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The Rule of Entertainment Law; Or Lack Thereof: Exposing the Diminishing Rule of Law in the Entertainment Industry

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THE RULE OF ENTERTAINMENT LAW; OR LACK THEREOF: 
EXPOSING THE DIMINISHING RULE OF LAW IN THE ENTERTAINMENT INDUSTRY

“I don’t get no respect.”

Introduction
Imagine Sam was a college student at a premier university. Sam was able to attend this university only because he received a sizeable athletic scholarship to play football for the university. Sam was a starter and played well during his time at the university, however Sam just did not have the talent to move on to the professional level. Thankfully for Sam, while at the university he received a degree in music performance. A year or two after graduation, Sam stops over to visit a friend of his who tells Sam he has to check out this new video game he just purchased that simulates college football in vivid detail. Remembering his glory days from college, Sam is excited to play and he selects his alma matter as the team he will play with in the game.

As they are playing Sam is shocked to see that on this team is a virtual player that looks identical to him. The character has his same number, same hairstyle and color, same height, weight, and other statistics, and is even listed as from the same home town as Sam. Sam quickly realizes that the makers of this game are using him in their video game without compensating Sam in any form. Sam speaks to some of his friends from college football and learns that they too have noticed they appear in the game, but they have had no luck in seeking an explanation, let alone any compensation from the game maker. Sam does not have the financial resources to engage in a legal battle with the company that makes the game, so Sam reluctantly is forced to let the matter go.

1 RODNEY DANGERFIELD, I DON’T GET NO RESPECT (BMG 1980).
Dejected about the video game, Sam turns to his musical education and decides to write a song about the incident to express his frustration. Sam’s song is the best he has ever written and he decides that he will publish and sell the song himself. It is the only song Sam will sell, but because Sam still has some residual fame from his college football days, he is confident that sales of the song will bring him substantial profits.

Sadly, after Sam’s song is released for sale it is pirated across the Internet to some 30,000 different people through a peer-to-peer file-sharing website. This time Sam decides to flex his legal muscles and files suit against the website for the 30,000 instances of infringement. Sam anticipates a large award that will make up for his 30,000 lost sales. However, when the damage award is issued, Sam only receives a single award for a single instance of infringement, despite the 30,000 users that committed infringement of his song. Again, Sam receives the short end of the stick, but under the current state of the law, there is no recourse for Sam.²

This is just an example of how recent developments in the laws surrounding the entertainment industry are contributing to a diminishing rule of law. In his book *The Morality of Law*, American legal scholar Lon L. Fuller outlined the following eight ways in which a system of legal rules may fail to establish a rule of law:

1. Failure to achieve rules at all
2. Failure to publicize rules
3. Abuse of retroactive legislation
4. Failure to make rules understandable
5. Enactment of contradictorily rules
6. Requiring conduct beyond the powers of the affected party
7. Introducing such frequent changes in rules that the subject cannot orient his actions by them
8. Failure of congruence between rules as announced and their actual administration.³

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² See infra Part II(B) (discussing the current state of the laws surrounding this situation).
According to Fuller, a total failure in any of these eight areas does not simply result in a flawed legal system; but instead results in a system not properly classified as a legal system at all. Fuller elaborates on how these pitfalls may be avoided and transforms his eight recognized flaws into eight elements necessary to institute a rule of law. These eight elements have been summarized as follows:

1. Laws must exist and those laws must be obeyed by all.
2. Laws must be published.
3. Laws must be prospective in nature so that the effect of the law may only take place after the law has been past.
4. Laws should be written with reasonable clarity to avoid unfair enforcement.
5. Law must avoid contradictions.
6. Laws must not command the impossible.
7. Law must stay constant through time to allow the formalization of rules; however, law also must also allow for timely revision when the underlying social and political circumstances have changed.
8. Official action should be consistent with the declared rule.

This paper explores several of these factors as they apply to the so-called field of entertainment law to expose how modern judicial and legislative developments in entertainment law are fostering a legal system devoid of the rule of law.

Part I of the paper looks at Fuller’s first factor to show how Electronic Arts is not obeying the right of publicity and how they are abusively litigating right of publicity claims currently pending against them in further disobedience of the law. Part II looks at two of Fuller’s factors to show how the lack of clarity in the laws surrounding internet piracy result in unfair

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4 Id. at 39.
5 Id. at 45-90.
7 See K.J. GREENE, Abusive Trademark Litigation and the Incredible Shrinking Confusion Doctrine–Trademark Abuse in the Context of Entertainment Media and Cyberspace, HARV. J. L. & PUB. POL’Y 609, 628 (2004) (explaining that the entertainment industry in the United States consists of the motion picture, television, music publishing, live theater industries, and the convergence of the Internet and entertainment media, and that the field of entertainment law encompasses the areas of copyright law, trademark law, idea submission law, and the right of publicity).
enforcement against and command the impossible from independent artists. Part III looks at the last two of Fuller’s factors to evaluate current efforts being made to reestablish the rule of law in the entertainment industry. This Part then offers potential solutions to aid in restoring the rule of entertainment law.

I. FAILURE TO OBEY THE LAW; ABUSING THE RIGHT OF PUBLICITY

Fuller’s first factor is what he deems the most obvious factor for establishing an effective rule of law. This factor requires that laws exist, and that the laws are obeyed by all. However, in the entertainment industry it is apparent that there is a failure to obey the law. The most obvious example evincing this assertion is the “epidemic” of Internet piracy. However, the topic of piracy almost seems like too easy a target to prove this point. Therefore, to more fully emphasize the failure to obey the law, this section will analyze another area of entertainment law—the right of publicity. The subject of Internet Piracy will be reserved for the next section.

The right of publicity has long been the subject of much controversy and debate, but Electronic Arts (“EA”), along with some assistance from the National Collegiate Athletic Association (“NCAA”), has recently taken the debate to a new level by their blatant disregard for others’ right of publicity. To illustrate EA’s failure to obey the right of publicity, this Section first examines two right of publicity claims pending against EA and then analyzes how EA is abusively litigating these claims in further disobedience of the law.

8 FULLER, supra note 3, at 39.
9 YU & GUERNSEY, supra note 6.
A. Electronic Arts’ Right of Publicity Woes

Electronic Arts Inc., in its own words, is a “leading global interactive entertainment software company.” Electronic Arts Inc. is a large corporation with at least 8,000 employees worldwide, and markets its products under four different brand names: EA Sports, EA, EA Mobile, and POGO. In its 2010 fiscal year, EA posted net revenue of $3.7 billion and had 27 titles exceed one million copies sold. EA’s more profitable and well-known video game titles include FIFA (soccer), the SIMS, Need For Speed, and Madden Football. These titles, among many others, have helped EA become the number one video game publisher in both North America and Europe.

In addition to becoming the dominant force in the video game publishing market, EA is also responsible for the best selling video game franchise of all time, the Madden franchise. The Madden franchise of games is designed to simulate professional football as played in the National Football League (“NFL”). While the Madden franchise emulates NFL football, EA also has two franchises of games that emulate collegiate sports—the NCAA football franchise and the NCAA basketball franchise (formally NCAA Basketball March Madness).

13 Id.
14 Id.
15 Id.
19 Id. at 784.
These sport-related video games that simulate real collegiate and professional sports teams and players can attribute their success in part to the level of authenticity in the portrayal of the players, teams, and settings (stadiums and arenas) in the games. As gaming technology has advanced, the level of authenticity has reached an almost lifelike quality; however, this near lifelike recreation of players has led to an onslaught of right of publicity claims against EA by players who allege their likenesses were misappropriated in these games.

Of all the claims pending against EA, there are two general classes of plaintiffs seeking relief from EA—retired NFL players and former college athletes. Both categories of plaintiffs currently have suits pending, which involve right of publicity claims based on the alleged misappropriation of their identities by EA in its games; they are analyzed below in turn.

1. Former College Athletes; In re Student-Athlete Name & Likeness Litigation

Undoubtedly, EA’s largest legal battle in which they are currently involved is the case In re Student-Athlete Name & Likeness Litigation. This case is a class action resulting from the consolidation of the cases O’Bannon v. NCAA and Keller v. Electronic Arts, Inc. In the consolidated case, former student athletes allege that defendants Electronic Arts, the National

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22 See Johansson, supra note 18, at 784 (stating that the EA Madden franchise of games “prides itself on having ‘the most authentic gameplay ever . . . ’”).
24 See supra note 23.
26 In re NCAA Student-Athlete Name & Likeness Litigation, 2010 WL 5644656.
Collegiate Athletic Association, (“NCAA”) and the Collegiate Licensing Company (“CLC”) conspired to deprive the student athletes of their right of publicity and engaged in unlawful restraints on trade.\textsuperscript{29} The original Keller complaint alleged misappropriation of former students’ right of publicity and the O’Bannon complaint originally alleged antitrust violations.\textsuperscript{30}

The right of publicity claims stem from EA’s alleged misappropriation of student athletes in their NCAA football and basketball games.\textsuperscript{31} The antitrust claims allege that the NCAA has conspired with EA to deprive former student athletes the ability to exploit their likeness for themselves by setting the cost of such likeness at zero.\textsuperscript{32} While this analysis is focused on the right of publicity claim, an overview of the entire action is warranted to better illustrate the disobedience of the law. A synopsis of the NCAA and CLC’s roles in this dispute is necessary to better understand the positions of EA and the former student athletes.

\textbf{a. The NCAA’s Involvement}

The NCAA is self-described as “the organization through which the colleges and universities of the nation speak and act on athletic matters at the national level.”\textsuperscript{33} The NCAA states that it is a “voluntary association of more than 1,000 institutions, conferences and organizations.”\textsuperscript{34} The basic purpose of the NCAA, as described in the NCAA’s constitution, “is to maintain intercollegiate athletics as an integral part of the educational program and the athlete as an integral part of the student body and, by so doing, retain a clear line of demarcation

\textsuperscript{29} In re NCAA Student-Athlete Name & Likeness Litigation, 2010 WL 5644656, at *1.
\textsuperscript{31} Consolidated Amended Class Action Complaint, supra note 30, ¶¶6-7, 52; The class of antitrust plaintiffs represented by O’Bannon also allege numerous uses of their likenesses by the NCAA other than in EA’s games. E.g. Consolidated Amended Class Action Complaint, supra note 30, ¶¶ 46-53 (referencing multiple DVDs offered for sale by the NCAA and its member universities that both utilize the images of the plaintiffs as well as several that are advertised using the plaintiff’s name; referencing the use of plaintiffs; names to sell their images through the NCAA on-line photo store; referencing the sale of stock footage containing plaintiff’s images sold by the NCAA).\textsuperscript{32}
\textsuperscript{32} Consolidated Amended Class Action Complaint, supra note 30, ¶ 427.
\textsuperscript{33} Consolidated Amended Class Action Complaint, supra note 30, ¶ 427.
\textsuperscript{34} Consolidated Amended Class Action Complaint, supra note 30, ¶ 427.
between intercollegiate athletics and professional sports.” 35 One of the ways the NCAA’s constitution seeks to retain this clear line between intercollegiate and professional sports is through a “Principle of Amateurism.” 36 This Principle of Amateurism is described in the NCAA constitution as follows: “Student-athletes shall be amateurs in an intercollegiate sport, and their participation should be motivated primarily by education and by the physical, mental and social benefits to be derived. Student participation in intercollegiate athletics is an avocation, and student-athletes should be protected from exploitation by professional and commercial enterprises.” 37

In order to help enforce its policy of amateurism, the NCAA requires that all student athletes sign a “Student-Athlete Agreement–Form 10-3a” before allowing them to participate in NCAA sports. 38 This form requires an “affirmation of status as an amateur athlete,” as well as an affirmation of compliance with the NCAA constitution and the Division I Manual. 39 This “Principle of Amateurism” facially seems like a good policy, but after deeper analysis, it begins to become clear that this policy does not truly cater to the student-athletes’ best interest.

If the NCAA’s purpose and principle is to ensure amateurism and protect student athletes from commercial exploitation, 40 it seems rather odd that both Form 10-3a and the bylaws in the Division I Manual contain clauses that enable the NCAA and other institutions to commercially exploit student-athletes’ images in perpetuity for various reasons. 41

36 Id. art. 2, § 2.9.
37 Id. (emphasis added).
38 NCAA Form 10-3a, Student-Athlete Statement--NCAA Division I, http://web1.ncaa.org/web_files/AMA/compliance_forms/DI/DI%20Form%20XX-3a.pdf (last visited Apr. 20, 2011) [hereinafter Form 10-3a]. The current version of the 08-3a has been renamed 10-3a for the 2010-2011 academic year. The 08-3a form was for the 2007-2008 academic year and is the form referenced in Keller and O’Bannon’s consolidated complaint. E.g. Consolidated Amended Class Action Complaint, supra note 30, ¶¶ 21, 23.
39 Form 10-3a, supra note 38, at 1-2, 4.
40 See Division I Manual, supra note 35.
41 See Division I Manual, supra note 35, at § 12.5.1.1; Form 10-3a, supra note 38, at 4.
Part IV of Form 10-3a is entitled “Promotion of NCAA Championships, Events, Activities or Programs.”\textsuperscript{42} The entire clause reads as follows: “You authorize the NCAA [or a third party acting on behalf of the NCAA (e.g., host institution, conference, local organizing committee)] to use your name or picture in accordance with Bylaw 12.5, including to promote NCAA championships or other NCAA events, activities or programs.”\textsuperscript{43}

The Division I Manual contains a similar clause in its bylaws. Section 12 of the bylaws covers “Amateurism,” subsection 12.5 covers “Promotional Activities,” and subsection 12.5.1 covers “Permissible” promotional activities.\textsuperscript{44} The first of these promotional activities permissible under the amateurism policy is “Institutional, Charitable, Education or Nonprofit Promotions,” as laid out in section 12.5.1.1.\textsuperscript{45} The clause delineates that a “student-athlete’s name, picture or appearance” may be exploited under certain conditions and for non-profit promotions, including “activities considered incidental to the student-athlete’s participation in intercollegiate athletics.”\textsuperscript{46}

The first of these “institutional, charitable, education or nonprofit promotions” that this section covers is “Promotions Involving NCAA Championships, Events, Activities or Programs.”\textsuperscript{47} Like the clause in Form 10-3a, this clause states: “The NCAA [or a third party acting on behalf of the NCAA (e.g., host institution, conference, local organizing committee)] may use the name or picture of an enrolled student-athlete to generally promote NCAA championships or other NCAA events, activities or programs.”\textsuperscript{48}

\textsuperscript{42} Form 10-3a, supra note 38, at 4.
\textsuperscript{43} Form 10-3a, supra note 38, at 4 (emphasis added).
\textsuperscript{44} Division I Manual, supra note 35, at § 12, 12.5., 12.5.1.
\textsuperscript{45} Division I Manual, supra note 35, at § 12.5.1.1.
\textsuperscript{46} See Division I Manual, supra note 35, at § 12.5.1.1.
\textsuperscript{47} Division I Manual, supra note 35, at § 12.5.1.1.
\textsuperscript{48} Division I Manual, supra note 35, at § 12.5.1.1.1 (emphasis added).
After examining the structure of these clauses, one cannot help but observe the ambiguity in them. Both clauses authorize the use of the student’s likeness for promotion of NCAA championships, “and other NCAA events, activities or programs.” However, these clauses remain silent on what exactly qualifies as a NCAA event, activity, or program. Furthermore, these clauses authorize the NCAA “or a third party acting on behalf of the NCAA” to use the athlete’s likeness. Again, there is an omission of who is eligible as a third party or what criteria any third parties must satisfy. Perhaps most notably, there is also no reference to the duration of these authorizations in either clause.

The ambiguities in these clauses are the spark that ignited the fire of litigation by former athletes against the NCAA and EA, which have led to the present consolidated action. The consolidated complaint alleges that these clauses and forms are “purposefully misleading, incomplete and ambiguous . . . .” The complaint further alleges that ambiguity in these clauses allows the NCAA, or its designated third parties, to appropriate the student’s likeness in perpetuity, well after they have graduated. In addition it is alleged that NCAA instituted these clauses so that it could both control the market for the student athletes’ likeness and appropriate the student athletes’ images in perpetuity. This is where EA and the CLC come into the picture.

b. EA’s Involvement

The CLC is the NCAA’s official licensing representative. Through the CLC, the NCAA licenses to EA sports the exclusive right to develop NCAA related sports games, including the perpetual rights it obtained from the student athletes and the exclusive use of

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49 Division I Manual, supra note 35, at § 12.5.1.1.1 (emphasis added); Form 10-3a, supra note 38, at 4 (emphasis added).
50 Division I Manual, supra note 35, at § 12.5.1.1.1 (emphasis added); Form 10-3a, supra note 38, at 4 (emphasis added).
51 Consolidated Amended Class Action Complaint, supra note 30, ¶ 21.
52 Consolidated Amended Class Action Complaint, supra note 30, ¶¶ 21-23.
53 See Consolidated Amended Class Action Complaint, supra note 30, ¶¶ 20-23.
54 Consolidated Amended Class Action Complaint, supra note 30, ¶ 16.
trademarks owned by the various member universities. With these exclusive licenses in hand, EA then possesses the ability to create its sports games as realistically as possible. For example, in these games EA recreates the actual stadiums and arenas in exquisite detail. But EA’s attention to detail does not cease with the settings of these games.

The players in these games—student athletes—are also depicted as realistically as possible with one exception; their names are omitted. Despite the omissions of names, players in these games mimic many features of real student athletes. For example, “[v]irtually every real-life Division I football or basketball player . . . has a corresponding player in Electronic Arts’ games with the same jersey number, and virtually identically height, weight, build, and home state.” Players are also depicted with the same uniform colors, hairstyles, tattoos, and equipment preferences—such as wristbands and facemasks—as actual student athletes.

With such detailed and individualized recreations of real student athletes in these games, it is no surprise that these student athletes are alleging violations of their right of publicity. With the assistance of the NCAA, EA has been able to appropriate the images of student athletes in its NCAA football and basketball games. However, the misappropriation of players’ likeness in its video games is not a new practice for EA and was by no means initiated by the NCAA. In fact, EA has been, and presently is, involved in right of publicity suits based on very similar facts but involving former professional athletes.

55 CIANFRONE & BAKER, supra note 21, at 37.
56 BILL CROSS, The NCAA as Publicity Enemy Number One, 58 Kan. L. Rev. 1221, 1222 (2010).
57 CROSS, supra note 56.
59 WONG, supra note 58.
61 WONG, supra note 58; see also Consolidated Amended Class Action Complaint, supra note 30, at ¶ 179 (“EA spends millions of dollars to ensure the realism of the games, and advertises this realism in the promotion of its products. . . . EA replicates team logos, uniforms, mascots and member school stadiums with almost photographic realism. In addition to computer generated images, Electronic Arts includes actual photographs of uniformed student-athletes in the games.”) (omission in original).
2. Former Professional Athletes v. EA

EA is able to skirt around compensating student athletes because of the amateurism policy set up through the NCAA as discussed above. However, there is no amateurism policy when it comes to the Madden games and the professional NFL players depicted therein. Accordingly, EA “generously compensate[s] professional athletes depicted in its games.”

Some of the games in the Madden franchise depict not only current NFL athletes but also retired athletes. However, compensation for use of a player’s image is limited to current NFL players and former NFL players depicted in the Madden games receive no compensation from EA.

Just like EA and the NCAA have preyed on former student athletes, EA is also taking advantage of former NFL players. The pending case of Davis v Electronic Arts, Inc. is just one example of this practice.

Michael E. Davis is a retired running back who played six seasons in the NFL. Davis filed a class action against EA on behalf of himself and other retired NFL players “arising out of the unlawful use of retired NFL players’ likenesses in video games created, marketed and sold by EA.” Davis alleges that his and his classes’ images are used without authorization or compensation in “historic teams” that are contained in versions of the Madden NFL games. The complaint alleges that the 2009 edition of the Madden game contained over 140 historic teams containing the likenesses of thousands of retired NFL players.

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62 Cross, supra note 56, at 1238.
64 See id. ¶ 2.
65 Davis Complaint, supra note 63; For another example see Brown v Electronic Arts, Inc., No. 2:09-cv-01598-FMC-RZ (C.D. Cal. Sept. 23, 2009) (addressing the use of former NFL Hall of Fame running back Jim Brown’s image on two “historic” teams contained in the Madden series of games.)
66 Davis Complaint, supra note 63 ¶ 6.
67 Davis Complaint, supra note 63 ¶ 1.
68 Davis Complaint, supra note 63 ¶ 2.
69 Davis Complaint, supra note 63 ¶ 4.
The appropriation of the players’ likeness in the Madden games is nearly identical to that of the student athletes in EA’s NCAA themed games. The Davis class action complaint states “EA misappropriated the likenesses of retired NFL players on the[] historic teams by describing in each player’s profile the player’s position, years in the NFL, approximate height and weight, as well as each player’s relative skill level in different aspects of the game, among other characteristics.”70 The complaint then offers class representative Davis as an example of this.71 All the characteristics of Davis were represented in his virtual doppelganger depicted on the historic team, except that his true number 27 was depicted as 37 in the game.72

Just like the NCAA games, the Madden games depict almost virtually identical counterparts to real people, with only very slight alterations.73 Both the Davis class action and the consolidated class action of the Keller and O’Bannon cases are still awaiting disposition, but a simple analysis of the right of publicity claims reveals that EA is disobeying the law.

B. An Obvious Misappropriation

There is more than ample scholarship devoted to the right of publicity, not to mention multiple articles outlining and applying the right of publicity to this specific issue.74 Thus, this paper will refrain from a lengthy background discussing the history and evolution of the right of publicity.75

70 Davis Complaint, supra note 63 ¶19.
71 Davis Complaint, supra note 63 ¶ 21.
72 Davis Complaint, supra note 63 ¶ 21.
73 See Davis Complaint, supra note 63 ¶ 21; supra notes 58-61 and accompanying text.
74 E.g. ANASTASIOS KABURAKIS, DAVID A. PIERCE, OLIVIA M. FLEMING, GALEN E. CLAVIO, HEATHER J. LAWRENCE, DAWN A. DZIUBA, NCAA Student-Athlete Rights of Publicity, EA Sports, and the Video Game Industry, The Keller Forecast, 27 ENT. & SPORTS LAW 1 (2009) [hereinafter The Keller Forecast] (providing indepth discussion on the history and evolution of the right of publicity, outlining in table format multiple right of publicity cases, and applying the right of publicity to the Keller case); Cianfrone & Baker, supra note 21 (analyzing the various statutory right of publicity statutes, the common law right of publicity, and potential defenses as applied to the Keller case); JULIA BRIGHTON, The NCAA and the Right of Publicity: How the O’Bannon/Keller Case May Finally Level the Playing Field, 33 HASTINGS COMM. ENT. L.J. 275, 280 (2010) (applying the right of publicity to the consolidated action); CROSS, supra note 56 (analyzing the right of publicity as it relates to the NCAA and the Keller case and outlining the New York and California statutory right of publicity); WONG, supra note 58 (analyzing and applying the right of publicity and potential defenses to the O’Bannon case and outlining the history and evolution of the right of publicity); JOHANSSON, supra note 18 (analyzing potential right of publicity violations using the use of a retired NFL player as a model).
publicity. Suffice it to say, the right of publicity is an “inherent right to control the commercial use of one’s identity” and that it exists both in common law and in individual state statutes.

One commentator states that the prevailing view is that every state has a common law right of publicity, regardless if that state has also codified the right in statute. Although both actions allege violations of several state statutory rights of publicity, because both the Keller/O'Bannon and Davis actions are pending in California courts, this analysis focuses on the California statutory right of publicity and the California common law right of publicity.

To state a claim for a misappropriation of the right of publicity under California common law, a plaintiff must allege:

1. the defendant’s use of the plaintiff’s identity;
2. the appropriation plaintiff’s name or likeness to defendant’s advantage or otherwise;
3. lack of consent; and
4. resulting injury.

The California statutory right of publicity is codified in California Civil Code § 3344 and while it is very similar to the California common law right of publicity, there are some differences worthy of mention. Most notably, a violation of the California statutory right of publicity

75 For an indepth discussion of the evolution of the right of publicity see The Keller Forecast, supra note 74
76 WONG, supra note 58, (citing J. THOMAS MCCARTHY, THE RIGHTS OF PUBLICITY AND PRIVACY (West Pub. 1987); J. THOMAS MCCARTHY, TRADEMARKS & UNFAIR COMPETITION (West Pub. 1996)).
77 The Keller Forecast, supra note 74, at 21 (“According to the most recent (2006) data by the National Conference of State Legislatures, there are 30 states with either a common law (11) or statutory (19) right of publicity.”).
78 See Cross, supra note 56, at 1224; but see supra note 77.
80 Keller v Electronic Arts, Inc., 2010 WL 530108, at *3 (N.D. Cal. Feb. 8, 2010) (citing Hilton v. Hallmark Cards, 580 F.3d 874, 889 (9th Cir. 2009) (quoting Dowling v. Abercrombie & Fitch, 256 F.3d 994, 1001 (9th Cir. 2001)).
81 CAL. CIV. CODE § 3344 (“any person who knowingly uses another’s name, voice, signature, photograph, or likeness, in any manner, on or in products, merchandise or goods, or for purposes of advertising or selling, or soliciting purchases of products, merchandise, goods or services, without such person’s consent . . . shall be liable for any damages sustained by the person or persons injured as a result thereof.”).
requires a *knowing* use by the plaintiff.\footnote{Keller v Electronic Arts, Inc., 2010 WL 530108, at *3 (stating the addition of the knowingly requirement as an example of the difference between the California common law and statutory rights of publicity).} Furthermore, while the common law only requires a use “to the defendant’s advantage,”\footnote{See supra note 80 and accompanying text.} the statutory right requires a use “in products . . . or for purposes of advertising.”\footnote{CAL. CIV. CODE § 3344.}

Examining the elements of these claims, it is apparent that the plaintiffs will be able to satisfy most without much issue. For example, by selling and advertising its games, EA has used the plaintiffs’ identity in their products to their advantage.\footnote{See JOHANSSON, supra note 18, at 784 (stating that in one month, EA’s 2009 Madden Football game grossed $133.5 million in sales).} The plaintiffs’ never consented to their likenesses appearing in the games (however, there is some debate surrounding whether the NCAA forms and bylaws create consent by the student athletes).\footnote{See WONG, supra note 58, 1088-1091 (analyzing the NCAA’s potential defense of consent based on agreements signed by student athletes).} Furthermore, the players have suffered injury by not receiving any share of the profits generated by the use of their likenesses in addition to losing the ability to market their own likenesses.\footnote{See Consolidated Amended Class Action Complaint, supra note 30, ¶¶ 18, 27.} The heightened standard of a “knowing use” imposed by §3344 can also be satisfied in light of the facts that EA intentionally recreated virtual players to have the same physical and statistical attributes of real life players\footnote{Davis Complaint, supra note 63 ¶19.} and routinely sent questionnaires to team equipment managers asking for player equipment preferences in order to more precisely recreate the real life players.\footnote{WONG, supra note 58, 1083 (“In fact, EA has been known for sending detailed questionnaires to team equipment managers to collect ‘idiosyncratic individual player details’ to ensure that certain equipment elements in the game are as accurate as possible.”).} The only element open to debate is whether EA has made use of the plaintiffs’ “likenesses.”

The common law and statutory rights of publicity in California require a use of the plaintiff’s identity, likeness, name, photograph, or signature, but there is no clear definition of
what constitutes identity or likeness. Thus, it is necessary to turn to case law to determine what constitutes identity or likeness for purposes of the rights of publicity. As one commentator points out, the largest body of right of publicity case law is in California, and as another commentator acknowledges, there are significant right of publicity cases from the Ninth Circuit that have bearing on the issue of identity. Of the plethora of cases in the Ninth Circuit addressing what is a “likeness,” commentators have acknowledged the case of Motschenbacher v R.J. Reynolds Tobacco Co. has the most analogous facts to the present suits against EA. Therefore, instead of a lengthy right of publicity analysis, this section briefly compares the claims against EA to Motschenbacher.

1. Motschenbacher as a Model Application

In Motschenbacher, a professional racecar driver who individualized his cars to set them apart from those of other drivers brought suit against R.J. Reynolds when they produced and televised a commercial which utilized a stock color photograph depicting several race cars in which Motschenbacher’s car appeared in the foreground. Motschenbacher was in the driver’s seat of the car, however, his helmet shielded his face. Motschenbacher’s cars had displayed a distinctive white pin striping atop a red color body that appeared on no other car. In addition,
his cars displayed his number 11 over a white oval background, in contrast to the circular backgrounds of all other cars.  

When R. J. Reynolds produced the commercial, they slightly altered the photograph of Motschenbacher’s car. A spoiler was added to the car, the name of one of R. J. Reynolds’ products—“Winston”—was added to the car and other existing advertisements were removed from the car. Most notably, the number 11 depicted on the car was changed to a number 71. This was the limit of the alterations and the distinctive white pin striping, white oval, and overall red color of the car remained the same. On appeal, the Ninth Circuit held that the district court had made an erroneous conclusion that the driver was not identifiable as Motschenbacher by “fail[ing] to attribute proper significance to the distinctive decorations appearing on the car.” Despite the different number appearing on the car and the plaintiff’s face not being displayed, the court still found that the R. J. Reynolds’ commercials depicted Motschenbacher’s likeness.

2. Comparison to Motschenbacher

When comparing Motschenbacher to the actions against EA, there is a strong suggestion that the plaintiffs will be able to prove that EA used their likenesses. Just like R. J. Reynolds used distinctive decorations of Motschenbacher’s car, EA is using distinctive attributes of the players it depicts in its games. The virtual players in EA’s games wear uniforms consisting of the same colors as their real life counterparts, just like R. J. Reynolds used the same colors of

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98 Id.
99 Id.
100 Id.
101 Id.
102 Id.
103 Id. at 827.
104 See id.
105 See supra note 102 and accompanying text.
106 See supra notes 60-61, 70-71 and accompanying text.
Motschenbacher’s car. The players in EA’s games also depict distinctive attributes of their real life counterparts by replicating their hairstyles, tattoos, and equipment preferences. Furthermore, R. J. Reynolds’ changing of Motschenbacher’s number did not prevent a conclusion that his likeness was used. This fact becomes more important when considering EA’s possible transformative use defense below.

By comparing the cases pending against EA with the Motschenbacher case, a conclusion may be drawn that EA has violated the California common law and statutory rights of publicity of the retired NFL and student athletes. Almost every commentator has also reached the same conclusion. This blatant disregard for the right of publicity displays how EA, and the NCAA, are disobeying the right of publicity. Thus, it is unsurprising EA and the NCAA do not contest the sufficiency of the plaintiffs’ right of publicity claims and instead asserts several defenses. However, by analyzing the weaknesses in its potential defenses, EA can be exposed for abusively litigating these claims in further disobedience of the law.

C. Abusive Litigation

In his article Abusive Trademark Litigation and the Incredible Shrinking Confusion Doctrine – Trademark Abuse in the Context of Entertainment Media and Cyberspace, K. J. Greene adapted the theory of abusive litigation as it pertained to personal injury suits to create a

107 WONG, supra note 58, at 1083.
108 WONG, supra note 58, at 1083.
109 See Motschenbacher, 498 F.2d 821, 822.
110 See CROSS, supra note 56, at 1244 (“Keller is poised to become the first plaintiff to win a major right-of-publicity case for use of his likeness in a video game.”); The Keller Forecast, supra note 74, at 32 (concluding that the defense of consent will be the instrumental factor toward resolution. Implying that a violation has occurred.); CIANFRONE & BAKER, supra note 21, at 67 (“The arguments posed by Keller provide a strong case for his and the class’ right of publicity argument.”); Wong supra note 58, at 1097 (“[T]he class of former student-athletes . . . has a viable claim against the NCAA for infringing on their right of publicity.”); BRIGHTON, supra note 74, at 288 (“The most likely outcome of the O’Bannon and Keller lawsuits is that the NCAA will be forced to reevaluate its refusal to share profits from its licensing agreement with the student-athletes whose names and likenesses it exploits.”).
111 See NCAA Student-Athlete Name & Likeness Litigation, 2010 WL 5644656, *3 (N.D. Cal. Dec. 17, 2010) (“EA had asserted that Keller’s right of publicity claims under California law, and associated claims, must be stricken because they were trumped by EA’s rights under the First Amendment and the California Constitution.”).
new theory he dubbed “Abusive Trademark Litigation.” In his article, Greene states, “abusive litigation should be conceived to consist of any antisocial conduct through the judicial process that reduces valued resources.” Greene identifies “[t]he hallmark of abusive litigation [a]s the overreaching assertion of [] rights, typically by a large corporate entity against a smaller entity.” This section builds upon Greene’s theory of abusive trademark litigation to show how the large corporation EA is abusively litigating the right of publicity claims pending against them by asserting meritless defense that reduce judicial resources.

1. EA’s Alleged Defenses

   EA has asserted two primary defenses to their right of publicity violations. First, that its games are transformative, and thus worthy of First Amendment protection, and secondly, that its games are public affairs worthy of protection under the public interest defense codified in §3344(d). However, in a preliminary hearing of Keller, before it was consolidated with O’Bannon, the court rejected each of these defenses. They are analyzed below to show how EA is unlikely to successfully argue either defense.

   a. A Non-Transformative Use

   A defense of a transformative use stems from the First Amendment protection of free expression balanced against the competing interest of the right of publicity. The transformative test provides protection when a work depicting another’s likeness is so transformed by additional, transformative elements that it has “become primarily the defendant’s

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112 See GREENE, supra note 7, at 631.
113 See GREENE, supra note 7, at 631.
114 See GREENE, supra note 7, at 631.
115 NCAA Student-Athlete Name & Likeness Litigation, 2010 WL 5644656, *3 (N.D. Cal. Dec. 17, 2010). A third defense of consent is also a possible defense that the NCAA will make against the student-athlete plaintiffs. See, e.g. WONG, supra note 58, at 1088 (discussing the NCAA’s potential defense of consent).
117 CIANFRONE & BAKER, supra note 21, at 52.
own expression rather than the [plaintiff’s] likeness.”¹¹⁸ Looking at some case law applying the transformative test exposes the weakness in this defense for EA.

In Winter v. DC Comics, well-known musicians Edgar and Johnny Winter brought right of publicity claims against the makers of a comic book that depicted the brothers as “villainous half-worm, half-human offspring.”¹¹⁹ In applying the test, the court found that the depictions of the Winter Brothers in the comic books “contain[ed] significant expressive content other than [the] plaintiffs’ mere likenesses.”¹²⁰ The court saw the half-worm characters as “less-than-subtle evocations” of the Winter brothers that did not “depict [the] plaintiffs literally.”¹²¹

In Kirby v. Sega of America, Inc., the lead singer of a retro-funk-dance musical group brought right of publicity claims against the makers of a video game for creating a character that allegedly mimicked her look and dance moves.¹²² Again, the court found that the video game character was a transformative use because “more than a mere likeness or literal depiction of [the plaintiff]” was used.¹²³ Although conceding that there were some similarities between the character and the plaintiff, the court based its finding of a transformative use on the fact that the video game character’s physique, costumes, outfits, and hairstyles were all different than those of the plaintiff.¹²⁴

Finally, in the case Comedy III v. Saderup, the case from which the transformative test originates, the owner of all of the Three Stooges rights brought suit against an artist who was selling t-shirts displaying charcoal drawings of the Three Stooges.¹²⁵ Unlike Winter and Kirby,

¹²⁰ Id. at 479.
¹²¹ Id.
¹²³ Id. at 616.
¹²⁴ Id.
the work in question was an almost photographic representation of the Stooges. Here, the court found no transformative elements as the artist’s goal was to “creat[e] literal, conventional depictions of The Three Stooges so as to exploit their fame.”

Comparing these three cases to the facts at hand suggests that EA will not be able to rely on a transformative defense. EA’s use is unlike that in *Winter* because the virtual players in its game are an attempt to depict the plaintiffs’ as literally as possible. There are no alterations of differences approaching the level of the half-worm, half-man alteration in *Winter*. EA’s use is also unlike that in *Kirby*. In *Kirby*, a transformation was found when the character had different clothing, hairstyle, and physique than the plaintiff. However, EA depicts its characters with the same uniforms, height and build, and hairstyles as their real life counterparts. EA’s use is akin to the use held non-transformative in *Comedy III*. Just as Saderup had created literal, conventional depictions of the Stooges, EA has created the most literal and conventional depictions of real life athletes. Furthermore, EA’s slight changing of the players’ numbers also fails to be transformative when compared to *Motschenbacher* where changing the number 71 to 11 did not affect a finding that the plaintiff’s likeness was used. When compared to these precedents, EA’s transformative defense is likely to fail.

b. A Non-Public Affair

EA also asserts that its video games are public affairs worthy of exemption from the California statutory right of publicity. Under § 3344(d), a use “in connection with any news,
public affairs, or sports broadcasts or account, or any political campaign, shall not constitute a use for which consent is required . . .”  

Again, this defense is very weak for EA.

As the court stated in a preliminary holding of Keller discussing EA’s motion to dismiss, “the statutory cause of action specifically exempts from liability the use of a name or likeness in connection with the reporting of a matter in the public interest.” The court pointed out that EA’s games do not “merely report or publish statistics and abilities” of actual players, but “EA enables consumers to assume the identity of various [] athletes and compete in simulated [games].” On this rationale, the court held that this defense was also a failing one for EA because EA’s use of player likenesses “extends beyond reporting information about [them].” Again, this analysis shows that EA is asserting defense that seem doomed to fail from the start.

One explanation as to why EA is asserting these losing defenses is because it is part of their abusive litigation strategy.

2. EA’s Abusive Litigation Strategy

As Greene states, abusive litigation consists of antisocial conduct through the judicial process that reduces valued resources. This appears to be the practice EA is utilizing in defense of these suits. As discussed above, highlighted by other commentators, and held by the California District Court in a Keller preliminary hearing, EA’s defenses have little to no chance of succeeding, yet EA continues to reassert its losing position. It seems puzzling that such a large corporation would not have a legal team that also recognized the losing position they were

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134 CAL. CIV. CODE § 3344 (d).
136 Id. at *6.
137 Id. at *7.
138 See GREENE, supra note 7, at 631.
so firmly asserting. However, from an abusive litigation standpoint, EA’s strategy begins to materialize.

EA cannot be criticized for seeking all possible avenues in defense of these suits, but it seems as if EA is using its resources as a giant corporation to tie these cases up in litigation and delay resolution of the matter for as long as they possibly can. EA is a giant corporation with yearly revenue over $3.7 billion, and the plaintiff’s are private individuals.\textsuperscript{139} EA has the money to spend endlessly litigating these claims and it appears that this is part of EA’s strategy. Furthermore, considering the enormous profits EA games generate,\textsuperscript{140} it is very much in EA’s advantage to stay this litigation as long as possible. The longer the suit remains unresolved, the longer EA can continue selling its games. In light of the fact that EA makes revenues in the billions of dollars a year, it seems cost effective for EA to tie these claims up in the judicial process for as long as possible rather than receiving a ruling that would require them to cancel production of one or more of its games. The fact that EA, along with the NCAA, has filed multiple motions to stay the resolution of \textit{In Re NCAA Student-Athlete Name & Likeness Litigation} further supports the theory that it is EA’s strategy to delay resolution of these suits as long as possible.\textsuperscript{141}

Before consolidation of \textit{Keller} and \textit{O’Bannon}, EA filed a motion to dismiss Keller’s right of publicity claims based on the defenses discuss above and a motion to strike all proceeding in an anti-SLAPP motion.\textsuperscript{142} The court reached the conclusion that each of EA’s defenses were inapplicable and that the plaintiff’s had sufficiently stated their claims against EA to deny EA’s

\textsuperscript{139} \textit{See supra} note 16.
\textsuperscript{140} \textit{See supra} notes 16, 17.
\textsuperscript{141} \textit{See, e.g.}, \textit{In re NCAA Student-Athlete Name & Likeness Litigation}, 2010 WL 5644656, at *1 (order granting in part and denying in part EA’s motion to stay, denying CLC’s and NCAA’s motions to stay).
\textsuperscript{142} \textit{Id.} at *3-7, 10.
anti-SLAPP motion. Yet, EA has reasserted these defenses in the consolidated action and has appealed the denial of its anti-SLAPP motion. Furthermore, after Keller was consolidated with O’Bannon, EA moved to stay all proceedings and discovery until the appeal of the denial of their anti-SLAPP motion was resolved.

EA’s motion to stay was based primarily on its appeal of the denial of its anti-SLAPP motion to strike. EA appeals the denial of its anti-SLAPP motion on the ground that its video games are transformative and thus warrant Constitutional protection, but as already discussed above a transformative defense is very likely to fail for EA. Furthermore, as one commentator points out, if EA honestly believed that its transformative defense was a winning position, then it would make no sense for EA to pay the hefty sums they do for the use of professional players’ likenesses.

By reasserting its knowingly losing position, EA is engaging in anti-social behavior that is wasting judicial resources. What seems like a clear cut analysis now will have to be analyzed by yet another court, who will likely reach the same conclusion. Moreover, who is to say that if EA loses the appeal of the denial of their anti-SLAPP motion that EA will not appeal again and make additional motions to stay the In Re NCAA Student-Athlete Name & Likeness Litigation. EA is simply using its resources as a giant corporation to assert alleged rights over the smaller individual plaintiffs in effort to tie up the matter in litigation, wasting judicial resources in the process. This is what Greene has identified as the “hallmark” of abusive litigation, and it is

143 Id.
145 Id.
146 Id. at *3.
147 Id.
148 Cross, supra note 56, at 1238 (“If this defense was strong, EA could save a hefty sum by refusing to pay the pros.”).
149 GREENE, supra note 7, at 631.
through this abusive litigation that EA has continued to disobey the laws surrounding the right of publicity.

II. THE LACK CLARITY IN ANTI-PIRACY LAWS RESULTS IN UNFAIR ENFORCEMENT AND COMMAND THE IMPOSSIBLE

Unless you have been living under a rock for the last 15 years, it is obvious that Internet piracy is a large problem facing the entertainment industry. This Section combines two of Fuller’s factors to display how the laws surrounding Internet piracy are contributing to the diminishing rule of law in the entertainment industry. According to Fuller, laws must be written with reasonable clarity so that they do not result in unfair enforcement, and laws must not command the impossible. However, when looking from the point of view of small, independent artists instead of from the point of view of large corporate copyright holders, the current laws surrounding Internet piracy can be exposed for the unfairness and impossible requirements that results from a lack a clarity in the law. The two areas of law affecting Internet piracy that this Section explores are the Digital Millennium Copyright Act (“DMCA”) and the laws of copyright.

A. The Safe Harbors and Take-Down Notices of the DMCA

Congress intended for the DMCA to address the deficiencies in copyright protection that became prevalent as technology advanced. Congress enacted the DMCA to adapt existing law

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150 See, e.g., LAURENT SZUSKIN, SOPHIE FOURQUES DE REUTER, & JENNIFER DOUCLEFF, Beyond Counterfeiting: The Expanding Battle Against Online Piracy, 21 INTELL. PROP. & TECH. L. J. 1, 1 (2009) (“With an annual financial impact in the tens of billions of dollars, online piracy has become a significant cause for concern . . . .”); see also supra note 10 (providing statistics representing the affects of Internet piracy).

151 See FULLER, supra note 3, at 39 (“(4) a failure to make rules understandable; . . . (6) rules that require conduct beyond the powers of the affected party . . . .”); see also YU & GUERNSEY, supra note 6 and accompanying text (restateing Fuller’s factors).

152 See JAY DRATLER JR & STEPHAN M. McJOHN, CYBERLAW: INTELLECTUAL PROPERTY IN THE DIGITAL MILLENNIUM § 1.02 [1] (ALM Properties, Inc. 2009) (discussing deficiencies in copyright enforcement that were addressed by the DMCA including the Copyright Act’s failure to reflect the change in the locus of copying from substantial businesses to small businesses and individuals’ homes).
to make digital networks a safe place to disseminate and exploit copyrighted material.\textsuperscript{153} However, what started out as an effort to adapt the protections traditionally enjoyed by copyright into the digital environment, somehow wound up establishing multiple statutory limitations on liability for Internet service providers ("ISPs") in the form of safe harbor provisions.\textsuperscript{154} Unfair enforcement results because these safe harbor provisions benefit large ISPs over smaller copyright holders. The take-down notice procedures of the DMCA\textsuperscript{155} also benefit larger corporations and command the impossible from smaller individuals.

The safe harbor provisions of the DMCA are codified in 17 U.S.C. § 512.\textsuperscript{156} In their book "Cyberlaw: Intellectual Property in the Digital Millennium," Dratler and McJohn state that § 512 "is intended to facilitate the Internet’s operation and growth by providing a ‘safe harbor’ . . . for certain activates of service providers involving infringing material selected and provided by others."\textsuperscript{157} There are four categories for which ISPs will enjoy immunity under the DMCA: “Transitory digital network communications,”\textsuperscript{158} “System caching,”\textsuperscript{159} “Information residing on systems or networks at direction of users,”\textsuperscript{160} and “Information location tools.”\textsuperscript{161} The names of these four categories have been simplified as follows: 1) Store and Forward Services, 2) Caching, 3) Posting, 4) Linking.\textsuperscript{162}

The first two categories—store and forward services and caching services—consist of ISPs that perform services completed automatically, in real time, and pursuant to technological

\textsuperscript{154} See generally DRATLER & MCJOHN, supra note 152, § 6.01 (discussing the evolution of the laws surrounding ISPs leading up to the enactment of the DMCA safe harbor provisions).
\textsuperscript{156} 17 U.S.C. § 512.
\textsuperscript{157} DRATLER & MCJOHN, supra note 152, § 6.02.
\textsuperscript{158} Id. § 512(a).
\textsuperscript{159} Id. § 512(b).
\textsuperscript{160} Id. § 512(c).
\textsuperscript{161} Id. § 512(d).
\textsuperscript{162} DRATLER & MCJOHN, supra note 152, § 6.01[6][a].
protocols. The last two categories—posting services and linking services—can be differentiated from the first two because each act of posting or linking normally requires a separate human act of volition instead of just some automatic computer operation. Because of the non-instantaneous human involvement required, ISPs have the ability to intervene in linking and posting systems. Thus, to qualify for protection under the safe harbor for the categories of linking and posting, ISPs are required to intervene by making good faith efforts to respond to “take-down” notices which alert the ISPs to infringing material.

These take-down notices require ISPs to remove infringing material on their systems that has been identified by copyright holders, or to block access to infringing material in certain situations. Section 512 provides detailed criteria that these take-down notices must satisfy, but as at least one other commentator states, “[t]he details of the execrable statutory drafting, however, utterly spoil this relatively simple picture.” There is ample scholarship explaining, analyzing, and criticizing these take-down notices, and because this section is just focusing on the unfair enforcement of these provisions, the discussion of these criteria is simplified. Among other things, a take-down notice must be a signed writing, it must identify the

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163 DRATLER & MCJOHN, supra note 152, § 6.01[6][b].
164 See DRATLER & MCJOHN, supra note 152, § 6.01[6][b].
165 DRATLER & MCJOHN, supra note 152, § 6.01[6][b].
166 DRATLER & MCJOHN, supra note 152, § 6.01[6][b].
169 DRATLER & MCJOHN, supra note 152, § 6.01[5].
copyrighted work, and it must identify the allegedly infringing material and its location, such as the URL address of an infringing website.\(^{171}\)

Upon receipt of a take-down notice, an ISP must “act[] expeditiously to remove, or disable access to, the material” to remain eligible for safe harbor protection.\(^{172}\) However, the ISP is also required to notify the alleged infringing party, who then has the opportunity to file a counter notification alleging that the removed or blocked material was not infringing.\(^{173}\) In the event of a counter notification, the ISP must inform the original party complaining of infringement that there has been a counter notification and that the allegedly infringing material will be replaced within ten days.\(^{174}\) The Copyright owner is then required to file an action seeking a court order “to restrain the subscriber from engaging in infringing activity relating to the material on the [ISP’s] system or network.”\(^{175}\) If the copyright owner complaining of infringement does not present the ISP with this court order within ten days of receiving a counter notice, the ISP is required to unblock access to the material.\(^{176}\)

Commentators have criticized this take-down notice procedure because it requires an ISP to simply respond to a take-down notice without making any investigation into the material themselves, possibly benefiting the copyright holders.\(^{177}\) Looking at this procedure from an independent artist’s point of view provides another side of the coin that suggests these procedures benefit large corporate copyright holders and the ISPs while unfairly hindering smaller, independent copyright holders.

\(^{171}\) ROBERT A. GORMAN & JANE C. GINSBURG, COPYRIGHT CASES AND MATERIALS 888 (7th ed. 2006).
\(^{173}\) GORMAN & GINSBURG, supra note 171.
\(^{174}\) GORMAN & GINSBURG, supra note 171, at 889; see also 17 U.S.C. § 512(g).
\(^{175}\) 17 U.S.C. § 512(g)(2)(c).
\(^{176}\) GORMAN & GINSBURG, supra note 171, at 889; see also 17 U.S.C. § 512(g).
\(^{177}\) See, E.g., WILSON, supra note 170; SCHONAUER, supra note 170.
To begin with, the take-down notices and safe harbor provisions of the DMCA place the burden on the copyright owners to identify and notify ISPs of infringing activity taking place on the ISPs networks.\(^{178}\) This may be a task that is easy for giant record companies and Hollywood movie studios to accomplish, but this obligation seems nearly impossible for independent, smaller copyright holders. Large corporate copyright holders possess the manpower, resources, and time to spend scouring the vast Internet to search for instances of infringement of their copyrights. Smaller copyright holders simply do not have the ability to constantly monitor the Internet and would most likely rather spend their time creating new works. Furthermore, ISPs themselves are in a much better position to monitor their own networks,\(^{179}\) yet, this near impossible burden is placed on the copyright holder and not the ISPs.

Secondly, even if a small individual copyright holder is able to locate a website infringing on their rights, they would then need to have an attorney well versed in the DMCA to send out the required take-down notices. Again, this need for a legal resources on hand clearly hinders the smaller right holders’ while it is most likely a normal and expected inconvenience for large corporate right holders’ with in-house legal teams.

Finally, the take-down notices clearly benefit the alleged infringer, and without expending significant legal resources, the rights holder is at a strong disadvantage. When a copyright holder sends a take-down notice, they must identify the location of the infringing material.\(^{180}\) Then the ISP will block access to or remove the infringing material, but only for ten days in the event of a counter notice.\(^{181}\) While the copyright owner is burdened with the

\(^{178}\) See GORMAN & GINSBURG, supra note 171, at 887.

\(^{179}\) See ELKIN-KOREN, supra note 170, at 28-29 (discussing the Clinton Administration’s Working Group on Intellectual Property Rights and their conclusion that “ISPs are in the best ‘postion to know the identity and activitis of their subscribers and to stop unlawful activities’”).


\(^{181}\) Id. § (g)(2)(B-C).
obligation of locating the infringer, the infringer is only required to make “a statement under penalty of perjury that the subscriber has a good faith belief that the material was removed or disabled as a result of mistake or misidentification . . . .”\textsuperscript{182} Therefore, the right holder must spend its resources to locating the infringer and drafting and sending a take-down notice to the ISP, but the infringer only has to offer a statement. Furthermore, if the copyright holder wishes to prevent the ISP from unblocking access to the infringing material they are required to file an action seeking a court order within ten days.\textsuperscript{183} Such a brief period in which to file an action benefits the large corporate right holders with legal resources at their disposal and leaves the smaller independents facing a serious financial dilemma.

Suppose a smaller copyright holder was lucky enough to locate the source of infringing material, and then spent the legal fees sending a take-down notice to the ISP. The copyright holder may think they have done what is required of them, but then they are informed that the infringer believes they are not infringing and that the ISP will be placing the infringing material back online unless the right holder files an action in the very limited window. Now the small, independent copyright holder must decide if it is financially viable to seek this court order, which essentially asserts what has already been asserted in the take-down notice.

Overall, the complex procedures of the take-down notices and the safe harbors of the DMCA unfairly benefit ISPs and large corporate copyright holders and place near impossible burdens on the smaller, independent copyright holders. A result that is no doubt attributable to extensive lobbying by ISPs and Corporate copyright holders.\textsuperscript{184}

\textit{B. Arista Records LLC v. Lime Wire LLC}

\textsuperscript{182} Id. \$ (g)(3)(C).
\textsuperscript{183} Id. \$ (g)(2)(C).
\textsuperscript{184} See GORMAN \& GINSBURG, supra note 171, at 887 (“[T]he prospect of even direct liability for contributory infringement appears to have spurred service providers to lobby Congress for exemptions or reductions in their liability to copyright owners.”).
The recent case of Arista Records LLC v. Lime Wire LLC also evinces how the ambiguity in the laws surrounding Internet piracy are resulting in unfair enforcement against smaller, independent artists. In this case, thirteen major record companies that “collectively produce, manufacture, distribute, sell, and license ‘the vast majority of copyrighted sound recordings sold in the United States,’” brought an infringement action against Lime Wire, operators of a peer-to-peer file-sharing network. Lime Wire was found liable for secondary copyright infringement, but there was a dispute about the damages to be awarded. A lack of clarity in the laws of copyright referencing damage awards presented the question of how much of an award was due to Arista. In a subsequent suit, the plaintiffs’ entitlement to statutory damages was the threshold dispute.

The record company plaintiffs identified approximately 11,000 sound recordings that were being infringed via Lime Wire’s system. The plaintiffs’ elected to seek statutory damages under § 504(c)(1) of the Copyright Act. However, the lack of clarity in this section presented the following issue:

[M]ay Plaintiffs recover from Lime Wire a separate statutory award for each individual’s infringement of a work . . . . Or, rather are Plaintiffs limited to one statutory damage award per work from the Defendants, regardless of the number of direct infringers of that work . . . .

After analyzing the relevant sections of the Copyright Act and the principle of joint and several liability, the court held that the “Plaintiffs are entitled to a single statutory damage award from

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188 See Id.
189 Id.
190 Id.
191 Id.; 17 U.S.C. § 504(c)(1).
the Defendants per work infringed, regardless of how many individual users directly infringed that particular work.”

This holding was also based on the absurdity of the result that the plaintiffs were seeking. The court stated that if the plaintiffs’ were awarded the maximum statutory damage award of $150,000 for each of approximately 10,000 works that the potential award could escalate into the billions and trillions of dollars. The court then noted, as Lime Wire had pointed out, that the “Plaintiffs are suggesting an award that is ‘more money than the entire music recording industry has made since Edison’s invention of the phonograph in 1877.’”

The court stated that this absurd result was one of the factors that motivated the court to reject the Plaintiffs theory that they should be entitled to a damages award for each instance of infringement rather than a single award for each work infringed. While it seems just as absurd to argue that the award requested was not absurd, an argument can be made that the greed of these big record companies has led to a holding that stands to unfairly affect smaller independent artists.

By issuing a holding in fear of an absurd award for thirteen major record companies, the court issued a ruling that has the potential to severely limit awards for independent artists. The thirteen record companies involved in this suit collectively own “the vast majority of copyrighted sound recordings sold in the United States.” They were seeking damages for multiple instances of infringement of approximately 11,000 works. Based on the courts ruling limiting the damages to only one award per work infringed regardless of how many users infringed the

193 Id. at *6.
194 Id. at *3.
195 Id.
196 Id. at *3 (citing Def. Mem. at 2-3).
197 See id.
199 See Arista, 2011 WL 832172 at *1.
work, the record companies still stand to receive a sizeable award because they own such a large collection of works. But independent artists most likely only own several copyrights of their own sound recordings, and not the vast majority of all sound recordings sold in the United States that these large record companies own.

Furthermore, the music industry model of selling albums consisting of multiple songs is transitioning to a model in which the sale of a single song or “single” is the dominant sales model. Under this current trend in the music industry, an artist may have only a single hit song instead of a hit album consisting of multiple songs. According to Arista, if small independent artists follow this trend and have only one hit song and that one song is vastly pirated through the Internet and infringed upon thousands of times, the artists will be limited to only a single damage award because only a single work of theirs has been infringed. Arista, does not harm the large record companies in the same capacity because the large companies have thousands of works from which damage awards can be based upon.

For example, if a major record company owns the copyrights in 200 sound recordings and those 200 sound recordings are infringed 10,000 times through a peer-to-peer website, under Arista, the major record company can still obtain damages up to two million dollars. Despite the major record company losing significant sales from the 10,000 infringers, it can still obtain a sizeable award lessening their total loss of sales.

However, if an independent artist only makes one hit song in their life and that song is infringed 10,000 times through a peer-to-peer network, under Arista, the artist would only be

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200 See id. at *6.
201 See, e.g., Aaron Albano, The Single is the New LP (Again), ELECTRONIC MUSICIAN, Apr. 2011 Vol. 27 No. 4, at 46-47.
202 See Albano, supra note 201.
203 See Arista, 715 F. Supp. 2d 481, 492.
204 200 works multiplied by a maximum statutory damage award of $150,000.
able to receive a maximum damage award of $150,000—the maximum statutory damage award. The artist’s hit song which could have had the potential to yield the artist millions of dollars is now limited to earning the artist $150,000 at the maximum. Unlike the major record labels, independent artists do not have the extensive copyright portfolios and therefore cannot fall back into the safety net of multiple awards for multiple works. The lack of clarity in the law has thus resulted in unfair enforcement benefiting major record companies and hindering independent artists and small record companies.

III. LAWS SHOULD ALLOW FOR TIMELY REVISION; OFFICIAL ACTION SHOULD BE CONSISTENT

“R. E. S. P. E. C. T. . . . Just a little bit”\textsuperscript{205}

The last two of Fuller’s factors necessary to institute an effective rule of law require that the law allows for timely revision when the underlying political and social circumstances have changed and that official action is consistent with the declared rules.\textsuperscript{206} This Section first examines recent efforts to revise the law in an effort to respond to the changes in social and political circumstances, and then proposes some solutions to help reestablish the rule of entertainment law.

A. Establishment of the Senior Intellectual Property Enforcement Advisory Committee.

On February 8, 2011 President B. H. Obama issued Executive Order 13565 establishing the Senior Intellectual Property Enforcement Committee.\textsuperscript{207} President Obama stated that this committee was being established:

[I]n order to strengthen the efforts of the Federal Government to encourage innovation through effective and efficient enforcement of laws protecting copyrights, patents, trademarks, trade secrets, and other forms of intellectual

\textsuperscript{205} \textit{Aretha Franklin}, \textit{I Never Loved a Man the Way I Love You} (Rhino 1967).

\textsuperscript{206} See Fuller, supra note 3, at 39; supra note 3 and accompanying text; see also Yu & Guernsey, supra note 6 and accompanying text (restating Fuller’s factors).

\textsuperscript{207} Exec, Order No. 13565, 76 Fed. Reg. 7681, 7681 (2011); 2011 WL 467429.
property, both in the United States and abroad, including matters relating to combating infringement . . .  

This Executive Order also established the position of the “Intellectual Property Enforcement Coordinator,” to which President Obama appointed Victoria Espinel. The Executive Order states the mission of Ms. Espinel and this committee shall be to develop a Joint Strategic Plan every three years to accomplish the goals stated above.

After the first Joint Strategic Plan was issued, a White Paper was issued as a follow up to suggest “specific recommended legislative changes designed to increase the effectiveness of U.S. enforcement efforts.” This White Paper stated, “[p]iracy and counterfeiting in the online environment are significant concerns for the Administration.” Thus, the White Paper recommended legislative changes “to give enforcement agencies the tools they need to combat infringement.” One of these changes was a suggestion that “infringement by streaming, or by means of other similar new technology, is a felony.” The White Paper also recommended a legislative change to “create a right of public performance for copyright owners for sound recordings transmitted by over-the-air broadcast stations . . . .”

Some commentators have criticized the establishment of this committee and have referred to Ms. Espinel’s position as the “IP Czar.” However, according to Fuller, this is a

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208 Id.
209 Id.
210 See HAYDEN W. GREGORY, What Fate Awaits the New White House Intellectual Property Enforcement Coordinator: IP Czar—or Nicholas II?, 2 NO. 3 LANDSLIDE 5, 5 (Jan./Feb. 2010).
213 Id.
214 Id. at 2
215 Id.
216 Id. at 3.
step in the right direction. The social circumstances surrounding infringement have changed with the advent of the Internet by the mass piracy epidemic, so too have the political circumstances changed with the election of President Obama. Therefore, as Fuller’s factor suggests, the law must also allow for revision, and this is exactly what is being done through the establishment of the Senior Intellectual Property Enforcement Committee and the recommending legislative changes.

Furthermore, Fuller’s last factor requires that official action be consistent with the laws. The White Paper also recommended increasing sentencing guidelines for “trademark and copyright offense when infringing products are knowingly sold for use in national defense, national security, critical infrastructure, or by law enforcement.” This recommendation is striving to satisfy Fuller’s factor by requiring that government officials and employees are acting consistent with the piracy laws. However, the fact that this White Paper recommends steeper penalties for infringement by government officials supports the fact that the laws are not being obeyed.

Whether Congress adopts these legislative changes and whether the “IP Czar” has any significant impact remains to be seen, but nonetheless, this is an effort in the right direction toward reestablishing the diminishing rule of entertainment law.

B. The U.K.’s Digital Economy Act

While the establishment of the IP Czar and her recommended legislative changes are a step toward reestablishing the rule of entertainment law, there are still more steps that can be taken to strengthen the laws surrounding piracy. For example, the United Kingdom recently

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218 See, e.g., GREGORY supra note 210 (“the media fondly refers to this position as ‘the intellectual property enforcement Czar . . . .’”)
219 See supra notes 3, 6 and accompanying text.
220 White Paper supra note 212.
proposed the Digital Economy Act (“DEA”). 221 Under this Act if caught downloading infringing material, the ISP will issue a warning, upon a second offense, the ISP will suspend Internet service to the user, and in the event of a third offense, the ISP will ban the user from the Internet. 222 This act proposes to do exactly the opposite of what the DMCA safe harbors do not—place the burden of monitoring for infringement on the ISPs.

Despite heavy criticism, the DEA recently survived a judicial review brought by two of the U.K.’s larger ISPs. 223 Again, time will only tell whether the DEA is effective in reducing Internet Piracy. However, the idea of placing the burden on the ISPs to monitor for infringement instead of the copyright holders is a method the U.S. should employ to reduce the unfairness in the current piracy laws. Adopting legislation like the DEA would help to restore the rule of law surrounding the DMCA and the laws surrounding Internet piracy.

C. Federalize the Right of Publicity

The simplest way to restore the rule of law of the right of publicity is to create a federal right of publicity. The multitude of different state and statutory rights of publicity only create ambiguity and leave those required to obey the law confused about what is and what is not a violation. 224 Creating a federal right of publicity that would preempt all existing rights of publicity would eliminate the ambiguity and confusing and allow for more predictable and consistent rulings. Several other commentators have also urged for a federal right of publicity. 225

In addition, the International Trademark Association and the Intellectual Property Section of the

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224 See supra note 77.
225 See, e.g., JOHANSSON, supra note 18, at 791 & n. 77 (“[S]everal commentators have argued that Congress should enact a federal right of publicity.”).
American Bar Association have both proposed amending the Lanham Act to include a right of publicity.226 As Fuller’s factor dictates, it is time for the law to respond to the change in circumstances and revise the right of publicity in order to restore the rule of law.

**Conclusion**

By analyzing the factors Lon L. Fuller outlined as necessary for establishing an effective rule of law, the current laws surrounding the entertainment industry are exposed for their contribution to the diminishing rule of entertainment law. The right of publicity is being grossly disobeyed by giant video game manufacturers at the expense of smaller individuals. The lack of clarity in the laws surrounding Internet piracy results in unfair enforcement, benefiting large corporate copyright holders and hindering smaller independent artists. While the current Presidential Administration has taken steps to restore the rule of law, there is still further action that can and should be taken. The rule of law in the entertainment industry is diminishing and unless action is taken to revise the law to account for changed circumstances, the laws surrounding the entertainment industry will continue to operate as a malfunctioning legal system devoid of the rule of law.

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226 See, e.g., JOHANSSON, supra note 18, at 791-792; The Keller Forecast, supra note 74, at 21.