Banksy Got Back? Problems with Chains of Unauthorized Derivative Works and Arrangement Rights in Cover Songs under a Compulsory License

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This note will analyze the scope of copyright ownership in relation to chains of unauthorized derivative works and chains of arrangement rights in “cover” versions of musical recordings. In particular, the analysis will focus on the gray area in the law where an unauthorized derivative work is created by (“D1”) and then another author creates a second derivative work (“D2”) based off of D1. In situations such as these does the creator of the original derivative work have any rights in their creation if their derivative work was unauthorized? Further, depending on what rights do exist for D1, can the creator of the D2 be found to be infringing upon D1? Moreover, even in the case of certain authorized chains of works such as musical “covers” produced under a compulsory license, does the creator of the first derivative work D1 have any legal recourse against further authorized derivative work creators who base their work on the first derivative work.

To better understand this phenomenon one can first look to the world of contemporary urban art. The famed New York artists Keith Haring created in his iconic style many illustrations of a barking dog (see Exhibit 1). Over 30 years later the elusive street artist Banksy (most likely without authorization) created a piece of street art in
which a hooded character is taking the Haring dog for a walk entitled “Choose Your Weapon” (see Exhibit 2). As a response to Banksy creating an opening sequence for the television show the Simpsons another street art collective under the moniker J-Boy creates a piece of urban art entitled “Very Little Helper”1 (see Exhibit 3), a variation featuring only the Banksy hooded character walking Santa’s Little Helper the family dog from the classic television show the Simpsons (without using the Haring dog or any expression from the original work in the chain).

Although the parties in this example will most likely never litigate these issues in court, we will assume for the purposes of this paper that they in fact are litigating the hypothetical in order to analyze how the law might be applied. For this reason, this chain of works raises many questions, as to which parties own what copyrights in which images. For instance, if Banksy did not receive authorization from Haring (or his foundation) to create “Choose Your Weapon” does he forfeit all copyright protection in his entire piece? Similarly, does the law allow Banksy instead to be found to be infringing upon Keith Haring’s copyright in his dog, while at the same time retaining a valid copyright in his hooded figure? Further, depending on how the law interprets the extent of Banksy’s copyright protection in his unauthorized derivative work will dictate if, and to what extent J-Boy possesses a valid copyright in his derivative work based off of Banksy’s “Choose Your Weapon”. If the courts finds that Banksy as the creator of an unauthorized derivative work deserves no copyright protection at all and as such no valid copyright in “Choose Your Weapon,” this will allow J-Boy essentially to use his original expression free of the threat of infringement. Alternatively, if the courts recognize a

1 Stephen Saban, JBoy vs Banksy: It’s Dog Eat Dog in the Graffiti World, World of Wonder Productions
copyright in Banksy’s original creation of the hoodie character because it's severable from the Haring dog than this may open up J-Boy to liability for copyright infringement.

Another illustration of this gray area of rights attached of chains of works can be seen in the arena of sound recordings. Recently, the hit television show Glee lawfully under a compulsory license recorded and performed a cover version of the classic hip-hop song "Baby Got Back" originally recorded by Sir Mix-a-lot. Pursuant to the compulsory license Glee recorded and performed what can be described as a “country” music variation. Previously, a musician named Jonathan Coulton also under a valid compulsory license had recorded a “country” version of "Baby Got Back". It turns out that the Glee version shockingly resembled the Coulton cover. One could gather that in reality Glee’s version of "Baby Got Back" was actually a cover version of Coulton’s cover version (a cover version of a pre-existing cover song). Further, covers do not receive their own copyright protection as far as the underlying musical composition because of the Compulsory License Coulton acquired for his cover does not protect the arrangement itself.

Anybody may obtain a compulsory license to make a “cover” version of a nondramatic musical work as long as they comply with the formalities listed in 17 U.S.C. §115. A compulsory license may be obtained for any nondramatic musical work that has previously been distributed to the public in the United States under the authority of the copyright owner. Consequently, a “cover” artist must serve proper notice on the

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4 Id.
copyright holder, and make timely royalty payments. Further, §115 allows the “cover” artist “…the privilege of making a musical arrangement of the work to the extent necessary to conform it to the style or manner of interpretation of the performance involved, but the arrangement shall not change the basic melody or fundamental character of the work, and shall not be subject to protection as a derivative work under this title, except with the express consent of the copyright owner.”

Essentially, Coulton by choosing to record his cover version under a compulsory license has elected to receive no rights in the new arrangement used to produce his “country” version. Under §115, the arrangement effectively falls into the public domain, and consequently the cover artist cannot claim it because of the way §115 is designed, and further the original songwriter cannot claim it, because the original songwriter is not its author.

The ownership of the copyright as to the composition and arrangement of “Baby got back” belong to Anthony L. Ray (Sir Mix-A-Lot), and its publisher Universal Music, and as such Coulton appears to have no legal recourse against Glee for copyright infringement (unless Glee actually used Coulton’s sound recording) for copying his “country” arrangement of the song. Once again, the first work in a chain of works may have no recourse to protect their original portions of such work, allowing the next in the chain to freely steal their expression. In this case the fact that a compulsory license under

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6 Id. At (b)(1) and (c)(2).
7 Id. At (a)(2).
§115 clearly states that by exercising it’s right the cover artist does not create a derivative work making the arrangement unprotected leaving Coulton in a difficult situation.\(^9\)

Attempting to quantify the actual rights of each member of these derivative work chains will involve analyzing many ambiguous areas of law such as: 1) if authorization is needed to create a derivative work that will result in any rights at all for the derivative artist, 2) the many policies behind different court’s reasoning for denying or allowing derivative work rights without prior approval, 3) some exceptions unique to each area of intellectual property (such as VERA for works of fine art and compulsory licenses for musical compositions), and 4) some possible solutions to remedy such situations.

1) The Derivative Work

Section 17 U.S.C. §106(2) of the copyright act of 1976 bestows on creators of original works of authorship which are fixed in any tangible medium of expression a collection of exclusive rights including that “…the owner of copyright under this title has the exclusive rights to do and to authorize any of the following: (2) to prepare derivative works based upon the copyrighted work”.\(^10\)

A derivative work is defined in 17 U.S.C. §102 as:

…a work based upon one or more preexisting works, such as a translation, musical arrangement, dramatization, fictionalization, motion picture version, sound recording, adaptation, or any other form in which a work may be recast, transformed, or adapted. A work consisting of editorial revisions, annotations, elaborations, or other modifications which, as a whole, represent an original work of authorship, is a “derivative work.”\(^11\)

Accordingly, under this definition both pieces of art based off of the Haring dog qualify as a derivative work. Moreover, both musical cover versions of “baby got back” are not considered to be derivative works under §115, but would be under other similar circumstances, which will be discussed in the solutions portion of this note.

Relatedly, both of these examples also demonstrate how the right to reproduce these works can be extremely profitable. Commonly, the rights to reproduce such derivative works can be more valuable than the right to the original work itself.\(^{12}\) Banksy is considered by many to be the most popular living street artist of our generation, having had several piece of art sells for over a million dollars at auction\(^ {13}\), and his art being reproduced and sold on everything from canvases to T-shirts. Relatedly, Glee is one of the highest rated shows on television today\(^ {14}\) and for a small up-and-coming artist such as Coulton being associated with such a hit television show could exponentially increase his current fan base resulting in greater record sales and live concert attendance.

2) Do you need authorization from the original copyright holder to create a derivative work?

The crux of the issue at hand, especially when analyzing the Keith Haring derivative works chain is whether the creator of a derivative work who does not have proper authority to create such work can claim any rights in their unique expression. The answer to this question is one of abundant ambiguity and is greatly dependent on which circuits’ case law one follows.


The Second Circuit in *Eden Toys, Inc. v. Florelee Undergarment Co*15. ("Eden Toys") dealt with the fictional children's cartoon character Paddington Bear. The court held that when analyzing a string of derivative illustrations that the Plaintiff indeed did have a valid copyright obtained through licenses authorizing the derivative works16, but relatedly discussed the possible outcome absent the valid license. *Eden Toys* involves three successive tiers of valid copyrights in drawings of Paddington Bear which all were derivative works stemming one from the other. Plaintiff through licensing agreements had obtained a valid copyright to all three tiers. In a footnote analyzing whether plaintiff could have a valid copyright in the chain of derivative without authorization in the original Paddington drawings the court explains:

> It is true that if Eden did not have Paddington's consent to produce a derivative work based on Paddington's copyrighted illustrations its derivative copyrights would be invalid, since the pre-existing illustrations used without permission would “tend[] to pervade the entire derivative work.”17

The court is recognizing the fact that a derivative work by its nature retains the “same aesthetic appeal” as the original work18, and consequently because of its inherent similarities will be an infringing derivative work if authorization is absent.

3) Is There a Bright Line Rule Somewhere Over The Rainbow?

Around the same time as the *Eden* case was being litigated, the Seventh Circuit in *Jorie Gracen v. The Bradford Exchange*19 ("Gracen") although only in *dicta* expresses the view

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15 Eden Toys, Inc. v. Florelee Undergarment Co., 697 F.2d 27, 35 (2d Cir.1982).
16 Id. at 33.
17 See supra n. 6.
18 Id. at 34.
19 Jorie Gracen v. The Bradford Exchange, 698 F.2d 300 (7th Cir. 1983).
that there is a bright line rule\textsuperscript{20} that a derivative work cannot be endowed with any copyright protection if the work was created without the authorization of the original works copyright holder. In \textit{Gracen} Defendant Bradford Exchange under a license from MGM Studios invited several artists to compete to win an exclusive contract to produce paintings that would be used on a series of collectors’ plates featuring characters from the classic movie \textit{The Wizard of Oz}.\textsuperscript{21} Originally Plaintiff Gracen’s painting of the character Dorothy was selected to be the image for the collector plates, but after a disagreement as to the terms of the contract Gracen was replaced by another artist who based their painting not off the original picture from the movie of Dorothy, but instead on Gracen’s painting.\textsuperscript{22} Although the court affirmed the district court's grant of summary judgment on the grounds that the painting lacked sufficient originality to be copyrightable,\textsuperscript{23} in \textit{dicta} the court discussing 17 USC §103(a) and declared that:

\begin{quote}
...even if Miss Gracen's painting and drawings had enough originality to be copyrightable as derivative works she could not copyright them unless she had authority to use copyrighted materials from the movie. “[P]rotection for a work employing preexisting material in which copyright subsists does not extend to any part of the work in which such material has been used unlawfully.”... Therefore, if Miss Gracen had no authority to make derivative works from the movie, she could not copyright the painting and drawings, and she infringed MGM's copyright by displaying them publicly.\textsuperscript{24}
\end{quote}

Although in \textit{dicta}, the \textit{Gracen} court lays out a bright line rule awarding no rights to those who create unauthorized derivative works, even to such aspects that are original to the derivative work’s author.

\textbf{4) A TKO for Original Expression In An Unauthorized Derivative Works?}

\textsuperscript{20} Pickett v. Prince, 52 F. Supp. 2d 893 (N.D. Ill. 1999).
\textsuperscript{21} \textit{Jorie Gracen}, 698 F.2d at 31.
\textsuperscript{22} \textit{Id}.
\textsuperscript{23} \textit{Id}. at 305.
\textsuperscript{24} \textit{Id}. at 302.
Following in the footsteps of the *Gracen* decision, the Ninth Circuit case of *Anderson v. Stallone*\(^{25}\) ("*Stallone*") in which plaintiff Anderson was a screenwriter who wrote a 30 page treatment entitled “Rocky IV” based off the famous characters created by Sylvester Stallone for his Rocky movie franchise. Stallone sometime in the early 1980s while on tour promoting the movie Rocky III to members of the press shared an idea for Rocky IV in which Rocky is asked by representative from the White House to fight a Russian boxer as a prelude to the Olympics.\(^{26}\) The fight would take place in Russia were Rocky would have to overcome insurmountable odds to become the victor. Anderson based his 30 page treatment on this description portrayed by Stallone and credited him as a co-author.\(^{27}\) Anderson presented his treatment to members of MGM who would be producing the film, but they did not option Anderson’s script. Subsequently, Stallone completed his own Rocky IV script, which was used to create the movie sequel.\(^{28}\)

Plaintiff Anderson claims that Stallone had copied his Rocky IV script from Anderson’s 30-page treatment, and brought suit for copyright infringement arguing the position that he is entitled to copyright protection for the non-infringing portions of his treatment. The court granted summary judgment for Defendant Stallone partly based on the fact that Anderson's work was not entitled to any copyright protection under 17 U.S.C. §103(a) & §106(2).\(^{29}\)

Plaintiff argued that §103(a) grants copyright protection to those parts of his treatment that are original expression, owed solely to him. Plaintiff points to the language of the Notes of Committee on the Judiciary, House Report No. 94-1476 which

\(^{26}\) *Id.* at 1162.
\(^{27}\) *Id.*
\(^{28}\) *Id.* at 1162.
\(^{29}\) *Id.* at 1174.
states “…the bill prevents an infringer from benefiting, through copyright protection, from committing an unlawful act, but preserves protection for those parts of the work that do not employ the preexisting work.”

The court recognizes that the language of the House Report is confusing but disagrees with plaintiff’s logic because it believes that taking the language as a whole is meant to award such rights only to compilations, not derivative works. The House Report clarifies this distinction by stating, “an unauthorized translation of a novel could not be copyrighted at all, but the owner of copyright in an anthology of poetry could sue someone who infringed the whole anthology, even though the infringer proves that publication of one of the poems was unauthorized.”

The Court ultimately holding that Stallone owns the copyrights for the first three Rocky movies and that under 17 U.S.C. §106(2), Stallone has the exclusive right to prepare derivative works, and further because Anderson's treatment is an unauthorized derivative work he has no interested as to copyright protection (even in those parts original to his own expression) and has infringed upon Stallone's copyright.

5) This Is What It Sounds Like When Unauthorized Derivative Works Holders Cry?

Ironically, in 1999, the musician Prince found himself not so much partying, but instead defending himself against a copyright infringement claim in the Seventh Circuit.

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30 Id. at 1168.
31 Id.
32 Id.
33 Id.
34 Id. at 1167.
The case of *Pickett v. Prince*35 ("Prince") involved an electronic guitar designer who incorporated the prince symbol “♀” into the design of the body of a guitar. Plaintiff hoped that he could ultimately sell the guitar to defendant and bolster his reputation as a guitar maker.36 Defendant decided not to purchase plaintiff's guitar, and subsequently Plaintiff discovered Prince performing with a different guitar that similarly incorporated the aforementioned symbol. Pickett filed suit against Prince alleging copyright infringement as to his rights in the symbol guitar.37

Prince defended such claims by arguing that the Plaintiff cannot bring a copyright infringement suit because Defendant never granted Plaintiff the authority to create a derivative work, and as such he has no enforceable rights to sue upon.38

 Plaintiff argued that the court should not adhere to the *Gracen* bright line standard stating that without a valid authorization to create a derivative work one cannot have any rights in such work, which the court should instead treat as mere dictum. Plaintiff instead insists that the “pervades” standard originally mentioned in the *Eden Toys* footnote should controls.39

The court explains that the defendant never actually articulates what the ""pervades"" standard entails, but the court understands the Plaintiffs argument to follow the logic that copyright protection is available under §103(a) for parts of the derivative work that do not employ the preexisting work regardless of whether authorization was obtained.40

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35 *Pickett*, 52 F. Supp. 2d.
36 *Id.* at 896.
37 *Id.*
38 *Id.* at 896.
39 *Id.* at 901.
40 *Id.* at 902.
...under Plaintiff's interpretation, authorization is never necessary for a valid copyright in original parts of the derivative work (i.e., those parts not “pervaded” by the preexisting work). For Plaintiff, a derivative work is only unlawful if the original work “pervades” it entirely; whether or not the creator of the original work has authorized it is irrelevant. In other words, Plaintiff finds no circumstances in which authorization would be an issue. 41

According to Plaintiff, the language in §103(a) expresses a Congressional intent that some infringing derivative works would still receive copyright protection, but only covering those “original” parts not employing the pre-existing material 42, as long as the original aspects of the derivative work do not “pervade” the entirety of the pre-existing copyrighted material, whether or not authorization was granted by the original copyright owner. 43

The court for many reasons finds plaintiff's argument unavailing, and even though the bright line rule proposed in Gracen was presented in dicta, they side with Defendant finding that Plaintiffs symbol guitar has no copyright protection because it lacked the necessary authority from Plaintiff to be considered a legitimate derivative work. 44

6) Professor Nimmer’s Treatise

Although the court ultimately followed the bright line standard articulated in Gracen, in a footnote a lengthy discussion ensues concerning the ambiguity surrounding the topic of whether an unauthorized derivative works creator can maintain a valid copyright in their portion of such work that does not "pervade" the original rights holders creation. 45

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41 Id. at 904.
42 Id. at 902.
43 Id.
44 Id. at 906.
45 See supra n. 17.
The court contemplates the fact that even Prof. Nimmer’s treaties, which are considered to be the go to authority in a most every copyright case “does not answer this matter conclusively”\(^{46}\).

The court explains that Prof. Nimmer addresses what he calls the “lawful use of the underlying work as a condition to a derivative copyright”. The statement enunciates the point that if a copyrighted work is incorporated into a derivative work without authority from the original copyright holder that acts will constitute copyright infringement.\(^{47}\)

Nonetheless, the court continues to point out that Prof. Nimmer separately states that a derivative work still may claim copyrightability under section 103(a) in that which was originally contributed to the derivative work even though the derivative author may be an infringer as to that which was borrowed from the pre-existing work. Prof. Nimmer states “only that portion of a derivative ...work that employs the pre-existing work would be denied copyright.”\(^{48}\)

The court finds these two views to be somewhat contradictory, and appears to question a bright line authorization standard because there may be a possibility where without a valid authorization to create a derivative work the author may be able to salvage some rights.

One can see that even though the *Prince* court follows the dicta of *Gracen*, it still recognizes that there are contradictory views as to the “pervasive”\(^*\) standard, which is still an unsettled point of law.

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\(^{46}\) *Id.*

\(^{47}\) *Id.*

\(^{48}\) *Id.*
7) Policy

There are many reasons stated by the different courts as to why their legal interpretations have led to what apparently is a preference for not awarding unauthorized derivative works creators with any rights, but there are also powerful policy concerns which are not in all cases expressed in an upfront manor by the court, but surely are influential in their reasoning.

One such case, which deals with important policy considerations, although not specifically spawning it’s holding from a derivative works analysis, is Castle Rock Entertainment v. Carol Publishing Group. 49 ("Castle Rock") This Second Circuit case involved plaintiff Castle Rock Entertainment the copyright holders to the hit television series Seinfeld suing Carol Publishing for copyright infringement concerning their trivia quiz book entitled The Seinfeld Aptitude Test ("SAT"). The SAT was a 132-page book containing 643 trivia questions and answers concerning the many characters and events that had taken place over several seasons of the Seinfeld television program. Defendant based such questions on 84 of the 86 existing episodes that had aired by the time of the book’s publication. The majority of the questions in the SAT were multiple-choice questions, which included one correct answer taken directly from a Seinfeld television episode, and multiple incorrect answers that were defendant’s original creation. 50 The Court when analyzing the copyright infringement claim decided to treat the 86 Seinfeld episodes as one “discrete, continuous television series” in aggregate, and not as each their own independent work, 51 or each respectively being a derivative work based on the last episode. The Court held that The SAT unlawfully copied Plaintiff’s expression by

49 Castle Rock Entertainment, Inc. v. Carol Publishing Group, 150 F.3d 132 (2nd Cir. 1998).
50 Id. at 135.
51 Id. at 138.
deriving their questions from the Seinfeld television series, and that such copying did not constitute a fair use.\textsuperscript{52} The Court while coming to this conclusion in their fair use analysis discusses the policy matter of the possible future derivative works market for Plaintiff. The Court states that “unlike parody, criticism, scholarship, news reporting, or other transformative uses, The \textit{SAT} substitutes for a derivative market that a television program copyright owner such as Castle Rock “would in general develop or license others to develop.”\textsuperscript{53} In essence, the Court while analyzing the fourth factor of the fair use test, the “effect of use upon potential market for or value of copyrighted work” is in a roundabout manor stating that the future derivative work market is a right that a valid copyright holders should have control over.

The logic in \textit{Castle Rock} is further extrapolated upon in \textit{Warner Brothers Entertainment and J.K Rowling v. RDR Books}.\textsuperscript{54} (“\textit{RDR}”) The Second Circuit in \textit{RDR} was faced with among other claims, a copyright infringement claim by Plaintiff the copyright holder of the enormously popular Harry Potter series, and Defendant a book publisher who published the unauthorized \textit{The Harry Potter Lexicon (“Lexicon”)}, which Defendant described as the “definitive” Harry Potter encyclopedia.\textsuperscript{55} Defendants compiled the information for the content of the \textit{Lexicon} from the creator of the Harry Potter character “J.K. Rowling, either in the novels, the ‘schoolbooks,’ from her interviews, or from material which she developed or wrote herself”, and a small amount of select outside reference sources, such as Bullfinch’s Mythology, Field Guide to Little

\textsuperscript{52} Id. at 135.
\textsuperscript{53} Id. at 145.
\textsuperscript{55} Id. at 523.
People, New Shorter Oxford English Dictionary, and online encyclopedias. Although the Court did not agree with Plaintiff’s contention that the Lexicon was indeed an unauthorized derivative work based on the Harry Potter franchise because the Lexicon was not an “elaborate recounting” that did not follow the same plot structure as the Harry Potter novels, and because the purpose of the Lexicon was to give the reader a ready understanding of individual elements in the elaborate world of Harry Potter that appear in voluminous and diverse sources as organized in an A-to-Z reference guide. The Court once again as in Castle Rock did confront the policy issues surrounding the potential for a future derivative works market. Although the court did not believe that the market for reference guides became derivative simply because the copyright holder may plan to produce or license a similar product, the Court did hold that “in striking the balance between the property rights of original authors and the freedom of expression of secondary authors, reference guides to works of literature should generally be encouraged by copyright law as they provide a benefit readers and students; but to borrow from Rowling's overstated views, they should not be permitted to “plunder” the works of original authors… without paying the customary price”, and consequently authors would “lose incentive to create new works that will also benefit the public interest. In sum, the Court although hesitant to hold that a copyright holder that may have planned to produce a similar work in the future does not per se lead to the fourth factor of the fair use analysis tipping in their favor, but the fact that the Defendants Lexicon would essentially “plunder” the works of Rowling, and additionally that “one potential derivative market

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56 Id. at 525.
57 Id. at 539.
58 Id. at 550.
59 Id. at 551.
that would reasonably be developed or licensed by Plaintiffs is use of the songs and poems in the Harry Potter novels”\textsuperscript{60} would be impaired by the publishing of Defendant’s \textit{Lexicon} was enough to find the work of Defendant infringing, and strongly against public policy.

Further illustrating the policy concerns intertwined with unauthorized derivative works, was the \textit{Prince} court who although found ambiguity as to interpretations concerning statutory language in the House Report, while anchoring their decision to following Gracen’s bright line rule, are particularly sympathetic to defendant Prince because granting any copyright in plaintiff’s derivative work may deprive him of the exclusive right to produce additional derivative works based on the symbol he created.\textsuperscript{61}

In particular, the Court emphasized that Prince may lose the ability to one-day produce and market the guitar at issue in the case, or possibly a bass guitar version, or even a violin containing the Prince symbol.\textsuperscript{62} The possibility of Prince producing such items the future is not far-fetched, just as the trivia book in \textit{Castle Rock}. Prince is one of the most well-known musicians in the world and has used the symbol as part of many derivative works such as T-shirts, posters etc. One should also note that instilling any sort of copyright in Pickett’s unauthorized guitar could potentially rob Prince of the opportunity to license his symbol to other guitar makers of his choice in the future\textsuperscript{63}, similar to the songs from the Harry Potter series discussed by the court in the \textit{RDR}. The court describes such a situation as the “creation of a de facto monopoly on derivative works to the detriment of the owner of the copyright in the preexisting work”.

\begin{footnotes}
\item \textsuperscript{60} \textit{Id.}
\item \textsuperscript{61} \textit{Pickett}, 52 F. Supp. 2d. at 909.
\item \textsuperscript{62} \textit{Id.}
\item \textsuperscript{63} \textit{Id.}
\end{footnotes}
These examples illustrate the fact that Courts when deciding what rights could be awarded to an unauthorized derivative works holder cannot simply look at severability or the pervasiveness of the derivative work, but must also factor in policy concerns such as the potential for a future derivative market for the valid copyright holder, the benefit that will be instilled in the public interest by offering authors incentives to create further works, and avoiding the creation of a “de facto monopoly”.64

8) Did Banksy Choose the Wrong Weapon?

Now returning to the first hypothetical concerning the chain of derivative works based on the Keith Haring dog (Exhibits 1, 2 and 3). In this example the notorious street artist Banksy has created his derivative work “Choose Your Weapon” by producing his own original hooded figure holding the Keith Haring dog on a leash as if he is taking it for a walk.

If one analyzed “Choose Your Weapon” under the reasoning set out in Eden Toys one could come to the conclusion that because Banksy most certainly did not obtain Haring’s consent to produce the derivative work he would hold no rights in which to enforce upon others. Under this logic J-Boy’s piece "Very Little Helper" (Exhibit 3) would not be infringing as a derivative work as to the hooded character created by Banksy, and would be free from any form of copyright infringement liability stemming from Banksy.

Moreover, the Eden Toys court was the first to discuss this idea of the original copyright holders work pervading the entire derivative work. In this case, one can easily separate the Haring dogs from the hooded figure without any overlap. An argument can

64 Id. at 908.
be made that the Haring dog does not tend to pervade the entire derivative work because both images are completely separable, consequently Banksy should be liable for infringing the Haring dog, but retain rights as to the character which could be used to bring his own suit against J-boy for creating an unauthorized derivative work.

Similarly, following the reasoning laid out in *dicta* by the *Gracen* court, Banksy would forfeit all rights in “Choose Your Weapon” including those parts of expression that are original to him although completely severable. As such, J-boy essentially has stolen Banksy’s original expression with no fear of liability from Banksy (but is still of course possibly liable to The Simpsons for using the image of Santa's Little Helper).

A similar result would be produced under the holding in *Stallone*. However, the logic followed by the court in *Stallone* was based on the idea that the character of Rocky was developed to such a point that he was part of “one of the most highly delineated group of characters in modern American cinema”.65 Moreover, the character in the derivative work “were not merely substantially similar to Stallone's, they are Stallone's characters”.66 As such, because the character Rocky combined with his unique personality and mannerisms created by Stallone were so intertwined and essential to the story that there could be no way to separate the two, and identifying what aspects would be protectable without the Rocky characters an impossible chore.

Correspondingly, the dog in the Banksy piece as in Rocky was not merely substantially similar to that of the Haring dog, it was essentially identical. But unlike the character of Rocky, the Haring dog is not so intertwined with the hooded character that they could not be separated and easily distinguished (which is evidenced by the fact that

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65 *Anderson*, 11 USPQ2D at 115.
66 *Id.* at 116.
J-boy could use the figure in his derivative work without any trace of the Haring dog, with the hooded character still being completely identifiable as originally created by Banksy). This aspect of severability could possibly be enough to differentiate these situations and conceivably negate much of the impact of the \textit{Stallone} holding.

Once more, a similar result almost certainly will be achieved under the holding of the \textit{Prince} case. Again the court in \textit{Prince} followed the bright line rule laid out in \textit{Gracen} denying any sort of copyright protection to an unauthorized derivative work.\textsuperscript{67} However, the court when discussing the theory that an unauthorized creator of a derivative work may be entitled to copyright protection in those facets of the derivative work which are not available in the original copyrighted item, but only if the original aspects used in the unauthorized derivative are not so "pervasive" as to overtake the entire essence of the work.\textsuperscript{68} The \textit{Prince} court in reality based there denial of copyright protection of Plaintiff's guitar concerning those facets that are original to him on the basis of the fact that once the Prince symbol would be removed all that would be left would be functional and utilitarian objects such as guitar strings.\textsuperscript{69} As such, even if the court did decide that the symbol guitar was separable there would be nothing left to grant rights for anyhow.

As \textit{Prince} suggests, the Banksy hooded figure is easily separated from the Haring dog and once divided it would not be the case that only non-protectable subject matter would remain. Nevertheless, instead the purely original expression that would normally be awarded full copyright protection, if it were not part of an unauthorized derivative work would remain.

\textsuperscript{67} \textit{Pickett}, 52 F. Supp. 2d. at 909.  
\textsuperscript{68} \textit{Id.}  
\textsuperscript{69} \textit{Id.} at 907.
Further, Banksy as the creator of an unauthorized derivative would enjoy no copyright protection in his piece “Choose Your Weapon”, even though there are aspects purely original to Banksy. Even more interestingly J-boy will be able to use Banksy’s original expression as articulated in the form of his hooded character without fear of claims of copyright infringement brought by Banksy (although there most likely would be a trademark claim still available). It seems ironic that the law punishes the first producer of an unauthorized derivative work in a chain by relieving them of all copyright protection (especially to any severable and original parts of the work) while simultaneously rewarding any other subsequent derivative work authors who takes any original aspect of the firsts unauthorized derivative work by allowing them to essentially perform the same bad act, but instead leave them free of any threat of legal consequences under copyright law.

Furthermore, a result mandating that Banksy would receive no rights in any portion of his work would be contrary to the policy concerns expressed in *Prince*. Essentially, Banksy has been foreclosed from enjoying any benefits connected with future derivative works based on has original expression, including but not limited to future sequels of “Choose Your Weapon”, (while J-boy may freely exploit them) which can be seen as reminiscent of the *Prince* courts logic as to the opportunity for Prince producing his own guitars or violins based on his symbol.

9) Did Baby Get Back Any Rights For Coulton?

The second situation posed earlier concerned the television show Glee recording and performing a cover version of an already existing cover version of the song “Baby
Got Back”. Unlike the previous hypothetical though, both works in this chain were authorized by statute, the authority that is enjoyed by both works creators (Glee and Coulton) was obtained legitimately through a compulsory license.

As such, Coulton was within his rights to produce his cover version of "Baby Got Back" in a “country” music format. Similarly, Glee who subsequently obtained the same compulsory license was also well within their legal rights to also produce a “country” version of the same song. The interesting ripple, which has resulted from this situation, is that Coulton is not entitled to any sort of credit or compensation from Glee for copying his original arrangement in the style of “country” music as previously explained. Covers do not possess their own copyright protection as far as the underlying musical composition, so Coulton’s only legal recourse at this point under copyright law would be an infringement suit only if Glee used portions of the actual audio track he recorded. 70

So once again in this grey area of the law the first work in a chain of works is left with no recourse to defend the copying of their original expression that distinguishes them from the original copyrighted work. This loophole allows the second work that has stolen the first author’s expression, which would've been subject to copyright protection if they were not part of a compulsory license, escaping all legal liability.

This situation is distinguishable from all the prior cases analyzed particularly when discussing the policy issues discussed in Prince. Specifically, the compulsory license is designed to make sure that although the original composer must allow anybody to cover their song (as long as they abide by limitations of 17 U.S.C. §115) they are guaranteed to receive compensation from each “cover” through royalty payments. In

Prince the court was sympathetic to the fact that many possible options from the future derivative works could be foreclosed upon, robing the original rights holder from future income. Here, the rights awarded through the compulsory licenses do not foreclose any possible avenues to the original rights holder and only awarding rights to the secondary works creator if their actual sound recording is identically reproduced.

10) Fair Use, Punishment, and the Public Domain

As previously discussed, many courts when trying to grapple with the problem of unauthorized derivative works or policy’s related to potential future markets for production or licensing of such works have analyzed the possibility of a fair use defense presented by defendant. Although this paper is not principally concerned with the fair use defense in this particular hypothetical, a brief discussion as to its relevance is still warranted.

The doctrine of fair use is a limited exception in American copyright law to copyright holder’s otherwise exclusive rights. The fair use doctrine is designed to “fulfill copyright's very purpose, “[t]o promote the Progress of Science and useful Arts” 71. Codified in §107 of the Copyright Act of 1976 72, fair use is justified “for purposes such as criticism, comment, news reporting, teaching, scholarship, or research” 73 and as such is not an infringement of copyright. The court in a fair use analysis must after a finding of defendant being liable for copyright infringement analyze this defense, on a case-by-case basis by balancing a four-factor test: 1. the purpose and character of the use; 2. nature of the copyrighted work; 3. the amount and substantiality of the portion used in

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73 Id.
relation to the copyrighted work as a whole; and, 4. the effect of the use upon the potential markets).74 If the Court finds that the factors weigh in Defendants favor the fair use doctrine will excuse such infringement. Fair use must ideally balance “on one hand “[t]he monopoly created by copyright ... rewards the individual author in order to benefit the public,” and on the other “[m]onopoly protection of intellectual property that impeded referential analysis and the development of new ideas out of old would strangle the creative process”.75

In the realm of unauthorized derivative works the fair use doctrine does play a relevant role in that if the unauthorized derivative work is found to be justified after weighing the four fair use factors, this would in essence transform the unauthorized derivative work into a piece no longer needing permission from the original copyright holder, and as such rescuing the derivative works creator’s rights in their original expression. The House Report No. 94-1476 when clarifying §103 specifically anticipates for such a situation when they explain “Under this provision, copyright could be obtained as long as the use of the preexisting work was not “unlawful,” even though the consent of the copyright owner had not been obtained. For instance, the unauthorized reproduction of a work might be “lawful” under the doctrine of fair use or an applicable foreign law, and if so the work incorporating it could be copyrighted”.76

Although some could argue that Banksy’s “Choose Your Weapon” could be saved by a court finding that it qualifies for fair use protection under §107 enumerated categories of either “criticism or comment,” there are far too many other unknown factors to definitively come to such a conclusion, and further this note is more concerned with

74 Id.
the possible outcomes of no valid fair use defense (but this issue will be discussed in more detail later in the paper).

Another school of thought focuses on the idea that the law does not reward wrongdoers, and as such Banksy by not obtaining a valid authorization to create “Choose Your Weapon” loses the privilege of copyright protection in his original expression, and all other related benefits because of his bad act. This theory essentially forces any unauthorized derivative work (absent a valid exception such as fair use) into the public domain. In the Banksy situation, Haring would still hold all right in his dog character, but all additional expression added by Banksy (his hooded figure, etc.) as a result of his transgression would instead be thrust into the public domain, free for anyone to use.

Some would argue that this is the correct result because Banksy should not be rewarded for violating Haring’s legal rights, and society is instead rewarded with new elements added to the public domain for everyone to improve upon.

Similarly, a musician who chooses to creates a cover version of a song by satisfying the requirements of a compulsory license under §115 by operation of law the expression found in the new arrangement falls into the public domain, finding a similar fate to that of an unauthorized derivative work discussed above. This is effectively why Coulton has no legal recourse against Glee for stealing his “country” arrangement. Because Coulton chose to use a compulsory license to create his “cover” version of “Baby Got Back”, a legal consequence of such a decision (surely unanticipated by Coulton) is that know his arrangement is part of the public domain for all to use freely.77

This result is distinguishable from the Banksy situation in the manor that Coulton was not a wrongdoer; in fact his actions were completely legal and encouraged under

77 Madison, Supra note 8.
§115. However, because the compulsory license is a cost effective method to obtain access to source material without obtaining the copyright owner’s permission (can be costly for a new artist to negotiate for such rights),\(^78\) the consequence of such a convenience comes with the downside of no legal rights in the “cover” artists new arrangement.

Although fair use may be a viable defense for the creator of an unauthorized derivative work in some limited situations, it is not a viable solution in all circumstances. Fair use is reserved for actors who are not wrongdoers, and subsequently for those who it is not available for protection, their work will effectively find itself added to the public domain for all to use freely. Similarly, a parallel result is inevitable under §115 as to the arrangement of “cover” songs as a consequence of the compulsory licenses convenience.


Both the Banksy and Coulton’s situations bring to light many issues concerning the proper rights that should be afforded to artist who are links in a chain of artistic works that build from one another. Although one situation is constructed from a chain of unauthorized derivative works, and the other is composed under a compulsory license, both find themselves with an identical unfortunate fate. However, there are possibilities that feasibly could find a more favorable result for Banksy and Coulton.

As discussed earlier one prospect for Banksy to achieve rights in the original expression of his hooded figure would be to defend an infringement action with a valid fair use defense. A court finding such an outcome would fundamentally excuse Banksy

\(^78\) Id.
for his “wrongdoing”, and preserve his rights in only the aspects of “Choose Your Weapon” which are original to him. This would allow Haring to keep all rights in his dog figure, and all future derivative projects or licensing opportunities he would like to exploit, but leaving limited circumstances in which Banksy could exploit the image. Further, Banksy would keep all rights in his original expression of the hooded character, which would include the ability to bring an infringement action against other unauthorized derivative works such as the J-boy’s "Very Little Helper" (absent a valid defense such as fair use for J-boy). But as discussed earlier, a fair use defense is not an easy feat to achieve, and as such most likely not always a practical solution.

Another ironic aspect of both of these hypotheticals is that the compulsory license if available to Banksy when he created “Choose Your Weapon” would possibly have been a viable solution. By succumbing to limitations of a similar compulsory license applied to the visual arts, Banksy’s derivative work would no longer have been considered unauthorized, Banksy would not need authorization as long as he succumbed to whatever statutorily mandated actions must be fulfilled. Further, this would award him legal protection as to exact copies of his original expression; similar to the idea that Coulton’s only current recourse would be if Glee used his actual sound recording. Under this theory one could argue that J-boy by copying Banksy’s hooded character has performed the equivalent of copying the actual sound recording, as may be the case in the Glee situation.

Further, the real core of the issue in the Banksy chain of derivative works is the question of whether Banksy’s unauthorized derivative work in fact “pervades” a sufficient amount of Haring’s expression to not be entitled to any copyright, and
relatedly, if the novel expression of the hooded character presented by Banksy in his unauthorized derivative work is completely severable from the Haring dog, and if so should be awarded independent copyright protection.

Relatedly, this would put courts in a difficult situation. How could a court set a standard to measure what actually “pervades” a work means? It would almost certainly involve a case-by-case analysis with many factors to balance similar to the fair use test discussed earlier, or possibly the “pervades” standard could be an extension of the current fair use analysis?

Correspondingly, and ostensibly more practical in practice would be a viable severability standard (reminiscent of the analysis used in trademark law under the functionality doctrine). Under such a standard a court would have to analyze to what extent the original expression of the offending derivative work is; 1) original to the offending artist, and 2) if the infringing and non-infringing expressions can be separated to such a point that both expressions could exist independently. If a defendant could satisfy both of these requirements than a court could effectively award rights to the infringing derivative artist as to their independent expression, while simultaneously punishing them for infringement for the unauthorized portions under a traditional infringement action. Under this theory the Court could award Banksy all the pertinent copyright protection in his hooded figure (including the right to sue other for infringement in that expression), and simultaneously proceed with a standard infringement analysis as to the Haring dog that Banksy used illegally, and hand down punishment accordingly. Of course there are flaws incorporated with this reasoning, including the facts that it ignores the public policy of not rewarding wrongdoers, and the
fact that the Banksy hypothetical is a fairly straight forward image which can easily be
separated (as easy as drawing a line down the center of the image between the Haring dog
and the Hooded figure). Most other situations surely will not present the Court with such
a user-friendly separation, and as such create judgments based on personal preference,79,
or parties being assigned unwarranted protection in others rights.

The further irony stemming from both of these illustrations is strengthened by the
fact that Coulton has expressed the opinion that attribution would be one of the
worthwhile solutions to Glee stealing his arrangement:

“It’s a little frustrating. Whether or not they’re in the right legally, it doesn’t seem like the best
way to handle it. If you’re going to claim that you’re giving an artist exposure and they should be
grateful — there’s a right way to do that. Contact them ahead of time. Say this is great, we’re
going to talk about it on our blog and tell all our fans that they should be fans of yours. We’re
going to put a credit in the show. That doesn’t cost them anything. It’s a show with something like
a $3.5 million budget for each episode, but there are still so many free things they could have done
to engender goodwill.”80

Interesting enough, moral rights of attribution are only awarded under US copyright law
for works of fine art. The Visual Artists Rights Act of 1990 (VARA)81, embodies in
works of art that meet certain criteria traditional are awarded moral rights which are not
present in any other sector of the United States intellectual property law. In particular,
one of these exclusive rights is that the author of a work of visual art shall have the right
claim authorship of their original works.82

79 A concern that may be interpreted as parallel to the fears of judges interpreting artistic merit when
determining if a valid copyright is merited, which is discussed in the seminal case Bleistein v. Donaldson
Lithographing Co. 188 U.S. 239, 23 S.Ct. 298, 47 L.Ed. 460 (1903) at 251. “It would be a dangerous
undertaking for persons trained only to the law to constitute themselves final judges of the worth of
pictorial illustrations, outside of the narrowest and most obvious limits. At the one extreme some works of
genius would be sure to miss appreciation. Their very novelty would make them repulsive until the public
learned the new language in which their author spoke.”
80 Laura Hudson, Jonathan Coulton Explains How Glee Ripped Off His Cover Song — And Why He’s Not
Alone, Wired.com, (Jan. 25, 2013 03:21PM), http://www.wired.com/underwire/2013/01/jonathan-coulton-
gleee-song.
If similar legislation to that of VARA were available for musicians who cover songs under a compulsory license such as Coulton, they could be endowed with the right to at least be accredited for their arrangements of a cover song that a second derivative artist reproduces.

Another viable solution for Coulton would be to obtain a license to “Baby Got Back” from the Harry Fox Agency. Agencies like Harry Fox act on behalf of many copyright holders in administering the further uses of such copyrights. These licenses are in many ways similar to the rights granted to an artist under §115 in that they grant rights that are no greater and no lesser than the rights that would have been applicable under 115. The major difference between the Harry Fox license and the legal grant authorized by Congress in §115 is that the license is actually a contract between the original composer and the “cover” artist, and possibly could be amended through negotiations to reflect an intellectual property right in the arrangement for the “cover” artist.

Similarly, Coulton could circumvent the Harry Fox license all together, and instead approach Sir Mix-a-Lot directly and negotiate a deal including, rights, royalties, and any other issues important to Coulton concerning his “cover” version. This agreement could entail requiring Coulton to assign his publishing rights (the new arrangement) to Sir Mix-a-Lot, or conversely, Coulton could insist on keeping the publishing rights (and possibly pay Sir Mix-a-Lot a royalty) granting him rights in his new arrangement.

The fact that particularized special circumstances exist such as the compulsory license, and VARA, illustrates that legislation has been put in place to deal with

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83 Madison, Supra note 8.
84 Id.
deficiencies as to the rights copyright holders. Of course, it's nearly impossible to prepare for every issue that may arise concerning artist rights; however these pieces of legislation prove that there are viable possibilities already available to fill these holes in the law once they are discovered.

Further, artists like Banksy who create severable unauthorized derivative works may be assisted by courts adopting a test of some nature to retain rights in the original portions of such work, or by successfully defending an infringement action under the fair use doctrine. But such options may be impossible because of the strong public policy to not reward wrongdoers.

Moreover, Coulton could never have anticipated when he chose to record his “cover” song under §115 that another actor would copy his arrangement in such “cover”. Nonetheless, Coulton and others who find themselves in a similar predicament could be compensated by a law granting attribution to such artists. More realistically though, many believe that Glee did actually copy Coulton’s actual recording\(^\text{85}\), and as such Coulton may find justice in a standard copyright infringement action (or most likely a settlement if actual copying is proven). Ironically, if Coulton did receive attribution initially by Glee he would most likely not be enjoying the large amount of publicity that has arisen from the “unauthorized” copying, including the fact that Coulton’s “cover” version was outselling any Glee song on ITunes for a period.\(^\text{86}\)

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Exhibit 2
Extra Links

1) Sir-Mix-A lot – “Baby Got Back”
http://youtu.be/kY84MRnxVzo

2) Jonathan Coulton - “Baby Got Back”
http://youtu.be/MCWaN_Tc5wo

3) GLEE - Full Performance of "Baby Got Back"
http://youtu.be/TMmBPF0vljM

4) Baby Got Back: Coulton V. Glee (Simultaneous Play)
http://youtu.be/92VmITSNvKY