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UNFAIR COMPETITION AND THE PROTECTION OF RADIO AND TELEVISION PROGRAMS II

HARRY P. WARNER

PHONOGRAPH RECORDS AND THE RIGHTS OF PERFORMING ARTISTS

In 1934 the late Maurice J. Speiser published a translation of a French text on the legal rights of performing artists.¹²⁰ An Addendum to this translation "speculated" upon the theories which could be employed by the courts to establish a property right in a performer's recorded performance.¹²¹

1. *The Copyright Code*. The first theory discussed was whether the Copyright Act could be invoked to protect the legal rights of performing artists. Speiser contended that an artist's interpretation was an "original" creation which had been reduced to a "writing" when recorded upon a film, phonograph record or piano roll.¹²² A "writing" should not be restricted to a tangible visual expression¹²³ but should extend to "something recorded which is capable of appreciation or comprehension by any of the senses, particularly that of hearing."¹²⁴ Speiser concluded that the courts would not adopt this theory since Congress in enacting the Copyright Act of 1909 did not extend the protection of the statute to phonograph records nor to the performances recorded thereon.¹²⁵

120. HOMBURG, *LEGAL RIGHTS OF PERFORMING ARTISTS* (1934).

121. HOMBURG, *op. cit. supra* note 120, at 141 ff.

122. COPYRIGHT CODE, 61 STAT. 652 (1947); 17 U.S.C. § 4 (Supp. 1950). "The works for which copyright may be secured under this title shall include all the writings of an author."

123. *Cf. Burrow-Giles Lithographic Co. v. Sarony*, 111 U.S. 53 (1884).

124. HOMBURG, *op. cit. supra* note 120, at 145.

125. *Waring v. WDAS Broadcasting Station*, 327 Pa. 433, 194 Alt. 631, 633-4 (1937) note 2: "Prior to 1909 mechanical devices, such as music rolls, discs and records, for the reproduction of sound, were held to be beyond the scope of the copyright laws and not to infringe protected works which they were the means of audibly reproducing. *Stern v. Rosey*, 17 App. D.C. 562; *White-Smith Music Publishing Co. v. Apollo Co.*, 209 U.S. 1, 28 S. Ct. 319, 52 L. Ed. 655, 14 Ann. Cas. 628. By the statute of that year, however, the composer or copyright proprietor was given control, in accordance with the provisions of the act, of the manufacture and use of such devices, although the right of copyright was not extended to the mechanical reproductions themselves. (See the report of the Patent Committee to the House of Representatives which accompanied the presentation of the act and purported to explain its scope (H. Rep. No. 2222 which accompanied H. R. 28192, 60th Cong., 2nd Sess. [1909]). By the provisions of the act, if the

2. *Common Law Copyright*.¹²⁶ A performer's interpretation of a musical or literary composition was considered an original intellectual production hence he had a common law property right therein which permitted him to control and limit its use.¹²⁷ The difficulty with this theory and one which Speiser was fully cognizant of, was that common law copyright would be lost by publication. This theory held scant promise.¹²⁸

3. *The Right of Privacy*. This new tort was and is an expansive concept which has enlarged and added to the foundations theoretically developed and outlined by Messrs. Warren and Brandeis.¹²⁹ The privacy doctrine prohibits not only the unauthorized use of a person's name or physical likeness for advertising or trade purposes, but has been extended to prevent the unauthorized use of a person's name on a petition or in connection with a political or governmental matter,¹³⁰ wiretapping or other forms of eavesdropping,¹³¹ the posting of a debtor by a creditor,¹³² etc. Today, the right of privacy is concerned primarily with the protection of mental interests. It is restricted to matters peculiarly personal, private and seclusive as distin-

owner of the musical copyright uses or permits the use of records for mechanical reproduction of the work, any other person may make similar records upon the payment to the copyright proprietor of a royalty of 2 cents on each record, although this does not permit their use for public performances for profit. See *Irving Berlin, Inc. v. Daigle*, 31 F.2d 832 (5th Cir. 1929). The measure of protection thus given in the case of pianola records and phonograph discs is to the composer, and not the performer. Plaintiff, in 1935, made application to the Register for a copyright on the 'personal interpretation by Fred Waring' of the musical composition 'Lullaby of Broadway.' The application was not rejected, the Register of Copyrights saying, inter alia: 'There is not and never has been any provision in the Act for the protection of an artist's personal interpretation or rendition of a musical work not expressible by musical notation in the form of "legible" copies although the subject has been extensively discussed both here and abroad.'

126. This subject is discussed in Warner, *Protection of the Content of Radio and Television Programs by Common Law Copyright*, 3 VAND. L. REV. 209 (1950).

127. *Savage v. Hoffman*, 159 Fed. 584 (C.C.S.D.N.Y. 1908): "... The manner, method and art of every performer is individual and his own property." Cf. *Murray v. Rose et al*, 30 N.Y.S.2d. 6 (Sup. Ct. 1941).

128. Warner, *supra* note 126, at 209.

129. Warren and Brandeis, *The Right of Privacy*, 4 HARV. L. REV. 193 (1890); see PROSSER, TORTS, c. 21 (1941); Feinberg, *Recent Developments in the Law of Privacy*, 48 COL. L. REV. 713 (1948).

130. *Hinish v. Meier & Frank Co.*, 166 Ore. 482, 113 P.2d 438 (1941).

131. *McDaniel v. Atlanta Coca-Cola Bottling Co.*, 60 Ga. App. 92, 2 S.E.2d 810 (1939); *Rhodes v. Graham*, 238 Ky. 225, 37 S.W.2d 46 (1931).

132. *Brents v. Morgan*, 221 Ky. 765, 299 S.W. 967 (1927); *Trammel v. Citizens News Co.*, 285 Ky. 529, 148 S.W.2d 708 (1941).

guished from such wrongs as libel, slander, trespass or injury to property, assault, etc., for which there are other legal remedies.¹³³ Speiser referred to this doctrine as "new in our jurisprudence and not yet crystallized (which) may some day offer to the performer his desired protection. Its basis is the right to be free from unwanted publicity. However, it is extremely doubtful whether today it is of any aid to the performer."¹³⁴

4. *Unfair Competition.* Speiser was of the opinion that the misappropriation theory of the *Associated Press* case could be extended to cover a radio station's unauthorized use of a musician's recorded performance, since the station in selling its recorded programs to advertisers was competing with the musician who sought to sell the advertiser a live program. To quote Speiser's concept of the law of unfair competition: "Therefore, if the doctrine of unfair competition is based upon fair play and if we concede that it is not fair play to utilize the talents and fame of a performer without compensation, then since the performer has a property right in his rendition under the rule laid down in *International News Service v. Associated Press*, he should be accorded equitable protection upon the basis of 'the unfair taking of (his) property.'"¹³⁵

5. *The Doctrine of Moral Right.* The real basis for the recognition of performing rights was the doctrine of moral right, or *le droit moral*, derived from continental jurisprudence.¹³⁶ Speiser did not expressly advocate this theory, but his Addendum suggested that the doctrine of moral right could be applied if not under its own colors, then under the guise of common law copyright, unfair competition, libel, right of privacy or equitable relief.

The doctrine of moral right warrants examination and discussion since it is the corner-stone for the rights now asserted by performing artists. This doctrine furnishes protection to the

133. WARNER, RADIO AND TELEVISION LAW, § 220a (1949).

134. HOMBURG, *op. cit. supra* note 120, at 151.

135. *Ibid.*

136. The moral right doctrine is discussed by the following: Roeder, *The Doctrine of Moral Right: A Study in the Law of Artists, Authors and Creators*, 53 HARV. L. REV. 554 (1940); MICHAELIDES-NOUAROS, THE MORAL RIGHT OF THE AUTHOR: STUDY OF FRENCH LAW, OF COMPARATIVE LAW AND OF INTERNATIONAL LAW (Am. ed. 1937); LADAS, THE INTERNATIONAL PROTECTION OF LITERARY AND ARTISTIC PROPERTY (1939) c. XIX—*Moral Rights of Authors*: Copyright Bulletin No. 2-3, 58 ff. (II UNESCO 1949); Note, *Moral Rights of Artists*, 49 COL. L. REV. 132 (1949).

following rights of authors or creators of intellectual property:

- (a) the right to create and publish in any form desired;¹³⁷
- (b) the right of reputation which recognizes that an artist has such an interest in his work as to allow him independently of copyright to enjoin every deformation, mutilation or other modification thereof or any contrary assertion of paternity;¹³⁸
- (c) the right of repentance which recognizes the artist's plenary authority to determine for the purposes of correction when his work is completed and even after he has announced the work complete to prevent publication if a subsequent change in his principles or style causes the work to fall beneath his standards;¹³⁹
- (d) the right to be protected against all other injuries to the creator's personality, including the prohibition against excessive criticism.¹⁴⁰ Several English and American decisions have indirectly applied this doctrine under the guise of unfair competition,¹⁴¹ libel,¹⁴² right of privacy¹⁴³ and equitable relief.¹⁴⁴ But those courts which have expressly passed upon this issue, have repudiated this doctrine.¹⁴⁵ As was stated in the *Vargas* case:

137. Copyright Bulletin No. 2-3 at 60: (II UNESCO 1949) "It is generally recognized that the work remains the author's secret until he consents to divulge it. The right is recognized simply at the right 'to publish' in most laws." The Copyright Bulletin refers to this as the "right of secrecy."

138. The UNESCO Copyright Bulletin designates this as the "right to the integrity of the work." See MICHAELIDES-NOUAROS, *op. cit. supra* note 136, at 270, 280-298; Roeder, *supra* note 136, at 561, 565.

139. Roualt v. Vollard, Civil Court of the Seine (First Part), July 10, 1946, 16 LITURGICAL ARTS, No. 3, p. 91 (May, 1948); The UNESCO Copyright Bulletin designates this as the "rights to assert the authorship of the work"; LADAS, *op. cit. supra* note 136, at 803.

140. Additional rights which may be asserted by an author are: (a) the right to correct, (b) the right to retract and (c) the right to reply. See Roeder, *supra* note 136, at 572 ff.

141. *Cf.* Fisher v. Star Company, 231 N.Y. 414, 132 N.E. 133 (1921), *affirming*, 188 App. Div. 964, 176 N.Y.Supp. 899 (1919), *cert. denied*, 257 U.S. 654 (1921); Landa v. Greenberg, 24 T.L.R. 441 (ch. 1908); Prouty v. National Broadcasting Co., 26 F.Supp. 265 (D.C. Mass. 1939).

142. Ben-Abel v. Press Publishing Co., 251 N.Y. 250, 167 N.E. 432 (1929); D'Altomonte v. Herald Co., 154 App.Div. 453, 139 N.Y.Supp. 200 (1913), *aff'd*, 208 N.Y. 596, 102 N.E. 1101 (1913); Locke v. Gibbons, 164 Misc. 877, 299 N.Y.Supp. 188 (1937), *aff'd*, 253 App. Div. 887, 2 N.Y.S.2d 1015 (1938).

143. Ellis v. Hurst, 66 Misc. 235, 121 N.Y.Supp. 438 (1910).

144. Pound, *Equitable Relief Against Defamation and Injuries to Personality*, 29 HARV. L. REV. 640 (1916).

145. Crimi v. Rutgers Presbyterian Church in City of New York, 89 N.Y.S.2d 813 (Sup. Ct. 1949); *Vargas v. Esquire, Inc.*, 164 F.2d 522 (7th Cir. 1947); Meliodon v. Phila. School District, 328 Pa. 457, 195 Atl. 905 (1938); *cf.* Shastakovich v. Twentieth Century Fox Film Corp., 80 N.Y.S.2d 575 (Sup. Ct. 1948).

"The conception of 'moral rights of authors so fully recognized and developed in the civil law countries has not yet received acceptance in the law of the United States. No such right is referred to by legislation, court decision or writers.'"

"What plaintiff in reality seeks is a change in the law in this country to conform to that of certain other countries. We need not stop to inquire whether such a change, if desirable, is a matter for the legislative or judicial branch of the government; in any event, we are not disposed to make any new law in this respect."¹⁴⁶

It is believed that if the doctrine of moral right is to be accepted in our jurisprudence, its recognition should be effectuated by legislative action rather than by judicial decision. The difficulties which would confront a court in attempting to apply *le droit moral* via the common law and without benefit of legislative standards are illustrated by *Shostakovich v. Twentieth-Century Fox Film Corporation*.¹⁴⁷ Plaintiff, a world famous Russian composer had his music reproduced in defendant's motion picture "The Iron Curtain." The music was used for incidental background matter and was in the public domain. Plaintiff sought to enjoin the use of his music on three theories: invasion of his right of privacy, defamation, and moral rights. The first two causes of action, though couched in the garb of common law remedies sought relief under the doctrine of moral right. The court rejected all three contentions. With reference to the moral right theory the court stated:

"The wrong which is alleged here is the use of plaintiffs' music in a moving picture whose theme is objectionable to them in that it is unsympathetic to their political ideology. The logical development of this theory leads inexplicably to the Doctrine of Moral Right (53 Harvard Law Review). There is no charge of distortion of the compositions nor any claim that they have not been faithfully reproduced. Conceivably under the doctrine of Moral Right the court could in a proper case, prevent the use of a composition of work in the public domain, in such a manner as would be violative of the author's rights. The application of the doctrine presents much difficulty however. With reference to that which is in the public domain there arises a conflict between the moral right and the well established rights of others to use such works So, too, there arises the

146. *Vargas v. Esquire, Inc.*, 164 F.2d 522 (7th Cir. 1947).

147. 80 N.Y.S.2d 575 (Sup. Ct. 1948).

question of the norm by which the use of such work is to be tested to determine whether or not the author's moral right as an author has been violated. Is the standard to be good taste, artistic worth, political beliefs, moral concepts or what is it to be? In the present state of our law the very existence of the right is not clear, the relative positions of the rights thereunder with reference to the rights of others is not defined nor has the nature of the proper remedy been determined. Quite obviously therefore, in the absence of the infliction of a willful injury or of any invasion of a moral right, this court should not consider granting the drastic relief asked on either theory."¹⁴⁸

Another phase of the doctrine of moral right—the right of reputation, which enables an author to prevent mutilation or deformation of his work after he has assigned or licensed the use of it for dramatization or other purposes—illustrates the need for legislative in lieu of judicial treatment. The extent to which an assignee or licensee may modify a work is tendered in connection with the adaptation of stories or dramas for screen or broadcasting purposes. The assignee or licensee must be allowed a fairly free hand with respect to the details because of the different methods of presentation and the public to be served.

As a general rule the extent to which changes, additions, etc. may be made to a literary work is governed by contract between the parties. In case of a dispute the courts will interpret the contract.¹⁴⁹ But the "authority to modify, whether express or implied is never unlimited. In no case should the modification go so far as to attribute to the creator ideas which he does not believe and did not originally express; nor should the intrinsic esthetic quality of the work be subject to alteration; even though the power to modify be given, a tragedy cannot be changed to a comedy, a philosophic essay to a farce."¹⁵⁰ This problem received attentive consideration by a federal court:

"And now as to what is acquired when one procures the right to elaborate upon an original story. Upon this much need not be said. I take it that, while scenery, action and characters may be added to an original story, and even supplant subordinate portions thereof, there is an obligation upon the elaborator to retain and give appropriate expression to the theme, thought and main action of that which

148. *Ibid.*

149. *Cf. Dreiser v. Paramount Public Corp.* (N.Y. Sup. St. 1931), *memorandum opinion*.

150. ROEDER, *supra* note 136, at 571.

was originally written. The unqualified grant of this right is, I should say, fraught with danger to a writer of standing, particularly when he inserts no provision for his approval of such elaboration as may be made. Nevertheless, elaboration of a story means something other than that the same should be discarded; and its title and authorship applied to a wholly dissimilar tale."¹⁵¹

The foregoing discussion indicates clearly that the common law furnishes no case law of experience nor standards to guide the courts in adjusting the interests of authors and creators who are in obvious conflict with entrepreneurs, publishers, motion picture producers, broadcasters, record manufacturers, etc. This conflict can only be resolved by legislative remedies. Within the last decade, several bills have been introduced in Congress which recognize the doctrine of moral right.¹⁵² This has been vigorously opposed by the motion picture and broadcast industries whose interests are distinctly adverse to the existence of this doctrine.¹⁵³

151. *Curwood v. Affiliated Distributors, Inc., et al.*, 283 Fed. 219 (S.D.N.Y. 1922); See also: *Packard v. Fox Film Corp.*, 207 App. Div. 311, 202 N.Y. Supp. 164 (1923).

152. *E.g.*, S. 3047, 74th Cong. 1st Sess. (1933) section 41 (v): "Independently of the copyright in any work secured under this Act, as amended, and even after the assignment thereof, the author retains the right to claim the authorship of the work as well as the right to object to every deformation, mutilation, or other modification of the said work which may be prejudicial to his honor or to his reputation: *Provided, however*, that nothing in this paragraph shall limit or otherwise affect the right of full freedom of contract between the author of a work and an assignee or licensee thereof, or invalidate any express waiver or release by the author of any such rights or of any remedies or relief to which he might be entitled in consequence of a violation thereof, and the assignee or licensee of the author's moral right may, with the author's permission, make any change in the work which the author himself would have had a right to make prior to such assignment." The foregoing is derived from Art. 6 — Bern Convention, Rome revision 1928, quoted in Roeder, 556: "(1) Independently of the patrimonial rights of the author, and even after the assignment of the said rights, the author retains the right to claim the paternity of the work, as well as the right to object to every deformation, mutilation or other modification of the said work, which may be prejudicial to his honor or to his reputation. (2) It is left to the national legislation of each of the countries of the Union to establish the conditions for the exercise of these rights. The means for safeguarding them shall be regulated by the legislation of the country where protection is claimed."

153. Testimony of Edwin P. Kilroe at *Hearings before the Committee on Patents*, 74th Cong., 2d Sess. 1012 (1936): "Mr. Kilroe. Our chief objection, as I said, is to the moral clause. That is of great concern to the motion-picture industry; we must have a right to change an author's work. I will only read now our objections that were heretofore imposed to the use of the moral clause and it applies fully today as it did two years ago: 'The right to make changes in an author's work is of the utmost importance to the motion-picture industry. A dramatic play or story is usually written with an appeal to a particular class. A motion picture is intended to have

The moral right concept where recognized, has been expanded by legislation, judicial decision and collective bargaining agreements to furnish protection to the interpretative rights of performers.¹⁵⁴ The theoretical basis for protecting the interests of performers is premised on the notion of work done. This theory of labor rights rejects the view that performers' rights are based on literary and artistic property; the latter is the prerogative of creators and authors.¹⁵⁵ The concept of work done considers artists as a category of producers whose product possesses an economic value which varies according to the conditions under which it is utilized.

The constituent elements of performers' rights may be briefly noted:

(a) *Right of Authorization.* This is an exclusive right in the performer to authorize the recording, reproduction and broadcasting by mechanical, radio-electric or other means of his interpretations as well as the public utilization of recordings or broadcasts of such interpretations. This term is derived from the doctrine of moral right, viz., the right to create and publish

entertainment value for the great masses and its financial success depends upon its mass-psychology entertainment value; the wider the appeal, the greater its value. A limitation on the right to change the plot, theme, sequence, and description of the characters in literary works would bring havoc to the film industry. An example of this danger will be found in the recent case of the production of the motion picture *Wonder Bar*. Warner Bros. purchased the motion-picture rights of *Wonder Bar* from a foreign publishing house to whom the authors had previously sold these rights. After paying a substantial sum to the publishing house, Warners paid an additional sum to the authors for the right to change the story and interpolate music. After the picture had been in distribution in the United States and ready for distribution in foreign countries, the authors made a demand for an exorbitant additional sum of money, to wit, \$100,000, under the moral-rights clause of the Rome Convention, threatening that if they did not receive an adjustment of the claim they would enjoin the distribution of the picture in Europe and seek money damages." *Id.* at 397 ff. testimony of Sidney M. Kaye in behalf of the National Association of Broadcasters. See statement of Mr. Kilroe, in *Hearings before a Subcommittee of the Committee on Foreign Relations on Executive E*, 75th Cong. 2d Sess. (1938) 19 *et seq.* Statement of Mr. Kaye, *Id.* at 29.

154. Report of the International Labour Organisation Rights of Performers in Broadcasting, Television and the Mechanical Reproduction of Sounds (Geneva 1949) hereinafter designated as ILO Report.

155. There has always been a conflict between the creative rights of an author and the performer's interpretation of the former. Performers have contended that their interpretation is *sui generis*, enlarging upon the author's original form by giving it a perceptible form. See ILO Report at 23 ff.

in any form, and serves as the basis for the moral and pecuniary claims of performers.¹⁵⁶

(b) *Moral Right*. This term as applied to performers is intended to enforce respect for the personal contribution made by the artist in interpreting a work. This is effectuated by having the performer's name mentioned on any recording of his performance or any reproduction of such performance. In addition the performer may oppose any alteration or defective reproduction of his interpretation since his reputation and consequently the economic value of his work would be affected thereby.¹⁵⁷

(c) *Pecuniary Right*. This concept is intended to establish as a matter of law the right of the performer to receive financial remuneration for recordings, radio and television transmissions, motion picture exhibition, etc. The subsidiary rights comprehended by this concept are intended to assure the performer that he will reap financial benefits from any use made by the entrepreneur of the recordings or transmissions. Thus, an artist may contract to appear before a given public audience; the contract of employment is silent on the radio and television rights. The doctrine of pecuniary right would entitle the performer to receive additional separate fees for any radio or television broadcasts even though he may not hold the right of authorization.¹⁵⁸

Continental jurisprudence recognizes the performing rights of authorization, moral right and pecuniary rights by virtue of legislation, judicial decision or collective bargaining agreements.¹⁵⁹ Our Copyright Code does not furnish protection to

156. ILO Report at 80-81: "A number of laws in varying measure and in one form or another, granted to the performer the right of authorization. Thus the laws of Germany (1910), Czechoslovakia (1928), Mexico (1947), United Kingdom (1925), Switzerland (1922) and Lichtenstein (1928) grant the performer the right of authorization in respect of sound recordings. The Austrian Law of 1936 provides for a broad right of authorization with regard to recordings and direct broadcasts. In Hungary, the performer possesses, under the Law of 1921 and legal decisions, the right of authorization with regard to the multiple copying, publication and circulation of recordings, including direct broadcasts."

157. *Id.* at 25-26; 81-83.

158. *Id.* at 27-29; 84-87.

159. *E.g., Id.* at 82: "In France, the collective agreement made in March 1946, between the French Broadcasting Corporation and the National Actors' Union stipulates that the name of the artist must be announced at the microphone in every broadcast, of whatever nature."

performing artists.¹⁶⁰ To be sure the collective bargaining agreements executed by the American Federation of Radio Artists (A.F.R.A.) and the American Federation of Musicians (A.F. of M.) deal with performing rights.¹⁶¹ But collective bargaining agreements are outside the scope of this study. Our concern is the extent to which the common law has been and should be employed to recognize and protect interpretative performing artists.

To return to phonograph records, Speiser's Addendum did not advocate the complete adoption of *le droit moral* with all of its subsidiary rights. He did suggest that protection be furnished the artist "to preserve the integrity of his art" and to assure him a "return for any commercial utilization of his talents, whether the transmission take place over the wires, or by wireless or whether they consist of sounds or images or signs (anticipating television)."¹⁶²

Soon after the publication of Speiser's dissertation, the National Association of Performing Artists (NAPA) was organized, with Fred Waring as president and Maurice J. Speiser as general counsel.¹⁶³ This organization which was open to "any actor, singer, conductor, instrumentalist, lecturer and any other interpretive artist or performer" had as its objective the licensing of performing rights in "phonograph records, discs, electri-

160. *Supra* Note 125.

161. ILO Report at 67-68: The A.F.R.A. live commercial code prescribes minimum fees for actors and singers. They receive "rehearsal" fees and additional compensation for the re-transmission of a performance. The A.F.R.A. Transcription Code regulates the use of the various recordings, viz., custom-built, open-end and library service transcriptions, prescribes the remuneration of performers on the basis of length of the programme and number and duration of rehearsals. Actor's Equity Association demands that their members receive an additional fee if the performance is broadcast and televised. The A. F. of M. is asserting performing rights via royalty payments from record manufacturers. See: Countryman, *The Organized Musicians*, 16 U. OF CHI. L. REV. 56, 239 (1939); Diamond and Adler, *Proposed Copyright Revision and Phonograph Records*, 11 AIR L. REV. 29 (1940).

162. HOMBURG, *op. cit. supra*, note 120, at 152.

163. Hearings on Revision of Copyright Laws, *op. cit. supra*, note 153, at 673 ff. statement of Maurice J. Speiser. In 1934 the American Society of Recording Artists, Inc., was incorporated in California with Al Jolson as President. See 4 NAB Reports 1495 (1936). In 1937 it merged with NAPA. See also *Hearings before a Subcommittee of the Committee on Judiciary, H.R. Rep. No. 1269, H.R. Rep. No. 1270, H.R. Rep. No. 2570*, 80th Cong. 1st Sess. 8, 209 (1947).

cal transcriptions, sound tracks, or any other mechanical recording of sound, including television" to the users thereof.¹⁶⁴

Before discussing the litigation instituted by NAPA, it should be pointed out that the owners of phonograph records as distinguished from the performers have successfully invoked the doctrine of unfair competition to prevent the unauthorized use of phonograph records.¹⁶⁵

NAPA instituted its first test case in Pennsylvania. Waring's Pennsylvanians, an incorporated orchestra, recorded two songs for the Victor Talking Machine Company in 1932. The orchestra received \$250 for each recording. Waring, foreseeing the likelihood of the records being used by radio stations stipulated with the Victor people that the records should bear the legend "Not licensed for radio broadcasts." The records were sold on the open market to the general public at the retail price of 75 cents per record. Defendant broadcasting station purchased these records and broadcast the same as part of a sustaining program. Defendant complied with the regulations of the Federal Communications Commission requiring the announcement and identification of all mechanical reproductions.¹⁶⁶ At the time of this broadcast, Waring's orchestra was under an exclusive radio contract to the Ford Motor Company at \$13,500 per week. Plaintiff filed a bill in equity to enjoin defendant from broadcasting the records.

The lower court enjoined the unauthorized broadcasting of phonograph records. This opinion relied on all of Speiser's

164. *Id.* at 674.

165. *Victor Talking Machine Co. v. Hesslein Opera Disc Co., Inc.*, (D.C. N.Y. 1923) unreported; *Fonotipid Limited et al. v. Bradley*, 171 Fed. 951 (C.C.E.D.N.Y. 1909); *Aeolian Co. v. Royal Music Roll Co.*, 196 Fed. 926 (C.C.W.D.N.Y. 1912). England grants a copyright in the record itself; in addition the Act of July 31, 1925, 15 & 16 Geo. 5 c. 46 makes it a crime to record the performance of a dramatic or musical work without the consent in writing of the performer. This statutory provision furnishes a summary criminal remedy; it cannot be invoked by a performer in a civil suit for damages and injunction. *Musical Performers Protection Ass'n. Inc. v. British International Pictures, Ltd.*, 46 L.T.R. 485 (1930). Thus the law gives the performer no property right in his performance. See also *Gramophone Co., Ltd. v. Stephen Corwardine & Co.*, [1934] Ch. 450. For a brief summary of foreign laws and decisions regarding the performing artist, see, Pforzheimer, *Copyright Protection for the Performing Artist in his Interpretive Rendition* (1939) I COPYRIGHT LAW SYMPOSIUM 9, 48 ff.

166. The Commission's regulation, section 3.188, requiring the announcement of mechanical records is quoted in its entirety in WARNER, RADIO AND TELEVISION LAW § 34 f. 1, note 11 (1949).

theories to substantiate the issuance of the injunction.¹⁶⁷ The Pennsylvania Supreme Court affirmed the lower court.¹⁶⁸

The court relied on common law copyright and unfair competition to sustain the issuance of the injunction. A majority of

167. Opinion of Judge McDevitt in *Waring v. WDAS Broadcasting Station, Philadelphia C.P. January, 1936, aff'd, 327 Pa. 433, 194 Atl. 631 (1937)*. "Conclusions of Law:

1. The creator of a unique and personal interpretation of a musical and/or literary composition possesses a common law property right in the same, and has a right to control and limit its use.
2. The individuality, personality and unusual talents of such an artistic interpreter identify his production, creation or performance in such a manner as to make it different, and consequently, per se, a special value with pecuniary worth.
3. The interpretive talent of the complainant is creative and vests in him an incorporeal property right, just as firmly as though it were corporeal property.
4. Such incorporeal property is entitled to protection.
5. A creation or interpretation that may be captured or transcribed by mechanical means, and then capable of reproduction at the will of the possessor, makes such an interpretation or creation, property.
6. The integrity of one's art is entitled to protection, and the law gives such artist a right to command a return for any commercial utilization of his talent.
7. The talents, creations and interpretations of a performing artist, may only be used or exploited under the terms and conditions imposed by the creator. Any other use is an infringement of his property right, and an injury to his name and commercial worth.
8. The law will follow science and arts in throwing the necessary protection about property rights, both corporeal and incorporeal, tangible and intangible.
9. The making of a phonograph record or the sale of the same, under such conditions as were imposed in the suit at issue, does not constitute a publication.
10. The respondent's purchase of said records vested in him a possession and ownership, subject, however, to the special property right of the complainant.
11. Such a use of a phonograph record as has been made by the respondent in this matter, is a commercial use for profit.
12. The complainant and the RCA-Victor Company were within their legal rights in producing said records for sale and limited use.
13. The respondent's use of said records violated the express restriction stamped thereon, and was an unlawful interference with complainant's right. The respondent's use of said records is an interference with the complainant's contractual relations with the international company, with which he has a contract for his exclusive broadcasting services.
14. The limitation of use or restriction stamped upon the face of the records was a condition or servitude inseparable from the records.
15. The restriction stamped upon the records is not an interference with the purchaser of said records to use them for the purpose intended, it is not an unreasonable condition, its enforcement would not be in restraint of trade, and its enforcement does not create a monopoly. It is a protection of the property right vested in the complainant and enforceable in equity.
16. Such use of said records, as the use made by the respondent, creates unfair competition."

168. *Waring v. WDAS Broadcasting Station, Inc., 327 Pa. 433, 194 Atl. 631 (1937)*.

the court concluded that Waring's interpretation of a musical composition constituted a product of novel and artistic creation which invested him with a property right therein. Waring not only added something to the composition performed but also participated in creating a product in which the performer "is entitled to a right of property, which in no way overlaps or duplicates that of the author in the musical composition."

The next question tendered was whether the sale of the records constituted a general publication, thereby resulting in a loss of common law property rights.¹⁶⁹ The court had some difficulty with this point. It distinguished between a "limited" publication which does not affect common law copyright and a "general" publication which terminates it. The court then disregarded the extent to which the recording had been communicated to the public and concluded that the restrictive label on the record showed an intent on Waring's part not to release his common law copyright to the public. The question of whether there had been a general publication then turned on the issue of whether the restriction was reasonable.¹⁷⁰ The court confused the issue of reasonableness of an equitable servitude with the question of whether there had been a "general" publication. It dismissed "as comparatively early cases" a group of decisions which held that once there had been a general publication, it cannot properly be limited by restrictions and servitudes. The court further held that the restrictive legend, was neither a restraint of trade nor contrary to public policy, hence it was enforceable as an equitable servitude on a chattel.

The court with another judge concurring turned to the law of unfair competition as an additional ground upon which to sustain the injunction. The court applied the "misappropriation" or "unjust enrichment" theory of the *Associated Press* case:

"It appears from the *Associated Press* Case that while, generally speaking the doctrine of unfair competition rests upon the practice of fraud or deception, the presence of such elements is not an indispensable condition for equitable relief, but, under certain circumstances, equity will protect an unfair appropriation of the product of another's labor

169. See Warner, *supra* note 126.

170. Cf. Chafee, *Equitable Servitudes on Chattels*, 41 HARV. L. REV. 945 (1928); Shulman, *The Fair Trades Acts & the Law of Restrictive Agreements Affecting Chattels*, 49 YALE L. J. 607, 623 (1940).

or talent. In the present case, while defendant did not obtain the property of plaintiff in a fraudulent or surreptitious manner, it did appropriate and utilize for its own profit the musical genius and artistry of plaintiff's orchestra in commercial competition with the orchestra itself. In line with the theory of the *Associated Press* case, the 'publication' of the orchestra's renditions was a dedication of them only to purchasers for use of the records on phonographs, and not to competitive interests to profit therefrom at plaintiff's expense. Indeed, in the *Associated Press* case the intent against an unqualified abandonment had to be inferred from the circumstances, whereas here it was expressed on the records themselves and defendant's use of them was a violation of the explicit notice to that effect.¹⁷¹

In a concurring opinion, Judge Maxey disagreed with his fellow judges on their reasoning on the subject of unfair competition. He concluded that the law of unfair competition could not be applied since Waring and defendant broadcast station were not competitors in the same business. Furthermore, Judge Maxey would not regard defendant's conduct as actionable unfair competition, absent the elements of fraudulent or deceptive conduct toward the public.¹⁷²

Judge Maxey claimed that the true basis for protection of the artist was to be found in the right of privacy. We have discussed elsewhere that the right of privacy cannot be invoked by an artist to "fix the limits of the publicity which shall be given" to his performance. When Waring's phonograph records were made available to the general public, he was precluded from specifying the use which purchasers could make of them. The right of privacy is lost when an author communicates his production to the public.¹⁷³

171. *Waring v. WDAS Broadcasting Station, Inc.*, 327 Pa. 433, 194 Atl. 631, 640 (1937); cf. Judgment of Kammergericht (Berlin) June 7, 1928 (10 U. 4658/28) reported in 1 ARCHIV. 655 (1928), and discussed in detail in WARNER, RADIO AND TELEVISION LAW § 215 n. 1 (1949), wherein a broadcasting station enjoined the production and sale of phonograph records which described the last round of a boxing bout broadcast by the plaintiff. The court held that the defendant's activities constituted unfair competition and was "repugnant to the requisites of honest commercial intercourse to appropriate to one's self, without any substantial effort and cost, the fruit of another's labor produced with considerable effort and at great cost, and thus to create dangerous competition for the other." See Caldwell, *Piracy of Broadcast Programs*, 30 COL. L. REV. 1087 (1930).

172. *Waring v. WDAS Broadcasting Station, Inc.*, 327 Pa. 433, 194 Atl. 631, 642 (1937).

173. WARNER, RADIO AND TELEVISION LAW § 214 (1949).

NAPA instituted similar suits in other jurisdictions. In New York, the contract between the performer and the recording company did not require the records to be stamped with a restrictive label, hence NAPA could not enjoin their use by a radio station.¹⁷⁴ A similar attempt to enjoin the use of Ray Noble's records in a tap room in Massachusetts failed because Noble had granted to the recording company all of his rights in the recordings, hence he had no standing to claim any interest in the recorded performances.¹⁷⁵

However, in *Waring v. Dunlea*,¹⁷⁶ a federal district court enjoined a radio station from playing electrical transcriptions which were stamped with the legend that they were to be used on the Ford Motor program. "Although this presented an ideal case for the application of the common law copyright doctrine (the transcription never having been made available to the public), the rather jumbled opinion accompanying the injunction seems to me based on a blend of the concepts of unfair competition and equitable servitude."¹⁷⁷ North Carolina followed by other states enacted legislation which nullified the *Dunlea* case.¹⁷⁸

NAPA in behalf of Paul Whiteman then instituted suit in the federal district court in New York to enjoin the use of Whiteman's records by radio station WNEW. The Radio Corporation of America (RCA) filed an ancillary suit in which it sought similar injunctive relief and that Whiteman had no interest in the records. The district court found that all of Whiteman's records were stamped with the restrictive legend not to be used for broadcasting; that in the contracts between Whiteman and RCA prior to 1934, the former had passed all of his rights to the latter; that in the contracts executed on September 5, 1934, Whiteman reserved "his common law property right in and to

174. *Crunit v. Marcus Loew Booking Agency*, 162 Misc. 225, 293 N.Y. Supp. 63 (1936).

175. *Noble v. One Sixty Commonwealth Avenue, Inc.*, 19 F. Supp. 671 (D.C. Mass. 1937).

176. 26 F. Supp. 338 (E.D.N.C. 1939).

177. Countryman, *The Organized Musicians*, 16 U. OF CHI. L. REV. 239, 256 (1949).

178. 2 N. C. STAT. ANN. § 66-28 (Michie, 1943): "When any phonograph record or electrical transcription upon which musical performances are embodied, is sold in commerce for use in this state, all asserted common law rights to further restrict or to collect royalties on the commercial use made of such recorded performances by any person is hereby abrogated and expressly repealed." S. C. CODE § 6641 (1942); FLA. STAT. ANN. §§ 543.02, 543.03 (1943).

his musical interpretations and renditions." The court held this common law copyright inured to Whiteman and that RCA could claim no property right in the records because of their contribution to the production. Whiteman's common-law copyright survived publication and defendant's use of the records constituted unfair competition to both Whiteman and RCA.¹⁷⁹

The Second Circuit Court of Appeals per Mr. Justice Learned Hand reversed the lower court and for all practical purposes spelled the death knell of NAPA.¹⁸⁰ He assumed "for the purposes of this case" that Whiteman had a property interest in his performance, "and what is far more doubtful," that the recording company could assert a similar copyright.¹⁸¹ He concluded that Whiteman's common-law copyright was destroyed by the sale of the records to the general public; that the restrictive legend neither limited publication nor was it enforceable as an equitable servitude. The court also held that the law of unfair competition was inapplicable. The *Associated Press* case must be restricted to its precise facts; "certainly it cannot be used as a cover to prevent competitors from ever appropriating the results of the industry, skill and expense of others. 'Property' is a historical concept; one may bestow much labor and ingenuity which inures only to the public benefit; 'ideas' for instance, though upon them all civilization is built may never be 'owned.' The law does not protect them at all, but only their expression; and how far that protection shall go is a question of more or less; an author has no 'natural right' even so far, and is not free to make his own terms with the public." Finally the court disposed of the right of privacy argument in a single sentence by characterizing it as a "strange assertion."¹⁸²

Prior to the court's decision in the Whiteman case both NAPA and the recording companies advised the broadcasting industry

179. R.C.A. Mfg. Co. v. Whiteman, 28 F. Supp. 787 (S.D.N.Y. 1939).

180. R.C.A. Mfg. Co. v. Whiteman, 114 F.2d 86 (2d Cir. 1940), cert. denied, 311 U.S. 712 (1940).

181. See Diamond and Adler, *Proposed Copyright Revision and Phonograph Records*, 11 AIR L. REV. 29 (1940).

182. R.C.A. Mfg. Co. v. Whiteman, 114 F.2d 86, 90 (2d Cir. 1940). The court was confronted with this problem: Pennsylvania had reached a contrary conclusion, which meant that the broadcasting of Whiteman's records would constitute a tort in that state. Obviously, Station WNEW could not route its broadcasts around Pennsylvania, hence the court concluded it would not enjoin an otherwise lawful broadcast in order to prevent commission of a tort in Pennsylvania.

that they would have to purchase licenses to use phonograph records.¹⁸³ The Whiteman case terminated these claims, although it has been suggested that the record companies might still be able to assert an enforceable property interest in phonograph records which might serve as the basis of a licensing system.¹⁸⁴

The Whiteman case was NAPA's last attempt to secure a court adjudication via the common law. NAPA has invoked the aid of Congress and has had bills introduced in Congress which would amend the Copyright Code so as to give the performer a statutory copyright.¹⁸⁵

A reading of the *Waring* case discloses that the Pennsylvania court relied on the law of unfair competition to recognize performing rights. But this approach masked the true basis of its decision—the employment of the doctrine of moral right with

183. Pforzheimer, *Copyright Protection for the Performing Artist in His Interpretive Rendition*, I COPYRIGHT LAW SYMPOSIUM 9, 20 (1939).

184. Countryman, *The Organized Musicians II*, 16 U. OF CHI. L. REV. 239, 258 (1949): "In *General Talking Pictures Corp. v. Western Electric Co.*, 304 U.S. 175 (1938), *opinion on reargument* 305 U.S. 124 (1938), *rehearing denied* 305 U.S. 675 (1939), the Supreme Court upheld the licensing system of a patent pool consisting of A. T. & T., General Electric Company and R.C.A., whereby some retailers were licensed to sell patented amplifying tubes only for radio use and others were licensed to sell them only for non-radio use. The court also affirmed the holding that one who purchased amplifying tubes for use in talking pictures equipment from a retailer known to the purchaser to be licensed to sell only for radio use was guilty of contributory infringement. Phonograph records issued by R.C.A., Columbia and Decca had long carried on their labels a legend reading: 'Licensed by Mfr. under U.S. Patents (citing numbers) only for non-commercial use on phonographs in homes. Mfr. and original purchaser agree that this record shall not be resold nor used for any other purpose.' Hence, the *General Talking Picture* case seems apt precedent in support of the demands which the recording companies originally predicated on the district court's decision in the *Whiteman* case. Nevertheless, whether from lack of confidence in their patents, from doubts about the attitude of the new Justices toward the *General Talking Picture* case, and the doctrine of contributory infringement (*Mercoid Corp. v. Mid-Continent Investment Co.*, 320 U.S. 661 (1944)), or from other considerations of business policy, the recording companies made no attempt to enforce their patent notices, and those notices have recently disappeared from Victor and Columbia labels." See also Diamond and Adler, *Proposed Copyright Revision and Phonograph Records*, 11 AIR L. REV. 29 (1940).

185. *E.g.*, the Scott bill, H.R. 1270, 80th Cong., 1st Sess. (1947) which granted a copyright "on recordings which embody and preserve any acoustic work in a fixed, permanent form on a disk, film, tape record, or any and all other substances, devices, or instrumentalities, by any means whatever, from or by means of which it may be acoustically communicated or reproduced." The copyright extended not only to "make or procure the making" but also to "publish and vend such recordings of sound; and to communicate and reproduce the same acoustically to the public for profit." See also: S. 3047, 74th Cong., 1st Sess. (1935); H.R. 11420, 74th Cong., 2d Sess. (1936); H.R. 10632, 74th Cong., 2d Sess. (1936).

its subsidiary rights. The issuance of the injunction enjoining the broadcast of phonograph records, constitutes a pro tanto recognition of authorization and pecuniary rights. Thus, the court confirms the performer's rights to authorize a secondary or additional use of the phonograph records and to receive additional compensation therefor. In the *Whiteman* case, on the other hand, the court refused to extend the scope of the Copyright Code via the guise of unfair competition and the doctrine of moral right. The court was reluctant to resolve the composition of substantial conflicts of interest since neither the common law nor the statute had given any clue to its preference.¹⁸⁶

If any relief can be given the performer it must come from Congress. But any amendment of the statute which would give the performer a statutory copyright is beset with difficulties.

The chief obstacle is who should receive the statutory copyright.¹⁸⁷ An orchestral rendition requires the effort and skill of many performers exclusive of the contributions of one or more vocalists. The latter furnish artistic performances which should be protected by statutory copyright. A copyright shared by all performers is both unwieldy and impractical since the members of an orchestra are constantly changing. This difficulty is miti-

186. *RCA Mfg. Co., Inc. v. Whiteman*, 114 F.2d 86, 90 (2d Cir. 1940), *cert. denied*, 311 U.S. 712 (1940); ". . . but we should be equally jealous not to undertake the composition of substantial conflicts of interests between which neither the common law, nor the [copyright] statute has given any clue to its preference. We cannot know how Congress would solve this issue; we can guess—and our guess is that it would refuse relief as we are refusing it—but if our guess were the opposite, we should have no right to enforce it." The *Waring* and *Whiteman* cases have provoked a considerable amount of literature: Aberst, *Use of the Doctrine of Unfair Competition to Supplement Copyright in the Protection of Literary and Musical Property*, 29 KY. L. J. 271 (1941); Baer, *Performer's Right to Enjoin Unlicensed Broadcasts of Recorded Renditions*, 19 N.C. L. REV. 202 (1941); Bass, *Interpretive Rights of Performing Artists*, 42 DICK. L. REV. 57 (1938); Chafee, *Unfair Competition*, 53 HARV. L. R. 1289 (1940); Clineburg, *Protection Afforded by the Law of Copyright to Recording Artists in Their Interpretations of Musical Compositions*, 20 NEB. L. REV. 79 (1941); Countryman, *The Organized Musicians*, 16 U. OF CHI. L. REV. 239 (1949); Doyle, *Artists and Manufacturers' Interests in Record Rendition*, 9 DUKE B.A.J. 57 (1941); Pforzheimer, *Copyright Protection for the Performing Artist in His Interpretive Rendition*, 1 COPYRIGHT LAW SYMPOSIUM 9 (1939); Shelton, *The Protection of the Interpretive Rights of a Musical Artist*, 1 COPYRIGHT LAW SYMPOSIUM 173 (1939); Traicoff, *Rights of the Performing Artist in His Interpretation and Performance*, 11 AIR L. REV. 225 (1940); Notes: 26 WASH. U. L. Q. 272 (1941); 11 AIR L. REV. 205 (1940); 9 FORD. L. REV. 425 (1940); 35 ILL. L. REV. 546 (1941); 26 IOWA L. REV. 384 (1941); 49 YALE L. J. 559 (1940).

187. Countryman, *The Organized Musicians*, 16 U. OF CHI. L. REV. 239, 259 (1949).

gated when an orchestra like "Waring's Pennsylvanians" is incorporated. It has been suggested that the copyright be given the recording company; however, it hardly seems calculated to bring the benefits of the copyright to the musical performer.¹⁸⁸ NAPA has had incorporated in the various bills introduced in Congress, the proposal that the copyright vest in the orchestra conductor.¹⁸⁹ It is doubtful whether this provision would benefit the instrumentalists in the orchestra. It has also been suggested that performers assign their statutory copyright to an agent who would hold the copyright for licensing purposes. This proposal is akin to the assignment by the copyright proprietor of the small performing rights in musical compositions to ASCAP or BMI. The difficulty with this suggestion is that it would be more complex, unwieldy and burdensome than the copyright problems attendant the use of music. A copyright in a performance would further subdivide the performing rights conferred by the Copyright Code and fetter the radio, television and motion picture industries in the use of talent. If statutory copyright is to be recognized in the performances of instrumentalists, artists and motion picture, radio and television talent, it is suggested that the copyright vest in one person or organization, viz., the record manufacturer or licensing agent and that Congress spell out those provisions which would protect performers from abuses of a licensing system and absolve users from liability for innocent infringement.¹⁹⁰

188. Pforzheimer, *Copyright Protection for the Performing Artist in His Interpretive Rendition*, I COPYRIGHT LAW SYMPOSIUM 9, 31 (1939); Diamond and Adler, *Proposed Copyright Revisions and Phonograph Records*, 11 AIR. L. REV. 29, 49 (1940) contends that the copyright should rest in the record manufacturer because in an analogous situation statutory copyright has already been given to the producer of a motion picture.

189. *E.g.*, H. R. REP. No. 6160, 76 Cong., 1st Sess. (1939); *Hearings on H.R. 1269, H.R. 1270, and H.R. 2570*, 80th Cong., 1st Sess. 211 (1947); "Mr. Walter: Mr. Speiser, if H.R. 1270 became a law, would not every musician in a band be entitled to copyright his individual contribution to the interpretation of a musical piece?"

"Mr. Speiser: That would be true sir. . . . But we would regulate by assignment. The person entitled would be the conductor of the band or the orchestral association under whose charter the band is performing. . . . The particular technicalities, sir, are of minor importance. . . . Due precaution would be taken before filing application of a copyright."

190. *Ibid.* 263-266. The Copyright Office disapproved the Scott Bill, H.R. 1270 because it was impossible to determine from its provisions where the copyright would be lodged.

TELEVISION PROGRAMS AND THE RIGHTS OF PERFORMING ARTISTS.

In the recent case of *Peterson v. KMTR Radio Corporation*,¹⁹¹ the "novel question" tendered a California inferior court was "the right of a performer at a charity entertainment to collect against a radio station that televised his performance without his consent or permission." This is the first case in which any court has rendered a published opinion which discusses whether an artist may assert interpretative performing rights in a telecast.¹⁹² The facts of this case as disclosed by the complaint and the court's opinion warrant full statement. Plaintiffs are well known aquatic stars who appeared in a "live" benefit performance for charity (the Mt. Sinai Hospital Cancer Fund) in Los Angeles Swim Stadium. It is believed that plaintiffs were compensated for their performances. In any event an admission fee was charged to view the show. Plaintiffs' contract of employment with the entrepreneur or promoter, in this case the charity, was silent on the disposition of television rights. Defendant, licensee of television station KLAC telecast the show presumably with the permission of the entrepreneur. Plaintiffs brought suit against the station claiming that the defendant without their knowledge or consent, made a motion picture film and television representation of the performance and broadcast and disseminated for profit.

The complaint was premised on the following counts:

- (a) invasion of right of privacy;
- (b) reasonable value of work and services;
- (c) and unfair competition.

The court confused and intermingled the two basic issues tendered by this case:

Where the contract of employment is silent on the disposition of television performing rights, are they transferred by operation of law, viz., implied contract to the entrepreneur or are they residual rights retained by the performer?

191. 18 U.S.L. WEEK 2044 (U.S. July 26, 1949).

192. In *Chavez v. Hollywood Post No. 43* and *Don Lee Broadcasting System* (Cal. Super. Ct. 1947) plaintiff, a professional boxer, attempted to enjoin the telecasting of a match in which he was to engage, alleging that he would be irreparably damaged, particularly since he was to receive a percentage of the gross receipts. Plaintiff contends his right of privacy would be invaded. The court sustained a demurrer without leave to amend stating that the privacy doctrine was not involved, and that the entrepreneur of the stadium owned the television rights since the latter were included in the right to present the contest before a paid audience. See 10 *FED. COM. B. J.* 36 (1949).

Does our jurisprudence furnish a remedy for the protection and enforcement of interpretative performing rights?

At the outset it should be pointed out that television rights are separate and distinct from motion picture and radio rights. This is illustrated by the *Weiss* and *Norman* cases. In the former case, the defendant who was the licensee of motion picture rights, was enjoined from selling, exploiting or distributing the television rights in a motion picture where the licensing agreement was silent on the disposition of such rights.¹⁹³ In the *Norman* case, the question before the court was whether a lease of the "privilege of broadcasting the boxing bouts," executed in 1943, also included television rights. The court held that television rights were separate and distinct from radio (aural) rights and would be subject to negotiation between lessor and lessee.¹⁹⁴

In the case at bar the court conceded that plaintiffs had a "property" interest in their television rights, but their failure to reserve such rights resulted in a loss of the same. In other words, television rights were impliedly assigned the entrepreneur. If this conclusion is correct, then the court need not have inquired whether the common law would recognize and enforce interpretative performing rights. The suggestion that television rights be reserved was based on very practical considerations. If contestants were to own radio, motion picture or television rights to their performances, it would impose an onerous burden on motion picture distributors and radio and television stations to clear such events for public exhibition.

Despite these practical considerations, it is believed that the court erred, in concluding that plaintiffs' television rights were impliedly assigned the entrepreneur. Firstly, the customs and practices of the entertainment industry suggest that an entrepreneur in contracting for a "live" performance of a vaudeville act, does not also acquire the radio, television, and motion picture rights to the same. If an entrepreneur expects to make a secondary use of a "live" act, viz., for radio or television purposes, the performer is usually compensated for such enlarged distribution. These practices are confirmed by the collective bar-

193. *Weiss v. Hollywood Film Enterprises, Inc.*, 18 U.S.L. WEEK 2044 (U.S. July 26, 1949) (Cal. Super. Ct. 1949).

194. *Norman v. Century Athletic Club, Inc.*, 69 A.2d 466 (Md. 1950); 5 RADIO REGULATIONS 2057 (1949).

gaining agreements of such organizations as the American Guild of Variety Artists, Actor's Equity Association, American Federation of Radio Artists, etc.¹⁹⁵

Secondly, by analogy to the copyright cases, licensing agreements are construed in derogation of the rights of the grantee.¹⁹⁶ Thus the grant by contract, when motion pictures were a familiar mode of representation, of the "sale and exclusive license to produce, perform and represent" a copyright play, assigned only stage rights.¹⁹⁷ Similarly, a license granting dramatic rights did not include "talking motion picture rights."¹⁹⁸ To be sure, there are cases to the contrary. Thus the assignment of dramatic rights has been held to include motion picture rights although motion pictures were unknown at the time when the assignment was made.¹⁹⁹ All of the cases dealing with this subject can be reconciled and distinguished on a factual basis. It is believed that the courts, as in the *Norman* case, must recognize that the television rights have an economic value to the copyright proprietor or the entrepreneur and that they are separate and distinct from radio or motion picture rights.²⁰⁰

It is submitted that the television rights were not impliedly transferred to the entrepreneur; on the contrary, they were retained by the plaintiffs. The basic issue thus tendered is whether any statutory or common law remedy could be invoked by plaintiffs to protect and enforce their television performing rights.

195. *E.g.*, the collective agreement of Actors' Equity Association provides that actors taking part in a performance broadcast wholly or in part are entitled to a minimum supplementary remuneration of one-eighth of a week's salary, or the minimum fee required by the American Federation of Radio Artists for such a broadcast, whichever is the higher. Actors appearing in a motion picture, radio, or television broadcast are entitled to an additional minimum fee of one week's salary for each day or part thereof employed.

196. SHAFER, *MUSICAL COPYRIGHT*, 143-144 (1939); WEIL, *COPYRIGHT LAW*, 554 (1917).

197. *Manners v. Morosco*, 252 U.S. 317 (1920); *Harper Bros. v. Klaw*, 232 Fed. 609 (S.D.N.Y. 1916); *Klein v. Beach*, 232 Fed. 240 (S.D.N.Y. 1916).

198. *Kirke La Shelle Co. v. Armstrong*, 263 N.Y. 79, 188 N.E. 163 (1933); *cf. L. C. Page & Co. v. Twentieth Century Fox Film Corp.*, 83 F.2d 196, 199 (2d Cir. 1936).

199. *Dam v. Kirke La Shelle Co.*, 175 Fed. 902 (2d Cir. 1910); *Photo Drama Motion Picture Co. v. Social Uplift Film Co.*, 220 Fed. 448 (2d Cir. 1915); *Frohman v. Fitch*, 164 App. Div. 231, 149 N.Y. Supp. 633 (1914). And see WEIL, *COPYRIGHT LAW*, 555-556 (1917).

200. *Norman v. Century Athletic Club, Inc.*, 69 A.2d 466 (Md. 1950).

The Copyright Code. Artists such as the plaintiffs in the *Peterson* case can protect and enforce interpretative performing rights by preserving their performances on film and registering the same with the Copyright Office as a motion picture photoplay²⁰¹ or as a motion picture other than a photoplay.²⁰² If the performance tells a story, the script may be registered with the Copyright Office as a dramatic composition.²⁰³ Statutory copyright may be invoked by performers provided they are the proprietors of the work seeking statutory protection. The benefits of the Copyright Code are not available to performers as distinguished from proprietors.²⁰⁴

Common Law Copyright. The complaint in the *Peterson* case did not allege infringement of common law copyright. This is surprising in the light of the *Waring* and related decisions which have held that common law copyright is present in the musical rendition by an orchestra²⁰⁵ and in the performance of an actor or singer.²⁰⁶ Complainants may have been precluded from invoking this theory because their common law rights may have been lost by publication.

Right of Privacy. The court devoted more attention to this cause of action than the two other counts. We have discussed the applicability of the privacy doctrine to program content elsewhere.²⁰⁷ For present purposes, public performers can hardly invoke the privacy doctrine to protect their mental interests. Complainants would be hard pressed to show that the defendant had interfered with their personal, private or seclusive interests. For all practical purposes, the privacy count is a camouflage for the assertion of pecuniary rights by performers. This, as we have discussed in the preceding section, is a subsidiary right of *le droit moral* which is not recognized in our jurisprudence.²⁰⁸

201. COPYRIGHT CODE, 61 Stat. 652, 17 U.S.C. § 5(1) (Supp. 1950).

202. *Id.* § 25(m).

203. *Id.* § 25(d).

204. See note 125 *supra*.

205. *Waring v. WDAS Broadcasting Station, Inc.*, 327 Pa. 433, 194 Atl. 631 (1937); *cf.* *R.C.A. Mfg. Co., v. Whiteman*, 114 F.2d 86, 88 (2d Cir. 1940), *cert. denied*, 311 U.S. 712 (1940).

206. *Waring v. Dunlea*, 26 F. Supp. 338, 340 (D.C.N.C. 1939); *Savage v. Hoffman*, 159 Fed. 584 (C.C.S.D.N.Y. 1908); *cf.* *Long v. Decca Records, Inc.*, 76 N.Y.S.2d 133 (Sup. Ct. 1947).

207. Warner, LEGAL PROTECTION OF THE CONTENT OF RADIO AND TELEVISION PROGRAMS,—IOWA L. REV. (1950).

208. *Mr. Justice Hand in R.C.A. Mfg. Co. v. Whiteman*, 327 Pa. 433, 194 Atl. 631 (1937): "It scarcely seems necessary to discuss the strange asser-

Implied Contract. Plaintiffs claimed in this count that the defendant was indebted to them "for reasonable value of work, labor and services performed by the plaintiff for the defendant at its request. . ." The basis for a cause of action founded on implied contract is a course of conduct by the parties showing a mutual intention to contract. The conduct of the plaintiffs and defendant negates any such contractual understanding.²⁰⁹ As the court stated:

"The plaintiffs are no more entitled to recover upon the quantum meruit theory from the broadcasting company, in my opinion, than the cameraman who took the motion pictures is entitled to recover from the plaintiffs for his services. It is said the broadcasting company received financial benefits from plaintiffs' services. By a parity of reasoning it might be said the plaintiffs benefited by having the cameraman make the motion picture of their performance. In either case, however, the element of a promise, express or implied, to pay for such services is lacking."

Unfair Competition. An analysis of this count discloses that the unfair competition complained of was indirect, i. e., that the wide-spread dissemination of plaintiffs' performance via a telecast or motion pictures would diminish the commercial value of their act by making it increasingly difficult to obtain engagements and adequate remuneration therefor. This approach dispensed with direct or marked competition in its attempt to apply the "misappropriation theory" of the *Associated Press* case. The court rejected this theory. It held that an action founded on unfair competition did not lie since there was no "passing off" and the parties were not true competitors. This conclusion is surprising since the California courts do not consider "passing off" and direct or "market" competition as jurisdictional prerequisites to an unfair competition action.²¹⁰

The court then characterized the third cause of action as "one for damages resulting from the alleged illegal use of plaintiffs' property, i.e., the television and motion picture rights." The remedy suggested for the protection of such property was the

tion that to broadcast the records in some way invades somebody's 'right of privacy,' presumably Whiteman's."

209. CLARK, *CONTRACTS* 19 ff. (1931).

210. See *Stork Restaurant, Inc. v. Sahati*, 166 F.2d 348 (9th Cir. 1948), wherein the court in construing California law, applied the misappropriation theory of the *Associated Press* case; *Sunbeam Corporation v. Sunbeam Lighting Co.*, 83 F. Supp. 429 (S.D. Cal. 1949).

reservation by plaintiffs of their television and motion picture rights. The failure to reserve such rights precludes the performer from instituting suit against the "one who broadcasts his performance."

When the court referred to the third cause of action, as one involving the illegal use of plaintiffs' property, it was employing the verbiage of the doctrine of moral right and its subsidiary rights. This language suggests that the interests of performing artists warrant protection on the theory of work done. The logical consequences of this theory would permit performers to assert authorization and pecuniary rights under a common law cause of action described as "one for damages resulting from the alleged illegal use of plaintiffs' property." . . . As a matter of fact the three counts in the *Peterson* case were a camouflage for the assertion of authorization and pecuniary rights by plaintiffs.

As we have suggested in the previous section, the introduction of the doctrine of moral right and its subsidiary rights into our jurisprudence should be effectuated by legislative remedies rather than by the common law. This doctrine necessitates the adoption of legislative standards to guide the courts in their application of this new juridical concept. In addition a legislative standard is an effective instrumentality to resolve the conflicting interests which would be affected by this doctrine.

We therefore conclude that the common law as exemplified by the complaint does not furnish a remedy for the protection and enforcement of interpretative performing rights in a telecast. This does not mean that a performer cannot protect himself. Common law or statutory copyright may furnish a remedy. More important, if he is a member of one of the unions connected with "show business," the collective bargaining agreements will in all probability protect his television performing rights.²¹¹

The likelihood of litigation such as is exemplified by the *Peterson* case, is remote. In all contracts of employments between athletic stars or vaudeville performers and entrepreneurs, the parties specifically bargain for and dispose of in writing the radio, motion picture and television rights.

This case must be limited to its precise facts—that a cause of action founded on right of privacy and unfair competition does

211. See *supra* note 76.

not furnish a remedy to protect and enforce interpretative performing rights. It must be distinguished from the Louis-Walcott litigation²¹² in that in the latter, the proprietor as distinguished from the performing artist was seeking to enjoin an unauthorized telecast. To be sure, in the Louis-Walcott litigation, the fighters were joined as parties-plaintiffs. But the brunt of the litigation was borne by the stations, network and sponsor and they, in their proprietary capacity could enjoin an unauthorized telecast without recourse to the performing rights of the contestants.

DESIGN PIRACY

The thesis of this chapter is that the law of unfair competition should not be used as a substitute for copyright protection; that the former should be employed to protect word or program when common law or statutory copyright are inadequate.

This theory is challenged by the "design piracy" cases.²¹³

The copying of other manufacturers' styles and designs in the ready-to-wear industry is called "style" or "design piracy." Style as applied to a dress refers to its general characteristics, such as the length of the skirt, the size of the sleeve, the height of the waist, etc.; while design as applied to a dress includes all the details involved in its make-up. A style is a type, while a design is an interpretation of the style.

Styles and designs embodying as they do artistic and intellectual effort, are considered original creations; they possess a substantial economic value for an extremely short period of time. This is confirmed by the following: the dress industry has five seasons, spring, summer, fall, winter and winter-resort seasons. A manufacturer must furnish a line of samples for each season. The cost to produce a single line is between \$30,000 and \$50,000. The "style" life of a dress, i. e., the period between the first order and the last substantial reorder is usually not more than three months.

The basic issue tendered is whether statutory or common law

212. This litigation is discussed in detail in WARNER, *RADIO AND TELEVISION LAW*, § 210(a) (1949).

213. For excellent discussions of the "design piracy" problems see: Derenberg, *Is Piracy of Dress Designs an Actionable Wrong?*, 31 T.M. BULL. 57 (1936); Callmann, *Style and Design Piracy*, 22 J. PAT. OFF. SOC'Y 557 (1940). There is an excellent explanation of the "design piracy" case in *Wm. Filene's Sons Co. v. Fashion Originator's Guild of America*, 90 F.2d 556, 557 (1st Cir. 1937).

remedies may be invoked to protect original designs. Copying destroys the style and design values of dresses which are copied. Women will not purchase dresses at a higher price at one store if dresses which look the same are offered at another store at half those prices. Copying thus reduces the number and amount of reorders. In addition manufacturers do not buy materials in as large quantities as they otherwise would. This tends to increase the cost of dresses and the prices at which they must be sold.

The first question presented is whether the design patent law²¹⁴ will protect an original design. The design patent law is ineffective for several reasons.

Firstly, it requires the same standard of originality and novelty as in the case of mechanical inventions.²¹⁵ Obviously the

214. REV. STAT. §§ 4929, 4933 (1875) as amended, 35 U.S.C. § 73 (1946): "Any person who has invented any new, original, and ornamental design for an article of manufacture, not known or used by others in this country before his invention thereof, and not patented or described in any printed publication in this or any foreign country before his invention thereof, or more than one year prior to his application, and not in public use or on sale in this country for more than one year prior to his application, unless the same is proved to have been abandoned, may, upon payment of the fees required by law and other due proceedings had, the same as in cases of inventions or discoveries covered by section 31 of this title, obtain a patent therefor.

"All the regulations and provisions which apply to obtaining or protecting patents for inventions or discoveries not inconsistent with the provisions of this title, shall apply to patents for designs."

215. *In re Faustmann*, 155 F.2d 388, 392 (C.C.P.A.): "Thus it is seen that the authority for granting a design patent is based upon four propositions—the design must be new, original, ornamental, and must be the product of invention. . . . The greatest difficulty encountered has been in determining the question of the existence of invention. . . . It has been a uniform holding of this court, following the settled law announced by other courts, that the production of a design patent must involve the element of invention and it is well-settled that no lesser degree of inventive skill is required in the production of designs than other kinds of patented articles (cases cited and discussed *infra*)." For the attitude of the Patent Office, see opinion of former Commissioner Ooms in *Ex parte Norman*, 69 U.S.P.Q. 553 (1946); *Nat Lewis Purses, Inc., v. Carole Bags, Inc.*, 83 F.2d 475, 476 (2d Cir. 1936): ". . . a design patent must be the product of 'invention,' by which we meant the same exceptional talent that is required for a mechanical patent. . . . True, the piracy of designs, especially in wearing apparel, has been often denounced as a serious evil and perhaps it is; perhaps new designs ought to be entitled to a limited copyright. Efforts have been made to induce Congress to change the law so as to give some such protection, without success thus far; and until it does, new designs are open to all, unless their production demands some salient ability." See also: *Verney Corporation v. Rose Fabric Converters Corporation*, 87 F. Supp. 802 (S.D. N.Y. 1949); *White v. Leanore Frocks, Inc.*, 120 F.2d 113 (2d Cir. 1941); *Roseweb Frocks, Inc. v. Moe Feinberg-Mor Wiesen, Inc.*, 40 F. Supp. 979 (S.D. N.Y. 1941); *Velding Heminway Co. v. Future Fashions, Inc.*, 143 F.2d 216 (2d Cir. 1944).

styles and designs for the dress industry do not demand pure originality; they reflect artistic and intellectual effort which have been applied and embodied in a new or novel way to a manufactured product. Because of this requirement of originality in the "inventive sense," it has been estimated that 90 per cent of the applications for design patents are refused upon the first search.²¹⁶

Secondly, the time consumed in obtaining a design patent generally makes it valueless. Each design requires a thorough search in and by the Patent Office. By the time the necessary papers are filed with the Patent Office, the search concluded, etc, the "style" life of the dress has long since terminated. Such protection as is afforded by the patent law is illusory because when the patent is issued the design has been copied and its economic value has expired.²¹⁷

Thirdly, the cost of securing letters patent is from \$25 to \$100 per design. With the silk industry alone registering a minimum of 100,000 designs with its Industrial Design Registration Bureau, the cost would be prohibitive to the individual manufacturer who may wish to register several hundred designs per season.²¹⁸

The deficiencies of the design patent law are substantial, hence it cannot be invoked to protect creative designs. The next question is whether the Copyright Code provides a remedy.

The judicial interpretation of applicable sections of the Copyright Code requires the copyright notice to be inscribed on each repeat of the design. This destroys the merchantability and commercial value of the fabric since the copyright notice may appear frequently in but one yard of the goods.²¹⁹

216. Testimony of Sylvan Gotshal in *Hearings before the House of Representatives Committee on Patents for Revision of Copyright Laws*, 74th Cong., 2d Sess. 841, 842 (1936); see also *Hearings before a Subcommittee on Patents, Trade Marks and Copyrights of the Committee on the Judiciary on H.R. 2860*, 80th Cong., 1st Sess. (1947), and particularly the statements of Sam B. Warner, Register of Copyrights, at pp. 29, 34 ff.; Sylvan Gotshal, at pp. 27 and 57 ff.; and Karl Fenning at pp. 10 and 31 ff.

217. See the testimony of Miss Mary Bendelare at the 1936 Patent Hearings, 699, 920, 964.

218. *Supra* note 216. Since 1914, numerous bills have been introduced in the House and Senate for design protection. Weikert, *Design Piracy*, 19 IND. L. J. 235, 245-247 (1944), lists 32 bills intermittently before the House and Senate from 1914 to 1935.

219. *DeJonge & Company v. Breuker & Kessler Company*, 235 U.S. 33, 36 (1914). "Every reproduction of a copyrighted work must bear the statutory notice. . . . It is suggested that it is overtechnical to require a repeti-

Secondly, the Copyright Office in permitting the registration of artistic drawings which are subsequently used for articles of manufacture, confers no exclusive right to make and sell the article illustrated. "To give an author or designer an exclusive right to manufacture the article described in the certificate of copyright registration, when no examination of its novelty has ever been made, would unjustly create a monopoly and moreover would usurp the functions of letter patent."²²⁰ In addition, there is some doubt whether a dress design is sufficiently artistic in nature to be the subject of copyright protection. The judicial interpretation of the term "artistic nature" excludes designs for industrial purposes which are utilitarian in character.²²¹

It would appear that the Copyright Code cannot be invoked to protect original designs. May common law copyright or the law of unfair competition furnish a remedy? Although a dress design constitutes an original intellectual production, there is a general publication or loss of such common law rights since the general public may purchase dresses embodying the original design.²²²

The final common law remedy available is the law of unfair competition. *Cheney Brothers v. Doris Silk Corporation*²²³ is de-

tion of the notice upon every square in a single sheet that makes a harmonious whole. This argument tacitly assumes that we can look to such a larger unity as the sheet possesses. But that unity is only the unity of a design that is not patented. . . . The appellant is claiming the same rights as if this work were one of the masterpieces of the world, and he must take them with the same limitations that would apply to a portrait, a holy family, or a scene of war." See also *Verney Corporation v. Rose Fabric Converters Corporation et al.*, 87 F. Supp. 802 (S.D.N.Y. 1949); cf. *Kemp & Beatley, Inc. v. Hirsch et al.*, 34 F.2d 291 (E.D.N.Y. 1929).

220. *Adelman v. Sonner's & Gordon, Inc.*, 21 U.S.P.Q. 218 (D.C.N.Y. 1934); *Kemp & Beatley, Inc. v. Hirsch et al.*, 34 F.2d 291 (E.D.N.Y. 1929); *Verney Corporation v. Rose Fabric Converters Corporation et al.*, 87 F.Supp. 802, 804 (S.D.N.Y. 1949).

221. *Kemp & Beatley, Inc. v. Hirsch et al.*, 34 F.2d 291 (E.D.N.Y. 1929). In *Burke v. Spicers Dress Designs*, [1936] 1 All. E.R. 99, plaintiffs brought an action under the English Copyright Act, 1911, 1 & 2 GEO. 5, c. 46, to restrain infringement by copying a sketch of a design for a lady's dress and the dress itself. The Court, per Clauson, J., held that the frock was not an "original work of artistic workmanship," hence it was not protected by the Copyright Act. And see cases cited in *Verney Corporation v. Rose Fabric Converters Corporation et al.*, 87 F.Supp. 802 (S.D.N.Y. 1949).

222. *Millinery Creators' Guild, Inc., et al. v. Federal Trade Commission*, 109 F.2d 175 (2d Cir. 1940), *aff'd*, 312 U.S. 469 (1940); *Fashion Originators' Guild of America, Inc., et al. v. Federal Trade Commission*, 114 F.2d 80 (2d Cir. 1940), *aff'd*, 312 U.S. 457 (1941).

223. 35 F.2d 279 (2d Cir. 1929), *cert. denied*, 281 U.S. 728 (1930); *Verney Corporation v. Rose Fabric Converters Corporation et al.*, 87 F.Supp. 802, 804 (S.D.N.Y. 1949).

cisive on this issue. Defendant copied one of plaintiff's popular and original silk designs. As the court's opinion points out, not more than one-fifth of the designs created each season catch the public fancy. "It is in practice impossible and it would be very onerous if it were not, to secure design patents upon all of these; it would be impossible to know in advance which would sell well and patent only those. Besides, it is probable that for the most part they have no such originality as would support a design patent. Again, it is impossible to copyright them under the Copyright Act or at least so the authorities of the Copyright Office hold."²²⁴

Plaintiff's request for protection of its design during the season was denied. "In the absence of some recognized right at common law, or under the statutes—and the plaintiff claims neither—a man's property is limited to the chattels which embody his invention. Others may imitate these at their pleasure This is confirmed by the doctrine of 'nonfunctional' features, under which it is held that to imitate these is to impute to the copy the same authorship as the original." Mr. Justice Learned Hand, speaking for the court, refused to extend the ruling of the *Associated Press* case beyond printed news dispatches. "It appears to us incredible that the Supreme Court (in the *Associated Press* case) should have had in mind any such consequences. To exclude others from the enjoyment of a chattel is one thing; to prevent any imitation of it, to set up a monopoly in the plan of its structure, gives the author a power over his fellows vastly greater, a power which the Constitution allows only Congress to create."

Mr. Justice Hand then recognized the inadequacy of the present statutes:

"True, it would seem as though the plaintiff had suffered a grievance for which there should be a remedy, perhaps by amendment of the Copyright Law, assuming that this does not already cover the case, which is not urged here. It seems a lame answer in such a case to turn the injured party out of court but there are larger issues at stake than his redress. Judges have only a limited power to amend the law; when the subject has been confided to a Legislature, they must stand aside, even though there be a hiatus in completed justice. An omission in such cases must be taken to have been

224. HOWELL, *THE COPYRIGHT LAW*, 124-125 (2d ed. 1947).

as deliberate as though it were express, certainly after long-standing action on the subject-matter. Indeed, we are not in any position to pass upon the questions involved, as Brandeis, J., observed in *International News Service v. Associated Press*. We must judge upon records prepared by litigants, which do not contain all that may be relevant to the issues, for they cannot disclose the conditions of this industry, or of the others that may be involved. Congress might see its way to create some sort of temporary right, or it might not. Its decision would certainly be preceded by some examination of the result upon the other interests affected. Whether these would prove paramount we have no means of saying; it is not for us to decide. Our vision is inevitably contracted, and the whole horizon may contain much which will compose a very different picture."²²⁵

A New York case, decided two years later, did furnish protection to an original unpatented and non-copyrighted design.²²⁶ This case can be distinguished factually from the *Cheney Brothers* case. Plaintiffs, manufacturers of ladies coats, submitted 39 sample coats to defendant, a mail order house, which sells articles of wearing apparel throughout the United States. Defendant returned all but one sample. The latter was turned over to another manufacturer who copied plaintiff's original design. The court granted plaintiff's request for injunction and compelled the defendant to account for profits made on the style in controversy.

The injury to plaintiffs was the piracy of their original de-

225. *Cheney Bros. v. Doris Silk Corporation*, 35 F.2d 279, 281, (2d Cir. 1929); *Verney Corporation v. Rose Fabric Converters Corporation et al.*, 87 F.Supp. 802, 804 (S.D.N.Y. 1949). "As to the second count for unfair competition, the case is indistinguishable from *Cheney Bros. v. Doris Silk Corp.*, 2 Cir., 35 F.2d 279, certiorari denied, 281 U.S. 728, 50 S.Ct. 245, 74 L. Ed. 1145, where it was held that anyone might copy plaintiff's silk patterns which had not been protected by a design patent or by a copyright. See also *Lewis v. Vendome Bags, Inc.*, 2 Cir., 108 F.2d 16, certiorari denied, 309 U.S. 660, 60 S.Ct. 514, 84 L. Ed. 1008, and *Electric Auto-Lite Co. v. P. & D. Mfg. Co.*, 2 Cir., 109 F.2d 566. The New York law is also in accord with these decisions. *Mavco, Inc., v. Hampdon Sales Ass'n*, 273 App. Div. 297, 77 N.Y.S.2d 510; *Margolis et al., v. National Bellas Hess Co., Inc.*, 139 Misc. 738, 249 N.Y.Supp. 175." See also *Derenberg, Is Piracy of Dress Designs an Actionable Wrong?* 31 BULL. U.S. TRADE-MARK ASS'N 57 (1936); *Wolff, Is Design Piracy Unfair Competition?* 23 J. PAT. AFF. SOC. 431 (1941).

226. *Margolis et al., v. National Bellas Hess Co., Inc.*, 139 Misc. 738, 249 N.Y.Supp. 175 (1931), *aff'd without opinion*, 235 App.Div. 839, 257 N.Y.Supp. 912 (1932). Judge Merrell dissented on the ground that plaintiffs' sole remedy was an action to recover damages for breach of contract. See also *Mavco, Inc., v. Hampdon Sales Ass'n et al.*, 273 App.Div. 297, 77 N.Y.S.2d 510 (1948).

sign. The case did not involve statutory patent or copyright. The design was not obtained by fraudulent means, nor did it involve any "palming off" of the defendant's product as plaintiffs'. Equitable relief was furnished on the basis of the following principles:

"1. Where an original design, not copyrighted or patented, is published, or put on the market, the owner's property is limited to the articles which embody his design, Subject to the restrictions hereafter noted, others may copy the design without compensation and without acknowledgment and offer it for sale at will.

"2. Where such design is not put on the market or published, it will be protected at common law and others may be restricted from copying it.

"3. Notwithstanding publication of such design, its copying will be restricted if it involves a breach of contract or of trust, or if the design was obtained by fraudulent or unfair means.

"4. In any case, in order to protect such design (not patented or copyrighted), there must not only be substantial identity, but the identity must be due to the copying of plaintiffs' designs. Similarity in and of itself will not suffice except under certain conditions in cases of 'palming off.'"²²⁷

The design piracy cases illustrate our thesis: that the law of unfair competition should be applied since neither the design patent law, the Copyright Code nor the common law adequately protects original dress designs. But the *Cheney Brothers* case negates our theory. The court refused to permit the law of unfair competition to supply deficiencies in the design patent law or the Copyright Code. Here again there are substantial and conflicting interests whose differences can best be resolved by the formulation of a comprehensive policy by the legislature.²²⁸

The *Cheney Brothers* case therefore modifies our basic thesis.

227. *Margolis et al., v. National Bellas Hess Co., Inc.*, 139 Misc. 738, 741, 249 N.Y.Supp. 175, 179 (1931); *cf. Montegut et al., v. Hickson, Inc.*, 178 App.Div. 94, 164 N.Y.Supp. 858 (1917); *Cornibert v. Cohn et al.*, 169 Misc. 285, 7 N.Y.S.2d 351 (1938).

228. Since 1914 numerous bills have been introduced in the House and Senate of Congress for design protection. Copyright registration proposals have been the most frequent of which the various Vestal bills are best known. See H.R. REP. No. 11852, 71st Cong., 2nd Sess. (1930) discussed in 31 CALIF. L. REV. 477 (1931); Weikert, *Design Piracy*, 19 IND. L. J. 235, 245-247 (1944) lists thirty-two bills intermittently before the House and Senate from 1914 to 1935. For the most recent hearings on design protection legislation, see *Hearings on H.R. Rep. No. 2860, supra* note 216.

The law of unfair competition will not complement the deficiencies of the Copyright Code, where to do so would require the courts to resolve substantial conflicting interests, which the legislature is better equipped to resolve.

THE ADVERTISING CASES

For all practical purposes the advertising content of radio and television programs is copyrightable. The courts have been extremely liberal in finding originality and artistic merit in an elaborate variety of printed matter.²²⁹

However, the great bulk of advertising matter is not registered with the Copyright Office.²³⁰ An advertiser seeks the aid of the courts when his competitor misappropriates his advertising material. Since he cannot invoke the remedies of the Copyright Code because of non-compliance with its statutory formalities, he brings an unfair competition action to enjoin the misappropriation of his advertising material. The following cases illustrate the extreme reluctance of the courts to use the law of unfair competition as a substitute for copyright protection:

In *International Hearing Co. v. Oliver Oil Gas Burner & Machine Co.*,²³¹ a former employee of the plaintiff who had assisted in the preparation of plaintiff's advertising copy, organized the defendant corporation and used in defendant's advertisements certain words, phrases and sentences and in general outline the pictorial illustrations and representations of plaintiff's advertisements. "If the defendant company has been guilty of unfair competition, it is not because of the wrongful use of confidential information acquired by Grafe during his employment by plaintiff, but because of imitation of plaintiff's advertisement and deception of the public . . . we are here dealing with advertisements and not with the dress in which the burners of the respective parties were offered to customers over the counter by retail dealers. Similarity of dress is enjoined as unfair competition, because customers, calling for an article, do not stop to read printed names and addresses, or to observe dif-

229. *Bleistein v. Donaldson Lithographing Co.*, 188 U.S. 239 (1903); *Ansehl v. Puritan Pharmaceutical Co.*, 61 F.2d 131 (8th Cir. 1932), *cert. denied*, 287 U.S. 666 (1932).

230. *Borden*, *Copyright of Advertising*, 35 Ky. L. J. 205 (1947); *Freeland*, *Copyright Protection of Advertising*, 27 Ky. L. J. 391 (1939); Note 45 HARV. L. REV. 542 (1932).

231. 288 Fed. 708 (8th Cir. 1923), *cert. denied*, 263 U.S. 714 (1923).

ferences which may distinguish the simulated article from the one called for. They are satisfied with general appearances. But a customer obtained through an advertisement must of necessity read the advertisement to become acquainted with the article advertised and to know the name and address of the advertiser. Plaintiff's advertisements describe the Oliver oil gas burner and give plaintiff's name as Oliver Oil Gas Burner & Machine Company, with its address. No sensible person acquainted with plaintiff's advertisements would believe that the defendant company was advertising and selling plaintiff's burner."²³²

In *Westminster Laundry Co. v. Hesse Envelope Co.*, plaintiff ran a "blind" advertisement with the coined word, "Stopurkicken," intending, after arousing public curiosity to associate this word with its laundry business. Before this association was completed, defendant, a manufacturer of envelopes, distributed envelopes bearing the coined word. Defendant's conduct was not regarded as an unfair competitive practice since no "palming off" was involved.²³³

In *Crump Co. v. Lindsey*,²³⁴ the plaintiff prepared a catalogue for automobile parts. Twenty or more pages of defendant's catalogue were photographic copies of plaintiff's catalogue, otherwise the catalogues were not similar. Plaintiff's bill for an injunction on the ground of unfair competition was dismissed "from any standpoint such a method of business is unquestionably unfair, and is not supported by any right of the company

232. *Ibid.*

233. *Westminster Laundry Co. v. Hesse Envelope Co.*, 174 Mo. App. 238, 156 S.W. 767 (1913); *Edward Hilker Mop Co. v. United States Mop Co., et al.*, 191 Fed. 613 (6th Cir. 1911): "The circulars sent defendant's agents were apparently copied in substantial respects, from complainant's circulars to its agents. The similarity is such that, if intended or likely to be given to the ultimate purchaser, we should be disposed to hold that the ultimate purchaser who had seen complainant's circulars was likely to be deceived by defendant's circulars into purchasing in the belief that the goods were those of complainant's manufacture. But the nature of the circulars issued by both parties was such, containing as they did instructions to and a schedule of large compensations paid agents, that it seems quite unlikely that they would naturally fall into the hands of the ultimate purchaser. It is urged that as defendant's circulars furnish 'talking points' identical in many respects with those in complainant's circulars to its agents, the prospective purchaser may well be deceived by the similarity of the arguments used by agents. It seems to me that this possibility is rather remote. The rule is well settled that nothing less than conduct tending to pass off one man's business or merchandise as that of another will constitute unfair competition." To the same effect is *Viavi Co. v. Vimedia Co., et al.*, 245 Fed. 289 (8th Cir. 1917).

234. 130 Va. 144, 166, 107 S.E. 679, 686 (1921).

so acting to so appropriate and use the result of the work and expenditure of another. But under our system of jurisprudence a court of equity will not adjudicate an abstract question of whether a defendant possesses a right of conduct." Defendant's conduct decreased his expenditures and correspondingly increased his profits, but it did not tend to lessen plaintiff's profits, hence in the absence of other unfair acts, no relief could be granted.²³⁵

The foregoing cases are fairly typical. They illustrate that the law of unfair competition will not be used as a substitute for the Copyright Code to protect advertising content. Of course, if the imitation of advertisements involves the usual elements of unfair competition, viz., palming off, deception or confusion to the public, etc., such unfair practices will be enjoined.²³⁶ But the misappropriation theory of the *Associated Press* case has not and should not be extended to protect advertising content since the Copyright Code furnishes adequate protection.

235. *Ibid.* In *Potter Drug & Chemical Corp. v. Pasfield Soap Co.*, 102 Fed. 490 (C.C.E.D.N.Y. 1900), *aff'd.* 106 Fed. 914 (2nd Cir. 1901), plaintiff used the word "Cuticura" as a trade-mark for a toilet soap. Defendant marketed a toilet soap under the name "Cuticle Soap" and in circulars enclosed in the wrapper copied some of the reading matter from plaintiff's circulars. The name "Cuticle" was printed in a style similar to that in which plaintiff's "Cuticura" was printed. The court held that this did not establish unfair competition since defendant's soap was colored differently and the wrappers on each cake and the cartons in which a number of cakes were boxed were dissimilar in color and general appearance. To the same effect are: *A. J. Krank Mfg. Co. v. Pabst*, 277 Fed. 15 (6th Cir. 1921), *cert. denied*, 259 U.S. 580; *Schulte v. Colorado Fire & Leather Co.*, 259 Fed. 562 (8th Cir. 1919); *Farmers' Handy Wagon Co. v. Beaver Silo & Box Mfg. Co.*, 236 Fed. 731 (7th Cir. 1916); *S. R. Feil Co. v. Robbins Co.*, 220 Fed. 650 (7th Cir. 1915).

236. NIMS, UNFAIR COMPETITION AND TRADE-MARKS (4th ed. 1947), p. 953: "Where a defendant has taken from plaintiff's advertising prospectuses whole clauses which he then has used in his own literature, or has reproduced verbatim the descriptive matter in plaintiff's catalogues and copied the cuts, code words, and so forth, an injunction will be granted. Where defendant obtained from plaintiff advertising material, cuts and dies to be used in selling plaintiff's product, or secured such material by breach of trust, its use by defendant to advertise his own product, in competition with plaintiff's, will be enjoined. . . . Most of the cases in which the imitation of advertisements has been condemned have involved the usual elements of unfair competition; that is, they involved a tendency to mislead purchasers and to pass off goods. But there is a question whether short of this, there may not be an inequitable appropriation of the benefit of advertising, which is unfair."

CONCLUSION

The basic thesis of this chapter is that the law of unfair competition has not and should not be employed as a substitute for common law or statutory copyright. This is premised on the reluctance of the courts to establish monopolies in words, phrases and ideas and thus remove them from public circulation.²³⁷

Our thesis is illustrated by the advertising cases. The law of unfair competition has not been used as a substitute for the Copyright Code to protect advertising content since the latter furnishes adequate protection.²³⁸ Conversely, the law of unfair competition will be employed to complement common law and statutory copyright when the latter cannot protect program content. In the "news"²³⁹ and "sports"²⁴⁰ cases, the courts have employed the law of unfair competition to protect word and program content since neither the common law nor the Copyright Code furnished a remedy. On the other hand the courts have refused to enjoin "design piracy" via the law of unfair competition despite the inadequacies of the design patent law and the Copyright Code. The courts are loath to resolve substantial and conflicting interests whose differences can and should be solved by the formulation of a comprehensive policy by the legislature.²⁴¹

Performing artists have invoked the law of unfair competition to protect their interpretive rights. It is believed that the great majority of the courts will refuse to recognize performing rights

237. *E.g.*, *International News Service v. Associated Press*, 248 U.S. 215 (1918); *Triangle Publications v. New England Newspaper Pub. Co.*, 46 F. Supp. 198 (D.C. Mass. 1942).

238. *Cf.* *International Heating Co. v. Oliver Oil Gas Burner & Machine Co.*, 288 Fed. 708 (8th Cir. 1923), *cert. denied*, 263 U.S. 714 (1923); *Crump Co. v. Lindsay, Inc.*, 130 Va. 144, 107 S.E. 679 (1921); *Westminster Laundry Co. v. Hesse Envelope Co.*, 174 Mo. App. 238, 156 S.W. 767 (1913).

239. *Associated Press v. Sioux Falls Broadcasting Ass'n*, 2 C.C.H. § 7052 (1933), *appeal dismissed by stipulation*, 68 F.2d 1014 (8th Cir. 1933); *Associated Press v. KVOS, Inc.*, 9 F. Supp. 279 (D.C. Wash. 1934), *reversed*, 80 F.2d 575 (9th Cir. 1935), *dismissed for want of jurisdiction*, 299 U.S. 269 (1936).

240. *Pittsburgh Athletic Co. v. KQV Broadcasting Co.*, 24 F. Supp. 490 (D.C. Pa. 1938); *Madison Square Garden Corp. v. Universal Pictures Co.*, 225 App.Div. 459, 7 N.Y.S.2d 845 (1938); *Rudolph Mayer Pictures Inc. v. Pathe News Inc.*, 235 App. Div. 774, 255 N.Y. Supp. 1016 (1932); *Mutual Broadcasting System Inc. v. Muzak Corp.*, 177 Misc. 489, 30 N.Y.S.2d 419 (1941); *Twentieth-Century Sporting Club v. Trans-Radio Press Service*, 165 Misc. 71, 300 N.Y.S. 159 (1937).

241. *Cheney Bros. v. Doris Silk Corp.*, 35 F.2d 279 (2d Cir. 1929), *cert. denied*, 281 U.S. 728 (1930).

whether under the guise of unfair competition, libel, right of privacy or equitable relief, since to do so would result in the *pro tanto* recognition of *le droit moral*.²⁴² The latter is alien to our jurisprudence and requires legislation in order to be recognized.

With regard to television programs per se, it is believed that the courts should have little or no occasion to employ the law of unfair competition to protect program content. The Copyright Code furnishes adequate protection. Thus dramatic programs can be registered with the Copyright Office as a dramatic composition.²⁴³ or the script of a program may be classified as a lecture or similar program prepared for oral delivery.²⁴⁴ If the television program contains songs, the proprietor thereof may obtain statutory copyright on all musical compositions.²⁴⁵ If the television program has been preserved on film, copyright may be secured as a motion picture photoplay²⁴⁶ or as a motion picture other than a photoplay.²⁴⁷

A neat question is tendered whether news or sports programs on television may be registered under Copyright Code. If the program is preserved on film, it is believed that the Copyright Office would register it as a photoplay, or motion picture other than a photoplay.

Prior to the Woody Woodpecker²⁴⁸ and Miracle Record²⁴⁹ cases, it was believed that common law copyright would protect television news and sports programs. Common law copyright has been defined previously as rights in an original intellectual production. The various rights protected by common law copyright are frequently lost because of the technical legal concept known as "publication." The latter may be described as an act of the proprietor whereby the subject matter is made available to the general public under circumstances permitting copies to

242. Cf. *RCA Mfg. Co. v. Whiteman*, 114 F.2d 86 (2d Cir. 1940), cert. denied, 311 U.S. 712 (1940).

243. 37 CODE FED. REG. § 202.5 (1948).

244. *Id.* at § 202.4.

245. *Id.* at § 202.6.

246. *Id.* at § 202.13.

247. *Id.* at § 202.14.

248. *Blanc v. Lantz et al.*, 83 U.S.P.Q. 137 (Cal. Super. Ct. 1949). This case is discussed in detail in Warner, *Protection of the Content of Radio and Television Programs by Common Law Copyright*, 3 VAND. L. REV. 209, 234 ff. (1950).

249. *Shapiro Bernstein & Co., Inc. v. Miracle Record Co.*, 91 F. Supp. 473 (D.C. Ill. 1950).

be made or which indicates an intention of rendering the work common property and imply an abandonment and dedication of the work to the general public.²⁵⁰

There can be no doubt that a television news or sports program constitutes an original intellectual production. It requires the use of technical and artistic skills—viz., lighting effects, camera angles, integration of sight and sound to produce a finished television production.

But the Woody Woodpecker and Miracle Record cases challenge the concept of publication and cast doubt on those decisions which hold that the broadcast of a radio program is neither an abandonment of common law rights nor a dedication of the same to the general public.²⁵¹ If the principle of publication as spelled out by the foregoing two cases is followed by other courts, common law copyright will no longer be available to protect the content of television programs. Television stations, networks, advertising agencies and the like will rely on the Copyright Code or invoke the law of unfair competition to prevent the misappropriation of their intellectual efforts.

Whether the courts will employ the law of unfair competition to supplant common law copyright cannot be determined at this time. But Judge Learned Hand's comment is as pertinent today as it was twenty-five years ago:

"There is no part of the law which is more plastic than unfair competition, and what was not reckoned an actionable wrong twenty-five years ago may have become such today."²⁵²

250. Warner, *supra* note 248 at 210 and 225.

251. Uproar Co. v. National Broadcasting Co., 8 F. Supp. 358 (D.C. Mass. 1934), *modified*, 81 F.2d 373 (1st Cir. 1936), *cert. denied*, 298 U.S. 670 (1936); Pittsburgh Athletic Co. v. KQV Broadcasting Co., 24 F. Supp. 490 (W.D. Pa. 1938); Stanley v. Columbia Broadcasting System, Inc., 192 P.2d 495 (Cal. App. 1948), *aff'd*, 208 P.2d 9 (Cal. 1949); Twentieth-Century Sporting Club v. Trans-Radio Press Service, 165 Misc. 71, 300 N.Y. Supp. 159 (1937); Waring v. WDAS Broadcasting Station, 327 Pa. 433, 194 Atl. 631 (1937).

252. Ely-Norris Safe Co. v. Mosler Safe Co., 7 F.2d 603, 604 (2d Cir. 1925).