
Copyright and Trademark Case Review: In "Vogue," Burning Man, Building Plans and More

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Copyright Opinions

Samples in Madonna's "Vogue" Too Trivial to Be Infringing: *VMG Salsoul, LLC v. Ciccone*, Nos. 13-57104, 14-55837 (9th Cir. June 2, 2016)

Graber, J. In a suit claiming infringement of both composition and sound-recording copyrights based on alleged sampling—in Madonna's song "Vogue"—of a 0.23-second "horn hit" from plaintiff's recording, a divided Ninth Circuit panel affirmed the district court's summary judgment of noninfringement under the *de minimis* exception to copyright, notwithstanding the fact that plaintiff had offered evidence of actual copying. With respect to the composition, the Ninth Circuit relied on its precedent in *Newton v. Diamond* (9th Cir. 2004), which held that copying of a musical composition is *de minimis*—and therefore noninfringing—when "the average audience would not recognize the appropriation." With respect to the sound recording, the panel majority rejected the Sixth Circuit's bright-line rule of *Bridgeport Music, Inc. v. Dimension Films* (6th Cir. 2005), under which any unauthorized copying of a sound recording constitutes infringement. In the first federal appellate decision to address the issue since *Bridgeport*, the majority extended *Newton's* "average audience" test to sound recordings, finding "unpersuasive" the Sixth Circuit's reasoning that Congress intended to eliminate the *de minimis* exception for sound recordings under the Copyright Act. However, the Ninth Circuit held that the district court abused its discretion in granting attorneys' fees to defendants, holding that "[a] claim premised on a legal theory adopted by the only circuit court to have addressed the issue is, as a matter of law, objectively reasonable."

Burning of Burning Man Ship Not a Violation of VARA: *Cheffins v. Stewart*, No. 12-16913 (9th Cir. June 8, 2016)

O'Scannlain, J. In a suit alleging violation of the Visual Artists Rights Act ("VARA"), 17 U.S.C. § 106A, based on the burning of a replica of a Spanish galleon, the Ninth Circuit affirmed the district court's summary judgment ruling that the replica was "applied art" and accordingly not protected under VARA, which applies only to "works of visual art." The panel majority held that "an object constitutes a piece of 'applied art'. . . where the object initially served a utilitarian function and . . . continues to serve such a function after the artist made embellishments or alterations to it." Where the galleon—

which was built around a functioning school bus—was used for transportation, hosting of events, and other purposes during the annual Burning Man Festival, the Ninth Circuit held that the replica was ineligible for VARA protection under this standard.

Copyright Act's Fee-Shifting Provision Applies to Litigation of Fee Petitions: *Bell v. Lantz*, No. 15-2341 (7th Cir. June 17, 2016)

Rovner, J. In an appeal concerning the attorneys' fees awarded to defendant after plaintiff voluntarily dismissed his copyright infringement suit, the Seventh Circuit held that the Copyright Act permits an award of legal fees to the prevailing party for time spent defending the fee petition. The Seventh Circuit concluded that the Act's fee-shifting provision, 17 U.S.C. § 505, displaces the traditional American Rule even in the context of litigation over the entitlement to and amount of attorneys' fees. The court also rejected plaintiff's argument that defendant had run up fees by failing to timely notify him that he had sued the wrong party because defendant's denial of the infringement allegations in his answer was sufficient to put plaintiff on notice. However, because the district court did not address certain evidence pertaining to defense counsel's hourly rate, the Seventh Circuit remanded the case for redetermination of the fee award. Coming the day after the U.S. Supreme Court's ruling in *Kirtsaeng v. John Wiley & Sons, Inc.*, the Seventh Circuit references the ruling, but does not substantively apply the Supreme Court standard.

Eleventh Circuit Upholds JMOL of Noninfringement for Architectural Plans: *Home Design Services, Inc. v. Turner Heritage Homes Inc.*, No. 15-11912 (11th Cir. June 17, 2016)

Goldberg, J. In a suit alleging copyright infringement of architectural floor plans, the Eleventh Circuit affirmed the district court's grant of defendant's motion for judgment as a matter of law following a jury verdict for plaintiffs. Citing its precedent in *Intervest Construction, Inc. v. Canterbury Estate Homes, Inc.* (11th Cir. 2008), together with *Zalewski v. Cicero Builder Dev., Inc.* (2d Cir. 2014), the court held that, if the similarities between the works at issue concern only non-copyrightable elements, such as customary styles or features that are motivated by efficiency- or expectation-driven industry standards, there can be no copyright infringement as a matter of law. Following its holding in *Intervest*, the court also reaffirmed that because "separat[ing] protectable expression from non-protectable expression is . . . a question of law or, at the very least, a mixed question of law and fact," judges are often best-situated to perform the substantial similarity analysis in such cases.

Trademark Opinions

Proof of Probable Confusion Not Required for Entire Geographic Scope of Injunction: *Guthrie Healthcare System v. ContextMedia, Inc.*, No. 13-3343-cv(L) (2d Cir. June 13, 2016)

Leval, J. In a trademark dispute involving the logos of plaintiff, a non-profit healthcare services provider, and defendant, a provider of health-related digital content, the Second Circuit affirmed the district court's ruling of infringement and grant of a permanent injunction, but held that the district court had misapplied the law in fashioning a narrowly limited injunction that permitted defendant's use of the mark on the Internet and limited defendant's use only in a prescribed "Guthrie Service Area." The Second Circuit explained that "[o]nce the senior user has proven entitlement to an injunction, the scope of the injunction should be governed by a variety of equitable factors—the principal concern ordinarily being providing the injured senior user with reasonable protection from

the junior user's infringement." Here, the district court had erroneously required plaintiff to prove a probability of confusion in all geographic areas to be covered by the injunction. Noting that plaintiff engaged in recruitment and fundraising nationwide and that its future geographic expansion could be impeded, the Second Circuit broadened the injunction to cover two additional counties containing plaintiff's facilities and remanded the case to the district court to determine whether an injunction could be tailored to allow defendant some limited use of its marks on the Internet and nationwide.

District Court Action Barred by Collateral Estoppel Based on Prior TTAB Proceeding: *Ashe v. PNC Financial Services Group, Inc.*, No. 15-2566 (4th Cir. June 13, 2016) (non-precedential)

Per Curiam. In an unpublished opinion, the Fourth Circuit affirmed the district court's dismissal of plaintiff's complaint for trademark infringement as barred by collateral estoppel, based on the TTAB's finding in a prior opposition that defendant had established priority of use for the mark in question. The court declined to decide whether—as the district court concluded—the issues of priority in an opposition proceeding before the TTAB and in a federal infringement case are necessarily always identical, or rather—as plaintiff argued—that the Supreme Court's decision in *B & B Hardware, Inc. v. Hargis Industries, Inc.* (2015) “stands for the proposition that, when considering the issue of priority, courts must determine whether the actual use of a mark is the same as the use stated in a trademark application.” However, because plaintiff alleged no actual use of the mark beyond the uses described in his application, the Fourth Circuit concluded that “in this case, the issue of priority decided by the TTAB was identical to the issue of priority presented to the district court,” such that collateral estoppel applied.

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