1968

Copyrights -- Since Fictional Characters Fall Within the Scope of Congressional Power over Copyrights, Federal Policy Prohibits States from Protecting Published Characters that the Copyright Act Has Left in the Public Domain

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COPYRIGHTS—SINCE FICTIONAL CHARACTERS FALL WITHIN THE SCOPE OF CONGRESSIONAL POWER OVER COPYRIGHTS, FEDERAL POLICY PROHIBITS STATES FROM PROTECTING PUBLISHED CHARACTERS THAT THE COPYRIGHT ACT HAS LEFT IN THE PUBLIC DOMAIN. *Columbia Broadcasting System, Inc. v. DeCosta*, 377 F.2d 315 (1st Cir.), *cert. denied*, 36 U.S.L.W. 3242 (U.S. Dec. 11, 1967).

Plaintiff, dressed in black, with six-shooter at his side and derringer under his arm, participated in horse shows, rodeos and parades as "Paladin," a grim-faced, mustachioed western hero. Plaintiff used the knight chess piece to distinguish his holster and his calling cards, which read "Have Gun Will Travel, Wire Paladin." He had been distributing these cards and photographs of himself at his appearances for ten years when CBS commenced a new television series entitled "Have Gun Will Travel," starring grim-faced, mustachioed Richard Boone, who played the role of "Paladin," a western hero who not only dressed and armed himself like plaintiff, but also handed out identical calling cards. In federal district court, the jury found that defendants had copied from plaintiff, and the court awarded $150,000.00. *Reversed.* "[P]laintiff has had the satisfaction of proving the defendants pirates," but to give him any additional relief would violate federal policy since published writings not protected by the Copyright Act are in the public domain and can be freely copied.

Both the Copyright and Patent Acts offer opportunities to secure federally protected monopolies over creations for a limited period of time. The Copyright Act also specifically preserves the right of an individual to obtain common-law or equitable relief against unauthorized use of his unpublished work.[1] Published works, however, have also been granted common-law protection under the unfair competition doctrine when statutory protection has not been available. Generally, relief has not been awarded against the copying of a published work except on a showing that the imitator was "palming off" his goods by copying nonfunctional product features that had become identified with another producer.[2] To prevent public confusion about product source, courts have either enjoined distribution of the confusing product, or pro-

1 17 U.S.C. § 2 (1964).

2 Mere copying of nonfunctional features was not sufficient to support relief. Relief was granted only if the copied non-functional features had acquired "secondary meaning," that is, if the public viewed those features as indicating that plaintiff was the product source. Kellogg Co. v. National Biscuit Co., 305 U.S. 111 (1938); Crescent Tool Co. v. Kilborn & Bishop Co., 247 F. 299 (2d Cir. 1917).

tected the specific features copied.[3] Some courts have extended the doctrine of unfair competition to grant relief in cases that did not involve fraud on the public, but merely "a misappropriation for the commercial advantages of one person of a benefit or 'property right' belonging to another."[4]

In the instant case, however, the court held that plaintiff's character-creation "Paladin" could not be protected under the misappropriation theory because the character was within the scope of congressional power under the Copyright Clause[5] and had been published.[6] Plaintiff relied upon the decision of the Supreme Court in *International News Service v. Associated Press*,[7] a leading case granting relief against copying under the misappropriation theory. The court, however, held that *International News* had been overruled by *Sears, Roebuck & Company v. Stiffel Company*[8] and *Compco Corporation v. Day-Brite Lighting, Incorporated*.[9]

The court correctly recognized that *Sears* and *Compco* had severely limited the protection that can be given to unpatented and uncopyrighted works. In *Sears*, the Supreme Court approved state protection of businesses in the use of their trademarks, labels or distinctive dress, but prohibited state grants of injunctive and damage awards to protect creations that federal law leaves subject to free competition.[10] In

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[3] *See* cases cited in Note, *Unfair Competition and the Doctrine of Functionality*, 64 COLUM. L. REV. 544, 566 (1964).

[4] International News Serv. v. Associated Press, 248 U.S. 215 (1918); Flexitized, Inc. v. National Flexitized Corp., 335 F.2d 774 (2d Cir. 1964); Dior v. Milton, 9 Misc. 2d 425, 155 N.Y.S.2d 443 (Sup. Ct.), *aff'd mem.*, 2 App. Div. 2d 878, 156 N.Y.S.2d 996 (1956).

[5] It was generally thought that fictional characters, in themselves, were not protectable under the present Copyright Act. *See* Waldheim, *Characters—May They Be Kidnapped?*, 12 BULL. COPYRIGHT SOC'Y 210 (1965). The court in the present case stated that Warner Bros. Pictures, Inc. v. Columbia Broadcasting Sys., 216 F.2d 945 (9th Cir. 1954), did not hold that characters were not copyrightable, and relied on Nichols v. Universal Pictures Corp., 45 F.2d 119 (2d Cir. 1930), to conclude that a registration procedure for characters is feasible. This is precisely the clarification of *Warner Bros.* and *Nichols* recently requested in Parish, *Statutory Copyright Protection of Fictional Characters*, 8 IDEA 455, 468 (1964).

[6] Although the jury had found that plaintiff had not abandoned his character by publication, the court held that the character-creation had been published by plaintiff's distribution of his cards and photographs; therefore, common-law copyright protection of plaintiff's creation as an unpublished work was unavailable. Courts have often manipulated the publication concept to grant relief only available to an unpublished work, but the impact of *Sears* and *Compco* on this judicial manipulation is not yet clear. *See* Cary, *The Quiet Revolution in Copyright: The End of the "Publication" Concept*, 35 GEO. WASH. L. REV. 652 (1967); *Symposium—Product Simulation: A Right or a Wrong?*, 64 COLUM. L. REV. 1178, 1196-98 (1964); Treece, *Patent Policy and Preemption: The Stiffel and Compco Cases*, 32 U. CHI. L. REV. 80, 87-89 (1964).

[7] 248 U.S. 215 (1918).

[8] 376 U.S. 225 (1964).

[9] 376 U.S. 234 (1964).

[10] Sears, Roebuck & Co. v. Stiffel Co., 376 U.S. 225, 230-31 (1964). The Court in *Compco* stated:

> Today we have held in *Sears, Roebuck & Co. v. Stiffel Co., supra*, that when an article is unprotected by a patent or a copyright, state law may not forbid others to copy that article. To forbid copying would interfere with the federal

Compco, the Court added that findings of nonfunctionality, secondary meaning, and source confusion may be considered in deciding whether or not to require labeling or other precautions, but may no longer be a basis for prohibiting copying or awarding damages for unauthorized copying, regardless of the copier's motives.[11] The court in the instant case accepted the full impact of the sweeping language in *Sears* and *Compco*,[12] and concluded: "Thus, if a 'writing' is within the scope of the constitutional clause, and Congress has not protected it, whether deliberately or by unexplained omission, it can be freely copied."[13]

A different result might have been reached if the court in the present case had focused on the purposes underlying the broadly worded *Sears* and *Compco* opinions. In those cases, the Supreme Court sought to limit state power to punish those who palm off their goods as those of an established producer. In such situations, copying, whether morally commendable or not, increases competition through the entry of the copier into the particular product market. Consequently, to penalize or enjoin the copying would place the interest of an individual above the federal policy of free competition in unpatented and uncopyrighted works.

There are situations, however, in which the federal procompetitive policy coincides with the interest of the individual in profiting from his labors. The Seventh Circuit recently observed that unrestricted copying will not result in increased competition if large manufacturers are allowed to appropriate ideas from smaller competitors and use their superior size and resources to drive the smaller concerns out of business.[14] It would be consistent with the underlying rationale of *Sears* and *Compco* to provide some remedy for the small producer in this situation. Recognition of a cause of action would also be analogous

policy, found in Art. I, § 8, cl. 8, of the Constitution and in the implementing federal statutes, of allowing free access to copy whatever the federal patent and copyright laws leave in the public domain.

376 U.S. at 237.

11 376 U.S. at 238.

12 Not all courts have interpreted *Sears* and *Compco* as having so severe an impact. The court in Flexitized, Inc. v. National Flexitized Corp., 335 F.2d 774 (2d Cir. 1964), reaffirmed the *International News* doctrine that one may not misappropriate the results of the skills and labors of a competitor. The court narrowly construed the holding of *Sears* and *Compco* to be that "the states cannot, under the guise of unfair competition, grant what is in effect patent protection." *Id.* at 781 n.4.

13 377 F.2d at 319. A recent article probing the scope of the *Sears* and *Compco* prohibition against state injunctive or compensatory relief against copying, observed that "[t]here is no indication in either opinion whether this pronouncement was intended to apply only to works which, under existing law, are capable of *statutory* copyright or whether it was meant to include those vast controversial areas which, though within the constitutional concept of 'writings,' have been held to be outside the realm of the Act of 1909." *Symposium, supra* note 6, at 1194-95. The court in the instant case rejected an opportunity to limit the severe impact of *Sears* and *Compco* when it held that the prohibition in those cases even extends to those articles inadvertently left outside the scope of the Copyright Act.

14 Spangler Candy Co. v. Crystal Pure Candy Co., 353 F.2d 641, 646 (7th Cir. 1965).

to judicial determinations under the Sherman, Clayton and Federal Trade Commission Acts that conduct that is perfectly permissible for entities not possessing monopoly power can be anticompetitive and illegal when practiced by an entity with monopoly power.[15]

On the basis of the above analysis, it is arguable that the *Sears* and *Compco* prohibitions against injunctive and damage awards should be held inapplicable in situations involving anticompetitive copying. Nevertheless, those broadly worded prohibitions appear inescapable. To soften their impact, an equally broad interpretation should be given to the Supreme Court's authorization of state grants of "such precautions as labeling."

In fashioning relief, courts should try to award that type of labeling which will most encourage competition and reward invention, without being so burdensome that it will vitiate the right to copy. In unfair competition cases in the patent area, courts have often required a manufacturer to identify his product as his own, and have occasionally awarded more affirmative labeling relief.[16] In an early case,[17] the Supreme Court declared that it would be appropriate to require a manufacturer to state affirmatively that his product was not the product of another specific producer. An extension of the latter principle could result in the development of labeling relief that would require a large copier to give credit to another as the originator.

Although credit labeling has potential application in many contexts, its effectiveness will depend on the parties and industry involved. Credit labeling can prove especially procompetitive in the entertainment industry, where new talent and curiosities are always being sought, and where any significant connection with a "star" or a "hit" could awaken a demand for an individual. Formerly, plaintiff was attracting and entertaining people as a unique western hero. His character-creation was then copied by a giant in the entertainment industry, with the result that plaintiff was eliminated from effective competition in his own creation; any one of the millions of people who first saw "Paladin" on the CBS series "Have Gun Will Travel" could only consider plaintiff a cheap imitation. If labeling relief had been requested, the court could have required that each broadcast of "Have Gun Will Travel" indicate that "Paladin" was adapted from the life or original creation of plaintiff. Credit labeling relief need not constitute a "label" in the traditional sense, and the court might simply have required

15 *See, e.g.*, United States v. Aluminum Co. of America, 148 F.2d 416 (2d Cir. 1945); United States v. United Shoe Mach. Corp., 110 F. Supp. 295 (D. Mass. 1953), *aff'd per curiam*, 347 U.S. 521 (1954).

16 For cases in which affirmative labeling relief has been decreed, see Note, *supra* note 3, at 566 n.156.

17 William R. Warner & Co. v. Eli Lilly & Co., 265 U.S. 526 (1924).

that CBS give credit to plaintiff through an advertisement in *Variety*.[18] In the present case, the suggested relief would have been an insignificant burden to CBS, and could have proven invaluable to plaintiff. The labeling relief will vary with the circumstances of each case, but the courts should strive toward calling attention to the small originator otherwise overshadowed by a large copier.

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[18] Plaintiff himself could have advertised the court determination that CBS had copied his creation "Paladin," but the burden is easily and more justly shouldered by the copier.

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