

Winter 2005

## The Spawn of Learned Hand-A Reexamination of Copyright Protection and Fictional Characters: How Distinctly Delineated Must the Story Be Told?

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Gregory S. Schienke, *The Spawn of Learned Hand-A Reexamination of Copyright Protection and Fictional Characters: How Distinctly Delineated Must the Story Be Told?*, 9 Marq. Intellectual Property L. Rev. 63 (2005).

Available at: <https://scholarship.law.marquette.edu/iplr/vol9/iss1/3>

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## COMMENTS

### **The Spawn of Learned Hand—A Reexamination of Copyright Protection and Fictional Characters: How Distinctly Delineated Must the Story Be Told?**

#### I. INTRODUCTION

This is about the sacred cows of Western culture. The golden idols. Not symbols of religious power, they are symbols of buying power, profit, and revenue streams. These are secular idols known in the corporate world as “cash cows.”<sup>1</sup>

In *Nichols v. Universal Pictures Corp.*,<sup>2</sup> Judge Learned Hand presented his abstractions test for the determination of fair use. Almost in passing, Judge Hand offered the possibility that, independent of plot, copyright law could protect fictional characters if they were distinctly delineated.<sup>3</sup> Since that decision, fictional characters have become commercially important in ways that Judge Hand may not have imagined.<sup>4</sup>

Fictional characters are the backbone of the multi-billion dollar entertainment industry<sup>5</sup> and if a character has ingratiated itself with the

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1. Alyson Lewis, *Playing Around with Barbie: Expanding Fair Use for Cultural Icons*, 1 J. INTELL. PROP. 61, 61 (1999).

2. 45 F.2d 119 (2d Cir. 1930).

3. *Id.* at 121.

4. Or he may have. Judge Hand did seem to have an understanding of the growing relationship between the American people and mass media: “The hand that rules the press, the radio, the screen and the far-spread magazine, rules the country.” Judge Learned Hand, Memorial Service for Justice Brandeis (Dec. 21, 1942) at <http://www.worldofquotes.com/author/Learned-Hand/1/> (last visited Oct. 12, 2004).

5. See Press Release, Motion Picture Association of America, Statement of Jack Valenti (June 8, 1999) at <http://www.mpaa.org/jack>.

The U.S. copyright-based industries, which include the motion picture, sound recording, computer software, and book industries, were America’s number one export sector in 1996. These industries together achieved foreign sales and exports of \$60.18 billion, surpassing every other export sector, including automotive, agriculture and aircraft. The U.S. filmed entertainment industry alone earned about \$12 billion in foreign revenues in 1997, 40% of the total revenues earned by the U.S.

public, the public wants more of that character.<sup>6</sup> For example, the five highest-grossing film franchises have earned over ten billion dollars<sup>7</sup> and internationally seventeen of the twenty-five highest grossing films of all time are installments of various film series.<sup>8</sup> Additionally, licensing agreements for derivative products can often make nearly as much money as the film in its initial release.<sup>9</sup>

In *Gaiman v. McFarlane*,<sup>10</sup> the U.S. Court of Appeals for the Seventh Circuit decided the ownership of the copyright of two fictional characters. The *Gaiman* court, as courts have since *Nichols*, ruled that the characters were copyrightable,<sup>11</sup> in part basing its decision on the traditional premise that for copyrightability all a character needs is “a name and a characterization or personality portrait.”<sup>12</sup>

The problem with this premise is that it gives too much credence to a character having a name, an uncopyrightable element,<sup>13</sup> while relying heavily on graphic representation to impart characterization. This has created a dichotomy within the law, denying literary characters the luxury of characterization through art. By trying to force fictional characters into the parameters of Judge Hand’s test, courts are not applying copyright protection equitably: distinction has become a function of appearance and not something inherent to the character’s “personality.”

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film industry.

*Id.*

6. Vanessa Gisquet & Lacey Rose, *Top-Earning Fictional Characters Top Characters Gross \$25B*, OCT. 19, 2004, at [http://www.forbes.com/lists/2004/10/18/cz\\_04fictionland.html](http://www.forbes.com/lists/2004/10/18/cz_04fictionland.html). See Paul Farhi, *Back in a Big Way, Once Scoffed at, Film Sequels Are Proving That the Second Time Is the Charm*, WASH. POST, July 6, 2003, at N1.

7. *Movie Franchises—Box Office History*, THE NUMBERS, at <http://www.the-numbers.com/movies/series/franchises.php> (last visited Oct. 12, 2004).

8. *All Time Top Movies Worldwide*, THE NUMBERS, at <http://www.the-numbers.com/movies/records/worldwide.html> (last viewed Oct. 12, 2004).

9. “[T]he film, TV and comic book companies benefit in several ways. They can raise quick cash - sometimes millions in advances-by selling the toy rights before they shoot or pencil the first frame.” Paul Davis, *Toy Firms See Stars in Their Future; Once Again, Hollywood Will Play a Major Role in the Destiny of the Hasbros and Mattels*, PROVIDENCE J.-BULL., Feb. 20, 1994, at 1F.

10. 360 F.3d 644 (7th Cir. 2004).

11. *Id.* at 660.

12. E. Fulton Brylawski, *Protection of Characters—Sam Spade Revisited*, 22 BULL. COPYRIGHT. SOC’Y. 77, 78 (1974).

13. See 37 C.F.R. § 202.1(a) (2000).

This Comment will analyze the problems inherent to character protection through copyright. Part II of this Comment will provide background on the Copyright Act, a review of the two key tests used to determine the copyrightability of characters, and a brief definition of “character.” Part III will examine *Gaiman* and use the decision, correct in its context, to illustrate the particular problems of using copyright law to protect fictional characters. Part IV will present as a solution to the character protection problem the “copymark,” a new category of protected subject matter under federal trademark law.

## II. CHARACTER AND COPYRIGHT

### A. Copyright Act

“Because copyright protects creativity, it is the logical source of protection for fictional characters.”<sup>14</sup> The U.S. Constitution gave Congress the power to control national copyright law<sup>15</sup> and Congress responded by enacted the first federal copyright act in 1790.<sup>16</sup> Basing the Act on the Statute of Anne,<sup>17</sup> the new Act, following the innovative British precedent, awarded the copyright of a work to its author, not its publisher.<sup>18</sup> Amended several times throughout the nineteenth century,<sup>19</sup> a major revision of the Copyright Act was enacted was

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14. Leslie A. Kurtz, *The Independent Legal Lives of Fictional Characters*, 1986 WIS. L. REV. 429, 440 (1986). In fairness, it should be stressed that Kurtz presents the thesis that fictional characters deserve no protection beyond the work in which they appear.

15. U.S. CONST. art. I, § 8, cl. 8. “To promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries.” *Id.* “Limited Times” has been the subject matter of a recent U.S. Supreme Court ruling in reference to enacting the Copyright Term Extension (Sonny Bono) Act. *See Eldred v. Ashcroft*, 537 U.S. 186, 197 (2003) (holding in part that the act did not create a perpetual copyright).

16. Act of May 31, 1790, ch. 15, 1 stat. 124, *reprinted in* 8 MELVILLE B. NIMMER & DAVID NIMMER, NIMMER ON COPYRIGHT, app. 7, § D (2003).

17. *See* Statute of Anne, 1710, 8 Ann., c. 19 (Eng.) *reprinted in* 8 NIMMER, *supra* note 16, app. 7, § A.

18. “[T]he author of any book or books already printed, who hath not transferred to any other the copy or copies of such book or books . . . shall have the sole right and liberty of printing such book and books for the term of one and twenty years.” *Id.*

19. *See, e.g.,* Act of Apr. 29, 1802, ch. 36, 2 Stat. 171 (amending 1790 Act to require a notice requirement and providing protection “to the arts of designing, engraving, and etching historical and other prints”); Act of Feb. 3, 1831, ch. 16, 1, 4 Stat. 436 (enacting the first general revision of the Copyright Act); Act of July 8, 1870, ch. 230, 86, 16 Stat. 198 (expanding protection to paintings, statutes, “and of models or designs intended to be perfected as works of the fine arts”); Act of Feb. 19, 1897, ch. 4, 29 Stat. 545 (creating the Copyright Office and Register of Copyrights). *See generally* 8 NIMMER, *supra* note 16, app. 7,

enacted in 1909.<sup>20</sup> A second major revision occurred in 1976, after the United States became a party to the Berne Convention.<sup>21</sup>

As codified today, the Copyright Act grants a copyright to an author automatically upon creation, without registration or publication, as long as the work is (a) the proper subject matter of copyright; (b) original; (c) minimally creative, and (d) fixed in a tangible medium of expression.<sup>22</sup> Despite this, the Act lays the groundwork for the inherent uncopyrightability of fictional characters: "In no case does copyright protection for an original work of authorship extend to any *idea* . . . ."<sup>23</sup> If a fictional character were no more than a stock character, a "spear carrier,"<sup>24</sup> the character would lack the novel expressive quality required for copyright protection separate from the work in which it appears.<sup>25</sup>

Traditionally, the discussion of copyright protection for fictional characters has focused on the infringing use of a character;<sup>26</sup> pre-*Nichols*, characters were given no more consideration than any other aspect of the work.<sup>27</sup> That a character might be afforded copyright protection

§ D; Connie C. Davis, Note, *Copyright and Antitrust: The Effects of the Digital Performance Rights in Sound Recordings Act of 1995 in Foreign Markets*, 52 FED. COMM. L.J. 411, 414 (2000); Jessica Litman, *Copyright In the Twenty-First Century: The Exclusive Right to Read*, 13 CARDOZO ARTS & ENT. L.J. 29, 40 n.54 (1994).

20. Copyright Act of 1909, ch. 320, 35 Stat. 1075.

21. Copyright Act of 1976, Pub. L. 94-553, 90 Stat. 2541 (codified as amended at 17 U.S.C. §§ 101-1332 (2000)).

22. 17 U.S.C. § 102 (2000).

23. § 102(b) (emphasis added).

24. "Spear carrier" is a theatrical term for "a minor actor in a crowd scene." See Spear Carrier, at <http://www.dictionary.com> (last viewed Oct. 14, 2004).

25. As Judge Hand wrote, "It follows that the less developed the characters, the less they can be copyrighted; that is the penalty an author must bear for marking them too indistinctly." *Nichols*, 45 F.2d at 121.

26. See 1 NIMMER, *supra* note 16, § 2.12.

27. See, e.g., *Atlas Mfg. Co. v. Street & Smith* 204 F. 398 (8th Cir. 1913). Street & Smith published stories featuring a detective, "Nick Carter." Unfortunately, Street & Smith had not registered for copyright on some Nick Carter stories and those had entered the public domain. Atlas made a movie featuring a detective named "Nick Carter" and Street & Smith brought suit for copyright and trademark infringement. Street & Smith was prevented from using trademark law to enjoin distribution of the film, the court saying, "[l]iterary property in a book cannot be protected by trade-mark, nor otherwise than by copyright," simultaneously denying protection through copyright because the works had entered the public domain:

Nevertheless, it is held that the owner of the copyright of a novel is not entitled to protection against the use of that name in connection with a dramatic composition which does not present any scenes, plot, or dialogue imitated or adapted from the novel; it being the name in connection with the novel, and not the name alone, which the copyright protects.

*Id.* at 402-03. The dissent, however, saw Atlas's actions for what they really were: "My objection to the above conclusion can be expressed in a sentence: The defendants are

separate from its work of creation was not even contemplated until it became evident that characters could have separate lives in sequels and derivative products.<sup>28</sup> Though fictional characters had become increasingly important economically through the twentieth century for their owners because of sequels and the licensing of derivative products, as late as 1964, the Register of Copyrights dismissed the matter of creating a subject-matter category for characters.<sup>29</sup> Even without specific statutory guidance by 1964, the courts had already offered two judicial means for protecting characters through copyright: the distinct delineation test and the “story being told” test.

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engaged in appropriating the fruits of complainants’ current endeavors, and are deceiving the public.” *Id.* at 406 (Hook, J., dissenting). See also *Hill v. Whalen & Martell, Inc.*, 220 F. 359 (S.D.N.Y. 1914) (infringing use of the comic strip characters “Mutt” and “Jeff” in the characters “Nutt” and “Giff”); *King Features Synd. v. Fleischer*, 299 F. 533 (2d Cir. 1924) (finding infringement in unauthorized dolls in the likeness of plaintiff’s comic strip characters).

28. Charles Dickens, for example, was very vocal over the availability of illegal copies of his works in the U.S. where copyright protection was not offered to any save its own citizens. See Steve Lohr, *New Economy; Intellectual Property Debate Takes a Page from 19th-century America*, N.Y. TIMES, Oct. 14, 2002, at 4C, available at <http://www.globalpolicy.org/socecon/bwi-wto/wto/2002/1016forgets.htm>.

To better appreciate the commoditization of fictional characters at the turn of the twentieth century, consider the trademark, BUSTER BROWN. “Buster Brown” (with his little dog, Tige) began as a comic strip in 1902, created by R. F. Outcault for the NEW YORK HERALD. Don Markstein, *Toonopedia: Buster Brown*, at <http://www.toonopedia.com/buster.htm> (last visited Oct. 12, 2004). The character was an instant success spawning numerous licensing deals many of which were sold by Outcault himself at the St. Louis World’s Fair in 1904. *Buster Brown, Present at the Creation*, NPR, (May 6, 2002), available at <http://www.npr.org/programs/morning/features/patc/busterbrown>. The strip lasted until at least 1921, but was still well enough known that a series of silent movies featuring the character were made into the 1920s with radio and television programs to follow. *Id.* “Eventually, Buster Brown as a character faded into the past, but the Buster Brown merchandising phenomenon continued—and, in fact, continues to this day. Outcault died in 1928, a wealthy man.” Markstein, <http://www.toonopedia.com/buster.htm>.

For an allegedly darker version of this story involving peanut butter, Percy Crosby, and another famous-in-its-time comic strip see *Skippy*, <http://www.skippy.com> (last visited Mar. 14, 2004). See also IAN GORDON, *COMIC STRIPS AND CONSUMER CULTURE 1890–1945*, at 43–58 (1998).

29. 1 NIMMER, *supra* note 16, § 2.12 n.2. “As is equally true in the case of detailed presentations of plot, setting, or dramatic action, we believe it would be unnecessary and misleading to specify fictional characters as a separate class of copyrightable works.” *Id.* (quoting STAFF OF COPYRIGHT OFFICE, 89th Cong., SUPP. REP. OF THE REG. OF COPYRIGHTS ON THE GEN. REVISION OF THE U.S. COPYRIGHT LAW: 1965 (Comm. Print 1965)).

*B. The Distinct Delineation Test*

In *Nichols*, the plaintiff-playwright alleged infringement of her play, *Abie's Irish Rose*, by Universal after the production company released a film, *The Cohens and the Kellys*, in which Nichols saw a similarity of plot and characters with her work.<sup>30</sup> In his analysis, Judge Hand recognized that in any work of a similar type there were stock plots and stock characters and that copyright law protects only the expressive elements an author places upon the abstract stock character.<sup>31</sup> Judge Hand conceded a possibility characters could be copyrighted independent of the "plot" but no case on that matter had yet been heard<sup>32</sup> and his words seem to convey doubt that such would occur. Using Shakespeare as the touchstone for fully developed characters, Judge Hand wrote:

If *Twelfth Night* were copyrighted, it is quite possible that a second comer might so closely imitate Sir Toby Belch or Malvolio as to infringe, but it would not be enough that for one of his characters he cast a riotous knight who kept wassail to the discomfort of the household, or a vain and foppish steward who became amorous of his mistress. These would be no more than Shakespeare's "ideas" in the play, as little capable of monopoly as Einstein's Doctrine of Relativity, or Darwin's theory of the Origin of Species. It follows that the less developed the characters, the less they can be copyrighted; that is the penalty an author must bear for marking them too indistinctly.<sup>33</sup>

From this evolved the "distinct delineation" test. The test has become the standard to use in character infringement cases.<sup>34</sup> A two-part test, it asks:

First, is the original character's expression sufficiently delineated to be copyrightable? Second, is the infringing character's expression substantially similar to that of the original character? If the answer to both questions is yes, then the court will find the

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30. *Nichols*, 45 F.2d at 120. As Nevins points out, Universal's movie was not even a creation original to itself, but an adaptation of a play written five years earlier. Francis M. Nevins, Jr., *Copyright + Character = Catastrophe*, 39 J. COPYRIGHT SOC'Y U.S.A. 303, 308 n.24 (1992). Forgotten with time is the immense popularity of Nichols' play. It was not some random work Universal had tried to purchase, but had run for five years on Broadway for 2327 total performances (and that was an era when a run of 200 performances was "boffo.") See *Abie's Irish Rose*, IBDB, at <http://www.ibdb.com> (last visited Oct. 12, 2004).

31. *Nichols*, 45 F.2d at 121.

32. *Id.*

33. *Id.*

34. Kenneth E. Spahn, *The Legal Protection of Fictional Characters*, 9. U. MIAMI ENT. & SPORTS L. REV. 331, 334 (1992).

original character, as well as the entire work in which it appears has been infringed.<sup>35</sup>

In 1940, the question of character protection was broached in *Detective Comics, Inc. v. Bruns Publications, Inc.*<sup>36</sup> In 1938, Superman had been introduced to the public on the cover of the first issue of *Action Comics*. The publisher, Detective Comics (DC), did not immediately understand that Superman was the reason for the phenomenal sales of the comic.

However, Victor Fox, an accountant working for the company, did realize it. He quit his job, opened up a rival publishing company, and hired an art studio to create a comic book, “request[ing] that the . . . [s]hop create for him a ‘superman.’”<sup>37</sup> The studio delivered “Wonderman.” Subsequently, the character made one appearance after which DC immediately filed suit for copyright infringement.<sup>38</sup>

DC focused its case on the similarity of powers between the two characters, specifically how Wonderman was shown using them. Bruns responded that characters with great strength, near invulnerability, and fantastic speed were at least as old as Greek mythology and to depict the use of such powers by a character was not the subject of copyright.<sup>39</sup>

Ruling in favor of DC the court wrote, “[s]o far as the pictorial representation and verbal descriptions of ‘Superman’ are not a mere delineation of a benevolent Hercules, but embody an arrangement of incidents and literary expressions original with the author, they are the proper subjects of copyright and susceptible of infringement.”<sup>40</sup> The court continued, saying that if Superman had been a “general type” no copyright protection could be provided, as that would award DC a monopoly for “the mere character of a ‘Superman.’”<sup>41</sup>

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35. David B. Feldman, *Finding a Home for Fictional Characters: A Proposal for Change in Copyright Protection*, 78 CALIF. L. REV. 687, 691 (1990).

36. 111 F.2d 432 (2d Cir. 1940).

37. Jon Berk, *The Weird, Wonder(ous) World of Victor Fox's Fantastic Mystery Men*, COMIC BOOK MARKETPLACE No. 107, 34, 34 (Nov. 2003), available at <http://www.comicartville.com/victorfox.htm> (last visited Oct. 12, 2004).

38. *Id.* at 36.

39. *Bruns*, 111 F.2d at 433.

40. *Id.* at 433.

41. *Id.* at 433-34. The court also ordered a change to the injunction the lower court had issued preventing Bruns “[f]rom printing, publishing, offering for sale or selling, or in any way distributing any cartoon or cartoons, or any periodical or book portraying any of the feats of strength or powers performed by ‘Superman’ or closely imitating his costume or appearance in any feat whatever.” *Id.* at 434.



From the decision, it is difficult to determine what aspect of Wonderman, the story or the character, infringed upon Superman. Clarification was attempted eleven years later when Judge Hand, who had sat on the *Bruns* panel, wrote, “we limited the copyright to the specific exploits of ‘Superman,’ as each picture portrayed them,”<sup>42</sup> but even the clarification lacks detail. Did the court make its decision based solely upon the drawings of Wonderman that looked as if they had been traced from pictures of Superman, or did the fact that Wonderman performed feats akin to Superman also play a part?

No matter the reasoning, the long-term result was the same. The decision in *Bruns* created a ripple that spread across later cases with the result that a character would be found distinct if it had a graphic element.<sup>43</sup> Though it is the generally accepted test for character copyrightability, the distinct delineation test is not without its critics. As some have noted, the difference between copyrightability and infringement blur with the distinct delineation test,<sup>44</sup> which leads to “inconsistent adjudication.”<sup>45</sup> Nimmer has categorized the decisions by courts that have relied on the test into “those cases recognizing such protection, [and] the character appropriated was distinctly delineated . . . and [those where] such delineation was copied in the defendant’s work. In the non-protection cases, the similarity generally was only of character type and not of a distinctly delineated character.”<sup>46</sup>

### C. The “Story Being Told” Test

“Perhaps out of frustration,” Bartholomew writes, “with the lack of clear standards under the *Nichols* delineation test, the Ninth Circuit proposed a competing test for character protection.”<sup>47</sup> The events that eventually would lead to litigation began in 1930, when Dashiell Hammett sold the motion picture, radio, and television rights to his novel, *The Maltese Falcon*, to Warner Bros. Pictures. The studio then proceeded to film three different versions of the novel, but it was the last, starring Humphrey Bogart, that captured the public’s attention.<sup>48</sup>

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42. Nat’l. Comics Publ’ns. v. Fawcett Publ’ns., 191 F.2d 594, 600 (2d Cir. 1951).

43. 1 NIMMER, *supra* note 16, § 2.12.

44. Kurtz, *supra* note 14, at 440. See also Feldman, *supra* note 35, at 691.

45. Feldman, *supra* note 35, at 691.

46. 1 NIMMER, *supra* note 16, § 2.12.

47. Mark Bartholomew, *Protecting the Performers: Setting a New Standard for Character Copyrightability*, 41 SANTA CLARA L. REV. 341, 347 (2001).

48. Nevins, *supra* note 30, at 314 n.45.

In the wake of the film's popularity, Hammett entered into a deal with the Columbia Broadcasting System (CBS) for a radio series, *The Adventures of Sam Spade*. Save for the character of "Sam Spade," nothing else was taken from the *Falcon* novel. Warner, believing it owned the radio rights to Sam Spade because of the purchase of the radio rights, sued CBS.<sup>49</sup>

The Ninth Circuit disagreed, beginning its decision on a seemingly "pro-author" slant.<sup>50</sup> The court stated that the 1909 Copyright Act did allow for protection of fictional characters<sup>51</sup> and that "historically and presently detective fiction writers have and do carry the leading characters with their names and individualisms from one story into succeeding stories."<sup>52</sup> By granting protection by monopolistic means, "that purpose would not be furthered if an author necessarily sold the future rights to the characters whenever he sold a story."<sup>53</sup>

As Nevins writes, "[t]he ruling and reasoning thus far are . . . clearly correct and fully dispositive of the issue. . . . Judge Stephens could and probably should have ended his opinion there."<sup>54</sup> However, for better or worse, Judge Stephens continued:

It is conceivable that the character really constitutes the story being told, but if the character is only the chessman in the game of telling the story he is not within the area of the protection afforded by the copyright. . . . We conclude that even if the Owners assigned their complete rights in the copyright to the Falcon, such assignment did not prevent the author from using the characters used therein, in other stories. The characters were vehicles for the story told, and the vehicles did not go with the sale of the story.<sup>55</sup>

Since the decision, commentators have been wrestling with what Judge Stephens meant. The *Warner Bros.* court did not clearly

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49. *Warner Bros. Pictures, Inc. v. Columbia Broad. Sys. Inc.*, 216 F.2d 945 (9th Cir. 1954).

50. Nevins, *supra* note 30, at 315

51. *Warner Bros. Pictures*, 216 F.2d at 950.

52. *Id.* at 949. Of course, by the relatively late date of this case more than mystery writers had re-used their characters in a series of exploits. Authors had often written sequels: Lewis Carroll wrote two works featuring Alice, Mark Twain brought back Tom Sawyer, and L. Frank Baum re-used lead characters from *THE WONDERFUL WIZARD OF OZ* in other novels. Even Shakespeare, knew a good thing when he saw it (albeit at imperial request) and wrote a play around his popular supporting character Falstaff, *THE MERRY WIVES OF WINDSOR*.

53. Feldman, *supra* note 35, at 694.

54. Nevins, *supra* note 30, at 315.

55. *Warner Bros. Pictures*, 216 F.2d at 950.

articulate if it had even applied the test to its own decision, “whether this part of the opinion was dictum, or an alternate rationale for the holding.”<sup>56</sup>

Nimmer offers that the “story being told” test would “for most practical purposes . . . effectively exclude characters from the orbit of copyright protection.”<sup>57</sup> For the test to apply, the character would have to appear in a “‘story’ devoid of plot, wherein character study constitutes all, or substantially all, of the work.”<sup>58</sup> Feldman wrote, “[i]ronically, while the rule articulated in *Warner Bros.* protected Hammett’s right to reuse his characters, the rule potentially relegated all fictional characters to the public domain.”<sup>59</sup>

The test has never been widely used, and it seems particularly limited to literary characters.<sup>60</sup> In *Walt Disney Productions v. Air Pirates*,<sup>61</sup> the Ninth Circuit found the Disney characters to be protected without the need to “endorse” the Districts Court’s finding that the characters satisfied the “story being told” test.<sup>62</sup> The Ninth Circuit wrote, “[a] comic book character, which has physical as well as conceptual qualities, is more likely to contain some unique elements of expression. Because comic book characters therefore are distinguishable from literary characters, the *Warner Bros.* language does not preclude protection of Disney’s characters.”<sup>63</sup>

#### D. Fictional Characters Defined<sup>64</sup>

The two tests converge to the same point: protection of a fictional character requires not so much a well-drawn characterization, as it does

56. Nevins, *supra* note 30, at 315.

57. 1 NIMMER, *supra* note 16, § 2.12.

58. *Id.*

59. Feldman, *supra* note 35, at 694.

60. *Id.*

61. 581 F.2d 751 (9th Cir. 1978). Among knowledgeable comic book fans, and advocates for putting it to the “Man,” this case has taken on mythic proportions. A recent book traces the path of Dan O’Neill, the lead Air Pirate, up to and beyond the final decision. See BOB LEVIN, *THE PIRATES AND THE MOUSE: DISNEY’S WAR AGAINST THE COUNTERCULTURE* (2003).

62. *Air Pirates*, 581 F.2d at 755 n.11.

63. *Id.* at 755. Of this case, Nevins writes the “[t]he opinion would have been more persuasive if the court had recognized that image infringement cases like *Air Pirates* have nothing to do with character protection at all.” Nevins, *supra* note 30, at 322.

64. For an in-depth analysis of fictional characters as *characters*, see Benjamin A. Goldberger, *How the “Summer of the Spinoff” Came to Be: The Branding of Characters in American Mass Media*, 23 LOY. L.A. ENT. L. REV. 301 (2003).

a drawing. Graphic representation fills in for depth of character and leads to the unbalanced, and unfair, result that graphic characters are found more deserving of protection than literary characters.

From the developed case history, legal commentators have classified fictional characters into four groups:<sup>65</sup> (1) Pure characters, or those characters that do “not appear in an incorporated work”;<sup>66</sup> (2) Literary characters arising from novels or scripts with description and action creating the character; (3) Visual characters, as found in live-action movies; and (4) Cartoon characters, a broader term than just animation, but used in reference to all line drawings of a perceived simplicity. Among these four categories, pure characters have received “little or no protection”<sup>67</sup> through the courts, while cartoon characters “tend to receive far more protection than literary characters.”<sup>68</sup>

What is a ‘fictional character? If the definition for “fiction” is conceded to be the common dictionary definition,<sup>69</sup> attention focuses necessarily on “character.” The dictionary provides “character” to mean: “the aggregate of features and traits that form the individual nature of some person or thing. . . . [A]n account of the qualities or peculiarities of a person or thing.”<sup>70</sup>

Intuitively, we understand this. Even as children, we separate Peter Rabbit from his siblings by his more mischievous nature. However, when “character” has been approached by the bench in reference to its being a copyrightable element, more substance has traditionally been required.

Kellman would have a fictional character consist of “one or more of three elements: 1. It can be an idea—a general concept[;] 2. It can be the ‘expression’ or detailed development of an idea . . . [;] 3. It can be a

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65. See, e.g., Kurtz, *supra* note 14, at 429.

66. Spahn, *supra* note 34, at 340.

67. *Id.*

68. Kurtz, *supra* note 14, at 451. Considering that a work’s quality is not to be a determinant when granting copyright, commentators and courts have shown outright disdain for any work outside of the classics. “It may seem paradoxical that literary characters, some of which are among the greatest creations of the human mind, have received less copyright protection than cartoon characters.” *Id.* In *Fawcett*, Judge Hand wrote, “In the case of these silly pictures nobody cares who is the producer—least of all, children who are the chief readers—; the ‘strips’ sell because they amuse and please, and they amuse and please because they are what they are, not because they come from ‘Detective.’” *Fawcett*, 191 F.2d at 603.

69. “Something feigned, invented, or imagined.” WEBSTER’S UNABRIDGED DICTIONARY 713 (2d ed. 1998).

70. *Id.* at 345. Helpfully, the dictionary also tells us that “character” be defined as “a person represented in a drama, story, etc.” *Id.* Apart from being too pat, the last thing a character need be is a person.

name.”<sup>71</sup> Brylawski, seeing the inherent problem in allowing an idea to stand alone for the purposes of copyright offered that a character “consists of two dissimilar parts: a name and a characterization or personality portrait.”<sup>72</sup> In *Gaiman*, the court would rely on this latter definition when presenting the attributes that make a character copyrightable.<sup>73</sup>

A consistent problem has been in determining the “characterization or personality portrait” of the fictional character in question. When Judge Hand made his statement that a distinct character might be protected from the Shakespearean examples that accompany it, it is fair to consider that Judge Hand was utilizing an indefinable “depth of character” as part of the consideration to be made,<sup>74</sup> perhaps even of a type that commentators suggest denies copyrightability through the “story being told” test.

Broadly, the comparison could be made to the creation of a test to determine the copyrightability of poems, but then finding that the test is applied more often in favor of sonnets over works of free verse because sonnets are more “poem like.” If fictional characters are going to be protected under copyright law, there must be equivalent standards applicable to all, no matter the category into which they fall. As will be presented, the latest case, *Gaiman* differs little from previous cases in this line and carries over the same fallacy that characters are copyrightable.

### III. *GAIMAN V. MCFARLANE*

#### A. *Background*

It could be asserted that the seeds of this case were sown as early as the mid-1930s when the first periodicals recognizable as “comic books” appeared. The comic book is the illegitimate child of the rough-and-tumble pulp magazine industry<sup>75</sup> and the comic strip, taking its business practices from the former and its content, at least at first, from the latter. Originally, comic books only reprinted comic strips.

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71. Leon Kellman, *The Legal Protection of Fictional Characters*, 25 BROOK. L. REV. 3, 6 (1958).

72. Brylawski, *supra* note 12, at 78.

73. See *Gaiman*, 360 F.3d at 661.

74. See *Nichols*, 45 F.2d at 121.

75. A brief overview of the pulp magazine may be found at *History of the Pulps*, Pulpworld, at [http://www.pulpworld.com/history/history\\_01.htm](http://www.pulpworld.com/history/history_01.htm) (last visited Oct. 12, 2004).

The public's appetite for the resulting product was so voracious that available reprint material was quickly used up. Traditionally, the people who created the new material were low paid, writers and artists at the start, or end, of careers, happy to be working during the Great Depression. The creators produced the product under work-made-for-hire contracts,<sup>76</sup> retaining no rights to the works they created.<sup>77</sup> In counterpoint, the publishers were making a profit; at its height in the late 1940s, the comic book industry had seven key publishers and multiple secondary publishers who together sold thirty million issues per year.<sup>78</sup>

By the middle of the 1980s, it was a different industry. There were only two main publishers with combined sales no more than two-three million issues per year.<sup>79</sup> By the late 80s, though, comic sales had

76. "A 'work made for hire' is (1) a work prepared by an employee within the scope of his or her employment; or (2) a work specially ordered or commissioned for use as a contribution to a collective work, as a part of a motion picture or other audiovisual work." § 101.

77. "It was trade practice in those days. Nobody really questioned it. . . . The standard trade practice in the comic book industry was that you sold an idea . . . they[, the publisher,] owned it. And there was no question about it." Michael Kronenberg, *Auteur Theory CBM Interview: Will Eisner*, COMIC BOOK MARKETPLACE No. 115, 36, 39 (Sept. 2004) (internal quotations omitted).

78. For an overview of this era of comic publishing, please see GERARD JONES, *MEN OF TOMORROW: GEEKS, GANGSTERS, AND THE BIRTH OF THE COMIC BOOK* (2004); JOE SIMON & JIM SIMON, *THE COMIC BOOK MAKERS* (2003); Jamie Coville, *TheComicsBooks.com—The History of Comic Books* at <http://www.collectortimes.com/~comichistory> (last visited Oct. 10, 2004); 1 JAMES STERANKO, *STERANKO'S HISTORY OF COMICS* (1972).

79. "The comics industry is in trouble. Sales are low. In fact, numbers that were once considered the cancellation point are now acclaimed as high sales figures!" Michael Hutchison, *How to Save the Comics Industry!*, at <http://www.fanzing.com/mag/fanzing50/feature1.shtml> (last visited Oct. 10, 2004). To better understand how sales have decreased, when ACTION COMICS NO. 1 was published in 1938, "[t]he initial print run was two hundred thousand copies. By 1941, ACTION COMICS sold on average nine hundred thousand copies [per month]." IAN GORDON, *Comics*, ST. JAMES ENCYCLOPEDIA OF POP CULTURE (Tom Pendergast & Sara Pendergast eds. 1999), [http://www.findarticles.com/p/articles/mi\\_g1epc/is\\_tov/ai\\_2419100313/pg\\_2](http://www.findarticles.com/p/articles/mi_g1epc/is_tov/ai_2419100313/pg_2) (last viewed Oct. 14, 2004). By the end of World War II, at least one title would top out at sales of two million copies per month, while others would not be far behind. See, e.g., Franklin Harris, "Clerks" Director Returns Green Arrow From Dead (Mar. 8, 2001) at <http://home.hiwaay.net/~tfharris/pulpculture/columns/010308.shtml>. There was a point when sales "estimate[d] increases [in] comic book sales from approximately \$125 million in 1986 to \$400 million in 1992. . . . When the collectibility bubble burst in the mid 1990s[,] the industry encountered a downturn in which Marvel wound up bankrupt." GORDON, *supra* note 79. Compare those figures to modern sales figures where sales of just under one hundred forty thousand make a book the top seller. ACTION COMICS is not even on the chart. See *Sales Slip in Seasonal Softness*, ICv2 News, (Oct. 18, 2004) <http://www.icv2.com/articles/news/5867.html>.

become secondary to the licensing of the characters, with each company owning their respective stable of characters and most creators still employed under work-for-hire contracts.<sup>80</sup>

### B. Gaiman and McFarlane

In 1990, Todd McFarlane was working for the industry leader, Marvel Comics. After gaining popularity as artist on *Amazing Spider-Man*, Marvel gave McFarlane a new Spider-Man title to write and draw; the first issue sold over five million copies. Not satisfied with his share of the profits in 1992, McFarlane and four other equally popular, and dissatisfied, artists left Marvel to form their own comic book company: Image.

McFarlane's Image comic was *Spawn*. The first issue sold almost two million copies and remained the best selling comic during this period even after sales dipped.<sup>81</sup> It was in McFarlane's best interest to keep producing issues, but the book was often late. To help meet deadlines, McFarlane turned to four of the most popular comic book writers at the time and offered each a chance write one issue of *Spawn*.

One of those writers was Neil Gaiman. When the offer was made to Gaiman, there was no mention of compensation, copyright assignment, or any other matter relating to those topics save for a vague statement from McFarlane that he would treat Gaiman "better than the big guys."<sup>82</sup>

Based on nothing more, Gaiman accepted the offer, the story he eventually being published as *Spawn* No. 9. The issue would sell "more than a million copies"<sup>83</sup> and Gaiman would receive payment of one hundred thousand dollars for the work. A vast improvement compared

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80. DC had upped the ante by initiating a performance bonus if a title sold above certain contractual levels, creators were paid a royalty if their work was reprinted, and a percentage of any sales from derivative products based upon a character or title a creator or creators developed. See Coville, *supra* note 78. It could be argued that this was due to the backlash that DC had received when the treatment of Joe Shuster and Jerry Siegel became public knowledge in 1976 when the first Superman film was released. Barely out of their teens when they brought Superman to DC after the character's breakout success, "Siegel and Shuster were soon cut out of the equation by the publisher and spent a lifetime of poverty and failed litigation in the shadow of their ubiquitous creation." See *Heirs to Jerry Siegel Regain Rights to Superman—Fulfill Dream*, (Aug. 8, 1999) at <http://www.superman.ws/fos/copyright>.

81. See Coville, *supra* note 78.

82. *Gaiman*, 360 F.3d at 649 (citation omitted).

83. *Id.*

to what writers made in the past, but “about what [Gaiman] would have expected to receive from DC Comics . . . as a work made for hire.”<sup>84</sup>

Gaiman’s story was purposefully set apart from the storyline that had been running in the comic book because it was a “filler” story to allow McFarlane breathing room. Instead of the present, Gaiman set his story in Medieval Europe, introducing three new characters: Angela, Medieval Spawn, and Count Cogliostro.<sup>85</sup> Angela and Cogliostro were new characters created by Gaiman for the story. Medieval Spawn was a play upon McFarlane’s Spawn character.

The success of that issue led McFarlane to offer Gaiman the opportunity to write an Angela mini-series; he did and the series published in 1994.<sup>86</sup> Gaiman received thirty thousand dollars compensation for his work.<sup>87</sup> By this time, McFarlane had begun what would be his real moneymaking venture, McFarlane Toys, soon to be a leader in the production of licensed action figures.<sup>88</sup> In 1995, the company manufactured an action figure of Medieval Spawn; some time thereafter, Gaiman would receive a check for twenty thousand dollars for “royalties,” but exact what the royalties were for was never made clear.<sup>89</sup>

Trade paperback reprinting of Gaiman’s work for McFarlane also appeared in 1995. These books bore a notice that McFarlane had copyrighted the contents “and all related characters.”<sup>90</sup> Similar notices had appeared in *Spawn* No. 9 and *Angela* No. 2.<sup>91</sup>

In 1996, there was talk that Image might be for sale. The company had changed; one of the founders pushed out, while another had left voluntarily, selling his creator-owned assets to DC. A third even began doing some work for Marvel.<sup>92</sup> In the midst of this, Gaiman decided that contractual protection of his rights might be necessary.<sup>93</sup> Initial discussions were cordial, with McFarlane agreeing to the suggested

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84. *Id.*

85. *Id.* at 650.

86. *Id.*

87. Gaiman also wrote a re-introduction to the Angela character in SPAWN NO. 26 for which he received \$3,300. *Gaiman*, 360 F.3d at 651.

88. To view some of McFarlane’s product, see *Toys* at <http://www.spawn.com> (last visited Oct. 12, 2004).

89. *Gaiman*, 360 F.3d at 651.

90. *Id.*

91. *Id.*

92. See Michael Dean, *Image Story*, THE COMICS JOURNAL, (Oct. 25, 2000) at [http://www.tcj.com/3\\_online/n\\_image1.html](http://www.tcj.com/3_online/n_image1.html).

93. *Gaiman*, 360 F.3d at 651.



contract and to paying Gaiman royalties for a previously released Angela action figure.<sup>94</sup>

Preliminary negotiations soured in reference to the three characters Gaiman had produced for *Spawn* No. 9. Gaiman stated that he was the creator of the characters in question, and “demand[ed]” that McFarlane “immediately forward all monies which are currently owed.”<sup>95</sup>

Formal negotiations ensued resulting in a tentative agreement. The result was that (1) Gaiman would exchange his rights in *Medieval Spawn* and *Cogliostro* for the rights to *Miracleman*; and (2) McFarlane would pay Gaiman royalties for action figures based on those two characters using the terms of Gaiman’s DC contract.<sup>96</sup> Nothing more was heard from McFarlane on the issue, though royalty checks were sent to Gaiman in 1997 and 1998, along with “royalty reports that referred to Gaiman as ‘co-creator’” of the three characters.<sup>97</sup>

In mid-February 1999, Gaiman received notice that MacFarlane was withdrawing from the tentative agreement. Gaiman was then offered “on a take-it-or-leave-it basis” the full rights to *Miracleman* in exchange for the full rights to *Angela*, while “all rights to *Medieval Spawn* and *Cogliostro* would continue to be owned by Todd McFarlane Productions.”<sup>98</sup>

Gaiman brought suit under the Copyright Act against McFarlane seeking a declaration that he and McFarlane jointly owned all three characters. The lower court found that Gaiman was a co-creator, thereby a co-owner. The court ordered McFarlane to name Gaiman as co-owner on all undistributed copies of works where the characters appear.<sup>99</sup>

94. *Id.*

95. *Gaiman*, 360 F.3d at 651 (quoting letter from Gaiman’s counsel to McFarlane’s negotiator).

96. *Id.* It was his writing of *Miracleman* in England that helped Gaiman to gain notice in the U.S. *Miracleman* was a character McFarlane had supposedly acquired the rights to when a small comic book company had gone bankrupt, “supposedly” because the rights to *Miracleman* are more convoluted than the rights at issue here. See GEORGE KHOURY, *KIMOTA! THE MIRACLEMAN COMPANION* 121-23 (2001).

97. *Gaiman*, 360 F.3d at 651.

98. *Id.* (internal quotations omitted).

99. McFarlane was ordered to pay “modest monetary relief” for breach of Gaiman’s right of publicity. *Gaiman*, 360 F.3d at 648. An accounting of the profits was also ordered so that Gaiman could obtain his rightful share. *Id.*

*C. Gaiman versus McFarlane*

McFarlane's appeal focused on two points, one only of which is germane to the issue of fictional character protection.<sup>100</sup> Conceding that Gaiman was a co-creator in *Angela*,<sup>101</sup> McFarlane sought reversal on the theory that the Medieval Spawn and Cogliostro characters were not copyrightable.<sup>102</sup> The *Gaiman* court said this "may seem inconsistent" considering that McFarlane had inserted an "all related characters" clause into the copyright notice of the paperback reprints:<sup>103</sup> If they were uncopyrightable how could McFarlane assert his copyright in them? Additionally, if they were uncopyrightable, how could McFarlane have licensed Medieval Spawn and Cogliostro for action figures, cartoons, and live-action films?<sup>104</sup>

McFarlane's position was derived from a belief that the characters were not copyrightable until they were given "form" by McFarlane's art.<sup>105</sup> McFarlane took Gaiman's ideas, mere suggestions, and fleshed them out with his art.<sup>106</sup> The court ignored that reasoning and bluntly stated, "[w]e think they were copyrightable from the start, and that Gaiman owns the copyrights jointly with McFarlane."<sup>107</sup>

Only together could the skill of Gaiman and McFarlane make a character a copyrightable entity:<sup>108</sup> Gaiman providing the idea, the

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100. McFarlane tried to persuade the court that the statute of limitations to bring any case under the Copyright Act to court began running with the publication of the work in question. *Id.* at 653. In this instance with the publication of SPAWN NO. 9 in 1993, with its copyright notice that did not mention Gaiman. The court pointed out that the copyright notice serves as a warning to would-be copiers, not co-authors. An author, believing he has ownership in a work, has no obligation to read the copyright notice. *Id.* at 654. Registration of a work with the Copyright Office does not provide constructive notice of a claim of ownership, but "constructive notice of the facts in the document if the document identifies a registered work." *Id.* at 655 (citation omitted).

101. *Gaiman*, 360 F.3d at 650.

102. *Id.*

103. McFarlane may have misunderstood "both the function of copyright notice and the nature of the copyright in a compilation. The function of copyright notice is to warn off copiers, not to start the statute of limitations running [against an author claiming copyright]." *Id.* at 653 (citations omitted).

104. *Id.* at 652.

105. *Id.* at 657.

106. *Gaiman*, 360 F.3d at 657.

107. *Id.*

108. *Id.* at 659.

[W]here two or more people set out to create a character jointly in such mixed media as comic books and motion pictures and succeed in creating a copyrightable character, it would be paradoxical if though the result of their joint labors had more than enough originality and creativity to be copyrightable, no one could claim

character's name, and speech, McFarlane, providing its image and movement.<sup>109</sup> Working separately each would, of course, have created copyrightable matter that contained a character named "Cogliostro." However, the amalgamation of writing and art made Cogliostro distinctly delineated and thus, a copyrightable entity apart from any single work in which it appeared.

Medieval Spawn "present[ed] a closer case than Cogliostro so far as copyrightability is concerned."<sup>110</sup> The character's lack of a name with its first appearance was potentially troublesome, the parameters of the distinct delineation test for copyrightability traditionally including that a character possess a name and non-generic appearance.<sup>111</sup> The court found the lack of a name a non-issue, declaring the character copyrightable as a derivative work from McFarlane's Spawn, which was copyright protected.<sup>112</sup> Gaiman's dialogue, combined with McFarlane's art, made Medieval Spawn distinctive enough to render it copyrightable.<sup>113</sup>

#### *D. Gaiman: Problems of Copyright and Character*

What makes a fictional character worthy of protection seems to require Justice Stewart's "I know it when I see it" test.<sup>114</sup> The determination occurs with no statutory guidance. Decisions, perhaps best demonstrated by *Burroughs*,<sup>115</sup> often seem to orbit the issue: a court has decided that the character in question is copyrightable but is unable

copyright. That would be peeling the onion until it disappeared.

*Id.*

109. *Id.* at 657-58.

110. *Gaiman*, 360 F.3d at 661.

111. *Id.*

112. "But that is enough expressive content for copyrightability, because Spawn itself (the original Spawn . . .) is not a stock character (McFarlane would have a heart attack if we said he was)." *Id.*

113. *Id.*

114. Not really a test, of course, but a standard to decide if something is pornographic or not: "I shall not today attempt further to define the kinds of material I understand to be embraced within that shorthand description ["obscene"]; and perhaps I could never succeed in intelligibly doing so. But I know it when I see it . . ." *Jacobellis v. Ohio*, 378 U.S. 184, 197 (1964) (Stewart, J. concurring).

115. *Burroughs v. Metro-Goldwyn-Mayer, Inc.*, 519 F. Supp. 388 (S.D.N.Y. 1981). The children of Edgar Rice Burroughs were attempting to take back from M-G-M a film right granted by the father. In its decision, the court discussed whether or not the character of "Tarzan" was copyrightable. Declaring it was, the court wrote with apparent admiration: "Tarzan is the ape-man. He is an individual closely in tune with his jungle environment, able to communicate with animals yet able to experience human emotions. He is athletic, innocent, youthful, gentle and strong. He is Tarzan." *Id.* at 391.

to expressly state how the decision was reached. Explicitly or implicitly, some courts have used the “magically expedient” phrase of “well developed”<sup>116</sup> to arrive solidify their reasoning.<sup>117</sup> *Gaiman*, even with the explanation of why the court found the characters copyrightable, could still be considered another in the line of “magically expedient” cases.

A name cannot be copyrighted, but it stands as a requirement for a fictional character’s copyrightability. After six decades of using a non-copyrightable element as a factor, ingrained upon the courts is the use of a name as factor toward determining copyrightability.<sup>118</sup> The requirement of a name is neither intuitive nor a natural assumption: it is a remnant of earlier cases where courts struggled with the concept of a copyright in a character.

As decades of crusty old cooks named “Cookie” in innumerable Westerns can attest, a name and stock type do not a protected character make. The purpose of a name is to identify, to make a character distinct from any other character from similar stock. On its face, this should not prevent anyone else from naming a skinny old bum “Count Nicholas Cogliostro,”<sup>119</sup> so long as that character was not a copy.

What truly makes a character copyrightable must be the “characterization or personality portrait” and it is the determination of what that portrait’s “threshold of delineation” is that occupies a court’s deliberation. When Judge Hand made his statement that a character might be independently copyrightable, it is fair to consider that he was utilizing an indefinable “depth of character” as part of the consideration.<sup>120</sup> His use of Shakespearean characters as examples of

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116. Nevins, *supra* note 30, at 312.

117. See, e.g., *DC Comics, Inc. v. Reel Fantasy, Inc.*, 696 F.2d 214, 217 (2d Cir. 1982) (assuming Batman to be copyrightable without explanation); *Air Pirates*, 581 F.2d at 755 (“When the author can add a visual image, however, the difficulty [of determining distinct delineation] is reduced.”).

118. “Although copying of a character’s name is not in itself decisive, it is a factor to be considered in determining whether the character as appropriated is sufficiently distinctive to constitute an infringement.” 1 NIMMER, *supra* note 16, § 2.12.

119. The court makes special notice of the change in the spelling of Cogliostro’s name from his first appearance from “Cagliostro” to “Cogliostro.” *Gaiman*, 360 F.3d at 658. The change in spelling, which occurred at some indeterminable time before *Gaiman* brought his suit, may have been intentional to better support trademark registration and copyright protection. *Gaiman*’s writing is often full of literary and historical references and his use of “Cagliostro” may have been intentional to draw a connection between the character in SPAWN No. 9 and the historical Count Alessandro di Cagliostro, eighteenth century alchemist, freemason, and mystic. See James Dilworth, *Alessandro, Count di Cagliostro*, at <http://www.themystica.com/mystica/articles/c/cagliostro.html> (last visited Oct. 12, 2004).

120. See *Nichols*, 45 F.2d at 121.

distinctly delineated ones would seem to indicate that distinctiveness was a rare thing, determined at the moment of creation and not awarded because of multiple reappearances.

In fairness, the decision in *Gaiman* is close to the spirit of Judge Hand's statement. Judge Hand offered no temporal component, no period over which a character "earned" protection with delineation accrued with each appearance. The lack of guidelines does seem to be a factor in the determination made by courts today.<sup>121</sup> For the *Gaiman* court, however, it seemed all Count Cogliostro needed to be a copyrightable character was to have a name, dialogue, and be drawn.<sup>122</sup>

Within the context of *Gaiman*, and what may have been the court's desire to assure the author received his due, this decision works. It provides enough creative input from both parties as to make Cogliostro an equal creation of both.<sup>123</sup> However, has characterization truly been addressed? The court wrote:

Although *Gaiman*'s verbal description of Cogliostro may well have been of a stock character, once he was drawn and named and given speech he became sufficiently distinctive to be copyrightable. *Gaiman*'s contribution may not have been copyrightable by itself, but his contribution had expressive content without which Cogliostro wouldn't have been a character at all, but merely a drawing.<sup>124</sup>

When *Gaiman* wrote the story, there was no hint of a legal battle to come; he was writing a story and created characters to serve the purpose of the story. What if Cogliostro's first appearance required him to mutter a few verses of *Jabberwocky*, playing off his appearance as a possibly drunk, if not mentally ill, bum? While the "what he says" component would still be available to support the character's copyrightability, could Lewis Carroll's nonsense poem distinctly delineate the knowledge the character "possesses," which was also a contributing requirement?<sup>125</sup>

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121. Judge Werker's comments about what makes Tarzan "Tarzan" are enjoyable for their passion, see *Burroughs*, 518 F. Supp. at 391, but seem to supplant the literary version of the character for the "culturally created" version. That version of a character is the one formed by amalgamation of the variations of it that have appeared in the derivative works, movies, comics, cartoons, and television, as well as the original source work.

122. See *Gaiman*, 360 F.3d at 657-62.

123. *Id.* at 661.

124. *Id.*

125. *Id.* at 660.

What if his first “appearance” was off-panel, out of the reader’s view? Everything the court required for copyrightability, save the McFarlane-drawn picture would be present in the work. Despite being in a comic book, the character would be a literary one at that moment, the personality portrait consisting of just words. Words alone have not sufficed for delineation of literary characters; would copyrightability have to wait until the issue when Cogliostro makes his first visual appearance?

What if another wrote Medieval Spawn’s next appearance and she provided an actual name for the character, rather than just use the identifier, “Medieval Spawn?” Would that be enough of a contribution of expressive content to make Medieval Spawn copyrightable?

These questions help to highlight the key problem of character protection via copyright law: What attribute is the one that makes a character protectable? What is the “threshold of delineation”?

It should be troublesome when the level of protection afforded Medieval Spawn is not available to a famous literary character, or when a court offhandedly assumes the Batman character copyrightable without explanation. The need for character protection is a part of legal reality. The form of that protection, and how provided, requires re-examination so to better comport with the boundaries of copyright law.

#### IV. SUGGESTED SOLUTIONS

##### *A. Copyright*

Despite the problems of protecting fictional characters through copyright law, that is still an attractive option. One commentator has suggested creating a fictional character category within the statutory subject matter categories of copyright.<sup>126</sup> However, this could raise problems regarding aspects like the fixation requirement: If an equitable application of the law is the reason for such creation, how could a pure character be included? In addition, unless there was a statutory definition for the “threshold of delineation” for fictional characters, what would prevent a person from asserting their assumed rights in stock characters?

An alternative could be to “rehabilitate” the “story being told” test. As has been discussed, the “story being told” test is widely disfavored by the judiciary and practitioners. However, unlike the test promulgated in

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126. See Bartholomew, *supra* note 47, at 370.

*Warner Bros.*, the rehabilitated “story being told” test would be a test of the character itself. Instead of being a considered “mere chessman,” the test would now look for the growth of a character; the “story being told” would be the character’s development over time.

In this instance, if the issue of a character’s copyrightability comes up, a court would examine not just the singular work at issue, but also the body of work in which the character has appeared. Such an examination would require a court to examine the totality of the character’s appearances, crossing media if necessary. As analysis of the decision in *Burroughs* showed, courts, even if subconsciously, may already be making such examinations when determining if a fictional character copyrightable.<sup>127</sup> Used in this fashion, the test would apply more equitably to all characters, at least allowing a purely literary character from a series of novels as fair a chance to be a copyrightable entity as a character that had the good fortune to be drawn in *Spawn* No. 9.

A response to this suggestion could be that the use of the test in this broader fashion would require a court to make overtly a determination of quality. However, a determination of quality should not figure into the copyrightability calculus.<sup>128</sup> Additionally, courts could begin to equate “longevity” with “development,” creating a situation no better than the present where “graphic” is synonymous with “development.”

### *B. Acknowledging Trademark through the Copymark*

A fictional character is just an assemblage of stock parts brought together by an author for a particular work. People make associations with certain fictional characters the same way they make associations with famous trademarks.<sup>129</sup> Upon seeing a familiar character, there are expectations associated that rise unbidden. The image of Superman creates expectations different from the image of Wonderman;<sup>130</sup> a

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127. See *supra* notes 115 and 121.

128. The House Report on the 1976 revision of the Copyright Act stated:

The term “literary works” does not connote any criterion of literary merit or qualitative value it includes catalogs, directories, and similar factual, reference, or instructional works and compilations of data. . . . Correspondingly, the definition of “pictorial, graphic, and sculptural works” carries with it no implied criterion of artistic taste, aesthetic value, or intrinsic quality.

H.R. REP. NO. 94-1476, at 54 (1976), *reprinted in* 1976 U.S.C.C.A.N. 5659, 5667.

129. See Trademark (Lanham) Act of 1946 § 1, 15 U.S.C. § 1051 (2000).

130. The author, Harlan Ellison, provided a poetic difference between famous and not famous characters:

consumer of the character has expectations regarding the kind of story featuring the character and the quality of the work. A person going to the latest James Bond film, for instance, would probably be disappointed if the producers decided to recast the suave British secret agent as a dumpy, disheveled citizen of Queens.

The problem is that a trademark is an indicator of source, yet, what is the source for a fictional character? At the beginning of the twentieth century that would have seemed a strange question; today, do Buster Brown's fictional roots even matter after three generations of acting as the trademark, BUSTER BROWN? With coordinated marketing efforts, where the derivative products drive the creation of fictional characters with all products reaching the consumer simultaneously, pinpointing the source could be difficult. An average consumer may think that a new character first appeared in a film or television show, but that is not necessarily correct.<sup>131</sup>

Because consumers may have difficulty determining the source under these conditions, it is suggested that source, for famous characters, has become less important than expectation. If creation of fictional characters today is with the story aspect a secondary consideration, then a system that acknowledges their hybrid nature could fill the void between copyright and trademark law.

It is when a character transcends its work of creation that the protective scheme becomes muddy. Though copyright law is appealed to for protection, what the owner is attempting to protect is not always

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If one of the unarguable criteria for literary greatness is universal recognition, consider this: In all the history of literature, there are only five fictional characters known to every man, woman and child on the planet. The urchin in Irkutsk may never have heard of Hamlet; the peon in Pernambuco may not know who Raskolnikov is; the widow in Jakarta may stare blankly at the mention of Don Quixote or Micawber or Jay Gatsby.

But every man, woman and child on the planet knows Mickey Mouse, Sherlock Holmes, Tarzan, Robin Hood . . . and Superman.

HARLAN ELLISON, *Preface to SUPERMAN AT FIFTY: THE PERSISTENCE OF A LEGEND* 11 (Dennis Dooley & Gary Engle eds., 1988).

131. This is true for characters created particularly to appeal to children, where the toy may come first, and the story featuring the character just a marketing device. For example, He-Man began as an action figure, see *The History of He-Man and the Masters of the Universe* at <http://flyingmoose.org/heman/heman.htm> (last visited Oct. 14, 2004). The Care Bears were created first for greeting cards, see *Care Bears: History & Facts* at <http://www.care-bears.com/history> (last visited Oct. 14, 2004); and the ubiquitous Hello Kitty began as nothing more than as a picture of the character sitting, see *Hello Kitty-History* at <http://hellokittyworld.tripod.com/history> (last visited Oct. 14, 2004).



the character's copyright, but also, for lack of a better word, its "goodwill."

Because a fictional character does exist in two legal worlds, copyright and trademark, the implementation of a protective scheme through "copymark" is suggested, the name indicative of the mark's origins. Though all fictional characters are copyrightable within the work they appear, not all fictional characters could qualify for a copymark.

### 1. Requirements for Application of a Copymark

The owner of a fictional character wishing to apply for copymark protection would be required to show that the character: (1) originated in a work available for copyright registration; (2) had been in use in commerce; (3) had been in use for a minimum of five years; and (4) is famous.

The conditions to meet the first three requirements are minimal. The first requirement, appearance in a copyrightable work, serves the purpose of assuring that the character has authorial roots of the kind implicated by the Constitution. The requirement is necessary to avoid the potential abuse by certain trademark owners of "double dipping": applying for copymark protection for a trademark.

Of course, trademarks may acquire copyright protection by appearing in a copyrightable work. The obvious examples are television commercials. Every time the *TRIX* Rabbit learns "Trix are for kids!" in a new commercial, the trademarked elements of brand, icon, and slogan are copyrighted within that work.

The second requirement, use in commerce, parallels a similar requirement in the Lanham Act.<sup>132</sup> Unlike trademark law, though, intent to use a character would not suffice because of the special circumstances of granting trademark protection to a fictional character. A character cannot have a claim to fame unless it is in the public garnering attention; even then, the chances of the character crossing the threshold of the fourth requirement is slight.

The third requirement, the character having been in use a minimum of five years, is another element to help avoid application before the character has acquired secondary meaning. During this time the character is still under copyright, with the typical protective structure in place. There would be no maximum time for application.

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132. See Lanham Act, § 1(a)(3)(C), 15 U.S.C. § 1051(a)(3)(C).

Finally, the character must be famous. Just as a trademark is required to be famous to receive protection under the Federal Trademark Dilution Act (FTDA),<sup>133</sup> the same would apply to the holder of a copymarked character. However, in acquiescence to the special position a fictional character holds, the character must show that it is eligible for protection before being awarded copymark designation. This is because, no matter what, the character has protection assured to it under copyright law. Holding a copymark would help shore-up ownership after the term of copyright extinguishes.

The fame of a mark is determined through consideration of a non-inclusive list of factors provided in the FTDA.<sup>134</sup> The determination of fame for a copymark applicant would be done by an analysis akin to that offered for the rehabilitated “story being told” test: The complete body of work in which a character appears would be examined. A single action figure may not suffice for copymark protection, but a line produced over ten years while the character appears in concurrent movies and novels could not hurt.

## 2. Reasons Favoring Creation of the Copymark

### *a. Helps to assuage fears that an “unlimited copyright” is looming*<sup>135</sup>

The base for this argument is the idea that the owner of a famous character wants to retain control in perpetuity. In *Eldred v. Ashcroft*,<sup>136</sup> the U.S. Supreme Court seems to imply that the limited term of copyright is as malleable as the needs of Congress,<sup>137</sup> it may not be unreasonable to believe that Congress could make the copyright term so long as to render “limited” meaningless.

Copyright law acknowledges an assumption that, generally, the value of a creative work decreases with time. By granting protection to famous characters clearly through trademark law, the original works become almost superfluous. The profit is in the characters, through licensing of derivative goods and sequels, not necessarily in reissues or reprints.

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133. § 43(c), 15 U.S.C. § 1125(c).

134. § 43(c)(1), 15 U.S.C. § 1125(c)(1).

135. Michael T. Price, *When Phone Booths Are Inadequate Protection: Copyright and Trademark Infringement of Superheroes*, 43 WAYNE L. REV. 321, 342 (1996).

136. 537 U.S. 186 (2003).

137. *See id.* at 208.

*b. Ownership of the character cannot be lost as long as it is in use*

The decision in *Atlas*<sup>138</sup> would seem to be the worst-case scenario for any owner of a famous fictional character: the earliest stories featuring the character enter the public domain even as new stories are being produced creating the potential of a multiplicity of sources. Conversely, as shown by BUSTER BROWN, there can be value in a character long after presentation of the last original story it was in.<sup>139</sup> Copymark protection would satisfy both of these concerns with the guarantee of ownership; even if the earliest works did enter the public domain and those works were freely distributed, the creation of competing new stories featuring that character could not be offered by anyone else.

This is an area of concern for the owner of a fictional character because when the work the character first appeared in enters the public domain she may still be producing new works with the character. Case law would appear to grant continued ownership of only “the increments of expression” beyond that contained in the original work. The implication of this is that a second party could freely use all public domain aspects of the character in her own work without fear of infringement.<sup>140</sup> As the lobbying efforts in support of the recent copyright term extension showed, the owners of these characters do not want access through the public domain for any purpose.<sup>141</sup>

*c. Works may again enter the public domain*

The Copyright Term Extension Act<sup>142</sup> has caused some to believe that the public domain will be empty of any work made after 1922.<sup>143</sup> Based on the discussion in the previous subsection, there could be a middle ground between these philosophies. Once the term of copyright expires, the owner retains the character, but the works unquestionably become available for distribution.

With the promise of continued protection under copymark, there is no reason that works could not enter the public domain. The copymark

138. See *supra* note 27.

139. See *supra* note 28.

140. See *Silverman v. CBS, Inc.*, 870 F.2d 40, 50 (2d Cir. 1989).

141. Chris Springman, *The Mouse that Ate the Public Domain: Disney, the Copyright Term Extension Act, and Eldred v. Ashcroft*, FINDLAW'S WRIT (Mar. 5, 2002) at [http://writ.news.findlaw.com/commentary/20020305\\_sprigman.html](http://writ.news.findlaw.com/commentary/20020305_sprigman.html).

142. Copyright Term Extension (Sonny Bono) Act, Pub. L. 105-298, § 102(b), (d), 112 stat. 2827-28 (amending 17 U.S.C. §§ 302, 304 (2000)).

143. See, e.g., *Opposing Copyright Extension*, at <http://homepages.law.asu.edu/~dkarjala/OpposingCopyrightExtension> (last modified Sept. 9, 2004).

provides a carrot for the owner; the characters therein would be “safe,” so the owners could possibly loosen their hold on those earliest works.

Despite the availability of works on the Internet, often unauthorized, and through authorized reprintings, the dissemination of older works has not been that extensive. There is a variety of works made unavailable by the owners for many reasons since their first release. Often it is an esthetic decision based on the owner’s self-perceived notion of the poor quality of the earlier works or because the earlier works present the famous character in a bad light.<sup>144</sup> In theory, there is the potential of customer confusion if customers were to believe the reprinted work represented the current, authorized, version. However, there is a balance between mass availability and availability for scholars, sociologists, historians, and critics, people who know what the works represent. Allowing the term of copyright for them to expire could be the equivalent of Tutankhamen’s tomb for those disciplines.

*d. Assures protection of a character as it evolves over the years of its existence*

A character, especially one in use in serial fiction, evolves over time for myriad reasons. In 1938, Superman was a vigilante character willing to battle social injustice as he defined it. Today, other characters, and fans, often refer to him as a “boy scout.” Because copymark would rely on dilution theory, the parts that go to create the whole help generate the goodwill. As long as Superman can be associated with his costume, Lois Lane, Lex Luthor, the Daily Planet, Metropolis, and a hundred other little pieces known by the public, the character is “Superman,” no matter how he is drawn, or who portrays him on film.

3. Disfavoring Copymark.

The clearest reason to avoid implementation of a copymark system of is that it would replace the “infinite copyright” with the “infinite trademark.” Yet, is that different from trademark protection in general? After a mark has been granted protection, as long as it is in use in commerce it will continue to receive protection.

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144. See Jon Cooke, *The Censored Cartoon Page*, at <http://looney.toonzone.net/lcuts> (last modified Nov. 2, 2003).

## V. CONCLUSION

Copyright law protects the author's bundle of rights in a work. Trademark law serves to protect consumers. A copymark system would just be taking the extra step and admitting that fictional characters have consumer value, and are often more valuable as a commodities separate from any single creative work.

"Lord Bowen once sagely remarked: 'Law should follow business.'"<sup>145</sup> Those words, quoted almost a hundred years ago, are still true. Works with fictional characters are part of a multi-billion-dollar industry. Hitting on the right character can make a career; gambling on one and failing could be the end of a career.

As the law stands now, a cartoon character is protected for being a cartoon, not for being any more distinctly delineated than a literary character. However, the system for protection of characters through copyright law is well entrenched. Few owners of cartoon characters are going to complain about any inequity. Copyright law should apply equitably and solutions like the copymark given consideration.

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145. Wallace R. Lane, *Cases-Development of Secondary Rights in Trade-Mark Cases*, 18 YALE L.J. 571, 571 (June 1909) (citation omitted).

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