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Right of Publicity

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V. RIGHT OF PUBLICITY

A. Descendibility and Sufficiency of Exploitation During Life

1. *Martin Luther King, Jr. v. American Heritage Products, Inc.*

The right of publicity has been defined as an individual's right to exclusive control over the commercial exploitation of his or her name and likeness.¹ This right is most often asserted by or on behalf of professional athletes, actors, actresses, comedians, and other entertainers. In *Martin Luther King, Jr., Center for Social Change, Inc. v. American Heritage Products, Inc.*,² however, the controversy involved the right of publicity of assassinated civil rights leader Martin Luther King, Jr., a public figure who did not fall into any of these categories.

The Eleventh Circuit Court of Appeal based its decision on the Georgia Supreme Court's response to its certified questions regarding the right of publicity. According to the Supreme Court of Georgia, the right of publicity for public figures such as Dr. King is a right distinct from the right of privacy,³ and is both inheritable and devisable, thereby surviving the death of its owner.⁴ Furthermore, and perhaps of greater importance, the court held that exploitation of the right during the life of the owner is not a prerequisite to its descendibility.⁵

Plaintiffs were the Martin Luther King, Jr., Center for Social Change (the Center),⁶ Coretta Scott King, as administratrix of Dr. King's estate, and Motown Record Corporation, the assignee of the rights to several of Dr. King's copyrighted speeches. Defendant James E. Bolen manufactured and sold plastic busts of Dr. King through his company, American Heritage Products, Inc. Although the Center refused Bolen's offer to have the Center participate and endorse the marketing of the busts, Bolen began promoting the product on a national scale. Bolen's advertisements, which purported to offer the bust as "an exclusive memorial" and "an opportunity to support the Martin Luther King, Jr., Center for Social Change," also stated that a portion of the

1. *Zacchini v. Scripps-Howard Broadcasting Co.*, 433 U.S. 562, 569 (1977).

2. 694 F.2d 674 (11th Cir. 1983).

3. *Id.* at 680.

4. *Id.* at 681-82.

5. *Id.* at 683. Exploitation is, according to the court, "commercial use by the celebrity other than the activity which made him or her famous."

6. The Center is a non-profit organization seeking to promote the ideals of Dr. King.

purchase price would be donated to the Center.⁷ Testimony in the district court revealed that money had been tendered by Bolen to the Center, but that it was refused by its governing Board.⁸

Suit was filed in the United States District Court for the Northern District of Georgia to enjoin further advertisements and sales of the busts. The district court granted an injunction against Bolen's use of the Center's name in advertising and marketing the bust, and against further use of King's copyrighted material. The court did not, however, enjoin the manufacture and sales of the busts. The Center claimed that the manufacture and sale of the busts infringed upon Dr. King's right of publicity which had descended to his heirs.⁹ The court concluded that it was unnecessary to reach the descendibility question in Georgia because Dr. King had not commercially exploited this right during his lifetime.¹⁰ On the Center's appeal of the partial denial of the preliminary injunction, the Eleventh Circuit Court of Appeals, adopting the opinion of the Georgia Supreme Court, reversed and remanded.

In the absence of controlling Georgia precedents on the issues presented, the Georgia Supreme Court first concluded that public figures have a right of publicity similar to a private citizen's right of privacy.¹¹ The court noted that the interest protected in right of publicity cases, however, "is not so much a mental as a proprietary one, in the exclusive use of the plaintiff's name and likeness as an aspect of his identity."¹² The court stated that lower Georgia courts have recognized

7. 694 F.2d at 675. The advertisements were placed by Bolen in the November and December 1980 issues of *Ebony* magazine. Moreover, Bolen published a brochure which was inserted in 80,000 copies of newspapers nationwide. The brochures repeated the statements made in the advertisements in *Ebony* and also contained photographs of Dr. King and portions of his copyrighted speeches. Furthermore, Bolen testified that out of the \$29.95 purchase price, 3% was set aside as a contribution to the Center. Although a trust fund for the contributed earnings was established, the trust fund agreement was never executed.

8. 694 F.2d at 675.

9. *Id.* at 676.

10. *Id.*

11. *Id.* at 680.

12. *Id.* at 679-80. The court cited *Cabaniss v. Hipsley*, 114 Ga. App. 367, 151 S.E.2d 496 (1966), to illustrate Dean Prosser's four-pronged analysis of the right of privacy, published in *Privacy* 48 Calif. L. Rev. 383 (1960). Prosser suggests that the invasion of privacy is, in fact, composed of four loosely related torts under a common name; and that there are four distinct types of invasions of four distinct interests of plaintiff. These four torts have been described as: "(1) intrusion upon the plaintiff's seclusion or solitude, or into his private affairs; (2) public disclosure of embarrassing facts about plaintiff; (3) publicity which places plaintiff in a false light in the public eye; (4) misappropriation for the defendant's advantage, of plaintiff's name or likeness." The right of publicity derives from this fourth prong.

the rights of both private citizens¹³ as well as entertainers¹⁴ to prevent the unauthorized use of their names and photographs for the financial gain of the user. The court went on to conclude, "[w]e know of no reason why a public figure prominent in religion and civil rights should be entitled to less protection than an exotic dancer or a movie actress."¹⁵

The Georgia Supreme Court further held that, even in the absence of exploitation of the right during the owner's lifetime, the right of publicity was descendible.¹⁶ The court stated that the right of publicity is assignable during the life of a celebrity because "without this characteristic, full commercial exploitation of one's name and likeness is practically impossible."¹⁷ Recognizing its assignability, the court was influenced by many cases and commentators that have urged that the right of publicity must also be descendible.¹⁸ To hold otherwise would, in effect, destroy the value of both the financial benefits accruing to the celebrity's heirs and of any exclusive rights purchased by assignees.¹⁹ The court intimated that, profit from the use of the celebrity's name or likeness should accrue to the benefit of the celebrity's heirs, instead of to unauthorized users.²⁰ The court noted that, if the right of publicity was not descendible, the result would be to grant "a windfall in the form of freedom to use with impunity the name or likeness of the deceased celebrity who may have worked his or her entire life to attain celebrity status."²¹ The court also stated that recognition of the right of

13. *Pavesich v. New England Life Insurance Co.*, 122 Ga. 190, 50 S.E. 68 (1908)(holding that the "publication of a picture of a person, without his consent, as part of an advertisement, for the purposes of exploiting the publisher's business, is a violation of the right of privacy of the person whose picture is reproduced. . . .").

14. *Cabaniss v. Hipsley*, 114 Ga. App. 367, 151 S.E.2d 496 (1966) (holding that plaintiff, an exotic dancer, could recover from the owner of the Atlanta Playboy Club for the unauthorized use of the dancer's misnamed photograph in an entertainment magazine advertising the Playboy Club); *McQueen v. Wilson*, 117 Ga. App. 488, 161 S.E.2d 63, *reversed on other grounds*, 224 Ga. 420, 162 S.E.2d 313 (1968)(the Court of Appeal holding that a film actress could recover for the unauthorized use of her photograph).

15. 694 F.2d at 680. The court was referring to the *Cabaniss* and *McQueen* cases, *supra*, at note 14.

16. *Id.* at 683.

17. *Id.* at 680-81, citing *Haelan Laboratories v. Topps Chewing Gum*, 202 F.2d 866, 868 (2d Cir. 1953).

18. *Id.* at 681.

19. *Id.*

20. *Id.* at 682.

21. *Id.*; the court cited *Estate of Presley v. Russen*, 513 F. Supp. 1339, 1355 (1981), which quoted Chief Justice Bird's dissent in *Lugosi v. Universal Pictures*, 25 Cal. 3d 813, 603 P.2d 425, 160 Cal. Rptr. 323 (1979).

publicity rewards and thereby encourages effort and creativity.²² Furthermore, the court stated that the trend since the early common law has been "to recognize survivability, notwithstanding the legal problems which may thereby arise."²³

Finally, and most importantly, the court held that exploitation is not a prerequisite to descendibility of the right of publicity. The facts of this case bring this point into focus because a well-known minister like Dr. King "may avoid exploiting his prominence during life because to do otherwise would impair his ministry."²⁴ The court, in attempting to avoid placing an undesirable premium on exploitation, concluded that a person who avoids exploitation during life is entitled to have his image protected against exploitation after death. He is entitled to such protection "just as much if not more than a person who exploited his image during life."²⁵

The concurring opinion²⁶ agreed only with the result reached by the majority while disagreeing with its substantive analysis. The concurrence stated that while the Center is entitled to relief, its remedy is founded in the common count of money had and received,²⁷ and not in the right of publicity. The concurrence cautioned that by proclaiming this new right of publicity, the majority has "created an open-ended and ill-defined force which jeopardizes a right of unquestioned authenticity—free speech."²⁸ Further, the majority statement that the new right of publicity is violated only in cases involving financial gain, is a tenuous standard. The dividing line, according to the concurrence, should not be premised on the presence or absence of proprietary gain, but should focus instead on community standards of what is fair and of what is unconscionable.²⁹

The *King* decision is important in that it is distinguishable from most right of publicity cases. While Dr. King was a public figure, his primary purpose was not to make money, but rather to promote a public service. It appears to this author that the majority seemed to be

22. *Id.*

23. *Id.* The court cited no authority for this proposition.

24. *Id.* at 683.

25. *Id.*

26. The concurring opinion was filed by Justice Weltner of the Georgia Supreme Court.

27. 694 F.2d at 685.

28. *Id.* The concurrence posits that the commercial merchandising of the likeness of Dr. King may be "speech" within the ambit of First Amendment inquires.

29. *Id.* at 686. The concurrence stated that all speech is not "'free', in the sense of being immune from all consequence." Further, the law may impose restraints upon forms of speech where the community decides the "calculable evil of its license plainly outweighs the potential evil of its prohibition."

protecting Dr. King's right of privacy. The Center sought injunctive relief to prohibit the marketing of busts "unfitting" to the image of Dr. King, a complaint sounding more in the right of privacy than in the right of publicity. As the concurrence suggested, the Center had other routes by which to obtain the desired injunction.³⁰ This expansion of the right of publicity as a means of affording relief to plaintiffs, therefore, seems unnecessary.

It is not clear here that the right of publicity is entirely distinct from the right of privacy against commercial appropriation.³¹ It has been suggested that the two rights give rise to essentially the same cause of action.³² In both right of publicity actions and privacy-misappropriation cases, the alleged harm is one of unauthorized commercial appropriation by defendant of plaintiff's name and likeness.³³ However, the two rights are distinguishable. For example, the general rule is that the right of privacy is personal to the individual and is neither assignable nor descendible.³⁴ To uphold the descendibility of the right of publicity in cases analogous to privacy-misappropriation cases, therefore, is to circumscribe the general rule and allow a right of privacy to descend after the death of the individual. This is precisely what the majority has done in *King*.

One cannot confidently state what the effects of the *King* decision will be on entertainers in Georgia because the facts are clearly distinguishable from the usual context in which the right has been upheld. The court stated that a public figure who guards against exploitation in his lifetime, is entitled to have exploitation guarded against after death. The court does not declare that one who does exploit his commercial interests while alive, is guaranteed the ability to pass these publicity rights on to his heirs. Given Dr. King's commercial reluctance and the political posture surrounding the case, the decision should be narrowly construed. Dr. King was the pivotal black civil rights leader in the 1960s. If his right of publicity was held to be not descendible, then, in effect, anyone could use Dr. King's image for unlimited purposes with impunity. This may have been a disturbing prospect for the Georgia Supreme Court. The pending establishment of Dr. King's birthday as a national holiday could not have escaped their consideration of this

30. *Id.* at 685.

31. See note 12, *supra*.

32. See Hoffman, *Limitations on the Right of Publicity*, 28 Bulletin, Copyright Society of the U.S.A., 112, 135 (1980).

33. *Id.*

34. See W. Prosser, *Handbook of the Law of Torts*, § 117, 814-15 (4th ed. 1971).

case. Given these circumstances, one would not expect the Georgia Supreme Court to deny the Center, and to some degree the state of Georgia, the increased economic and political value attributable to Martin Luther King. Consequently, it is not clear that this case can be relied on for the general proposition that an entertainer in Georgia has descendible publicity rights, with or without exploitation of his commercial rights while alive.

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2. *Commerce Union Bank v. Coors; Factors Etc., Inc. v. Pro Arts, Inc.*

Commerce Union Bank v. Coors 7 Med. L. Rptr. 2204 (Tennessee Chancery Court) (1981) — Despite a prior and contrary Sixth Circuit ruling, the Tennessee Chancery Court held that the right of publicity is inheritable and survives death.

Factors Etc., Inc. v. Pro Arts, Inc. 541 F. Supp. 231 (1982) — In light of the Tennessee Chancery Court ruling, the U.S. District Court held that final entry of judgment would be stayed so that the Second Circuit could re-evaluate whether right of publicity was descendible.

Courts have almost universally recognized that celebrities should be able to profit commercially from the exploitation of their likenesses through various merchandising and marketing endeavors.¹ What has not been determined is whether that right should be descendible. The following cases offer a unique opportunity to examine how courts address the area of right of publicity given a conflicting body of precedent.²

In the 1940's, Lester Flatt, a popular bluegrass vocalist and guitar player, teamed up with banjo player Earl Scruggs and developed a distinctive sound that continued to gain popularity through the next few decades. In fact, at the pinnacle of their career in the 1960's, the

* The author wishes to acknowledge the valuable assistance and support of Clifford Werber.

1. See generally Heneghan & Wamsley, *The Service Mark Alternative To The Right Of Publicity: Estate of Presley v. Russen*, 14 Pac. L. J. 181 (1983); Note, *The Right of Publicity—Protection for Public Figures and Celebrities*, 42 Brooklyn L. Rev. 527 (1976); Gordon, *Right of Privacy in Name, Likeness, Personality and History*, 55 Nw. U.L. Rev. 553 (1960).

2. The term "right of publicity" was first examined in the case of *Halean Laboratories, Inc. v. Topps Chewing Gum, Inc.*, 202 F.2d 866 (2d cir.), cert. denied, 346 U.S. 816 (1953).

music of Flatt and Scruggs was used as the theme for the hit television series *The Beverly Hillbillies*. The motion picture *Bonnie and Clyde* also featured much of their music.

In the mid-50's Flatt established a commercial relationship with Martha White Mills, Nashville-based producer of Martha White Flour. He and Scruggs were featured on radio and later in television shows sponsored by the company, thereby establishing a close tie with the firm that lasted beyond the Flatt-Scruggs split-up in 1969.

In April, 1981 (nearly two years after Flatt's death)³, Coors initiated an advertising campaign, distributing posters that prominently featured an artist's depiction of Flatt and Scruggs, along with their musical group, The Foggy Mountain Boys. Coors had never obtained permission to use Flatt's likeness on the posters and made no attempt to compensate the estate for its use. In *Commerce Union Bank v. Coors*,⁴ the suit brought by Flatt's estate alleging a violation of Flatt's right of publicity, Coors sought dismissal on the grounds that Flatt's right of publicity did not survive his death.⁵

The Tennessee Chancery Court hearing the case had to consider a contradictory body of law concerning the right of publicity. Of most concern were two recent cases holding that a celebrity's right of publicity did not survive death.

The chancery court first considered *Lugosi v. Universal Pictures*⁶, in which the California Supreme Court held that since actor Bela Lugosi had not exploited his likeness commercially during his lifetime, his right of publicity did not survive his death (was not descendible to his heirs). *Lugosi* was distinguishable, as the case dealt not with Lugosi's own persona, but with the exploitation of the Count Dracula character, to which arguably Lugosi had no claim.

Whether California courts would find the right to be descendible even if sufficiently exploited during one's life (as Flatt had done) remains in doubt. In a decision following *Lugosi*, and not addressed in *Flatt*, the California Supreme Court reaffirmed its earlier reasoning finding that the nephew of the late Rudolf Valentino had no right to damages in a claim against a television program depicting the life of the actor. The court stated that "[t]he right of publicity is not descendi-

3. Flatt died on May 11, 1979 at the age of 64.

4. 7 Med. L. Rptr. 2204 (1981).

5. *Id.*

6. 25 Cal.3d 813, 603 P.2d 425, 160 Cal. Rptr. 323, (1979).

ble and expires on the death of the person so protected.”⁷

Memphis Development Foundation v. Factors Etc., Inc.,⁸ the second case considered by the chancery court in *Commerce*, has since become the source of much confusion in the area. This Sixth Circuit decision dealt with Factors’ exclusive license to exploit Elvis Presley’s name commercially. Memphis Development Foundation had originally sued Factors in federal district court in Tennessee in an effort to prevent Factors from interfering with its plan to erect a large statue of Presley in downtown Memphis. Funds for the project were to be raised by selling small pewter replicas of the proposed statue. After the district court held for Factors and entered a permanent injunction, its decision was overturned on appeal by the Sixth Circuit. The appellate court concluded that although Tennessee courts had not directly or indirectly addressed the issue, the right of publicity was not descendible.⁹ This decision has been highly criticized by those who feel that the appellate court arrived at its holding through arbitrary reasoning.¹⁰

Realizing that the Sixth Circuit’s ruling in *Memphis* was irreconcilable with its own reasoning, the chancery court in *Commerce* attempted to justify its actions by stating that they were not bound by a federal court decision. The court noted that the reasoning of the district court seemed more persuasive than that of the appellate court. Furthermore, the chancery court stressed a public policy approach, arguing that the right of publicity “should” survive after death because of judicial precedent, as well as “fundamental fairness considerations.”¹¹

The court, in *Commerce*, looked to the dissent by Justice Mansfield in *Factors Etc., Inc. v. Pro Arts, Inc.*¹², where he stated, “It would be rational for Tennessee courts to adopt a policy enhancing the continued growth of Nashville and Memphis as centers for the lives and activities of music industry personalities.”¹³ Mansfield felt that the

7. *Guglielmi v. Spelling-Goldberg Prods.*, 25 Cal. 3d 860, 861, 603 P.2d 454, 455, 160 Cal. Rptr. 352, 353 (1979).

8. 616 F.2d 956 (6th Cir. 1980), *cert. denied*, 449 U.S. 953 (1980).

9. *Id.*

10. See Balog, *Factors Etc., Inc. v. Pro Arts Inc.: Deference To Circuit Court Rulings On State Law*, 15 John Marshall L. Rev. 499 (1982), examining the procedural inconsistencies caused by the *Memphis* decision, and how the Second Circuit’s later reliance on the Sixth Circuit’s interpretation of Tennessee state law may have been misplaced and in potential conflict with the well-supported dictates of *Erie v. Tompkins*, 304 U.S. 64 (1938) (*Erie* requires federal courts in diversity cases to look to the substantive law of the states in which it sits).

11. 7 Med. L. Rptr. at 2208.

12. 652 F.2d 278, 288 (2d Cir. 1981).

13. *Id.*

Memphis decision was not derived from a careful analysis of Tennessee law. The chancery court relied upon Mansfield's dissent in support of its belief that it would be "unreasonable" for them to not protect "the efforts and energies" of Tennessee artists.¹⁴

The *Commerce* opinion demanded consideration by the district court in its ruling in *Factors Etc., Inc. v. Pro Arts, Inc.*,¹⁵ the second case considered in this article. The case was initially instituted in 1977 when Factors Etc., Inc. and Boxcar Enterprises brought action to prevent Pro Arts, Inc. and Stop and Shop Companies from selling merchandise, such as memorial posters of Elvis Presley.¹⁶ Boxcar alleged that it had contracted with Presley, prior to his death, for the exclusive right to merchandise Elvis Presley products. After Presley's death, Boxcar granted Factors an exclusive license to use Presley's name and likeness in connection with the manufacture and sale of any kind of merchandise.

Factors initiated action in federal district court in New York, where the court held that since a descendible right of publicity existed under New York law, Factors was entitled to an injunction restraining Pro Arts from manufacturing, selling, or distributing the Presley posters and from making any further commercial use of his name or likeness.¹⁷

The ruling was affirmed by the Second Circuit in a decision now known as *Factors I*.¹⁸ The United States Supreme Court denied certiorari on defendant Pro Arts' motion.¹⁹ The district court subsequently entered summary judgment for Factors, issued a permanent injunction prohibiting Pro Arts from marketing Presley memorabilia, and ordered that further proceedings be held to determine damages.²⁰

Pro Arts appealed, arguing that Tennessee law as enunciated by the Sixth Circuit in *Memphis Development*,²¹ should be applied. Despite its earlier affirmance of the preliminary injunction, the Second Circuit now reversed.²² In a ruling now recognized as *Factors II*, the court concluded that the case should be resolved on the basis of Tennessee law; since Tennessee law afforded no answer to the question of

14. 7 Med. L. Rptr. at 2208.

15. 541 F. Supp. 231 (S.D.N.Y. 1982).

16. *Factors Etc., Inc. v. Pro Arts, Inc.*, 444 F.Supp. 288 (S.D.N.Y. 1977).

17. *Id.*

18. *Factors Etc., Inc. v. Pro Arts, Inc.*, 579 F.2d 215 (2d Cir. 1978).

19. 440 U.S. 908 (1979).

20. *Factors Etc., Inc. v. Pro Arts, Inc.*, 496 F.Supp. 1090 (S.D.N.Y. 1980).

21. 616 F.2d 956.

22. 652 F.2d at 281, 283.

whether the right was descendible, it would defer to the Sixth Circuit's holding in *Memphis Development*.²³ This time it was Factors which sought and was denied certiorari in the Supreme Court.²⁴

The case came back to the U.S. District Court in 1982, on Pro Arts' motion for summary judgment and for an assessment of damages for wrongful injunction. Factors cross-moved for summary judgment, and, alternatively, requested the court to stay entry of judgment to permit Factors to petition the Second Circuit for recall of its mandate and for rehearing. Factors relied on *Commerce Union Bank v. Coors*²⁵, decided in the interim, since it enunciated for the first time a clear statement of Tennessee law on the right of publicity.

The district court noted that *Commerce*²⁶ was only a state court decision and as such, not binding on federal court, but held it nevertheless entitled to proper regard. Its reasoning was clearly influenced by the chancery court decision and in fact the court's conclusion stated that since *Factors II*²⁷ and *Memphis Development*²⁸ were decided before the Tennessee court's decision in *Commerce*, the court would stay entry of judgment in order to permit Factors to petition the Second Circuit to rehear the case in view of the recent intervening state court decision.

Unfortunately for Factors, another Tennessee Chancery Court decision had been decided prior to their hearing in the Second Circuit. This interim case, *Lancaster v. Factors*,²⁹ decided in Shelby County, involved yet another Presley right of publicity matter, but surprisingly this chancery court was not influenced by the reasoning of its sister court.

Relying on *Memphis Development*,³⁰ the court pointed to the problems in distinguishing between the "commercial" publicity right enjoyed by the entertainer and the "public" right which the entertainer relinquishes during his lifetime.³¹ The *Lancaster* court found that the commercial exploitation rights in the name, likeness, and image of Presley terminated on his death. This second chancery court's conflict-

23. 652 F.2d at 281, 283.

24. 456 U.S. 927 (1982).

25. See 7 Med. L. Reptr. 2204.

26. *Id.*

27. See 652 F.2d 278.

28. See 616 F.2d 956.

29. 9 Med. L. Rptr. 1109 (1982).

30. See 616 F.2d 956.

31. 9 Med. L. Rptr. at 1110.

ing ruling was all the Second Circuit needed to deny the petition for rehearing then before it.

In early 1983, the Second Circuit court in *Factors Etc., Inc. v. Pro Arts, Inc.*³² held that the two conflicting chancery court decisions made it unnecessary for a determination of whether *Commerce*³³ warranted the disregarding of the Sixth Circuit's decision in *Memphis Development*.³⁴ The court stated that the *Lancaster*³⁵ holding was entitled to no less weight than *Commerce*. In fact, the *Lancaster* case may even have carried more precedential weight, as it involved the same parties who were plaintiffs in the current litigation. Pursuant to this reasoning, the Second Circuit Court of Appeals denied the motion to recall the mandate and the alternative petition for rehearing was also summarily denied.³⁶

The finality in the current exhaustive line of reasoning which holds against descendibility (at least in Tennessee) was further substantiated when the *Factors* case came before the U.S. District Court in New York to assess damages against *Factors*.³⁷

In its ruling, the court appeared to apologize for the unfortunate procedural vacillation of the case, noting the rollercoaster nature of the line of decisions. Nevertheless, the court followed the most recent path of reasoning in granting defendants *Pro Arts* damages for wrongful injunction.

Admitting that the course of the litigation had certainly been unusual and difficult for both parties, the Court stated that simply because the Second Circuit had earlier wrongfully granted *Factors*' motion for injunction, *Pro Arts* should not have to suffer for it. The court reasoned that they would not decline to award damages to defendants "simply because plaintiffs acted in good faith or because defendants failed at the outset to argue that Tennessee law applied in this action."³⁸ The court concluded by stating, "The fact remains that it is the defendants who have prevailed in this suit, and that for several years, plaintiffs, by virtue of an injunction granted by this court, had the benefit of an exclusive license to which they were ultimately found not entitled."³⁹ *Pro Arts* was awarded damages not to exceed

32. 701 F.2d 11 (2d Cir. 1983).

33. 7 Med. L. Rptr. 2204, 2208.

34. See 616 F.2d 956.

35. 9 Med. L. Rptr. at 1112.

36. 701 F.2d 11-12.

37. *Factors Etc., Inc. v. Pro Arts Inc.*, 9 Med. L. Rptr. 1642 (1983).

38. *Id.*

39. *Id.* at 1646.

\$100,000.⁴⁰

The *Factors* line of cases points to the state of confusion that currently exists concerning the right of publicity as it is litigated in state, district, and circuit courts throughout the country. There continues to be conflict jurisdictionally, and there will probably be further argument given the fact that the right of publicity derives from common law rights.⁴¹

The United States Supreme Court has remained reluctant to consider the issue⁴² and there will certainly be continuing problems in the area. New York presently seems to be the most generous in its consideration of the right of publicity and its descendibility. In an evaluation of Laurel and Hardy's rights of publicity, the New York district court concluded that the right would be descendible even if not exercised during the performers' lifetime.⁴³ A later decision by the Second Circuit in New York holding that the Marx Brothers' rights of publicity did not survive their death,⁴⁴ was decided on the basis of California law (since the Marx Brothers had been California residents on their death, and all rights being litigated were assigned in California). Since the New York trial court initially applied New York law and found the right to be descendible the case therefore served as further enunciation of New York's stance on the issue of descendibility.

If an attorney, agent or manager was considering the issue of right of publicity as it pertains to a client, the safest action would seem to be to have all contracts and assignments executed in the New York jurisdiction. Given the view of California courts, and the line of reasoning that culminated in the latest *Factors* decisions, this course would make the most sense.

Judge Mansfield, in his well-reasoned dissent in *Factors*,⁴⁵ suggested that only when courts cease to be afraid to step forward will a coherent approach to the problem concerning right of publicity be enunciated. His argument centered around the Second Circuit's reluctance to retackle *Factors* simply because two chancery court decisions were in conflict. He reasoned that appellate courts should be allowed to determine what position a state supreme court would be likely to

40. *Id.*

41. The right of publicity evolved from the common law right of privacy initially defined in Warren & Brandeis, *The Right to Privacy*, 4 Harv. L. Rev. 193 (1890).

42. See 579 F.2d 215 and 616 F.2d 956.

43. Price v. Hal Roach Studios, Inc., 400 F.Supp 836 (S.D.N.Y. 1975).

44. Groucho Marx Productions, Inc. v. Day and Night Company, Inc., 689 F.2d 317 (2d Cir. 1982).

45. 701 F.2d at 13.

take (in light of the most recent developments in the area being considered), rather than simply deferring to another Circuit's reasoning on procedural grounds. Mansfield convincingly points out that the Sixth Circuit clearly could not argue that there had been clear and authoritative precedents to support their reasoning because at the time of their decision, there was no precedent.

Upon an examination of the area, this author, guided by instinct and a sense of fairness, believes that artists should be able to contract away their publicity rights, and those rights should be inheritable. Others would argue against this opinion.⁴⁶

An argument against finding descendibility is based on many factors including the higher standard of living that entertainers tend to enjoy during their life. Celebrities reap financial gain only due to the public's support; therefore after their death, the public should be allowed to partake in any profits that can be derived from commercial exploitation of that artist's name and likeness. It is argued that unless this approach is enforced, heirs upon heirs would be able to exercise these rights in perpetuity, causing potential conflict with the policies underlying federal preemption (given the limited duration of rights construed under copyright statutes).⁴⁷

However, this author is not certain that given the free enterprise nature of our society, one should not be allowed to contract as he wishes. An individual can pass on a family business from generation to generation without judicial interference. Part of the business of being an entertainer evolves around publicity, and clearly rights to a person's likeness are part of that individual's business. Why should random decisions be made concerning such important rights? As mass communication and the power of the media catapult more and more individuals into the rank of stars, a clearly enunciated policy declaring the extent of the right of publicity becomes paramount.

This author is not persuaded by the argument that since the public is responsible for making entertainers marketable, the entire society should be able to benefit from entertainers' marketability after their death. This reasoning is especially inappropriate in the period immediately following an artist's death where the immediate family may need the money from merchandising rights more than ever. Similar consid-

46. For a discussion supporting the public's right to profit commercially from an artist's likeness after their death, see Hoffman, *Limitations On The Right Of Publicity*, 28 Bull. Corp. Soc'y, pg. 11, item 137 (1980).

47. *Id.* at 138.

erations of timing underlie the protection given to heirs of copyright proprietries.

Nonetheless, an argument can be made that at some point in time, merchandising rights, like copyrights, should fall in the public domain. Given the current conflict across the nation, having Congress attempt to establish a clear body of law concerning this area should be a paramount concern. Legislation reasoned along the lines of the current Copyright Act may be the perfect compromise so that rights may be retained by the heirs for some designated period. If the legislative body does not tackle the area, one would hope courts move towards the protection of descendible rights, especially when those rights are exploited during one's lifetime.

Justin Pierce

3. *Groucho Marx v. Day & Night Co.*

The right of publicity is the right to the exclusive use of a celebrity's name and likeness. Whether the right is descendible, and can be asserted after the death of a celebrity by his heirs and assignees, is an issue of considerable debate. New York courts have held the right of publicity to be descendible.¹ The California Supreme Court has held that a celebrity's failure to exploit the right of publicity during life, will bar the descendibility of such rights upon death.² It remains uncertain whether California law would support descendibility where a celebrity had exploited the right, and how broad this protection would be. Due to this disparity, the determination of which state's law governs the descendibility issue is critical to the outcome of a case.

In *Groucho Marx Productions Inc. v. Day and Night Co., Inc.*,³ the Second Circuit Court of Appeal, exercising diversity jurisdiction, held that the descendibility of the Marx Brothers' right of publicity was governed by California law, and not by New York law as the district court had concluded.⁴ In interpreting California law, the circuit court held that the right of publicity either does not survive death or if it does

1. *Price v. Hal Roach Studios, Inc.*, 400 F. Supp. 836 (S.D.N.Y. 1975); see also *Groucho Marx Productions, Inc. v. Day and Night, Co.*, 523 F. Supp. 485 (1981), *reversed on other grounds*, 689 F.2d 317 (2d Cir. 1982)(lower court's interpretation of New York law regarding the right of publicity left untouched by the Second Circuit's reversal on choice-of-law grounds).

2. *Lugosi v. Universal Pictures*, 25 Cal. 3d 813, 603 P.2d 425, 160 Cal. Rptr. 323 (1979).

3. 689 F.2d 317 (2d Cir. 1982).

4. *Id.* at 318-19.

survive, it only survives to the extent it was exploited during life.⁵ Thus, because the Marx Brothers had not exploited their rights of publicity in the particular medium under consideration, a musical play, the heirs and assignees of the Marx Brothers could not recover.

This action arose out of the production of the musical play "A Day in Hollywood/A Night in the Ukraine", which opened on Broadway in May, 1980. At issue was the second half of the play which purported to be the way the Marx Brothers would have staged Anton Chekhov's novel "The Bear". While the Marx Brothers' names were not used, the script featured performers simulating the appearance and comedic mannerisms of Groucho, Chico, and Harpo. Plaintiffs were Groucho Marx Productions, Inc. (GMP), and Susan Marx, as trustee under the will of Harpo Marx. Defendants were Day and Night Company, Inc., and the producers of the play.

GMP and Susan Marx filed suit in the United States District Court for the Southern District of New York, alleging that Day and Night had appropriated the Marx Brothers' rights of publicity, rights which were purported to have descended to their heirs. Damages were sought in the nature of a license fee. When first considering the case, the district court held that New York law, which recognizes a right of publicity that is both assignable and descendible, governed the parties' substantive rights. The district court next explored the subsidiary question of whether a celebrity must exploit his rights while alive as a prerequisite to descendibility. The court made it clear that, under New York law, the right of publicity will descend even in the absence of any exploitation of commercial uses other than the celebrity's primary activity for which he is made famous. Finding that the Marx Brothers sufficiently exploited their rights of publicity through their numerous and memorable performances, the district court granted plaintiffs' motion for partial summary judgment on the issue of liability.

In reversing, the Second Circuit Court of Appeal stated that the district court's initial decision to apply New York law had been procedurally incorrect, and accordingly, found it unnecessary to rule on the correctness of the lower court's substantive conclusions. The correct procedure for "a New York court, considering a right of publicity case, would [be to] apply its property choice-of-law rules to select the state whose law determines whether a plaintiff has a protectable right of publicity."⁶ Applying this principle, the court concluded that the par-

5. *Id.*

6. *Id.* at 319. The court cited its recent decision in *Factors Etc., Inc. v. Pro Arts, Inc.*,

ties' rights should be governed by California law, notwithstanding the fact that production of the play occurred in New York.⁷

Interpreting California law regarding the descendibility issue, the Second Circuit examined two leading California decisions, *Guglielmi v. Spelling-Goldberg Productions*,⁸ and *Lugosi v. Universal Pictures*.⁹ The court first noted that the California Supreme Court held in *Guglielmi* that "the right of publicity protects against the unauthorized use of one's name, likeness or personality, but that the right is not descendible and expires upon the death of the person so protected."¹⁰ Notwithstanding the unequivocal nature of this statement, the court decided to explore the issue further.¹¹

Lugosi involved a suit by the widow and son of the late actor Bela Lugosi against Universal Pictures for allegedly violating the right of publicity which they had inherited from the deceased actor. Universal had licensed the use of Lugosi's portrayal of the Dracula character to advertise other Dracula films in which Lugosi did not appear, and to promote Dracula products. The California Supreme Court, focusing on the fact that Lugosi had never exercised his right of publicity by exploiting his name and likeness in association with the Dracula character, ruled in favor of Universal.¹²

The Second Circuit noted that "[w]ithout question, *Lugosi* established that California law does not recognize a descendible right of publicity available to the heirs of a celebrity who did not exploit his

652 F.2d 278 (2d Cir. 1981), *cert. denied*, —U.S.—, (1982), *leave to file petition for rehearing granted*, 652 F.2d 278 (2d Cir. 1982), for this choice-of-law rule in right of publicity cases.

7. 689 F.2d at 320. The court detailed the determinative facts: All three Marx Brothers were California residents at the time of their deaths; nine months before his death, Groucho had assigned his right of publicity to plaintiff GMP, a California corporation; while Chico and Harpo made no inter vivos assignments of their publicity rights, Chico's estate entered into a contract under the laws of California, allegedly conveying Chico's right of publicity to GMP; plaintiff Susan Marx is a California resident, asserting Harpo's right of publicity and acting as trustee of the residuary will, probated in California.

8. 25 Cal. 3d 860, 603 P.2d 454, 160 Cal. Rptr. 352 (1979) (*per curiam*)(a suit by the nephew of Rudolph Valentino for damages and injunctive relief resulting from the broadcast of a network television program about the life of the legendary actor).

9. 25 Cal. 3d 813, 603 P.2d 425, 160 Cal. Rptr. 323 (1979) (a suit by the heirs of the late actor Bela Lugosi, who played the title role in the 1930 film version of *Dracula*, to recover profits made by defendant motion picture company in licensing the "Count Dracula" character).

10. 689 F.2d at 320, citing *Guglielmi v. Spelling-Goldberg Productions*, 25 Cal. 3d 860, 603 P.2d 454, 160 Cal. Rptr. 352 (1979)(*per curiam*).

11. 689 F.2d at 320. In spite of the clear statement in *Guglielmi*, the court decided to examine the issue further because the *Lugosi* decision, on which *Guglielmi* relies, "is at least open to the interpretation that its holding is narrow. . . ."

12. 25 Cal. 3d 813, 818-20, 603 P.2d 425, 428-29, 160 Cal. Rptr. 323, 326-27.

own right during his lifetime. What is less certain, however, is whether the right is descendible when the celebrity does exploit it during his lifetime."¹³

The court concluded that *Lugosi* may be interpreted in two ways. California recognizes either no descendible right of publicity, or it recognizes a right limited to the specific "commercial situations"—products or services—promoted by the celebrity during his lifetime.¹⁴ In the instant case, under either interpretation, the Second Circuit concluded that plaintiffs could not prevail. First, if the right of publicity does not survive death, then the heirs or assignees clearly cannot assert the rights of the deceased Marx Brothers. Similarly, even if a limited descendible right does exist, "the defendants are not using the names or likenesses of the Marx Brothers in connection with any product or service that the comedians promoted during their lives. [footnote omitted]"¹⁵ The court concluded that "California would not recognize a descendible right of publicity that protects against an original play using a celebrity's likeness and comedic style. [footnote omitted]"¹⁶

As the *Groucho Marx* opinion indicates, the law in California regarding the right of publicity is still developing. As the Second Circuit discerned from *Lugosi*, the California Supreme Court suggested that the right may be descendible, albeit limited in scope, if exercised during a celebrity's lifetime. There are, however, no clear guidelines to indicate when a person has "exercised" or "exploited" his publicity rights sufficiently to assure the descendibility of those rights to his heirs. Although the many prominent right of publicity cases litigated across the country have raised these pressing questions,¹⁷ this author awaits the dropping of the duck.

*Alison D. Bernhard**

13. 689 F.2d at 321.

14. *Id.* at 323.

15. *Id.*

16. *Id.*

17. For some interesting cases on the descendibility of the right of publicity generally, see *Memphis Development Foundation v. Factors Etc. Inc.*, 616 F.2d 956 (6th Cir. 1980); *Factors Etc. Inc. v. Pro Arts, Inc.*, 579 F.2d 215 (2d Cir. 1978), *cert. denied*, 440 U.S. 908 (1979); *Lugosi v. Universal Pictures*, 25 Cal. 3d 813, 603 P.2d 425, 160 Cal. Rptr. 323 (1979); *Hicks v. Casablanca Records*, 464 F. Supp. 426 (S.D.N.Y. 1978); *Price v. Hal Roach Studios, Inc.*, 400 F. Supp. 836 (S.D.N.Y. 1975).

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B. "Forum" Violates Cher's Right of Publicity

California recognizes an individual's right to prevent the use of her name or likeness for commercial purposes.¹ It is equally well settled that such a right is often subject to the user's First Amendment freedoms.² In *Cher v. Forum International, Ltd.*³ the United States Court of Appeals for the Ninth Circuit had an opportunity to define the limitations of such Constitutional protections with respect to publishers' activities.

Popular entertainer Cher granted radio personality Fred Robbins an interview, which he taped. Both parties understood that the interview was to be published in *Us* magazine. *Us*, at Cher's request, returned the interview to Robbins and paid him a "kill" fee. Robbins then sold the interview to defendant publishers of the tabloid *Star* and the pocket-sized magazine *Forum*, respectively. Cher did not claim the material was false, defamatory or an invasion of her privacy. Her complaint charged breach of contract, unfair competition and misappropriation of name, likeness and her right of publicity.⁴

The trial court held all defendants liable, including *Forum's* parent company Penthouse, International.⁵ It found that *Star* made a false claim that Cher had endorsed the tabloid.⁶ It held *Forum* liable for publishing advertisements using Cher's name and picture, containing an implied endorsement by Cher "with knowledge that they were false or in reckless disregard for their truth."⁷ The liability of Penthouse stemmed from its participation in this false advertising practice.⁸ The Ninth Circuit reversed the judgments against Robbins and *Star*, but

1. Cal. Civ. Code § 3344 (West 1982). Section 3344 provides, in pertinent part, that "[a]ny person who knowingly uses another's name, photograph or likeness, in any manner, for the purposes of advertising products . . . without such person's prior consent . . . shall be liable for any damages sustained by the person or persons injured as a result thereof." Prior to the passage of § 3344, the courts had also recognized an individual's right of publicity. See *Lugosi v. Universal Pictures* 25 Cal. 3d 813, 160 Cal. Rptr. 323, 603 P. 2d 425 (1979). See also *Guglielmi v. Spelling-Goldberg Productions*, 25 Cal. 3d 860, 160 Cal. Rptr. 352, 603 P.2d 454 (1979).

2. The unlawful appropriation of the right of publicity can be claimed only if the "proprietary interests at issue clearly outweigh the value of free expression in this context." *Guglielmi v. Spelling-Goldberg Productions*, 25 Cal. 3d at 871.

3. 692 F.2d 634 (9th Cir. 1982).

4. See *id.* at 636-37.

5. *Id.* at 637.

6. *Id.* at 638.

7. *Id.* at 639-40.

8. *Id.* at 640.

affirmed against *Forum* and Penthouse.⁹

The court considered the judgment against Robbins to be clearly in error, stressing the trial court's findings that Cher had no contractual agreement with Robbins, and that Robbins had never promised any interviewee approval rights. It reasoned that any possible liability of Robbins would have to come from his participation in one or more of the publisher defendant's actions, of which there was no showing.¹⁰

Cher claimed that *Star* falsely represented the interview as being exclusive and wrongfully appropriated her implied endorsement of *Star* for commercial purposes. She did not claim that *Star* published false statements with actual malice. Her theory was that *Star's* use of her picture and the words "exclusive series" on its cover constituted false representations to the public.¹¹ The Ninth Circuit read it somewhat differently, holding that *Star* was entitled to inform its readers that the issue contained an article about Cher . . . and that the article had not previously appeared elsewhere."¹² The court found no evidence to support Cher's contention of an implied endorsement, and that *Star's* actions fell far short of satisfying the requirements of actual malice.¹³ It went on to note that section 3344 of the California Civil Code¹⁴ did not apply, as the facts of the case fell into the exception created for news accounts in section 3344(d).¹⁵

Cher brought the same claims against *Forum*, but the court found that *Forum* did engage in knowing falsity in its subscription advertising.¹⁶ It pointed out that recovery is not available if the publication is protected by the First Amendment.¹⁷ The court stated that *Forum* could have lawfully used Cher's name and picture in its subscription advertising, but only for the purpose of promoting the protected publication or to indicate its contents.¹⁸ *Forum* went beyond such an "honest" exploitation of the situation when it claimed that "Cher tells *Forum*" things she "would never tell *Us*".¹⁹ The court found this pa-

9. *Id.*

10. *Id.* at 637.

11. *Id.* at 638.

12. *Id.*

13. *Id.*

14. Cal. Civ. Code § 3344 (West 1982). See *supra* note 1.

15. Cal. Civ. Code § 3344(d) provides that "a use of a name, photograph or likeness in connection with any news, public affairs, or sports broadcast or account, or any political campaign, shall not constitute a use for purposes of advertising. . ."

16. 692 F. 2d at 639.

17. *Id.*

18. *Id.*

19. *Id.*

tently false in that Cher had not "told" *Forum* anything, and had actually intended the interview to be published by *Us*.²⁰ It also found that *Forum* falsely stated that Cher endorsed that magazine. Although the statement "[s]o join Cher and *Forum*'s hundreds of thousands of other adventurous readers today" could be interpreted variously, deference was given to the trial court's conclusion that it constituted a knowingly false implication of Cher's endorsement.²¹

Finally, Penthouse was also held liable due to the extent of its participation in *Forum*'s tortious acts. Penthouse owns 80% of the stock in *Forum*, and Penthouse's staff participated in the preparation of the advertisements in issue, which appeared in both *Penthouse* and *Forum* magazines.²²

With *Cher v. Forum*, the Ninth Circuit has more clearly defined the circumstances under which an alleged misappropriation of publicity will be protected by the First Amendment. In so doing, it has not strayed, in letter or spirit, from recent decisions and discussions in this area.

The California Supreme Court recognized the right of publicity in *Lugosi v. Universal Pictures*.²³ There, however, Bela Lugosi's name and likeness were used in the advertisement and promotion of commercial products, obviating the need for First Amendment analysis. Such products, unlike the various media, are not the sources of ideas and opinions.²⁴ However, in *Zacchini v. Scripps-Howard Broadcasting Co.*,²⁵ the United States Supreme Court denied First Amendment protection to a television broadcaster who videotaped the entire performance of the plaintiff's cannonball act and aired it on the 11 o'clock news. The *Cher* court properly distinguished *Zacchini* as really a protection of the entertainer's right of performance, rather than merely a use of his name or likeness. As Justice White put it, the "petitioner does not merely assert that some general use, such as advertising, was made of his name or likeness."²⁶ He then suggested that such a lesser use would be entitled to greater protection.²⁷ The *Zacchini* Court was concerned with the entertainer's ability to earn a living, and any threats

20. *Id.*

21. *Id.* at 640.

22. *Id.*

23. 25 Cal. 3d 813, 160 Cal Rptr. 323, 603 P.2d 425 (1979).

24. The products included target games, candy dispensers and beverage stirring rods. *Id.* at 851 (Bird, C.J., *dissenting*).

25. 433 U.S. 562 (1977).

26. *Id.* at 573 n. 10.

27. *Id.*

to the economic value of his performance.²⁸ However, Cher had no such claim. No material work product that could decrease in value through increased exposure was involved, as only her name and likeness were used.

In *Guglielmi v. Spelling-Goldberg Productions*,²⁹ the California Supreme Court protected the use of Rudolph Valentino's name and likeness in a fictionalized film account of his life and the accompanying advertisements. Although the actual malice standard did not apply to that fictional work,³⁰ the court broadly stated that "the right of publicity has not been held to outweigh the value of free expression."³¹ Further, the use of his name and likeness in advertisements for the film did not wrongfully appropriate the plaintiff's right of publicity. The court stressed that it was merely an adjunct to the exhibition of the film, and did not promote anything but that film.³² It was when *Forum* promoted *Penthouse* magazine as well as *Forum* itself that it exceeded the *Guglielmi* standard, and protection was accordingly denied. That standard was clear enough, and the respective actions of *Star* and *Forum* stand as instructive examples of what is and is not protected.

The implications of *Cher* for entertainers should be clear. If you want any control over the content or distribution of an interview, reserve your rights in a written contract with the interviewer. Then, if you want to sue a publisher for appropriation of your right of publicity through false representations or implications, be prepared to meet the burden of showing actual malice. If use of your name or likeness in the context of advertising does not meet that standard, you must show that the advertisement is not merely an adjunct of the protected publication or that it promotes something beyond that publication. But, in the end, don't forget that this type of publicity is usually favorable, and your publicist could hardly try to bill you for it at the end of the month.

David Keitel

28. *Id.* Zacchini relied on the claim that respondent had televised the act that he normally got paid for performing.

29. 25 Cal. 3d 860, 160 Cal. Rptr. 352, 603 P. 2d 454 (1979).

30. Truthful and fictional works have equal Constitutional stature. It is meaningless to charge that an author of a fictional work knew his work was false. *Id.* at 871.

31. *Id.* at 872.

32. *Id.* at 872-73.

