

Protecting Characters Once Copyright Expires:

The Intersection of Copyright and Trademark Law

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I. Thesis / Abstract

Imagine a cartoon character created during the waning days of the Jazz Age, which became a star of newspaper comics and film. Over the ensuing decades, the character became immensely popular: television shows, theme parks, apparel, and a plethora of other goods were branded with this character's image. His likeness became an internationally recognized symbol for the corporate entity that controls him, and he retains his popularity over 80 years after his creation. This is the world of Mickey Mouse: the magic kingdom in which copyright law and trademark law intersect.

As a work of art, cartoon characters are initially protected by copyright law, and are protected for a finite amount of time: they will eventually pass into the public domain once copyright protection ends. However, when this copyrighted character is used in such a way that it becomes something more than an adornment of an article, and instead suggests to the purchaser that the article comes from a certain source, the character then achieves trademark significance.¹ So long as a trademark is used, protection can be infinite. Thus once a copyright-protected character is regarded as a trademark, future use by others could be enjoined, even beyond the term of copyright protection, in order to ensure that the owner of the trademark can maintain a consistent quality in the goods which he produces.

This begs the question: what rights does the copyright holder continue to have once his character has passed into the public domain, but continues to enjoy protection based on trademark or other laws rooted in unfair competition? This is especially important to consider in the context of merchandising: famed characters like Mickey Mouse, Popeye, and Peter Rabbit, all of which have established merchandising value, will soon enter the public domain (if they have not already). What rights will the (erstwhile) copyright holders, who have had a history of

¹ Franklin Waldheim, Mickey Mouse: Trademark or Copyright?, 54 T.M.R. 865, 866 (1964).

licensing the characters, retain once these characters enter the public domain? In the absence of clear law, should this be an issue that is addressed in copyright or trademark law, and how should this be addressed?

This paper seeks to examine the overlap between copyright and trademark law; specifically, the potential for conflict between the two when the copyright expires but the trademark remains valid. It will examine the history and justifications for American law in this area, examine related cases as a gauge of how a courts might view a direct challenge, predict how American courts might react, and propose changes and/or clarifications in American law to ensure that the public does have fair access to these images, and that the creators of these characters remain protected. It will argue that, although case law on this matter is scant, this is a problem that is best left to the flexibility of the courts to decide, and should not be decided by legislative or rule-making bodies.

II. Background: Justifications for Copyright and Trademark and Unfair Competition

A. Copyright: A Brief Explanation

The basis for American copyright law is contained in the U.S. Constitution. The Founding Fathers believed that Congress should have the authority to regulate copyright in the fledgling United States. The Constitution gives Congress the authority: “To protect the Progress of Science and the Useful arts, by securing for a limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries.”² Modern copyright law seeks to protect certain rights of the author; specifically, the rights (1) to reproduce the work; (2) to prepare derivative works based upon the work; (3) to distribute copies of the copyrighted work to the public; (4) to publicly perform the work; (5) to display the copyrighted work; and (6) to

² U.S. Const., art. I, § 8, Cl. 8.

perform the copyrighted work publicly by means of sound transmission.³ Upon the expiration of the copyright term, the work is deemed to have entered the “public domain.” The original author can no longer claim ownership in the material, and cannot prevent others from engaging in any of the exclusive rights outlined above.

Works currently protected by copyright in the United States are governed by one of two statutes. The Copyright Act of 1909 protects all works created on or before December 31, 1977. This act required the holder of the copyright to re-register the copyright after a 28-year period, or else the work would pass into the public domain. Its successor, the Copyright Act of 1976, protects all works created on or after January 1, 1978. It protects works for a set amount of time, counted from the date of the author’s death. The Sonny Bono Copyright Term Extension Act of 1998 amended both acts by extending the term of protection for all works still protected by copyright. Since the Act’s passage, all works created on or after January 1, 1923, and still protected by the 1909 Act in 1998, will enjoy 95 years of protection from the date of their creation. Works protected by the 1976 Act will enjoy protection for the life of its author plus 70 years.

Due to this scheme, all works created before January 1, 1923 are in the public domain, as are any works which did not have their copyrights renewed as per the provisions of the 1909 Act. Since all other works will be protected for 95 years after their creation (or, for works created since 1978, 70 years after the death of the author), no works are scheduled to enter the public domain until January 1, 2019, when protection for all works created in 1923 will cease.⁴

³ 17 U.S.C. §106 (2010).

⁴ 3-9 Nimmer on Copyright §9.01 (2010). Under the 1909 Act, works were protected for 28 years, at the end of which time the holder of the copyright had to affirmatively renew the copyright for another 28 years. This renewal became automatic in 1992, but many works created under the 1909 Act were not renewed by their creators (often by oversight) and thus passed into the public domain. The 1976 Copyright Act initially protected works for the life of the author

B. Trademark and Unfair Competition: A Brief Explanation

Unlike the Constitutional roots of copyright law, the genesis of trademark law lies in the tort of unfair competition. Trademark law, and its older sister, unfair competition, aim to protect the identity and source of the embodiments of the work. They seek to protect both the producers of goods, who have worked hard to develop a product and associate it in the minds of the public with a specific producer, and the consumers of goods, who find value in being able to easily identify goods made by a specific producer.⁵

Currently, trademark law is governed at the federal level by the Lanham Act, passed by Congress in 1946 and subsequently amended.⁶ The Lanham Act defines a trademark as a “word, name, symbol, or device, or any combination thereof . . . used by a person to identify or distinguish his or her goods from those manufactured or sold by others, and to indicate the source of goods even if that source is unknown.”⁷ Trademarks can take any form, and courts have found that nearly anything that is distinctive and can identify the source of goods can be considered a trademark.⁸ Common trademark claims under the Lanham Act arise from false advertising, false designation of origin, dilution, infringement of trade dress and infringement upon unregistered marks.⁹ Although the Lanham Act has a preference for registration, unregistered marks which have become associated with a producer and used in commerce may

plus 50 years, but the Copyright Term Extension Act extended this to the life of the author plus 70 years.

⁵ Lindley on Entertainment, §2:1 (2010).

⁶ 15 U.S.C. §1051 et seq. (2010).

⁷ *Id.* at §1127.

⁸ See, e.g., In re General Electric Broadcasting, Inc. 199 U.S.P.Q. 560, 563 (1978) (finding a trademark in a sound), and Qualitex Co. v. Jacobson Products Co., 514 U.S. 159 (1995) (finding a trademark in a color), among others.

⁹ 15 U.S.C. §1114(1) (2010).

also be protected.¹⁰ Courts generally look to see if a subsequent user's use of a mark creates the likelihood of confusion: that is, will the average consumer think that the two goods bearing the allegedly-similar marks emanated from the same source, and will the subsequent use dilute the "good will" which the trademark holder has developed with consumers.

Unlike the finite nature of copyright law, trademark protection has the potential to last indefinitely. The mark must be consistently used in commerce in order for protection to endure; a period of non-use can result in cancellation of the mark. So long as the mark remains distinctive (that is, does not become a name for the product itself), the mark will enjoy protection, and its owner can enjoin others from its use.¹¹ Trademark holders must also police their mark's use, and ensure that it remains a signal that the goods bearing the mark emanate from a particular source; failure to do so can also lead to a mark's cancellation.¹² Once a mark is unused for a certain period or is otherwise cancelled, it re-enters the public domain.

III. Policing the Intersection: A Historical Stroll through U.S. Law

As manufacturing and consumerism grew, the late 19th and early 20th centuries witnessed an explosion in merchandising. Franklin Waldheim, the long-time counsel for the Walt Disney Company, marvelled that, "with the vast enlargement of the media of communication in our time, the cast of characters used in any series of works has greatly increased. Characters used in one medium, such as plays or books, can be used serially in other media, such as comic strips,

¹⁰ Id. at §1125(a).

¹¹ Id. at §1064.

¹² Id. at §1064.

radio, and television.”¹³ As the value of characters expanded, owners of copyrights needed a way to ensure that the value of their character would not be diluted by imposters.

A. What’s in a Name: Who Owns Webster’s Dictionary?

One of the early litigants in this field was the G. & C. Merriam Company, the publisher of *Webster’s Unabridged Dictionary*. Merriam’s three-decade battle to enjoin others from using the *Webster’s* name on dictionaries lasted from 1890 until the eve of World War I.

In 1847, the Merriam Company published and secured a copyright in *Webster’s Unabridged Dictionary*. The dictionary became extremely successful.¹⁴ In 1889, this work entered the public domain. Rival publishers had their printing presses ready, and within a few years a myriad of rivals had improved upon the 1847 dictionary, selling their own versions, each with *Webster’s* in the title.¹⁵

Merriam sought to enjoin all rival publishers from using the *Webster* name, and used a score of creative legal ideas to reach its goal. One such rival was George W. Ogilvie, who published a derivative work entitled *Webster’s Imperial Dictionary*.¹⁶ Merriam mounted what was, in effect, a trademark infringement claim. Merriam argued that the public had come to associate the *Webster’s* name with its own product, and that Ogilvie’s choice of appellation created market confusion and amounted to an attempt by Ogilvie to pass off his dictionary as Merriam’s.¹⁷

¹³ Franklin Waldheim, “Characters: May They Be Kidnapped?,” 55 T.M.R. 1022, 1027-28 (1965).

¹⁴ G&C Merriam Co. v. Ogilvie, 149 F. 858, 860 (D. Mass., 1907).

¹⁵ *Id.*, at 860.

¹⁶ *Id.*, at 859.

¹⁷ *Id.*, 861

The court disagreed. “To hold that the Merriam Company, after the expiration of its copyright in *Webster’s Unabridged Dictionary*, still has the exclusive right to the use of the name ‘*Webster*’ on some theory of trade-mark or trade-name, or unfair competition, would be to nullify the public dedication, and perpetuate the monopoly secured by copyright.”¹⁸

This setback did not deter Merriam, and the publisher continued to press suits against rivals. They next claimed that they had obtained valid registered trademarks in the *Webster’s* name under the 1881 and 1905 Trademark Laws.¹⁹ Writing in dicta (the case was dismissed on procedural grounds), the Court took particular issue with the fact that Merriam had only sought trademark protection for *Webster’s* after the expiration of the copyright.²⁰ In addition to voicing its scepticism that a proper name, like Webster, should even qualify as a trademark, the court also said that the *Webster’s* name may even have become the generic name for a dictionary during its period of copyright protection, much in the same way as Singer had become a generic name for “sewing machine” during the period when Singer’s sewing machine was protected by patent.²¹ Overarchingly, the Court’s message seemed to announce that one could not assert a trademark right in something which had entered the public domain.²²

¹⁸ *Id.*, 860. The court in *Ogilvie* eventually found that, while *Ogilvie* was entitled to use the *Webster* name in its title, it had to distinguish itself and its product from Merriam’s. The court found that *Ogilvie* had essentially copied Merriam’s advertising campaign, and had deliberately led consumers to believe that *Ogilvie*’s product was the same as Merriam’s. *Ogilvie* was enjoined from using the specific advertisements that led to confusion with Merriam’s. See *Id.* at 864.

¹⁹ *G. & C. Merriam Co. v. Syndicate Publishing Co.*, 237 U.S. 618, 620 (1915). The 1881 and 1905 Copyright Acts were the predecessors to the 1946 Lanham Act.

²⁰ *Id.* at 622.

²¹ *Id.* at 623.

²² *Id.* at 622. Additionally, the idea that the title of a work cannot be trademarked, because it is inherently a source identifier, has been continually affirmed by both the Trademark Office and by lower courts. See, e.g., *In Re Page Co.*, 47 App. D.C. 195 (D.C. Cir., 1917) and *Herbko Int’l. Inc. v. Kappa Books, Inc.*, 308 F.3d 1156, 1164 (Fed. Cir., 2002).

B. What Else is in a Name: The Frank Merriwell Dilemma

A subsequent case specifically looked at the trademark-ability of characters. Author Gilbert Patten created the fictional character of Frank Merriwell in the 1890's. Merriwell was a popular, all-American, football-playing teen who was the hero of magazine short stories, books, and comic strips. Merriwell reached the zenith of his popularity around 1915, but continued to be published as a comic strip until Patten's death in 1936. By the 1930's, some of the earlier Merriwell works had passed into the public domain. In 1933, a movie studio announced that it would be releasing a "Frank Merriwell" movie, though the character of Merriwell did not physically resemble the character developed by Patten. Although there was no trademark in the public-domain Merriwell character, Patten claimed that the studio's action amounted to unfair competition and sued.²³

The court agreed with Patten. It noted that the name of a character, "which has become descriptive, and is closely identified in the public mind with the work of a particular author, may not, during the life of the copyright, be used so as to mislead. Nor may such a name be used even after the expiration of the copyright, unless adequate explanation is given to guard against mistake."²⁴

Historical precedent therefore tells the modern scholar that a character or an object that had been protected by copyright, but has fallen into the public domain, may not obtain trademark protection. However, while titles of works and characters cannot generally be protected by trademark on the expiration of copyright in the underlying work, the "former owner" of these rights can claim unfair competition and/or dilution of his mark if a subsequent user of the public domain character does not demonstrate that his goods emanate from a different source.

²³ Patten v. Superior Talking Pictures 8 F. Supp. 196, (S.D.N.Y., 1934).

²⁴ *Id.* at 197.

IV. The Modern Scenario: Clues in Three American Cases

Modern courts have not had much case law concerning this subject, perhaps because so few works have lately entered the public domain, or because, as one recent pundit opined, the fickle nature of popular culture ensures that the trademark interest in a character rarely outlasts the character's copyright.²⁵ Indeed, this is often the case: it is unlikely that many boys of 2010 will be familiar with Frank Merriwell, that all-American teen of an earlier generation. However, this concern cannot be easily dismissed in the face of certain enduring (and arguably endearing) characters, as the popularity of Mickey Mouse remains strong decades after his creation. Since the late 1970's, three cases of note have come before American courts which may help in further understanding how the law may respond to a claim of infringement against a public domain, but trademarked, character.

A. Frederick Warne v. Book Sales: The Tale of Peter RabbitTM

Besides Mickey Mouse, at least one other rodent has captured the hearts of American children: Peter Rabbit. Most of Beatrix Potter's classic anthropomorphic series of children's books, including *The Tale of Peter Rabbit*, *The Tale of Jeremy Fisher*, and *The Tale of Squirrel Nutkin*, are now in the public domain (and, for the most part, have been since their publication). Potter herself was a talented illustrator, and designed watercolour covers for each book, depicting the title character.

By the early 1970's, Frederick Warne and Co., Potter's publisher and literary heir, sought to profit on its still-popular characters. They began to license certain Potter-created cover

²⁵ James L. Vana, Single-Work Titles and Group, Artist or Author Names: Registrability Revisited, 88 T.M.R. 250, 267 (1998).

images for use in the manufacture of toys, clothing, commemorative plates, and other commercial products.²⁶ The covers of Potter's books had not changed since their initial publication. Warne had registered trademarks for some of these covers under the Lanham Act, and had adopted one of the images as its own trademark.²⁷

Enter Book Sales, a rival publisher. Book Sales took the original Potter books, scanned them, and compiled them into one volume. They also re-drew Potter's original cover images for each book, and used them as "markers" for each original Potter book in their larger compendium; that is, they appeared on the header of each page of each story, in order to indicate which story the reader was reading.²⁸ Warne sued, claiming both trademark infringement and unfair competition.²⁹

Frederick Warne Co. v. Book Sales was decided on procedural matters, so the court's foray into the laws of copyright and trademark are really "mere dicta." In its analysis, the court first opined that Warne had to demonstrate that the public did not just associate the covers in question with Beatrix Potter, but that the public associated the images with the goodwill and reputation of Warne.³⁰ The Court further found that the fact that a copyrightable character has fallen into the public domain should not preclude protection under the trademark laws, so long as it is shown to have acquired independent trademark significance, identifying in some way the "source or sponsorship of the goods."³¹ This seems to fit with the "unfair competition" argument espoused by the same court in Patten.

²⁶ Frederick Warne v. Book Sales, 481 F.Supp. 1191 (S.D.N.Y., 1979), n. 2.

²⁷ Id. at 1193.

²⁸ Id. at 1194.

²⁹ Id. at 1193.

³⁰ Id. at 1195.

³¹ Id. at 1196.

The court did not seem to find that there was a problem with the overlap of copyright and trademark; indeed, it opined that protection under both might be particularly appropriate for graphic representation of characters, especially when a character comes to identify its creator.³² However, the court also opined that a subsequent user is only entitled to reproduce the contents of public domain works as they were originally published. The court hypothesized that, “the reproduction of a public domain work may result in unfair competition if the party goes beyond mere copying.”³³ The court explained its line of reasoning as follows: if any of the images that Warne claimed as trademarks are, indeed, trademarks, defendant Book Sales’ use of these trademarks, “may lead the public to believe that Defendant’s different, and allegedly inferior, publication has been published or is somehow associated with,” Warne, thus establishing an unfair competition or dilution claim for Warne.³⁴

An interesting postscript to the tale of Frederick Warne’s trademark came in 1983. Warne sought to protect its cover illustrations by actually registering them with the United States Patent and Trademark Office (PTO). Warne’s application was denied. Like the court, the PTO noted that Warne had to present evidence that the book-buying public regarded the images as trademarks and symbols of Warne’s goodwill, and not merely an image made by Potter to bring life to the text.³⁵

Warne appears to leave the modern scholar with the following principle: in order for a public domain character to gain trademark significance, the party asserting the trademark claim (the plaintiff) must show secondary meaning. If this is demonstrated, a subsequent producer may make “slavish” copies of the original work, but if the subsequent producer goes beyond mere

³² Id. at 1196-97.

³³ Id. at, 1197; *see also* G. Riecori v. Haendler, 194 F.2d 914, 915 (2d Cir., 1952).

³⁴ Id. at 1197.

³⁵ In re: Frederick Warne & Co., Inc., 218 U.S.P.Q. 345, 348 (1983).

copying, he could face an unfair competition or dilution claim if he has not sufficiently differentiated his work from the plaintiff's.

B. Comedy III: When No Change is Good

Following Warne, the next case to deal significantly with this issue was Comedy III v. New Line Cinema.³⁶ Comedy III owns all of the rights (trademark and copyrights) to the work of the comedy trio The Three Stooges; however, at least one Stooges movie has entered the public domain. New Line Cinema used a 30-second clip of this public domain film in another film: the Stooge's clip was shown playing on a television in the background of a scene, and was played in its entirety – without editing. Comedy III sued, and claimed that the idiosyncratic and characteristic antics of the Stooges were protected by trademark, and that by showing a clip of the Stooges engaged in these actions without a license, New Line had infringed on Comedy III's trademark.³⁷

Like Warne, the court said that Comedy III had a burden to prove that their claimed trademark had acquired “secondary meaning,” and needed to demonstrate that the general public would associate this mark solely with Comedy III.³⁸ The court also noted that trademark and unfair competition law cannot be used to circumvent copyright law: “If material covered by the copyright law has passed into the public domain it cannot then be protected by the Lanham Act without rendering the Copyright Act a nullity.”³⁹ Unlike Warne, however, New Line had not

³⁶ Comedy III Productions, Inc. v. New Line Cinema, 200 F.3d 593 (9th Cir., 2000).

³⁷ Id. at 594.

³⁸ Id. at 595.

³⁹ Id.

altered the alleged “mark,” which is a use clearly allowed once a work has lost copyright protection.⁴⁰

Comedy III therefore appears to support Warne. The court again said that the plaintiff has the burden of proving that the alleged mark has secondary meaning, and that the general public associates the mark with the Plaintiff. It also noted that a defendant could not face an unfair competition or dilution claim when he merely takes, and does not alter, something in the public domain.

The court also hinted at some uses that would not be allowed, and could possibly result in a colourable infringement claim by a plaintiff. The court speculated that if New Line were trying to directly profit from using the Three Stooges images – such using the “likeness of the Three Stooges on t-shirts which it was selling,” – Comedy III could have a valid claim.⁴¹

C. Dastar: The Final War Story?

The final case in this trio addresses both questions left open by Comedy III and Warne: that is, what happens when a subsequent user does change the original, public domain work, labels it as his own without attribution to the creator, and sells the new work in order to make a profit?

In 1948, Doubleday published *Crusade in Europe*, General Dwight D. Eisenhower’s memoir about leading the Allies to victory during World War II. Twentieth Century Fox acquired a license from Doubleday to produce a television series based on the memoir, also

⁴⁰ Id. at 596.

⁴¹ Id.

entitled *Crusade in Europe*. This series was produced and aired in 1949. Fox failed to renew the copyright, and the television series entered into the public domain in 1977.⁴²

In 1988, Fox re-acquired the right to produce a television series based on General Eisenhower's memoirs from Doubleday. In 1995, Dastar obtained a copy of the original Fox program and re-edited it. Dastar marketed the series on video under a new title, and excluded all references to Fox. Fox sued, and accused Dastar of both reverse passing off and unfair competition.⁴³

The court examined the inherent conflict between the unfair competition and trademark theories of law and copyright. Writing for the 8-0 majority, Justice Scalia noted that, once a copyright has expired, the public may use the work at will and without attribution. In construing the Lanham Act, he warned that courts need to be wary of extending trademark protection to material protected by copyright so as to protect this right.⁴⁴

The relevant portion of the Lanham Act states that there can be liability for putting into commerce any goods or services which are "likely to cause confusion . . . as to the origin" of the good in question.⁴⁵ The Court's analysis in Dastar focused on the definition of "origin," specifically noting that, "if 'origin' refers only to the manufacturer or producer of the physical 'goods' that are made available to the public (in this case the videotapes), Dastar was the origin. If, however, 'origin' includes the creator of the underlying work that Dastar copies, then someone else (perhaps Fox) was the origin of Dastar's product."⁴⁶

⁴² Dastar Corp. v. Twentieth Century Fox Film Corp., 539 U.S. 23, 25-26 (2003). Doubleday renewed its copyright in the book, and this copyright remains valid. The question as to whether Dastar's re-release of Fox's 1948 series infringed on Doubleday's copyright in the underlying work was not addressed by the Supreme Court.

⁴³ *Id.* at 26-27

⁴⁴ *Id.* at 33-34.

⁴⁵ 15 U.S.C. §1125 (a)(1)(A) (2010).

⁴⁶ *Dastar*, 31.

Analyzing this claim, the Court determined that requiring “origin” as described in the statute to require attribution of un-copyrighted (public domain) materials would “pose serious practical problems,” including mutating copyright law and providing for a myriad of unwanted actions under the Lanham Act.⁴⁷ The Court eventually found that the phrase “origin” should refer to “the producer of the tangible goods that are offered for sale, and not to the author of any idea, concept, or communication embodied by those goods.”⁴⁸ The Court thus found that Fox had no Lanham Act claim against Dastar.⁴⁹

With the addition of Dastar, then, the Court appears to say that it would allow a subsequent user to profit off the sale of a public domain good, so long as the subsequent user could demonstrate that it was the “origin” of the goods. However, a closer reading of Dastar reveals that the holding is relatively narrow: the court notes that had Dastar’s version of *Crusade in Europe* differed substantially from the Fox version, Fox might have a claim for misrepresentation.⁵⁰

V. International Response

A. *The British Are Deciding! – Maybe, Eventually*

Because the term of copyright protection is determined individually by each nation, the terms of copyright protection are different in Europe than they are in the United States. This is especially true with our closest cultural ally, the United Kingdom. For example, while Beatrix Potter’s works are in the American public domain, they are still protected by copyright in Britain (at least through 2012). Along the same lines, the American character Popeye was created by

⁴⁷ Id. at 35-36.

⁴⁸ Id. at 37.

⁴⁹ Id. at 38.

⁵⁰ Id. at 38.

Elzie Segar, who died in 1938. Under American law, Popeye will enter the public domain 95 years from the date of its creation (in 1929, meaning it will enter the American public domain in 2025), though under British law, it entered the public domain 70 years after the creator's death – on January 1, 2009.⁵¹

News reports and legal scholars have theorized what uses of the image of Popeye and his gang might be acceptable in Britain.⁵² King Features, the (erstwhile) owner of the copyright in Popeye, declared that any use of the Popeye image must be licensed. They have announced that they will rigidly enforce their trademark in the Popeye image and name, which King has historically licensed.⁵³

While it seems clear that all existing Popeye cartoons drawn by Segar are now in the public domain, it remains to be seen whether a subsequent artist can create new Popeye cartoons, if a spinach company can adopt Popeye as its logo, or if a street vendor could take a Segar-drawn image of Popeye and sell it on t-shirts. As of March 2010, it does not appear that King Features has brought any litigation in this realm, though with the entry of Popeye (and, soon, Peter Rabbit) into the British public domain, litigation will probably be forthcoming.

B. *Going Dutch: An Example from the Netherlands*

The Dutch have already had some experience in this field, dealing with the entry of their beloved children's book character, Dik Trom, into the public domain. Paul Reeskamp, a well-

⁵¹ The Times, 30 December 2008, accessed at: http://entertainment.timesonline.co.uk/tol/arts_and_entertainment/tv_and_radio/kids_tv/article5415854.ece

⁵² Id.

⁵³ Time Magazine, Jan. 16, 2009.

known Dutch intellectual property attorney, has examined this issue under Dutch law.⁵⁴ Dik Trom is a still-popular series of Dutch children's books, and has been marketed in much the same way as the *Peter Rabbit* series has to the English-speaking audience. The series was published between 1891 and 1931; the series' author died in 1931, his works entered the public domain in the Netherlands on January 1, 1982.⁵⁵

According to Reeskamp, Dik Trom's publishers feared the loss of their valuable commodity. In 1978, prior to copyright expiration, they sought to have Dik Trom trademarked. Like in the U.S., Dutch courts generally will not grant a trademark to one-off books or characters, but may grant protection to the name of a series of books; the name "Dik Trom" was contained in all titles of the series. The Dutch courts smelled a rat, and sensed that this was a ploy to extend copyright protection. They refused to grant a trademark in Dik Trom, noting, "Comic figures, characters in novels, film titles, etc. cannot be regarded as a trade mark because they are part of the work and therefore descriptive."⁵⁶

Reeskamp takes issue with this opinion. He argues that titles of series of books, such as Dik Trom or Harry Potter, can also serve as a designation of origin. "The public expects particular subject matter and quality on respect of the reading entertainment contained in books marketed under the trade mark *Harry Potter*, just as the public expects a certain taste in respect of bars marketed under the title *Mars*."⁵⁷ Reeskamp argues that this source-identifier (wouldn't a reader be disappointed to purchase a *Harry Potter* book only to find it's about a boy whose name is Harry who enjoys using a kiln?) is important, and that trademarks *should* be granted in

⁵⁴ Paul Reeskamp, "Dr No in trade mark country: A Dutch Point of View," 5 J. Intell. Prop. L. & Prac. No. 1, p. 29 (Jan., 2010).

⁵⁵ Reeskamp, 30.

⁵⁶ Id. Reeskamp notes that, in subsequent litigation arising after the series' passage into the public domain, the publisher of the *Dik Trom* series did not even raise any trademark infringement claims. Reeskamp, FN 46.

⁵⁷ Id. at 31.

the titles of works, but that this should be done in a limited manner so as not to extend the term of the copyright.⁵⁸ Unfortunately Reeskamp does not explain how such a system would work.

VI. Home-Grown Pundits: The Thoughts of American Legal Scholars

The Dutch are not alone in their speculation about this area of law. American pundits have been speculating on the potential to extend copyright through trademark for almost as long as the idea has been around. Franklin Waldheim, of the Walt Disney Company, wrote two pieces in the mid-1960's concerned with just this point.⁵⁹

Waldheim recognized the value of marketing in the modern age, noting that the vast enlargement of communication has allowed characters to be used in many different media.⁶⁰ Waldheim's opinions on the validity of a trademark after the expiration of the underlying copyright foreshadowed those of Reeskamp. He noted that anyone is free to reproduce a character in the public domain, but that a person creating a new work using that character might face another set of obstacles. "The public will assume that the new work emanates from the creator of the original work – and thus the public is misled and the original creator is deprived of the good will and property rights belonging to him."⁶¹ Waldheim toes his employer's line in his conclusion, stating that well-known characters should be considered analogous to a trademark, and therefore treated in the same way.⁶²

⁵⁸ Id. at, 38.

⁵⁹ See, Franklin Waldheim, "Characters: May they be Kidnapped," 55 T.M.R. 1022 (1965), and Franklin Waldheim, "Mickey Mouse," *infra*. Waldheim, an attorney, began his association with the fledgling the Walt Disney Company in 1929 and eventually became an integral part of their legal team, working at Disney until his retirement in 1985.

⁶⁰ Waldheim, "Kidnapped", 1028.

⁶¹ Id. at 1029-1030.

⁶² In an alarmingly dated example, Waldheim writes: "If a housewife sees a package of pancake flour on which is depicted a Negro mammy with a bandana about her head, she knows that it is AUNT JEMIMA pancake flour. . . ." at 1030.

Other pundits have agreed. While some derided the Sonny Bono Copyright Term Extension Act of 1998 as the “Mickey Mouse Copyright Act,” because it was widely perceived to benefit the Walt Disney Company, (before the Act’s passage, Mickey Mouse had been slated to enter the public domain in 2003), others believed that the act was wholly unnecessary.⁶³ These pundits have speculated that, since companies like the Walt Disney Company have successfully built brands around their characters, characters like Mickey will continue to enjoy protection under theories of trademark and unfair competition.⁶⁴

Paul Goldstein, a Stanford law professor, brought this argument back to marketing, specifically, the marketing of the logos of sports teams and colleges. In the 1970’s, these groups realized the marketing potential which their logos had, and brought a series of lawsuits to force makers of hats and sweatshirts to seek licenses from the teams and schools in order to protect their marketing channels. In response, courts began to view emblems, such as the logo for the Boston Bruins, as both a protectable trademark and the very good whose origin the trademark signifies.⁶⁵

Echoing Waldheim and Reeskamp, Goldstein speculated that the same protection should exist for characters like Mickey Mouse: in order to ensure that the goods bearing the character’s image maintain a uniform quality, some sort of post-copyright trademark protection should exist.⁶⁶ However, noting the potential for a perpetual protection, Goldstein also suggested that Congress might want to reconsider whether trademark protection should be perpetual in cases not involving consumer confusion.⁶⁷

⁶³ Paul Goldstein, Intellectual Property: The Tough New Realities that Could Make or Break Your Business. New York: Portfolio (1997), 17.

⁶⁴ Id. at 17.

⁶⁵ Id. at 123.

⁶⁶ Id. at 123.

⁶⁷ Id. at 126.

Indeed, if an image can be reproduced by anyone, and slapped on any product, it will clearly lose its status (not to mention value) as a trademark. Waldheim notes that the purpose of a trademark is to indicate the source of goods. When the owner of a trademark licenses his mark carelessly, without ensuring that the goods bearing the mark have met certain quality standards, the mark will lose trademark protection.⁶⁸ Thus if a copyrighted character becomes available for all to use upon its entry into the public domain, the trademark would naturally have to expire. The law needs to find some happy medium.

VII. The Law as it Stands and What We Need to Do

The law appears to maintain that that copyrighted material that is also a trademark will be able to enter the public domain. However, the “mark” (as it should now be termed) will enjoy a much more narrow protection, solely under the principles of trademark law. However, the extent that this mark will be protected is unclear. Because of the versatility and ability to create law on a case-by-case basis, it appears that the court system, and not legislation, will be the best forum in which to “settle” this question.

A. Current Law: A Quick Recap

To recap, both Warne and Comedy III indicate that a subsequent user may publish the formerly copyright-protected work, which also serves as a mark, in an unaltered form. However, once a formerly-copyrighted mark is in the public domain, Dastar and Patton suggest that any transformative use will be judged according to trademark and unfair competition law. Although subsequent users will be able to use the underlying work, it is not clear what will happen to goods bearing the “mark:” for example, the Warne court found it important that Book Sales, the

⁶⁸ Waldheim, “Mickey,” 867-868.

subsequent user of the alleged mark, had redrawn the image that was in question, which, in the Court's mind, could potentially give rise to a dilution claim.⁶⁹

This result highlights the conundrum. To continue using the Warne logic, if a subsequent user wants to use a public domain character protected as a trademark, he can potentially face two obstacles: claims of dilution and passing off. The court's noble desire to ensure that the subsequent good mirrors the original in quality raises the possibility that the initial user could then mount a "passing off" claim against the subsequent user, as their goods would be indistinguishable. Even if, arguendo, a court were to bar such a claim, the amount of similarity which the subsequent user's mark-bearing good bearing the mark would have to mirror the initial user's good also presents problems. Theoretically, a subsequent publisher of *The Tale of Peter Rabbit*, using the cover which Warne claims as a trademark, could be forced to produce a book that is an exact replica of Warne's editions – adopting the same text font and using the same paper stock as the Warne edition.

B. Legislation – The Easy (but all to Messy) Way Out

Congress and other government bodies, such as the PTO, have the ability to quickly solve this issue by proposing, passing, and implementing new laws and regulations that deal specifically with trademarks coming from copyright-protected sources. Although legislation would save subsequent users the cost of litigation, it would allow for little space to manoeuvre in the nuance-filled world of intellectual property.

For example, an apparently simple solution could be to create a specific class of trademark, which would only cover marks also protected by copyright. Under this tier of trademark protection, once the underlying copyright expires, the former copyright holder would

⁶⁹ Warne, 1197.

be able to assert trademark rights in the goods that bear his trademarks name, but could not prevent others from creating derivative works based on the character. Thus Disney could prevent others from selling Mickey Mouse sweatshirts, but not from creating a new Mickey Mouse cartoon. This presents an imperfect result: Mickey Mouse in the cartoon is so linked to Disney and its interest in the Mickey Mouse trademark that subsequent users could effectively render mark valueless, as well as create confusion about the origin of the subsequent good. Were such a scheme in place, imagine the damage that the Mickey brand would suffer if an off-colour Mickey Mouse cartoon achieved widespread distribution.

Similarly, tying the length of trademark protection to the life of the copyright presents another set of problems. Although this scheme would ensure that once a character enters the public domain, it would be free and clear of all other intellectual property interests, it would also effectively strip the initial user and any subsequent users of any rights in the character whatsoever. This could discourage creators from fully exploiting their characters. Further, after the end of the protected period, there would be no regulation to protect the character or the mark: subsequent users would be free to create both derivative works featuring the character, and sell other goods bearing the mark. This would have the effect of rendering the mark worthless, since there would be no quality standards by which to measure the mark, and no guarantee as to the origins of any of the goods.

C. Courts: The Versatile Solution!

Although a denouement, allowing the courts to decide may be the cleanest solution to this dilemma. Admittedly, litigation comes with its own set of problems. Litigation is expensive, and crafty former copyright-cum-trademark holders could exploit the situation by charging a

license fee for their dubiously-valid mark that is priced below the cost of litigation. However, as case law develops further, more definite guides are sure to arise.

Because case law is more organic, it tends to be reasoned and based on the needs of each situation presented. The opinions of the courts thus far have been fairly logical in their attempt to balance the right of the public to use goods in the public domain with the economic interests of the trademark holders. The law often takes creative approaches to difficult problems, and letting the “market” decide these forces, and develop their own structure, might be the best way to solve this complex issue.

The United States is also in the fortunate position of being a latecomer to the copyright protection game. Over the next decade, some important works, such as Popeye, will enter the public domain in the United Kingdom and Europe. This will give American courts the opportunity to observe how foreign courts have dealt with the same issue. Since no goods will enter the American public domain until 2019, this could provide a helpful window to allow American jurists to carefully observe the effects of other jurisdictions policies.

VIII. Conclusion

The conflict between copyright-protected trademarks is not an easy problem to solve. Case law on the issue is scant, in part because so few of these marks have yet entered into the public domain. Case law, however, is developing on the subject, and as other jurisdictions face the same problems, will continue to develop.

Although an imperfect solution, the best way to police this changing and fickle area is still through the versatility of the courts.