Navigating the Minefield: Copyright, the Right of Publicity, and Contracts

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NAVIGATING THE MINEFIELD:

COPYRIGHT, THE RIGHT OF PUBLICITY & CONTRACTS

I. INTRODUCTION

The fact that federal intellectual property laws, such as the Copyright Act, are required to coexist with certain state laws, such as the right of publicity, creates many potential conflicts that implicate public policy matters as well as the rights of individuals. When contract law is incorporated, the level of complexity increases even further. Contracts, along with the right of publicity, can dilute copyrights in ways that defeat their purpose. It is important to keep in mind throughout the following analysis that copyright law was intended to promote expression and creativity for the public first and foremost, and that protecting the right of copyright owners and the parties who contributed to a work is an important, but secondary concern.

Facenda v. NFL Films, Inc. is an ideal study for this type of problem. This case involves the intersection of many intellectual property law doctrines, and therefore paints an accurate picture of the current law of conflict preemption in this field, as well as serving as a jumping off point for discussing future approaches. In Facenda, the Third Circuit discusses trademark, copyright, First Amendment, right of publicity, false endorsement, and contract

2. See generally Christina Bohannan, Copyright Preemption of Contracts, 67 MD. L. REV. 616 (2008) (arguing for the pre-emption of contracts by federal law if the contract waives certain statutory rights designed to benefit the public rather than the individual parties to the contract).
3. Id. at 617 (describing the balance between these parties as being “necessary to copyright’s purpose of fostering the creation and dissemination of expression”) (emphasis added); see also U.S. CONST. art. I § 8 cl. 8.
law doctrines. Of these, the primary focus of this article will be the right of publicity, copyright law, and how contract law influences the conflict between the two. Because the court uses a commercial speech analysis akin to First Amendment doctrine, this section of the opinion will be discussed as well.

Section II of this article will discuss the case law and scholarly opinions regarding the problem of the copyright and right of publicity versus contracts conflict, focusing on the two approaches that were used by the Third Circuit in Facenda, as well as a pure contract preemption approach by Professor Christina Bohannan. Section III of this article discusses the Facenda case in detail, focusing on the analysis of copyright law, right of publicity, and contracts. The analysis in Section IV(A) focuses on the Third Circuit’s approach to express copyright preemption of Facenda’s right to publicity claim based on the language of the Copyright Act itself, incorporating the “additional element” test currently used by most courts. It will then explain its inapplicability to this type of conflict. Section IV(B) will demonstrate how the court’s analysis, based on a pure conflict-preemption argument rooted in the Supremacy Clause of the Constitution, is a better approach, but still falls short of an ideal test for resolving these problems. This approach considers what type of contract the parties entered into in determining whether the claim based on the contract should be preempted. Section IV(C) will discuss another approach heavily rooted in the policy of the Copyright Act that applies a contractual waiver of statutory rights analysis, while IV(D) will explain why this is preferable to the court’s approach.

In cases such as Facenda, where parties are competing for conflicting intellectual property rights, a legal test that involves the public policy rationale for copyrights at its core and protects all types of expression equally is required. By focusing on the

5. Id. at 1016-18 (analyzing the films in question as commercial speech).
6. See 1 MELVILLE B. NIMMER & DAVID NIMMER, NIMMER ON COPYRIGHT § 1.01[B][3][a] (2008) (“To avoid contract law swallowing up all of copyright doctrine, private agreements cannot be enforced to the extent that they utterly subvert copyright’s ‘delicate balance.’”).
7. Facenda, 542 F.3d at 1027.
8. Id.
9. Id. at 1028.
10. Id. at 1028-1030.
commercial nature of the targeted work and the nature of the contract entered into by the parties in determining preemption, the *Facenda* court sets a troubling precedent. This precedent tips the scale too far in favor of individual and state law rights, thus striking at the core of the purpose of copyright, which has always been to promote every type of expression for the entire public.

II. BACKGROUND

The law in the area of copyright preemption and right of publicity is uneven. Courts are split on the delicate balance of rights required to be preserved by their decisions. The separate analysis of contract preemption by copyright law has an equally conflicted history when examined on its own, and when the two collide, the confusion increases exponentially. To make sense of this area of law, it is necessary to first examine copyright law and the right of publicity separately, and reconcile these doctrines through the law of preemption. After this discussion, pure contract preemption will be discussed, as well as a brief overview of the treatment of commercial speech under the First Amendment.

A. Copyright Preemption of Right of Publicity Claims

The history of copyright preemption of state law right of publicity claims is examined here by focusing on the elements and purpose of copyright law, elements of the state law right of publicity, and the law of preemption and the test used by courts to apply this doctrine.

1. Purpose and Overview of Copyright Law

Derived from the Constitutional provision known as the copyright clause, the purpose of copyrights is “to promote the Progress of Science and useful Arts.” The Copyright Act is based on this Constitutional power. Sections 102 and 103 of the

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11. See generally Bohannan, *supra* note 2 (comparing treatment and consequences of the “extra element” test with that of considering equivalence directly).

United States Code define the statutory scope of subject matter that is protected.\(^\text{13}\) Section 102 protects an enumerated set of works: (1) literary works; (2) musical works, including any accompanying words; (3) dramatic works, including any accompanying music; (4) pantomimes and choreographic works; (5) pictorial, graphic, and sculptural works; (6) motion pictures and other audiovisual works; (7) sound recordings; and (8) architectural works.\(^\text{14}\) Most important for the discussion at hand is § 103, which protects “compilations and derivative works.”\(^\text{15}\)

In addition to specifying the subject matter under copyright, the statute also enumerates uses of which the owner has an exclusive right.\(^\text{16}\) Important for our analysis is Section 106, which gives the owner of the copyright the right to reproduce the copyrighted work and to prepare derivative works based upon the copyrighted work.\(^\text{17}\)

2. The Spectrum of Rights Involved in the Right of Publicity

Because the state law right of publicity statute at issue in Facenda is Pennsylvania law, it is necessary to examine this particular permutation of the right of publicity doctrine.\(^\text{18}\) The Pennsylvania statute reads “[a]ny natural person whose name or likeness has commercial value and is used for any commercial or advertising purpose” without consent may sue for an injunction and damages.\(^\text{19}\) However, in the cases that follow, courts have alternately expanded this right and limited it through cases falling at polar opposite ends of the spectrum, both through modification of the doctrine itself and through federal preemption, including preemption by copyright.\(^\text{20}\)

State law rights of publicity have expanded in recent years.\(^\text{21}\) In

\(^{14}\) 102(a).
\(^{15}\) § 103.
\(^{17}\) § 106(1)-(2).
\(^{18}\) Facenda v. NFL Films, Inc., 542 F.3d 1007, 1027 (3d Cir. 2008).
\(^{19}\) 42 PA. CONS. STAT. ANN. § 8316(a) (West 2002).
\(^{20}\) See, e.g., Wendt v. Host Int’l, Inc., 125 F.3d 806 (9th Cir. 1997); White v. Samsung Elecs. Am., Inc., 971 F.2d 1395 (9th Cir. 1992).
\(^{21}\) See Wendt v. Host Int’l, Inc., 197 F.3d 1284, 1285 (9th Cir. 1999) (denial
White v. Samsung Electronics America, Inc., the Ninth Circuit held that the right of publicity allowed by California law reached beyond protecting a person’s “name, voice, signature, or likeness” and expanded it to something that simply evoked the celebrity image in the public’s mind. In his dissent, Judge Kozinski forcefully argued that this infringes the First Amendment rights of the public, stating “[this is] a speech restriction unparalleled in First Amendment law.”

The primary case that brings this analysis squarely into the realm of copyright preemption is Wendt v. Host International, Inc., in which the Ninth Circuit, following White, held that two actors, George Wendt and John Ratzenberger, had a right to enjoin Paramount, the defendant, from making derivative works (actual robots who looked like the actors for the purpose of promoting an airport bar) based on their characters from the popular sitcom Cheers. The defendants were denied the value of their copyright in favor of the plaintiff’s state law claim. The court held that a jury could find that the robots used to depict the characters were “sufficiently like” Wendt and Ratzenberger, and regardless of the defendant’s copyright, the jury could decide the statutory right of publicity claim. Judge Kozinski again submitted a strong dissent, stating that, “Plaintiffs are using California law to stop Host from displaying a copyrighted work in Kansas City and Cleveland. Why California should set the national standard for what is a permissible use of a licensed derivative work is beyond me.”

At the opposite end of the spectrum lies the Seventh Circuit, which decided in Baltimore Orioles, Inc. v. Major League Baseball Players Association, that Major League Baseball players’ rights of publicity claims were preempted by the Club’s copyright
in the telecasts of the baseball games in which the players played. 28 This case is squarely at odds with *Wendt* and *White*, as noted by Judge Kozinski. 29 The Seventh Circuit used an express preemption analysis. The rule the court used in deciding equivalence was whether "a right in a work that is conferred by state law is equivalent to the right to perform a telecast of a work if the state-law right is infringed merely by broadcasting the work." 30 It is noteworthy that the "additional element" test is not applied, likely because the court realized its deficiencies and the outcome to which it would lead. This test requires that a state law not be preempted if there is an additional element to the cause of action beyond what is protected by the Copyright Act. 32 The Seventh Circuit's approach would lead to preemption in most cases merely if an express right granted by copyright is infringed, thus severely limiting right of publicity claims.

3. The Law of Preemption

The Copyright Act expressly lays out parameters for preemption in section 301. 33 It states,

all legal or equitable rights that are equivalent to any of the exclusive rights within the general scope of copyright . . . in works of authorship that are

28. Balt. Orioles, Inc. v. Major League Baseball Players Ass'n, 805 F.2d 663, 675 (7th Cir. 1986) ("[The players'] performances are fixed in tangible form, and any property rights in the performances that are equivalent to any of the rights encompassed in a copyright are preempted.").

29. *See Wendt*, 197 F.3d at 1287 (Kozinski, J. dissenting). Compare Balt. Orioles, 805 F.2d at 679 (holding that in the event of competing intellectual property doctrines, federal copyright law wins out) with *Wendt*, 125 F.3d at 809 (holding strongly in favor of the right to publicity), and *White* v. Samsung Elecs. Am., Inc., 971 F.2d 1395, 1399 (9th Cir. 1992) (holding that copyright law was subservient to the state claims of right of publicity in situations that involved similar conflicts).


31. *See id.* at 678. It is noteworthy that the court did not ask for an additional element in the state law claim in order for it to succeed, but rather focused on whether the basic overall rights protected were the same.

32. Facenda v. NFL Films, Inc. 542 F.3d 1007, 1027 (3d Cir. 2008).

fixed in a tangible medium of expression and come within the subject matter of copyright as specified by sections 102 and 103 . . . are governed exclusively by this title.\textsuperscript{34}

Thus, what is required for preemption is a right that is equivalent to one of the enumerated rights protected by the Copyright Act, and a work that fall under the subject matter of copyright. Section 301(b)(1) of the Copyright Act states that “Nothing in this title annuls or limits any rights or remedies under the common law or statutes of any State” with respect to works that do not fall under the specified subject matter.\textsuperscript{35} In applying this test, courts often use the “additional element” approach described above.\textsuperscript{36} This test requires that an additional element not protected by copyright law be present in the state law cause of action.\textsuperscript{37} If this test is met, then the equivalence prong is not satisfied for the state law right to be preempted.\textsuperscript{38}

\textit{B. The Law of Conflict Preemption of Contracts}

Courts have traditionally been unreceptive to the preemption of contracts.\textsuperscript{39} This is because, according to Professor Bohannan, the nature of contracts, although enforced by state law, reflects private ordering and not a state obligation.\textsuperscript{40} One approach to combat the conflict of copyright and contract is that of copyright misuse.\textsuperscript{41} Professor Bohannan suggests that preemption is a better solution, however, because it “prevents enforcement of license agreements that are contrary to copyright policy without invalidating the copyright as a whole.”\textsuperscript{42} Another possible solution proposed is the

\begin{itemize}
\item \textsuperscript{34} § 301(a)
\item \textsuperscript{35} § 301(b)(1)
\item \textsuperscript{36} Facenda, 542 F.3d at 1027 (citing Dielsi v. Falk, 916 F. Supp. 985, 991-93 (C.D. Cal. 1996)).
\item \textsuperscript{37} Id.
\item \textsuperscript{38} Id.
\item \textsuperscript{39} Bohannan, supra note 2, at 617
\item \textsuperscript{40} Id.
\item \textsuperscript{41} Id. at 618 (arguing that misuse usually only comes into play when the contract amounts to something akin to an antitrust law violation).
\item \textsuperscript{42} Id. at 619.
\end{itemize}
waiver doctrine, holding that a waiver of statutory rights is enforceable "(1) if it is clear and unmistakable, and (2) purports to waive statutory rights under the Copyright Act that protect individual rather than public interests." 43

C. Commercial Speech

An important First Amendment Doctrine that is discussed by the Third Circuit is that of the treatment of commercial speech. 44 The Supreme Court has held that commercial speech is not fully protected when it "does no more than propose a commercial transaction." 45 But when commercial and non-commercial elements are mixed, a different conclusion is reached. 46 If this is the case, this hybrid form of speech is "fully protected." 47 Although not the primary focus of this article, the commercial/non-commercial speech is rudimentary to the Third Circuit’s disposition of the copyright and right of publicity claims.

III. THE OPINION IN FACENDA v. NFL FILMS

A. Facts and Procedural History

John Facenda was a famous announcer for NFL films, narrating films about notable football games. 48 At first he worked under an oral agreement, receiving a fee per program in which his voice was recorded. 49 Shortly before his death, he signed a release contract stating that the NFL shall enjoy "unequivocal rights" to use the recorded sequences, except in situations that "constitute an endorsement of any product or service." 50 Facenda died of cancer

43. Id. at 619-20.
44. Facenda v. NFL Films, Inc. 542 F.3d 1007, 1016-18 (3d Cir. 2008).
45. Id. at 1016 (quoting United States v. United Foods, Inc., 533 U.S. 405, 409 (2001)).
46. Id. at 1016-17.
48. Id. at 1011.
49. Id. at 1012.
50. Facenda, 542 F.3d at 1012. The standard release stated:

In 2006, in preparation for the annual release of the video game “Madden NFL 06,” NFL Films produced “The Making of Madden NFL 06,” a short film that was shown eight times in a three-day span before the game was to come out.\footnote{Id.} The film featured interviews with NFL players and the game’s producers, and contained other opinions regarding the realism of the graphics and its close parallels to real NFL football.\footnote{Id.} This program contained much information that was also disseminated in other news reports about the game, but without any of the negative commentary contained in those other reports.\footnote{Id.} The NFL also had a license with EA Sports, the makers of the game, which gave the NFL royalty revenue in exchange for EA Sports’ use of NFL intellectual property.\footnote{Id.}

The film in question used Facenda’s voice, in particular three clips: (1) “Pro Football, the game for the ear and the eye”; (2) “This sport is more than spectacle, it is a game for all seasons”; and (3) “X’s and O’s on the blackboard are translated into aggression on the field.”\footnote{Facenda.} None of these clips were altered as to content, but they were filtered to sound more like a computerized voice.\footnote{Facenda.}

At trial, Facenda’s estate sued for false endorsement under the Lanham Act and for unauthorized use of name or likeness under

\begin{center}
In consideration of [blank space with dollar sign], I hereby grant to NFL Films, Inc., the unequivocal rights to use the audio and visual film sequences recorded of me, or any part of them, on a worldwide basis, in perpetuity and by whatever media or manner NFL Films Inc., sees fit, provided, however, such use does not constitute an endorsement of any product or service.
\end{center}


\textit{51. Facenda, 542 F.3d at 1012.}
\textit{52. Id.}
\textit{53. Id.}
\textit{54. Id.}
\textit{55. Id.}
\textit{56. Id.}
\textit{57. Facenda, 542 F.3d at 1012.}
Pennsylvania law. The district court granted summary judgment in favor of Facenda's Estate on both the false endorsement claim and the right of publicity claim. The Court of Appeals for the Third Circuit reversed the judgment on the Lanham Act, but affirmed summary judgment for the right of publicity action.

B. The Third Circuit's Analysis

The focus here will be on the right of publicity claim, because it is the cause of action that directly conflicts with the Copyright Act. The Third Circuit first employed an express preemption analysis. It found under the equivalence, or "additional element" prong of the test, that the Pennsylvania right of publicity statute contained the extra element requiring that the person's voice or likeness have "commercial value." Therefore, it did not protect a right that is equivalent to one protected by the Copyright Act. As for the copyrightable subject matter prong, it held that Facenda's voice was not fixed in a tangible medium of expression, as is expressly required by the Copyright Act, and therefore the state law right of publicity claim was not being asserted to protect copyrightable subject matter. With both prongs of the test decided in favor of the state law, the Pennsylvania right of publicity claim survived.

Unlike previous courts that have been required to decide the conflict preemption issue, the Third Circuit in Facenda took its analysis further. It analyzed the conflict here as one of "conflict preemption," pitting state law against federal law, with a contract thrown into the mix. A two-pronged approach was employed. First, the court decided that Facenda's voice was used in a commercial work because "The Making of Madden NFL 06" was not a documentary but an advertisement. Secondly, the court held that the initial agreement between Facenda and the NFL,
before the clips were ever recorded, was not to make an advertisement, but rather to make a documentary, and therefore the state law claim of right of publicity was stronger because the NFL used Facenda’s name and likeness for commercial purposes without his consent. Applying this test, the court reached the same conclusion as it did under the express preemption test, it ruled in favor of state law.

Despite holding this way, the court provided a warning to future courts that decide this issue, stating that,

> [d]espite our holding, we emphasize that courts must circumscribe the right of publicity so that musicians, actors, and other voice artists do not get a right that extends beyond commercial advertisements to other works of artistic expression. If courts failed to do so, then every record contract or movie contract would no longer suffice to authorize record companies and movie studios to distribute their works.

### IV. AN ANALYSIS OF THE OPINION AND SUGGESTIONS FOR A DIFFERENT OUTCOME

This section focuses on the two approaches the Third Circuit used in deciding whether Facenda’s right of publicity action was preempted by Copyright Law, and describes in detail an alternative approach for solving the problem, in this case leading to a contrary result. Facenda not only involves complicated issues of law, but as this section will discuss, the facts of the case are problematic for analysis, and muddy the water even further. There are many issues in Facenda, and although the court does not tie some of them together, this article will attempt to construct the court’s complete view of the copyright preemption issue by taking a look at how the court resolved other issues, such as right of publicity standing on its own and its First Amendment analysis. It will be shown that

66. *Id.* at 1031.
67. *Id.* at 1032.
68. See *id.* This opinion interweaves multiple doctrines of intellectual
the traditional approach should be rejected in favor of a test that favors not only the letter, but also the policy, behind copyright preemption.

A. The “Additional Element” Test Used for Express Copyright Preemption is Unworkable.

The Third Circuit here applies the traditional “additional element” test to the copyright preemption claim of right of publicity.69 This invokes the express preemption provision in the Copyright Act itself, which provides,

All legal or equitable rights that [1] are equivalent to any of the exclusive rights within the general scope of copyright as specified by section 106 in [2] works of authorship that are fixed in a tangible medium of expression and come within the subject matter of copyright as specified by sections 102 and 103 . . . are governed exclusively by this title.70

In addition to adhering to the statutory language, the court requires that there be an “additional element” required in the state law claim beyond what is required to state a cause of action for copyright infringement.71 In adhering to this approach, the court clings to a test that has proven unworkable in similar copyright preemption of state law right of publicity claims, and is ill-suited to the issues involved in Facenda and similar cases.

The test is inadequate in two respects. First, it fails to take into account the competing interests involved, completely subordinating the defendant’s copyright to the right of publicity claim if there is but one additional element to the right of publicity claim not protected under copyright law. Secondly, it fails because the court dissected Facenda’s voice from the overall

69. Facenda, 542 F.3d at 1027.
70. Id. at 1026 (quoting 17 U.S.C. § 301(a) (2006)) (omission in original).
71. Id. at 1027.
copyrightable sound clips, clips the court stated earlier fell under copyright protection, and therefore the "copyrightable subject matter" prong of the test incorrectly favored the plaintiffs. In doing so, the Third Circuit incorrectly relied upon "vocal imitation" cases, with distinct fact patterns that were different from the facts of Facenda’s case.

1. Competing Interests

If the express preemption additional element test were applied as it was in Facenda, copyrights would be severely diluted. In Wendt, which involved television characters in a copyrighted sitcom, the court held that the actor’s right of publicity was not preempted by copyright law. In his vigorous dissent, Judge Kozinski raised an argument based on the "dormant Copyright Clause, which preempts state intellectual property laws to the extent they 'prejudice the interests of other States.'" In this way, California law would be able to set the standard for other states in determining the extent of the statutory right to make derivative works under the Copyright Act. In Facenda, if the analysis stopped here and there was no implied conflict preemption section of the opinion, the Pennsylvania right of publicity statute would be able to determine the scope of copyright protection in other states by deciding who could or could not view "The Making of Madden

72. Id. at 1026 (stating that the clips were “derivative works” expressly protected by copyright law).
73. Id. at 1027, 1028; see generally Midler v. Ford Motor Co. 849 F.2d 460 (9th Cir. 1988) (holding that because the sound of someone’s voice is not “fixed” it cannot be copyrighted). The court here acknowledges the factual distinction between vocal imitation cases and the case here, involving Facenda’s actual voice, but does not discuss it until the implied conflict preemption analysis is undertaken. See Facenda, 542 F.3d at 1028.
74. See generally Wendt v. Host Int’l, Inc., 197 F.3d 1284, 1285-87 (9th Cir. 1999) (denial of a rehearing en banc) (Kozinski, J., dissenting) (“Copyright or not copyright, anyone who wants to use a figure, statue, robot, drawing or poster that reminds the public of [the plaintiffs] must first obtain (and pay for) their consent. This cannot be squared with the right of the copyright holder to recreate [the characters] however it sees fit.”).
75. See Wendt v. Host Int’l, Inc., 125 F.3d 806, 810 (9th Cir. 1997).
76. Wendt, 197 F.3d at 1288 (Kozinski, J., dissenting).
77. See id.
NFL 06.” As Judge Kozinski’s opinion suggests, this would undermine the policy behind the Copyright Act by stifling a particular type of derivative work expressly authorized by the federal statute.

2. The Dormant Copyright Clause Concern is Especially Pronounced Because, as the Court Applies the Test, Right of Publicity Wins Every Time.

Even if the equivalence prong of the two-part test is applied as the court does in *Facenda*, there is still room for the court to come out in favor of copyright preemption in other cases.78 The real problem lies in the “copyrightable subject matter” prong.

In applying this part of the test, the Third Circuit ignores its own previous analysis, choosing instead to decide whether *Facenda’s voice* is the subject of copyright, not the *sound clips* that the court previously stated were copyrightable derivative works.79 Earlier, the court stated that “the sound clips represent *Facenda’s* readings of copyrighted NFL scripts, making the *clips* ‘derivative works’ (of the scripts) in which a distinct copyright exists,” leading to the conclusion that “the NFL had the copyright in the sound clips.”80

When discussing express preemption, however, the court takes a different approach to the clips. In deciding the question of whether *Facenda’s voice* falls under the subject matter of copyright, the court wrongly tips the scale in favor of state law.81 In deciding whether *Facenda’s voice*, rather than the clips that contain them, is copyrightable, the court permits the chopping up of elements contained in the work in question, here the work consisting of the entire sound clips themselves. If this process is

78. *Id.* at 1286, (citing *Stephano v. News Group Publ’ns*, Inc. 474 N.E.2d 580, 583-84 (N.Y. 1984) (applying New York law limiting right of publicity to protection of “name, portrait, or picture,” arguably equivalent rights protected by federal copyright law)).


80. *Id.* at 1026 (emphasis added). There are different levels of protection for sound recordings and literary works, but they are not applicable here. The only question relevant to the current inquiry is whether a copyright in the sound clips existed.

81. *Id.* at 1027-28. The court carries over its analysis from the equivalence prong into the copyrightable subject matter with no explanation.
carried far enough, a court in any case could reach an element that, separate from its whole, is not copyrightable. Copyright law does not stand a chance.

Another troubling aspect of the Third Circuit’s analysis of this issue is its choice of precedent. It relies on Midler v. Ford Motor Co., which the court admits is a vocal imitation case. The Ninth Circuit in Midler stated that in the context of vocal imitations, “a voice is not copyrightable. The sounds are not ‘fixed’.” But Facenda is not a vocal imitation case, as the court admits in the subsequent part of its opinion. The factual differences may be subtle, but they are important. If an individual’s voice is imitated, then it is permissible for the court to analyze the copyrightable subject matter prong based on the voice alone, because that is the extent of the individual’s interest in the work. However, Facenda’s actual voice was recorded; therefore he has an interest in the copyrighted work itself, and not just the voice that is contained therein. For the next section of the opinion regarding conflict preemption, the court inexplicably reverts back to its original analysis, regarding the sound clips, and not Facenda’s voice in isolation, as the “work” under copyright protection.

B. The Court’s Analysis of Conflict Preemption Sets the Stage for a Possible Departure from the Traditional Test.

The next section of the Third Circuit’s opinion applies a more flexible analysis, one that is much more appropriate to the situation presented in Facenda. This is somewhat of a departure from the reasoning of previous cases. Despite the court’s decision to apply the traditional preemption analysis in the preceding section, it is noteworthy that the court now decides to follow a different form of analysis, even if it does not cast the old formula aside

82. Id. at 1027 (citing Midler v. Ford Motor Co., 849 F.2d 460, 462 (9th Cir. 1988))
83. Id. (quoting Midler, 849 F.2d at 462).
84. Facenda, 542 F.3d at 1028.
85. Id.
86. Id. at 1029; see also Nimmer, supra note 6, § 1.01[B][3][b][iv][1] (arguing that many of the cases drawn upon for analysis refer to express preemption, but the Nimmer approach involving the Supremacy Clause and conflict preemption are more appropriate).
altogether.

1. The Nimmer Two Part Framework

The conflict preemption analysis used by the Third Circuit is taken almost directly from *Nimmer on Copyright*, a treatise that actually includes David Nimmer's own commentary on the District Court opinion in the *Facenda* case itself. The court quotes Nimmer, stating that even apart from Section 301, conflict preemption of state law by copyright exists. Although the Nimmer framework is an improvement over the traditional test, it relies on a tenuous pattern of commercial versus non-commercial expression derived from heavily criticized cases and also cases that have distinct factual differences from *Facenda*. Also, the way the court decides the issue based on commercial versus non-commercial expression cuts against the purpose of the Copyright Act.

a. Commercial/Non Commercial Expression Dichotomy

The first part of the framework involves examining how the copyrighted work is used. Nimmer suggests, and the Third Circuit adopts, a test that involves whether the copyrighted work featuring the plaintiff's identity is used in an advertisement capacity or in an expressive work. If the work was made primarily for advertising purposes, then the scales tip in favor of not preempting the right of publicity, based on the argument that state law has a greater interest in matters involving advertising and trade. The case used by the court to illustrate this is *Seale v.*

87. *Facenda*, 542 F.3d at 1029.
88. *Id.* at 1028, (quoting *Nimmer*, supra note 6, § 1.01[B][3][a]).
89. *Facenda*, 542 F.3d at 1029.
90. *Id.*
91. *Id*; see also *Nimmer*, supra note 6, § 1.01[B][3][b][iv][I].
92. *Facenda*, 542 F.3d at 1029; see also *Nimmer*, supra note 6, § 1.01[B][3][b][iv][I] (discussing Midler v. Ford Motor Co., 849 F.2d 460 (9th Cir. 1988) (voice imitation); Waits v. Frito Lay, Inc., 978 F.2d 1093 (9th Cir. 1992) (same); White v. Samsung Electronics America, Inc., 971 F.2d 1395 (9th Cir. 1992) (robot with game show hostess’s likeness used in advertisement); Wendt v. Host Int'l, 125 F.3d 806 (9th Cir. 1997) (involving robots evoking sit-
Gramercy Pictures, which is a trademark case, not a copyright case, and which does not include a contractual waiver of rights, as does *Facenda*. The Third Circuit claims that this case was the "inspiration" for Nimmer’s framework. *Seale* involved two claims based on the right of publicity, the first being the use of Seale’s name and likeness in a docudrama about the Black Panthers, and the second being the use of his name on compact discs on which he did not perform. The reasoning of Nimmer, when he interpreted *Seale*, was that the first claim should have been preempted because the docudrama was an expressive work, and the second claim correctly went to trial because it was an advertisement.

As applied to *Facenda*, the Third Circuit found that the targeted work was not an expressive work, but an advertisement. The court seems to assume this without deciding it. Perhaps it drew upon its analysis in a previous section of the opinion where it decided that the twenty-two minute film about the Madden 06 video game was commercial speech. This is a weakness bought on by the analysis of the *Seale* case, and it exists because the difference between the expression in the docudrama and the advertisement in the photograph is not as clearly defined as the court indicated. This bright line approach was directly adopted by the court in *Facenda*, and leads to a similarly muddy approach.

Adding to the confusion is the fact that the Third Circuit glossed over a portion of the district court’s opinion supporting the NFL’s

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94. *Facenda*, 542 F.3d at 1029.
96. *Facenda*, 542 F.3d at 1029.
97. *Id.*
98. *Id.* at 1017-19. The court here, in applying a First Amendment analysis, used a three part test to determine commercial speech, derived from *U.S. Healthcare, Inc. v. Blue Cross of Greater Philadelphia*. *Facenda*, 542 F.3d at 1017-19. The factors are; (1) is the speech an advertisement; (2) does the speech refer to a specific product or service; and (3) does the speaker have an economic motivation for the speech. *U.S. Healthcare, Inc. v. Blue Cross of Greater Phila.*, 898 F.2d 914, 933 (3d Cir. 1990). It is noteworthy that the first factor was precisely the question to be answered in the pre-emption analysis.
case that Facenda’s voice was not used for promotional purposes.\textsuperscript{99} The court states, “we would not focus on whether the program as a whole constitutes an endorsement. Instead we would ask whether the use of Facenda’s voice within the program constitutes an endorsement.”\textsuperscript{100} The court even mentioned that “[v]iewed in this light, the District Court’s rationale does not support rejecting the defense [based on Facenda’s waiver].”\textsuperscript{101} It nonetheless concluded that the false endorsement claim at issue could go forward regardless of this controversy.\textsuperscript{102}

This analysis is carried out in more detail in the district court’s opinion, although the court ultimately rejects the argument that Facenda’s voice within the film was promotional in nature.\textsuperscript{103} There was testimony at trial regarding whether impermissible uses were limited to the practice of splicing Facenda’s words to constitute an endorsement, or whether the clips used in their entirety constituted an endorsement.\textsuperscript{104} Even though this contention may have been rejected, it still should have received more consideration from the Third Circuit.

Next, the court cited a number of cases mentioned by Nimmer involving instances in which the targeted work was commercial, and when the court did not preempt the state law claims. Two of them however, \textit{White v. Samsung Electronics}, and \textit{Wendt}, discussed above, have vigorous dissents by Judge Kozinski, who would have held that the state law claims were preempted.\textsuperscript{105} In his dissent in \textit{White}, Judge Kozinski states that the plaintiff now had “an exclusive right to anything that reminds the viewer of her.”\textsuperscript{106} \textit{White’s} preemption issue primarily concerned the First

\begin{itemize}
\item \textsuperscript{99} \textit{Facenda}, 542 F.3d at 1023.
\item \textsuperscript{100} \textit{Id}.
\item \textsuperscript{101} \textit{Id}.
\item \textsuperscript{102} \textit{Id}.
\item \textsuperscript{103} \textit{Facenda}, v. NFL Films, Inc., 488 F. Supp. 2d 491 (E.D. Pa. 2007), \textit{vacated} by 542 F.3d 1007 (3d Cir. 2008).
\item \textsuperscript{104} \textit{Facenda}, 488 F. Supp. 2d at 499. The example used by the court was a possible splicing of Facenda’s words to state “I love Madden NFL!” \textit{Id}.
\item \textsuperscript{105} \textit{Facenda}, 542 F.3d at 1029; \textit{see also} \textit{Wendt v. Host Int’l}, Inc., 197 F.3d 1284, 1285 (9th Cir. 1999) (denial of a rehearing en banc) (Kozinski, J., dissenting); \textit{White v. Samsung Elecs. Am., Inc.}, 989 F.2d 1512, 1512 (9th Cir. 1993) (denial of a rehearing en banc) (Kozinski, J., dissenting).
\item \textsuperscript{106} \textit{White}, 989 F.2d at 1515 (Kozinski, J., dissenting).
\end{itemize}
Amendment, and Judge Kozinski's dissent in Wendt tied it in to Copyright cases.\textsuperscript{107} These controversial cases are almost the entire foundation for the court's analysis of this issue.

Here, as in express preemption, the idea of state law claims eviscerating rights provided under federal statute presents a genuine obstacle to copyright law. Regardless of whether the commercial/expression dichotomy the court uses is the correct one, cases such as White and Wendt expand state law right of publicity claims to the degree that they do threaten to devalue copyrights such as those possessed by the NFL.

\textit{b. Nature of the Contract Entered into Between the Adversarial Parties in the Action}

The next step in the Third Circuit's framework involves some of the same considerations and issues as the first. Here, the contract signed by the parties enters the analysis. The test here is whether the nature of the initial contract between the parties is one involving the making of an advertisement.\textsuperscript{108} The court states "the proper question in cases involving advertising and a contract between the plaintiff and the defendant—such as our case—is whether the plaintiff ‘collaborated in the creation of a copyrighted advertising product.’"\textsuperscript{109}

The application of this prong of the test was resolved easily by the court in saying that "Facenda consented to participation in films documenting NFL games, not an advertisement for a football game video."\textsuperscript{110} But a key portion of the analysis is missing. It could be argued that both the documentaries of NFL games and the film allegedly "promoting" the Madden video game are both advertisements, or neither of them are advertisements. After all, couldn't the original films be promoting the "product" of the NFL, which is the game of football itself?\textsuperscript{111} The argument cuts both

\textsuperscript{107} See Wendt, 197 F.3d at 1285 (Kozinski, J., dissenting).
\textsuperscript{108} Facenda, 542 F.3d at 1029-1031.
\textsuperscript{109} Id. at 1029 (quoting Nimmer, supra note 6, § 1.01[B][3][b][iv][II]).
\textsuperscript{110} Id at 1031.
\textsuperscript{111} Applying the three factor test regarding commercial speech to the initial NFL game documentaries one could reach a similar result. The first factor is the only one that is problematic, and it suffers from the same problem as the video
The authorized use of Facenda’s voice for the NFL films broadcasts and the use in the Madden 06 film could either be commercial in nature or expressive in nature. In reality, they could have some elements of both, but without a clear, articulated framework for determining between the two, the court’s analysis falters because the works at issue here have so many similarities, yet are treated as being so different.

Another argument, possibly even stronger, can be made based on John Facenda Jr.’s testimony before the District Court. In discussing the motives behind the contract his father signed, he stated,

he was most likely thinking of any other film work that he had scripts for that it wouldn’t interfere with him doing—by endorsing a product with NFL Films that would limit him from doing product for, you know, a thing for Ford or whatever he might have.

Even though the purpose of Facenda’s work with NFL films may not have been for an advertisement, this statement indicates that Facenda may have contemplated the promotion of products through his work with NFL Films and, at the very least, had the intent to further his career as a spokesperson, thus tipping the scales in favor of preemption, because he intended to use his voice in future advertisements.

C. Another Approach

Another approach, put forth by Professor Christina Bohannan, suggests that certain modern contracts, if not preempted, threaten
to disrupt the copyright system, stating that "[t]his contract regime threatens to supplant a sizeable portion of the copyright regime". 113 Professor Bohannan suggests that the best way to view copyright preemption of contracts is by using the law governing contractual waivers of statutory rights. 114 The framework for applying this law relates to contracts that are typically licenses, and sometimes adhesion contracts, but the analysis works in Facenda as well. 115 The example Bohannan gives is this: a promise by the licensee not to use a work in a way that would be permitted by the Copyright Act. 116 Facenda does not contain a license agreement by a copyright holder, but rather a waiver that is in the form of a standard release contract, modifying the rights the NFL possessed under their copyright. 117 The waiver gave the NFL all of the rights to use the recordings of Facenda’s voice, except to constitute an endorsement of any product or service. 118 The following two-part test should be applied in future cases similar to Facenda.

1. The Contractual Waiver Test

The test proposed by Professor Bohannan contains two parts. 119 Under this test, "[a] waiver is enforceable only if (1) it is ‘clear and unmistakable,’ and (2) it waives a statutory right designed to protect the interests of individual parties rather than the public." 120 Examples of these statutory rights designed to protect the public are transformative uses that add "new expression, meaning, or message." 121 If this test is applied to the facts in Facenda, a very different result is reached than the result of the court. The contractual waiver of statutory rights test does not mention commercial speech versus expression, so this test, as applied here, would stand on its own.

113. Bohannan, supra note 2, at 616.
114. Id. at 649.
115. Id. at 649-50.
116. Id. at 649.
118. Id.
120. Id.
121. Id. at 651.
a. Is the Waiver in the Release Contract “Clear and Unmistakable?”

On its face, the Facenda waiver seems to be clear and unmistakable, limiting its content to works that do not constitute an endorsement of any product or service.\textsuperscript{122} However, when the issue is examined more closely, the district court’s analysis presents an ambiguity that relates to the nature of the rights waived. As mentioned above, there was controversy regarding whether the splicing of the clips to create a promotion, or their use in a work that has promotional qualities, violates the waiver.\textsuperscript{123} This has a direct relationship to the particular rights waived because it determines in what type of derivative work the NFL can engage, namely a splicing of Facenda’s voice or the use of his voice in films such as the one in question. Because of this ambiguity, the waiver probably would not be enforceable based on this prong of the test. But as the following analysis will show, even if the first prong is met, the waiver falters on the second.

\textbf{b. Is the Waived Statutory Right Designed to Protect the Public?}

In order to determine the answer to this question, it is necessary to examine what statutory right is being waived in Facenda. The court concedes that the waiver gives up the right to make certain derivative works.\textsuperscript{124} The court states that, “copyright law, taken in isolation, gives [NFL Films] the exclusive right (absent a limitation or exception) to use the sound recordings of Facenda’s voice in the way that it did.”\textsuperscript{125} The scope and nature of this right must now be examined in light of the contractual waiver test, namely, whether it violated a right designed to protect the public.

Assuming, for the sake of argument, that the film documenting the release of the Madden video game was an advertisement, and that the waiver was effective, the waiver would limit the right of

\begin{itemize}
\item \textsuperscript{122} Facenda, 542 F.3d at 1022-23.
\item \textsuperscript{123} Facenda, v. NFL Films, Inc., 488 F. Supp. 2d 491, 500 (E.D. Pa. 2007), \textit{vacated by} 542 F.3d 1007 (3d Cir. 2008).
\item \textsuperscript{124} Facenda, 542 F.3d at 1026; \textit{see also} 17 U.S.C. § 106(2) (2006).
\item \textsuperscript{125} Facenda, 542 F.3d at 1026.
\end{itemize}
the NFL to make this type of derivative work. Based on the
guidelines of Professor Bohannan, the use of Facenda’s voice in
the films adds new, transformative value, and therefore introduces
new expression to the public, expression that would be limited by
the waiver.

The purpose of copyright protection is not to protect the labor of
an individual author but rather to promote expression. 126
Commercial or not, the derivative work created by the NFL using
Facenda’s voice added something to the public, regardless of
whether it was commercial in nature. Under this test, the Third
Circuit would likely reach a different conclusion, finding for
preemption.

D. Reconciling the Two Approaches

Given the lesser protection the First Amendment gives
commercial speech, it is not outlandish to claim the same for
copyrighted material. 127 But the Copyright Act protects expression
whether it is commercial or noncommercial. The two are not
mutually exclusive, as the Third Circuit in Facenda concedes. 128
But given the dormant copyright clause described in the dissent in
Wendt, and the fact that the contractual waiver test preempts all
state law that conflicts with the public policy of the Copyright Act,
the waiver test is preferable to the test used in Facenda. The
Nimmer approach attempts to reconcile the case law as it stands,
but as is clear by examining such cases, federal courts are nowhere
near a consensus. 129 If the advertising/expression dichotomy is to

126. Bohannan, supra note 2, at 617. “The balance of rights provided in the
Copyright Act is necessary to copyright’s purpose of fostering the creation and
dissemination of expression.” Id.
127. Facenda, 542 F.3d at 1018 (rejecting the First Amendment Defense
based on the fact that the film in question was commercial speech).
128. Id. Although the court rejects the argument that the film regarding
Madden 06 is not commercial speech, it does respect those works that are “near
the line dividing commercial and noncommercial speech.” Id.
129. Compare White v. Samsung Elecs. Am., Inc., 971 F.2d 1395, 1399 (9th
Cir. 1992) (right to publicity held not to have been preempted by the First
Amendment even though the infringement did not even involve plaintiff’s
likeness) with Balt. Orioles, Inc. v. Major League Baseball Players Ass’n, 805
F.2d 663, 679 (7th Cir. 1986) (copyright law pre-empted players’ right to

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23
continue, it should always be supplemented with the analysis advocated by Bohannan, to make sure the purpose of the Copyright Act—benefiting creativity for the public—is preserved.

V. CONCLUSION

This article attempts to navigate a confusing area of the law, one in which courts have been unable to agree. The old equivalence test is hard to abandon, in part because it works in so many situations, and also because it flows directly from the language of the statute.\textsuperscript{130} For this reason, even though it is unworkable in some instances, it still will probably be applied in all types of preemption cases.

Either the second approach the \textit{Facenda} court sets forth, the implied conflict pre-emption analysis, or the test set out by Professor Bohannan, is preferable to a rigid express preemption analysis for these cases. The Third Circuit’s approaches acknowledge that there are competing interests between federal copyright law and state law, and attempt to resolve them as not to upset a delicate balance between the two, while at the same time following binding precedent.\textsuperscript{131} But while the court’s test is required to reconcile varying case law, such precedent does not weigh down Professor Bohannan’s approach.

This article proposes that the contractual waiver of statutory rights test be adopted because it more adequately protects the rights of the public, which is the purpose of the Copyright Act. The second prong of the test specifically addresses the problem involved in \textit{Facenda}, and provides a clear answer to the problem based on the statute and the Constitution, ironically a more accurate result than the rigid express preemption approach. Regardless of whether speech is commercial or noncommercial, the Copyright Act serves to encourage expression, and, although it may seem unfair given the waiver signed by the parties, under the Copyright Act as it currently stands, \textit{Facenda}’s state law right of publicity in the broadcast of baseball games).\textsuperscript{130} 17 U.S.C. § 301 (2006).

\textsuperscript{131} \textit{See generally} Bohannan, \textit{supra} note 2 (arguing that copyright law is a delicate balance between competing interests, the copyright owners, the individuals involved in licensing, and the public).

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publicity claim should have been preempted.

-Daniel Lano