

# International IP Policy

## US Perspectives Copyright Ruling In US May Impair Free Speech \*

Published on 14 April 2014 @ 2:40 pm

By Steven Seidenberg for Intellectual Property Watch

The 9th Circuit's recent decision in *Garcia v. Google* has sparked outrage among many internet businesses, media organisations, civil rights groups, and copyright experts. They assert the ruling significantly alters US law in a manner that will greatly restrict free speech. But a minority of experts say there is nothing to fear.

In *Garcia*, the 9th Circuit Court of Appeals <u>held</u> [pdf] that an actress can have a copyright in her recorded performance, even if that performance is part of a video made and copyrighted by someone else. Most copyright experts, however, assert that such a performer's copyright does not <u>exist</u> and that recognising such a copyright would produce a wide variety of unfortunate consequences.

For starters, internet companies might have to take down many more works. Under the Digital Millennium Copyright Act (DMCA), online service providers must remove infringing content when instructed to do so by copyright owners. Such takedown requests have ordinarily come from companies that own the copyrights in movies and TV shows, but *Garcia* greatly expands the number of those who can file takedown requests. Such requests could come from any actor appearing in an audiovisual work.

And perhaps not just actors. Under *Garcia*'s reasoning, writers, film editors, lighting designers, musicians and others whose creativity helps create audiovisual works could have their own copyrights covering various aspects of the audiovisual works, and any of these people could prevent the work from being shown to the public.

Supporters of *Garcia* insist this would not be a problem in the US, because the companies that own the copyrights in audiovisual works can easily obtain the copyrights from everyone involved in creating the work. Under the <u>work for hire doctrine</u> [pdf], employers automatically own the copyrights in works created by their employees. For works created by freelancers, such as Ms. Garcia, the copyright can be transferred by a written agreement. So creators of audiovisual works will simply respond to *Garcia* by strengthening their current practice of making everyone involved in a production sign over their copyrights.

"There will be no cases [from performers] because all studios already get the rights from the performers in collective bargaining agreements," said Prof. Justin Hughes of Loyola Law School, in Los Angeles.

Even if studios contractually obtain all rights, third parties won't always know whether a work is covered by a union agreement, whether a performer has made a separate deal to keep his copyright, or whether some fraud has nullified the copyright transfer. In other words, *Garcia* still creates problems for internet companies, because the ruling recognises so many more possible copyright owners,

according to some experts.

Prior to *Garcia*, internet companies knew that movie and TV studios owned the copyrights in their productions; so service providers like YouTube knew they had to respond to takedown requests from such copyright owners. *Garcia*, however, creates a plethora of independent copyrights in a motion picture, and internet firms have no way of determining who owns these copyrights.

"The ruling creates a whole bunch of additional plaintiffs who could emerge out of the woodwork, and online service providers have no way of responding intelligently to their complaints. The online service providers are strangers to the relationship [between the plaintiffs and the companies that make audiovisual works], and they lack the information to determine who owns the copyright," said Prof. Eric Goldman of Santa Clara University School of Law.

"Suppose Jack Nicholson doesn't like all 'The Shining' parodies around, can he take them down even though the movie company owns the copyright in the movie? Google would be taking a serious risk if it left the parodies up because it thought Nicholson didn't own a copyright in his performance. It is probably true that Nicholson doesn't own the copyright, but Google doesn't have the tools to verify that," said Prof. Rebecca Tushnet of Georgetown Law School.

#### **Documentaries in Danger?**

Critics of *Garcia* point to another problem: It may be difficult, if not impossible, to get written assignments from every non-employee who appears on screen. This can be a particular problem for documentaries and Candid Camera-type projects, where the people appearing on-screen may not have volunteered to participate and may not like the way they are depicted on camera.

"Sacha Baron Cohen often did not get the consent of the people he was spoofing in his movies. If those people have a viable copyright claim, then those movies are untenable. They may not be made," said Goldman.

"Sacha Baron Cohen may have a problem," agreed Hughes. But Hughes was untroubled by the potential loss of movies like "Borat," stating that if Cohen "fraudulently induces people to appear in his films in order to line his own pocket, there has always been a problem – both legal and ethical."

But if Cohen's films fall to copyright claims, what about documentaries and other news programs? Could GM executives prevent the display of "Roger & Me? Could a politician unhappy with his interview on Meet the Press stop the show from being publicly displayed? Critics of *Garcia* fear such censorship could occur.

Supporters of *Garcia* assert these fears are unrealistic for at least three reasons. First, many of the ordinary acts and statements of people caught on film may not be original enough to receive copyright protection. "Conceivably, there may be limited and special situations in which an interlocutor brings forth oral statements from another party which both understand to be the unique intellectual product of the principal speaker, a product which would qualify for ... copyright if such statements were in writing," New York State's highest court noted in a 1968 decision, Estate of Hemingway v. Random House. It is unclear, however, when statements would be protected by copyright.

Second, even if a person's statements or actions are copyrightable, the person is likely to have consented to having his words and acts be recorded – and this allows the recording to be displayed publicly. By voluntarily participating in an audiovisual recording, a participant gives the work's creator an implied licence to make and distribute the work containing the participant's contribution, the *Garcia* court noted. No written copyright assignment is required.

Such an implied licence would not exist, however, if the creator of a documentary records people without their consent (e.g., "Roger & Me"). Moreover, any implied licence may protect only the work's creator. If Jack Nicholson granted Warner Brothers an implied licence to show his performance in "The Shining," Nicholson may still be able to object to parodies of "The Shining" that third parties post online.

Third, the fair use doctrine could allow a news programme or documentary to show a person's copyrighted speech and behaviour. But the fair use doctrine is notoriously hazy, and many makers of news programmes or documentaries lack the deep pockets to assert their rights in court. Thus the fear of copyright infringement suits can chill speech – and prevent a documentary from being aired.

Consider "Eyes on the Prize," a documentary series on the US civil rights movement from 1952-65. It won popular acclaim and numerous awards after it was broadcast in 1987. The series contained copyrighted news footage, photographs, and songs from the era, but the filmmakers' licences to use those copyrighted works expired in 1995. One could argue that the documentary had a right to use those works under the fair use doctrine, but this was never tested in court. Instead, the documentary series was removed from the air in 1995. It stayed off the air for 11 years, until a grant from the Ford Foundation allowed the series' creators a grant to buy new copyright licenses. Had it not been for this money, this documentary would largely have disappeared, regardless of the fair use doctrine.

#### The Licence that Failed

Even if an implied licence or an express written assignment exists, both can be overridden if an individual was fraudulently induced to sign the assignment or participate in the audiovisual work. That's basically what occurred in the *Garcia* case, according to the 9th Circuit. Ms. Garcia agreed to appear in an adventure movie. Instead, her work was used in a bigoted, anti-Islamic trailer. This, the 9th Circuit held, exceeded the implied copyright license that Ms. Garcia had given to the trailer's producer, Mark Basseley Youssef. Thus Ms. Garcia could properly to order YouTube to take down the trailer posted by Youssef that contained her performance.

Few would argue that, in this case, Ms. Garcia was duped into appearing in the trailer. Critics of *Garcia*, however, fret that similar allegations of misrepresentations could be used widely by participants in audiovisual works to attack both written copyright assignments and implied licences.

The 9th Circuit dismissed such fears, stating that it would be "extraordinarily rare" for an implied licence to be exceeded. If an actress were "to complain that the film has a different title, that its historical depictions are inaccurate, that her scene is poorly edited or that the quality of the film isn't as she'd imagined, she wouldn't have a viable claim that her implied license had been exceeded," the court wrote. But in this case, "[t]he film differs so radically from anything Garcia could have imagined when she was cast that it can't possibly be authorized by any implied license she granted Youssef."

But suppose an actor agrees to appear in a film only if it has a specific title. Or uses a specific script. Or is edited by a specific director. If a participant in an audiovisual work asserts that any of these was crucial to his agreement to appear in the work, the court cannot blithely dismiss the claim.

Unless there is a gross misrepresentation, as in this case, it could be difficult for an actor or other participant to prove that a misrepresentation was material. But a participant need not win in court in order to make life difficult for film-makers. Just alleging fraud – and the right to use copyright to stop distribution – can pressure a movie studio to settle.

"It changes the bargaining position," Tushnet said. "Movie studios are upset over *Garcia* because they will now get nasty-grams saying 'We want \$10,000 to release our objections to the movie."

#### A Tough Case

It is easy to sympathise with Ms. Garcia. She agreed to appear in a movie, but her performance was used to create something quite different and abhorrent, which resulted in her receiving death threats. Of course she would want the offending audiovisual work removed from YouTube. Such a removal seems only fair.

But the DMCA does not allow someone to issue a takedown request because a work is defamatory. The statute allows takedown requests only for copyright infringement. And therein lies the problem.

"If this happened in Europe, Google could be forced to take the video down on defamation grounds under the Electronic Commerce Directive. That would be a more honest decision," Hughes said. He added that because the DMCA grants online service providers immunity against defamation claims, this case got "pushed into the copyright box."

By basing this decision on copyright, the 9th Circuit may have opened up a can of worms that threatens free speech and makes life much harder for media and internet companies. Some copyright experts don't see any problems arising from *Garcia*, but plenty of them are worried.

Said Tushnet, "This is definitely a case where bad facts make bad law."

[Note: this article is second in a series of two on this case.]

### **Related Articles:**

- <u>"Innocence of Muslims" Creates Copyright Controversy In US</u>
- <u>US Supreme Court Declines Review Of Controversial Copyright Ruling</u>
- European Ruling Could Reshape Collective Copyright Levy System

**Steven Seidenberg** is a freelance reporter and attorney who has been covering intellectual property developments in the US for more than 15 years. He is based in the greater New York City area and may be reached at <u>info@ip-watch.ch</u>.

Categories: <u>Features</u>, <u>Subscribers</u>, <u>Access to Knowledge</u>, <u>Copyright Policy</u>, <u>Enforcement</u>, <u>English</u>, <u>IP Law</u>, <u>Information and Communications Technology</u>/ <u>Broadcasting</u>, <u>Perspectives on</u> <u>the US</u>, <u>US Policy</u>

