at 463.
30. Id.
31. Id.
32. Id.
33. BIEDERMAN, supra note 1, at 231. The only states with right of publicity statutes include the following: California, Florida, Illinois, Kentucky, Indiana, Massachusetts, Nebraska, Nevada, New York, Ohio, Oklahoma, Pennsylvania, Rhode Island, Tennessee, Texas, Utah, Virginia, Washington, and Wisconsin. Id. California’s statute is recognized as the most liberal of state statutes, and when the statute does not provide a celebrity with relief, plaintiffs in California often rely on the common law to expand protection “beyond a mere likeness.” Id.
34. Id. at 211 (stating that “[i]n some situations, common law relief may be available for situations which are not covered by statute.”).
right to freedom of speech. As the court in *Hart v. EA* explains, "[f]reedom of expression is paramount in a democratic society." The protection afforded to the First Amendment is "not limited to written or spoken words, but includes other mediums of expression, including music, pictures, films, photographs, paintings, drawings, engravings, prints, and sculptures." In fact, speech is often protected "even though it is carried in a form that is sold for profit." The use of a person's identity in news, entertainment, and creative works for the purpose of communicating information or expressive ideas about that person is generally protected expressive speech. State statutes creating an action for right of publicity violations usually exclude use of a person's identity in news, entertainment, and creative works. However, "instances can and do arise where First Amendment protections yield in the face of competing interests." As the *Grant v. Esquire* court illustrated, "the right to express oneself does not mean that the means of expression are necessarily free."

The Supreme Court addressed this issue in *Zacchini v. Scripps-Howard Broadcasting Co.*, holding a news station liable for a violation of the plaintiff's right of publicity when they aired the plaintiff's entire cannonball act on television without his permission. The court had to determine whether the broadcast was sufficiently newsworthy to overcome plaintiff's claim for right of publicity. The Court held that the defendant news station

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35. *Hart*, 717 F.3d at 149.
36. *ETW Corp.*, 332 F.3d at 924 (citing *Zacchini v. Scripps-Howard Broadcasting Co.*, 433 U.S. 562, 578 (1977)) (noting that "[t]here is no doubt that entertainment, as well as news, enjoys First Amendment protection.").
37. *Id.*
38. *Id.*
39. See e.g., 765 ILCS § 1075/10 (stating that "[t]he right to control and to choose whether and how to use an individual's identity for commercial purposes is recognized as each individual's right of publicity") (unconstitutional or preempted).
40. *Hart*, 717 F.3d at 150.
42. *Zacchini*, 433 U.S. at 578.
violated the plaintiff’s right of publicity, despite its “newsworthiness,” because no one would need to buy tickets to see his performance if they could watch the entire performance on defendant’s news station. Thus, freedom of expression was necessarily limited in this case because “a performer has a right to be compensated for the effort he put into his performance,” and an “economic incentive for [a performer] to make the investment [is] required to produce a performance of interest to the public.”

A. Commercial Speech

To determine whether “speech falls on the commercial or noncommercial side of the constitutional line, the Court has provided this basic definition: “Commercial speech is ‘speech that proposes a commercial transaction.’” As discussed, commercial speech is no longer given the same type of protection as other

(2012). Of course, the First Amendment collides with this right in the context of a newsworthiness exception. A general exception applies to the right of publicity when a person’s identity is used in connection with a news report or other entertainment medium in the business of reporting for entertainment or newsworthy purposes. Even this exception, as is evident in the early Zacchini case, has its limitations. “As is the case with the right of privacy, defenses are available when subjects are public figures, or a matter is newsworthy, and in addition, media are permitted to utilize materials which might in other contexts violate rights of publicity where the use is designed to promote circulation.” Id. The value of a celebrity’s likeness is oftentimes built by the news reports, biographies, documentaries, and even tabloids that exploit their images. However, this type of exploitation is typically protected by the First Amendment. Nonetheless, as it will become clear, there are still some limitations on how far news media can go in violating a person’s right of publicity. See generally Zacchini, 433 U.S. 562 (1977) (exceptions may include, but are not limited to, expressive works, films, television shows, plays, and books that may be a biography of the celebrity); BIEDERMAN, supra note 1, at 211.

44. Zacchini, 433 U.S. at 578.
45. Gutmann, supra note 37, at 219.
types of speech under the First Amendment. As the Supreme Court has explained, the level of protection afforded to commercial speech under the First Amendment may be properly limited if there is a "substantial interest to be achieved" by the limitation. In this context, the proprietary interest one has in controlling the unauthorized exploitation of his or her identity for commercial purposes justifiably limits the protection afforded to commercial speech when one's right of publicity is at stake.

B. Jordan v. Jewel

The Seventh Circuit recently opined, in *Jordan v. Jewel*, that the First Amendment would not protect a defendant from liability if the use of the celebrity's identity can properly classified as image advertising and hence considered "commercial speech." Here, Jewel created an ad containing a "congratulatory note" to Michael Jordan for his induction into the basketball hall of fame, using a large image of his well-known shoes and number "23." The court explained that "[b]ased on its content and context, the ad is properly classified as a form of image advertising aimed at promoting the Jewel-Osco brand." For this reason, the court held that Jewel's use of Jordan's identity was a form of commercial speech and not protected by the First Amendment.

In 2009, Michael Jordan was inducted into the Naismith Memorial Basketball Hall of Fame. That year, Sports Illustrated produced a "special commemorative issue" dedicated to Jordan and his career, properly classifying him as a "sports icon whose name and image are deeply embedded in the popular culture and

47. Gutmann, *supra* note 37, at 218.
50. *Id.* at *2.
51. *Id.*
52. *Id.* at *1.
53. *Id.*
54. *Id.*
55. *Jordan*, 2014 WL 627603 at *1.
easily recognized around the globe.” In exchange for stocking the magazine in their grocery stores, Jewel was offered free ad space in the issue. Jewel accepted the offer and ran an ad in the issue “congratulating” Jordan into his induction into the basketball hall of fame. Below Jordan’s logo and marketing slogan, Jewel featured a photo of a pair of Jordan’s basketball shoes with the number “23” prominently displayed.

Despite Jewel’s apparent “congratulatory” message, Jordan sued under the Illinois Right of Publicity statute based on the “misappropriation of his identity for the supermarket chain’s commercial benefit.” Jewel claimed that its ad is “noncommercial” speech and is thus subject to the full protections of the First Amendment. Jordan, on the other hand, argued that the ad was “commercial speech,” subject to the “reduced constitutional protection [which] may give rise to liability for the private wrongs he alleges in this case.” The court explained the issue as such:

If the ad is properly classified as commercial speech, then it may be regulated, normal liability rules apply (statutory and common law), and the battle moves to the merits of Jordan’s claim. If, on the other hand, the ad is fully protected expression, then Jordan agrees with Jewel that the First Amendment provides a complete defense and his claims cannot proceed.

The district court granted summary judgment in favor of Jewel, holding that the ad was noncommercial speech, and thus fully protected by the First Amendment. The Seventh Circuit Court of

56. Id. at *3.
57. Id. at *1.
58. Id.
59. Id.
60. Id.
62. Id.
63. Id.
64. Id.
Appeals reversed. As the court explained, “[t]he ad is plainly aimed at fostering goodwill for the Jewel brand among the targeted consumer group—“fellow Chicagoleans” and fans of Michael Jordan—for the purpose of increasing patronage at Jewel-Osco stores.” In rejecting the district court’s finding that Jewel’s use of Jordan’s identity was “noncommercial,” the court explained that just because the ad “doesn’t mention a specific product means only that this is a different genre of advertising.” It “promotes brand loyalty rather than a specific product, but that’s doesn’t mean it’s ‘noncommercial.’”

In short, the ad’s commercial nature is readily apparent. It may be generic and implicit, but it is nonetheless clear. The ad is a form of image advertising aimed at promoting goodwill for the Jewel-Osco brand by exploiting public affection for Jordan at an auspicious moment in his career.

Finding that Jewel’s ad was commercial speech and thereby not fully protected by the First Amendment, the court remanded for a determination of the merits of the federal Lanham Act claim, to decide whether the court was able to maintain supplemental jurisdiction over the remaining state law claims, including the Illinois right of publicity claim.

IV. EXPRESSIVE WORKS AND THE FIRST AMENDMENT

Though the right of publicity has traditionally arisen in cases involving the use of a celebrity’s imagine in connection with commercial advertising, as in Jordan v. Jewel, the First Amendment issue is most controversial in right of publicity cases.

65. Id.
66. Id. at *7.
68. Id.
69. Id.
70. Id. The court also took this opportunity to discuss the appropriately limited application of the “inexplicably intertwined doctrine.”
involving the use of a celebrity's image in expressive mediums. Because expressive works are generally characterized as noncommercial speech under the Constitutional definition, they are generally afforded a higher level of First Amendment protection than advertisements and/or product endorsements.71 "But having recognized the high degree of First Amendment protection for noncommercial speech about celebrities, we need not conclude that all expression that trenches on the right of publicity receives such protection."72 In order to "resolve the tension between the First Amendment and the right of publicity, [the courts] must balance the interests underlying the right of free expression against the interests in protecting the right of publicity."73 Unfortunately, many courts have struggled to strike the appropriate balance between a person's right to free speech versus a person's right to control the use of their persona.74

A. The Balancing Tests

In right of publicity cases where an individual's identity is used in connection with expressive works, the court must often weigh the state's interest in promoting an individual's right to control the exploitation of his or her identity against an individual's First Amendment right of free speech.75 This balancing of interests has become necessary because of the distinction between the First Amendment protection afforded to pure speech that is not for profit and the diminished level of protection afforded to commercial speech.76 In an attempt to resolve these tensions, state courts have developed various balancing tests to determine the appropriate level of protection afforded to free speech in this

71. Comedy II, 25 Cal. 4th at 397.
72. Id. at 389.
73. Hart, 717 F.3d at 149; see also Zacchini, 433 U.S. at 574-75.
75. Cent. Hudson Gas, 447 U.S. at 564.
76. Gutmann, supra note 37, at 218.
context. The most prevalent of these tests include the: (1) predominant use test, (2) Rogers test, and (3) transformative use test. Different jurisdictions have developed varying methods to balance these considerations. However, the Ninth Circuit’s transformative use test—partially imported from Copyright’s fair use defense—has been gaining increased traction in jurisdictions outside California (including, most recently, New Jersey).

1. Predominant Use Test

The predominant use test focuses on the predominant purpose of a work. Thus, “[i]f a product is being sold that predominantly exploits the commercial value of an individual’s identity, that product should be held to violate the right of publicity and not be protected by the First Amendment, even if there is some ‘expressive’ content in it that might qualify as ‘speech’ in other circumstances.” On the other hand, if “the predominant purpose of the product is to make an expressive comment on or about a celebrity, the expressive values could be given greater weight.”

This test was first applied in Doe v. TCI Cablevision, where the court balanced the plaintiff’s property interest in his own name and identity against the First Amendment interests of the comic book creators who appropriated it. In this case, Tony Twist, a former professional hockey player, brought a right of publicity suit against the creator of a comic book who appropriated his identity by using his name and turning him into a villainous comic book character. The court held that the predominant purpose of the work was commercial, rather than expressive and not protected by the First Amendment. The court reasoned that “the metaphorical

77. See Hart, 717 F.3d at 154.
78. Id.
80. Id.
81. Id.
82. See generally id.
83. Hart, 717 F.3d at 153.
84. TCI Cablevision, 110 S.W.3d at 367.
85. Id. at 374.
reference to [the plaintiff], though a literary device, has very little literary value compared to its commercial use."^86

In determining what balancing test to apply, the court in Doe v. TCI Cablevision rejected both the Rogers Test and the transformative use test because they did not give enough weight to the fact that the use of a "person's name and identity have both expressive and commercial components."^87 The court reasoned that the other tests ignored the commercial aspect of a work, and precluded recovery for violation of a right of publicity where the work is in any way expressive.^88 Nonetheless, recent courts have rejected this approach on the basis that its results are too subjective and focus too much on the intended use of the celebrity's likeness rather than focusing on the work itself.^89

2. Rogers Test

The Rogers test originated in Rogers v. Grimaldi and focuses on the relationship between the celebrity image and the work as a whole.^90 In Rogers, the well-known dancer, Ginger Rogers sued movie producers when one of their films featured characters that mimicked both Ginger Rogers and Fred Astaire. The court developed a "two-prong test to determine whether a work is protected under the First Amendment."^92 The first prong asserts that "the title of the work is unprotected if it has no artistic relevance to the original work."^93 The second prong states that "the title of the work is unprotected if it has no artistic relevance to the original work."

Unfortunately, though a relatively straightforward analysis, this test has not been employed outside of the trademark

86. Hart, 717 F.3d at 154.
87. Id. (quoting TCI Cablevision, 110 S.W.3d at 374) (internal quotations marks omitted).
88. Id.
89. Hart, 717 F.3d at 154.
90. See Rogers v. Grimaldi, 875 F.2d 994 (2d Cir. 1989).
91. Gutmann, supra note 37, at 219.
92. Id. at 220.
93. Id. (quoting Rogers, 875 F.2d at 994).
94. Id.
context since its conception. The Rogers test has been explicitly rejected in right of publicity cases on the basis that its application is too narrow and is "too intertwined with traditional trademark principles."\(^{95}\)

3. **Transformative Use Test**

The transformative use test—first employed by the California Supreme Court and most recently adopted by the Third Circuit in *Hart v. EA*—employs yet another methodology for balancing the right of publicity against the First Amendment.\(^{96}\) The Supreme Court of California formulated this balancing test in *Comedy III Productions v. Gary Sanderup, Inc.*, based on "whether the work in question adds significant creative elements so as to be transformed into something more than a mere celebrity likeness or imitation."\(^{97}\) In that case, the defendants made and distributed silk-screen t-shirts with the Three Stooges images printed on the shirts.\(^{98}\) The t-shirt distributors attempted to shield themselves from liability by claiming First Amendment protection.\(^{99}\) Nonetheless, the court held that the First Amendment did not protect defendants from liability because the print image was not "sufficiently transformed" into something more than a celebrity likeness and the value of the use was derived from the celebrity's fame.\(^{100}\) Because there were not enough elements of creativity in the t-shirt to transform the image into something more than mere appropriation of the celebrity's likeness, the right of publicity...

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95. *Hart*, 717 F.3d at 158. This test has been applied more generally to trademark law cases, and less in the context of right of publicity. This test focuses on the likelihood of confusion factors that are relevant to trademark law, and not to the right of publicity. Thus, as this test has developed, its application has become applicable only to cases under the Lanham Act where consumer confusion is a relevant factor.
96. *Id.* at 153.
98. *Id.* at 393.
99. *Id.* at 396.
100. *Id.* at 409.
prevailed.101

Thus, the relevant question in deciding whether a work is sufficiently transformative becomes: whether the celebrity likeness is one of the “raw materials” from which an original work is synthesized or if it is just a depiction of the “sum and substance of the celebrity.”102 If the defendant can prove that the celebrity’s image has been sufficiently transformed, he will not be liable for appropriation of an individual’s identity.

The court in Hart v. EA explained the apparent superiority of the transformative use test as follows:

Unlike the Rogers Test, the Transformative Use Test maintains a singular focus on whether the work sufficiently transforms the celebrity’s identity or likeness, thereby allowing courts to account for the fact that misappropriation can occur in any market segment, including those related to the celebrity. On the other hand, unlike the Predominant Use Test, applying the Transformative Use Test requires a more circumscribed inquiry, focusing on the specific aspects of a work that speak to whether it was merely created to exploit a celebrity’s likeness.103

In adopting this test, the court held that “the transformative use test appears to strike the best balance because it provides courts with a flexible—yet uniformly applicable—analytical framework.”104 The transformative use test acknowledges that “if First Amendment protections are to mean anything in right of publicity claims, courts must begin by considering the extent to which a work is the creator’s own expression.”105

101. Id.; see also Winter v. DC Comics, 30 Cal. 4th 881, 69 P.3d 473 (2003) (holding that comic book depictions of popular entertainers were transformative and protected by the First Amendment).
102. Id. at 406.
103. Hart, 717 F.3d at 163.
104. Id.
105. Id.
B. Hart v. EA Sports

_Hart v. EA_ is the most recent decision in the line of right of publicity cases involving EA’s unauthorized use of digital replicas of Ryan Hart, a former quarterback at Rutgers University, and other former college football players in the _NCAA Football_ videogame series. Hart filed a class action against EA alleging a violation of his right of publicity based on EA’s “purported misappropriation of [Hart]’s identity and likeness to enhance the commercial value of _NCAA Football_.” The district court granted summary judgment in favor of EA, holding that EA’s use of Hart’s likeness was fully protected by the First Amendment. The New Jersey Court of Appeals reversed and remanded.

1. Majority Analysis

The opinion began by “noting the self evident: video games are protected as expressive speech under the First Amendment.”

106. _See generally id._

107. _Id._ at 146. EA is “one of the world’s leading interactive entertainment software companies, and develops, publishes, and distributes interactive software worldwide for consoles, cell phones, and PCs.” _Id._ EA’s “successful _NCAA Football_ videogame franchise” was first released in 1993, and “[n]ew editions in the series are released annually.” _Id._ The game allows users to interact with “over 100 virtual [college football] teams and thousands of virtual players.” _Id._ (internal quotations omitted).

108. _Id._ at 147. In his amended complaint, Hart alleges that “(1) [EA] replicated his likeness in _NCAA Football 2004, 2005, and 2006_ (complete with biographical and career statistics) and that (2) [EA] used [Hart]’s image in the promotion for _NCAA Football_ wherein Hart was throwing a pass with actual footage from Rutgers University’s Bowl Game against Arizona State University.” _Id._ (internal quotations omitted).

109. _Id._ at 145.

110. _Id._

111. _Id._ at 148. “As the Supreme Court has noted, ‘video games communicate ideas—and even social messages—through many familiar literary devices (such as characters, dialogue, plot, and music) and through features distinctive to the medium (such as the player’s interaction with the virtual world).’” _Id._ “As a result, games enjoy the full force of First Amendment protections. As with other types of expressive conduct, the protection afforded
However, "[a]s with other types of expressive conduct, the protection afforded to games can be limited in situations where the right of free expression necessarily conflicts with other protected rights."\(^\text{112}\) The conflicting interest at issue here, of course, is a person's right of publicity.\(^\text{113}\) EA conceded, for purposes of the motion and appeal, that it violated Hart's right of publicity, thus "misappropriating his identity for commercial exploitation."\(^\text{114}\)

New Jersey does not have a right of publicity statute, so the plaintiff in this case had to rely on the common law right of publicity. Since this was a case of first impression within both New Jersey and the Third Circuit alike, the court examined the approaches used by other courts in an attempt to "set out a definitive methodology for balancing the tension between the First Amendment and the right of publicity."\(^\text{115}\) The court examined the holding in "Zacchini and the [n]eed for [b]alance," as this is the first case to consider the implications of the First Amendment in the context of the right of publicity.\(^\text{116}\) Ultimately, as outlined above, the Supreme Court held:

\[\text{[w]herever the line in particular situations is to be drawn between media reports that are protected and those that are not we are quite sure that the First and}\]

\(^\text{112}\) Id.

\(^\text{113}\) Id.

\(^\text{114}\) Id. at 148-49. Interestingly enough, there have been several right of publicity claims related to video games in the past few years, most notably No Doubt v. Activision Publishing, Inc. See generally No Doubt v. Activision Publ'g, Inc., 192 Cal. App. 4th 1018 (2011). In No Doubt, the band No Doubt claimed a violation of their right of publicity as used in the videogame Band Hero. Id. The court's heavy reliance on the "use of highly realistic digital depictions of No Doubt" likely contributed to this court's struggle with the concept of what is sufficiently transformative. Hart, 717 F.3d at 162; see also No Doubt, 192 Cal. App. 4th 1018 (holding that the avatars of the band members and the context of their use in the game was not sufficiently transformative to overcome a right of publicity claim).

\(^\text{115}\) Id. at 151-52.

\(^\text{116}\) Id. at 152; see also Zacchini, 433 U.S. at 574-75 (human cannonball in the news reporting arena).
Fourteenth Amendments so not immunize the media when they broadcast a performer’s entire act without his consent. The Constitution no more prevents a State from requiring respondent to compensate petitioner for broadcasting his act on television than it would privilege respondent to film and broadcast a copyrighted dramatic work without liability to the copyright owner. 117

As the court later explained, “the balancing inquiry looks to see whether the interests protected by the right of publicity are sufficient to surmount the already-existing First Amendment protections.” 118 The court then applied the transformative use test to determine “whether the type and extent of interactivity permitted is sufficient to transform the Appellant’s likeness into the Appellee’s own expression.” 119 In applying the test to the facts of this case, the court determined that “based on the combination of both the digital avatar’s appearance and the biographical and identifying information[,] the digital avatar does closely resemble the genuine article.” 120 The court noted the similarity in physical appearance as well as the fact that “the avatar’s accessories mimic those worn by Appellant during his time as a Rutgers player.” 121

The court then expanded their analysis beyond the avatar’s likeness and analyzed the context with which the avatar was presented in the video game. Here, too, the court found that the

117. Id. at 152 (quoting Zacchini, 433 U.S. at 574-75). (In other words, the First Amendment does not prevent the court from requiring a defendant to compensate a plaintiff for the use of something to which the plaintiff owns a valid property interest in – using copyright law as an illustrative example. As noted, the New Jersey court, as well as most other courts with right of publicity statutes, have recognized the property interest inherent in a person’s likeness (less controversially among celebrities whose image has obvious commercial value). See id.

118. Id. at 167 (emphasis in original) (noting that “interactivity is the basis upon which First Amendment protection is granted to video games in the first instance.”).

119. Hart, 717 F.3d at 168.

120. Id. at 166.

121. Id.
video game does "not alter or transform the Appellant's identity in a significant way." The majority asserts that the context with which Hart's identity appears, i.e., "he plays college football, in digital recreations of college football stadiums, filled with all the trappings of a college football game," is not transformative because "Ryan Hart does what the actual Ryan Hart did while at Rutgers." Still, the court did not end its inquiry there, noting that "a third avatar-specific element is also present: the user's ability to alter the avatar's appearance." Therefore, the court determined that it must also consider "to what extent the ability to alter a digital avatar represents a transformative use of [Hart]'s identity." The court decided that the "type and extent of interactivity permitted" is not sufficient to transform Hart's likeness into EA's own expression because of EA's desire to create realistic representation of the players. Further, that Hart's "likeness is the default position only serves to support our conclusion that the realistic depictions of the players are the 'sum and substance' of these digital facsimiles." The court ultimately held the video games did not sufficiently transform Hart's identity to avoid liability for the right of publicity claim and that the district court erred in granting summary judgment in favor of EA. For this reason, the court reversed the grant of summary judgment and remanded the case to the district court for further proceedings.

122. Id.
123. Id.
124. Id. (noting that "[t]his distinguishing factor ensures that we cannot dispose of this case as simply as the court in No Doubt.").
125. Hart, 717 F.3d at 167. ("If the mere presence of the feature were enough, video game companies could commit the most blatant acts of misappropriation only to absolve themselves by including a feature that allows users to modify the digital likenesses.").
126. Id. at 168.
127. Id.
128. Id. at 170.
129. Id.
2. Dissent’s Application of the Transformative Use Test

The dissent adopted the majority view that the transformative use test is the preferred approach for balancing the interests between the right of publicity and the First Amendment, but disagrees with the court’s interpretation and application of the test. The dissent asserted that the majority “limit[ed] effectively their transformative inquiry to Hart’s identity alone, disregarding other features of the work.” The dissent was fearful that the majority position “penalize[d] EA for the realism and financial success of NCAA Football,” a position the dissent found “difficult to reconcile with First Amendment protections traditionally afforded to true-to-life depictions of real figures and works produced for profit.” Instead, the dissent urged that the overall context within which the celebrity likeness is associated should be considered as part of the determination of sufficient transformation. Applying this broader interpretation of the transformative use test, the dissent would have held that EA’s use of Hart’s identity satisfied the transformative use test, noting that “if that likeness, as included in the creative composition, has been transformed into something more different than what it was before,” then the First Amendment protects it.

V. ANALYSIS/PROPOSAL

This Article proposes a novel application of the transformative use test that would resolve many of the inconsistencies inherent in right of publicity cases with First Amendment implications. Based on the Seventh Circuit’s finding in Jordan v. Jewel that image advertising is properly classified as commercial speech and thus not protected by the First Amendment for these purposes, application of the transformative use test is only necessary in cases involving purely expressive works, like the videogames at issue in

130. Hart, 717 F.3d at 170.
131. Id. at 171.
132. Id.
133. Id.
134. Hart, 717 F.3d at 174.
Hart. While the First Amendment cannot provide immunity to a defendant where the celebrity’s identity is used in the advertising context, it may protect a defendant when his use is expressive. However, the expressive context of the work should be a secondary consideration, only to be considered after liability has been found under the traditional right of publicity inquiry. Instead of applying the transformative use test to the cause of action itself, the test should only be applied to determine the remedies available to a prevailing plaintiff in right of publicity cases. Thus, after determining that the defendant (1) used the plaintiff’s identity (2) for a commercial purpose (3) without consent, the court should hold in favor of the plaintiff unless the work falls within one of the explicit exceptions under the statute, including newsworthiness, criticism, and the like. Any further First Amendment protection should be limited to the remedies available to the prevailing plaintiff.

A. Implications

1. Jordan v. Jewel

Finding that image advertising can properly be classified as “commercial speech” has some important implications for both celebrities and advertisers alike. The court explained that a “contrary holding would have sweeping troublesome implications for athletes, actors, celebrities, and other[s] seeking to protect the use of their identities or marks.” As the court made clear, “[c]lassifying this kind of advertising as constitutionally immune noncommercial speech would permit advertisers to misappropriate the identity of athletes and other celebrities with impunity.” Thus, at least in the Seventh Circuit, appropriation of an

136. Id.
137. Id. (Noting that “[n]othing we say here is meant to suggest that a company cannot use its graphic logo or slogan in an otherwise noncommercial way without hereby transforming the communication into commercial speech. Our holding is tied to the particular content and context of Jewel’s as it appeared in the commemorative issue of Sports Illustrated Presents.”).
individual’s identity in the context of commercial advertising will be considered commercial speech, and consequently not entitled to the full protections of the First Amendment.

The court’s analysis, though beneficial for right of publicity claimants, analyzed the First Amendment considerations before considering the merits of any of Jordan’s state law claims. This analysis, however, should be reversed. As will be explained, whether a work is afforded First Amendment protection beyond what is already explicitly provided for in state statutes, should be a secondary consideration, to be determined only after liability has otherwise been found.

2. Hart v. EA

This case illustrates the complexities inherent in the transformative use test and the confusion that arises with respect to the appropriate application of the test. The dissent was correct to emphasize the importance of context within which the celebrity’s image is used to determine the transformativeness of the work for purposes of First Amendment protection. However, the dissent’s application of the context is misguided in that it ignores the commercial viability of using real-life college football players, rather than fictitious players. This context, rather than the context within which the celebrity’s image appears, is the important consideration for liability purposes.

The appropriate application of the transformative use test should be sure to bear in mind the necessary limits of a First Amendment defense in right of publicity cases. Any commercial use of an individual’s identity without that individual’s consent—no matter how transformative that use is—should be considered a violation of that individual’s right of publicity. The transformative use test should be applied to the remedies available to the prevailing plaintiff only after the defendant has been found liable for appropriation. In this case, EA Sports should be held liable for appropriation, and because the work is not sufficiently transformative, relief would not be limited. However, if this were the test, it is likely that the majority would have sided with the dissent in holding that the work was sufficiently transformative so as to avoid injunctive relief, yet would still be monetarily liable for
the unauthorized use of the players' likenesses. This solution would certainly ease the dissent's concern that a defendant will be estopped from producing expressive and creative works ordinarily protected by the First Amendment.

B. Applying the Transformative Use Test to the Remedies

By applying the transformative use test to the remedies rather than the cause of action, any use of an individual's identity, no matter how transformative that use is, will be considered a violation of that individual's right of publicity—without evidence of an agreement to the contrary—as long as it is being used for commercial purposes. As one court noted, "the right to express oneself does not mean that the means of expression are necessarily free." The proposed application of the transformative use test will, however, protect an author from having his work enjoined by ensuring that the work is sufficiently transformative to afford protection from injunction. Thus, the First Amendment will protect an expressive work that is sufficiently transformative from being enjoined by the court, but the court may order money damages or a reasonable royalty, depending on the circumstances.

Viewed in this light, the First Amendment will not protect the defendant from monetary liability to the plaintiff, but it will, however, protect the defendant's work from injunction, so that he can control the uninhibited distribution of his sufficiently transformed work. The author's expressive "speech" will not be suppressed, but the author will need to pay for that use. If in doubt as to whether a work is sufficiently transformative or not, the court should err on the side of caution and award a reasonable royalty rather than issuing an injunction. Of course, in formulating a reasonable royalty rate, a court should consider the defendant's means (as well as the value of the plaintiff's identity) in setting the royalty rate, thus avoiding the situation where a relatively poor defendant would be inhibited from creating his or her expressive work because of an inability to pay damages.

In Stewart v. Abend, for example, assuming that the claimant was "asking for a share in the proceeds because he want[ed] to

profit from the distribution of the work not because he [sought] suppression of it," the court refused an injunction of copyrighted material and gave damages instead because of a fear that an injunction would prevent a valuable expressive work from being distributed to the public.139 Because a finding of commercial use is required to maintain a claim for a violation of the right of publicity,140 any First Amendment defense should necessarily be limited to the lesser form of protection afforded to commercial speech. Thus, if the Defendant has made a legitimate case regarding the transformative elements of his work, the court should order a compulsory license requiring the defendant to pay the plaintiff for use of his or her identity or likeness, but should limit the relief to monetary damages rather than an injunction. If the use is determined to be sufficiently transformative, the defendant is not completely off the hook and will still have to pay a reasonable royalty for the use of that image for commercial gain.

VI. CONCLUSION

Though the decisions in Jordan v. Jewel and Hart v. EA are instructive, they seem to ask more questions than they answer. The extent of protection afforded to expressive works through the First Amendment in right of publicity cases is shaky at best. The proposed application of the transformative use test would protect an author's First Amendment right by allowing him to continue to disseminate his work if it has enough creative elements to be considered his own expression, and thus "sufficiently transformative." At the same time, celebrities will be able to protect their own private publicity rights through their ability to share in the profits based on a court ordered royalty, compulsory license, or other monetary relief.

Thus, the appropriate inquiry for a right of publicity claim should simply be whether the defendant used the plaintiff's identity for a commercial purpose without consent and what would be the appropriate remedies for appropriation of an individual's identity in the context of expressive works. After determining

140. No Doubt, 192 Cal. App. 4th at 1028.
liability, the transformative use test should be applied to determine the appropriate remedies available to the plaintiff based on the facts of the particular case. If it is determined that the use is sufficiently transformative, the court should impose a reasonable royalty to be paid by the defendant to the plaintiff for the use of his or her identity.\footnote{Hart, 717 F.3d at 165 (determining whether an expressive work is “sufficiently transformed.”).} If the use is not sufficiently transformative, an injunction may be issued because he has not transformed the work into his own expression.\footnote{Id.} How to resolve the question of what is “sufficiently transformative” to warrant First Amendment protection is another question in and of itself. Though the transformative use test has been widely adopted by the states, it application is much less clear. The answer will likely depend on clarification by the Supreme Court or a newly formulated federal right of publicity statute.

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