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Cardtoons v. Major League Baseball Players Association: Fair Use or Foul Play?

Rebecca Kwok*

There is no doubt that entertainment, as well as news, enjoys First Amendment protection. It is also true that entertainment itself can be important news. But it is important to note that neither [party] will be deprived of the benefit of petitioner's performance as long as his commercial stake in his act is appropriately recognized. . . . [H]e simply wants to be paid for it.

— Justice White, U.S. Supreme Court, 1977¹

The First Amendment isn't just about religion or politics—it's also about protecting the free development of our national culture. Parody, humor, irreverence are all vital components of the marketplace of ideas. The last thing we need, the last thing the First Amendment will tolerate, is a law that lets public figures keep people from mocking them, or from "evoking" their images in the mind of the public.

— Judge Kozinski, Ninth Circuit, 1993²

I. INTRODUCTION

On August 27, 1996, the Tenth Circuit decided *Cardtoons v. Major League Baseball Players Association*³ and demonstrated its support

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¹ *Zacchini v. Scripps-Howard Broad. Co.*, 433 U.S. 562, 578 (1977).

² *White v. Samsung Elecs. Am., Inc.*, 989 F.2d 1512, 1519 (9th Cir. 1993) (Kozinski, J., dissenting from denial of rehearing en banc).

of commercial merchandise featuring celebrity parodies over a celebrity's right of publicity. In *Cardtoons*, the plaintiff Cardtoons produced trading cards featuring caricatures of active and retired major league baseball players. In response to the defendant Major League Baseball Players Association's ("Players") claim that these cards infringed on the players' rights of publicity,⁴ the court ruled that "Cardtoons' First Amendment right to free expression outweighs [the players'] proprietary right[s] of publicity."⁵

This comment disagrees with the Tenth Circuit's holding that publicity rights must yield to commercial parodies when the two conflict. Part II of the comment presents the facts of *Cardtoons* and the conclusions reached in the Tenth Circuit's opinion. Part III then critiques the Tenth Circuit's opinion. This comment argues that the Tenth Circuit ruled inconsistently with intellectual property decisional authority, and it disagrees with the Tenth Circuit's rejection of the efficient allocation of resources rationale for the right of publicity. In addition, this comment criticizes the Tenth Circuit for concluding that upholding the Players' publicity rights will result in an impermissible restriction on speech.

II. ANALYSIS OF THE CASE

A. *Facts*

Cardtoons hired three people to illustrate and write text for its trading cards: a well-known editorial cartoonist, a sports artist, and a freelance sports writer. Out of the 130-card set, 71 cards display caricatures of active baseball players on the front of the cards with humorous commentary about their careers on the back. The remaining cards constitute the following: 20 "Big Bang Bucks" cards, featuring cartoon drawings of currency with caricatures of the highest paid players

³ 95 F.3d 959 (10th Cir. 1996).

⁴ Major League Baseball Players Association, the exclusive collective bargaining agent for all active major league baseball players, acts as the assignee of the individual publicity rights of the active baseball players parodied in the trading cards.

⁵ *Cardtoons*, 95 F.3d at 962.

on the front and yearly salary statistics on the back; 10 "Spectra" cards, featuring caricatures of active players on the front and nothing on the back; 10 retired players cards, featuring caricatures of the retired players on the front and humorous commentary about their careers on the back; 11 "Politics in Baseball" cards, featuring caricatures of political and sports figures on the front and humorous commentary on the back; 7 standing cards, featuring caricatures of team logos on the front and humorous text on the back; and one checklist card.

The cards feature names similar to the actual players' names, recognizable caricatures, the players' team colors, and commentary about each player. The Tenth Circuit found that "[a] person reasonably familiar with baseball can readily identify the players lampooned on the parody trading cards."⁶ All of the cards, except the Spectra cards, bear the Cardtoons logo and the statement, "Cardtoons baseball is a parody and is NOT licensed by Major League Baseball Properties or Major League Baseball Players Association."⁷

The trading cards created by Cardtoons resemble traditional baseball cards, and Cardtoons employed the value-enhancing techniques of traditional baseball cards. For example, Cardtoons limited production, serially numbered the cases of cards, and randomly inserted subsets and special trading cards called "chase cards" into the sets.

To market its trading cards, Cardtoons placed an advertisement in the May 14, 1993 issue of *Sports Collectors Digest*. Through this advertisement, the Players learned of the trading cards and, accordingly, sent a cease and desist letter to Cardtoons and Cardtoons' printer, Champs. The letter stated the Players' position that Cardtoons' "use of the likenesses of active Major League baseball players in this manner is for [its] commercial benefit [and that these] activities violate the valuable property rights of MLBPA and the players."⁸ Upon receipt of the letter, Champs informed Cardtoons that it would not print the trading cards until a court rendered a declaratory judgment stating that

⁶ *Id.*

⁷ *Id.*

⁸ *Cardtoons v. Major League Baseball Players Ass'n ("Cardtoons I")*, 838 F. Supp. 1501, 1507 (N.D. Okla. 1993) (quoting the pertinent portions of the players' June 18, 1993, cease and desist letter).

“it can distribute its parody trading cards without the consent of [the Players].”⁹

B. *Procedural History*

Cardtoons filed a “suit seeking a declaratory judgment that its cards do not violate the publicity or other property rights of [the Players]”¹⁰ four days after receiving the cease and desist letter. It also sought an injunction to prevent the Players from threatening legal action against Champs or other third parties with whom Cardtoons had a contractual relationship. Furthermore, Cardtoons sought damages for the Players’ tortious interference with Cardtoons’ contractual relationship with Champs. The Players counterclaimed for a declaratory judgment, an injunction, and damages for violation of their rights of publicity.¹¹

Initially, the United States Magistrate recommended the entry of a declaratory judgment in favor of the Players.¹² It concluded:

[b]alancing both parties’ interests upon the dual fulcrums of the First Amendment and the players’ ‘rights of publicity,’ the scales tip to the players, Cardtoons’ First Amendment free expression yielding to individual rights of publicity in the contexture of a commercial undertaking. . . . Cardtoons cannot expect to make money by trading on the likenesses and name recognition of lauded national figures and avoid application of the law which vests in those . . . names, likenesses and reputations.¹³

On appeal, however, the district court read a parody exception into Oklahoma’s statute and determined that “Cardtoons’ product falls within this exception, despite the fact that it is a parody that is sold for commercial gain.”¹⁴ The court accordingly entered a declaratory judgment in favor of Cardtoons, holding that “Cardtoons’ product does

⁹ *Cardtoons III*, 95 F.3d at 966.

¹⁰ *Id.* at 964.

¹¹ This comment only addresses the right of publicity issue.

¹² *Cardtoons I*, 838 F. Supp. at 1523.

¹³ *Id.* at 1522-23.

¹⁴ *Cardtoons v. Major League Baseball Players Ass’n (“Cardtoons II”)*, 868 F. Supp. 1266, 1275 (N.D. Okla. 1994).

not violate Okla. Stat. tit. 12, § 1449.”¹⁵ The Players then appealed to the Tenth Circuit.¹⁶

C. *Issues*

The Tenth Circuit's ruling by Circuit Judge Deanell Reece Tacha¹⁷ addressed three substantive issues:

- (1) “whether the cards infringe upon [the Players'] property rights as established by either the Lanham Act or Oklahoma's right of publicity statute;”¹⁸
- (2) “whether the cards are protected by the First Amendment;”¹⁹
and
- (3) which right prevails upon balancing of “the relative importance of [said] rights in the context of this case.”²⁰

1. *Publicity Rights*

The Tenth Circuit found that Cardtoons violated the Players' rights of publicity under Oklahoma's right of publicity statute.²¹ The court noted that Oklahoma's right of publicity statute, nearly identical to California's right of publicity statute,²² “requires proof of three elements: (1) knowing use of player names or likenesses[;] (2) on products, merchandise, or goods[;] (3) without [the Players'] prior consent.

¹⁵ *Id.* at 1275-76.

¹⁶ The Players also argued on appeal that the district court lacked jurisdiction to issue a declaratory judgment. *Id.* The Tenth Circuit ruled that the district court had federal question jurisdiction and that this case involved “a real and substantial controversy.” *Id.*

¹⁷ Circuit Judges James K. Logan of the Tenth Circuit and Thomas M. Reavley of the Fifth Circuit (sitting by designation) joined the ruling.

¹⁸ *Cardtoons III*, 95 F.3d at 966.

¹⁹ *Id.*

²⁰ *Id.*

²¹ *Id.* at 968 (finding violation of OKLA. STAT. tit. 12, § 1449). The Tenth Circuit also affirmed the district court's factual finding that these trading cards do not create a “likelihood of confusion” necessary to maintain an action under the Lanham Act. *Id.* at 967. The court found that consumers would not “mistake [the players] as anything other than the targets of the parody cards.” *Id.*

²² *Id.* at 968 (citing CAL. CIV. CODE §§ 990, 3344).

If [the Players] prove[] these three elements, then the burden shifts to Cartoons to raise a valid defense.”²³

The court found that the Players satisfied the first element, knowing use of their names and likenesses.²⁴ The president of Cartoons conceded that “the cards borrow the likenesses of active players.”²⁵ In addition, the court noted that the trading cards are funny only because “they, along with the parodied name, team, and commentary, are accurate enough to allow identification of the players being parodied.”²⁶ Accordingly, the court concluded that the Players had demonstrated Cartoons’ knowing use of the baseball players’ names and likenesses.²⁷

With respect to the second element, that the Players’ likenesses appear on “products, merchandise, or goods,”²⁸ the court swiftly concluded that it had been proven as well.²⁹ The court reasoned that, because the trading cards were “a product, designed to be widely marketed and sold for profit,” they clearly satisfied the second element.³⁰

With even greater ease, the court noted that the Players had met the lack of prior consent element because the parties had stipulated to this fact.³¹ Therefore, because the Players had demonstrated all three ele-

²³ *Id.* The Oklahoma Statute states that:

Any person who knowingly uses another’s name, voice, signature, photograph, or likeness, in any manner, on or in products, merchandise, or goods, or for purposes of advertising or selling, or soliciting purchases of, products, merchandise, goods, or services, without such persons prior consent, . . . shall be liable for any damages sustained by the person or persons injured as a result thereof, and any profits from the unauthorized use that are attributable to the use shall be taken into account in computing the actual damages.

OKLA. STAT. tit. 12, § 1449(A) (1985).

²⁴ *Cartoons III*, 95 F.3d at 968.

²⁵ *Id.*

²⁶ *Id.*

²⁷ *Id.* *Cf.* *White v. Samsung Elecs. Am., Inc.*, 971 F.2d 1395, 1397 (9th Cir. 1992) (holding that a robot caricature of Vanna White did not constitute her “likeness” within the meaning of CAL. CIV. CODE § 3344(a)).

²⁸ OKLA. STAT. tit. 12, § 1449(A) (1985).

²⁹ *Id.*

³⁰ *Cartoons III*, 95 F.3d at 968 (10th Cir. 1996).

³¹ *Id.*

ments, the court concluded that "Cardtoons' parody cards . . . infringe upon [the Players'] publicity right as defined in § 1449(A)."³²

2. Oklahoma Statute's First Amendment Exceptions

Oklahoma's right of publicity statute contains two exceptions designed to protect First Amendment interests.³³ The first exception "exempts use of a person's identity in connection with any news, public affairs, or sports broadcast or account, or any political campaign."³⁴ The court found that Cardtoons' trading card venture was not connected with any news account.³⁵ Accordingly, it held that this exception was not applicable.³⁶

The second exception, "roughly analogous to the First Amendment concept of 'incidental use,' exempts use in a commercial medium that is not directly connected with commercial sponsorship or paid advertising."³⁷ Similar to the "news" exception, the court found the second exception inapplicable to Cardtoons.³⁸ The court stated that Cardtoons' use of the baseball players' likenesses was "directly connected with a proposed commercial endeavor [and that] the players were specifically selected for their wide market appeal."³⁹ Accordingly, the court concluded that the Oklahoma statute's exceptions did not exempt Cardtoons' appropriation of the baseball players' names and likenesses in its trading cards.⁴⁰

³² *Id.*

³³ OKLA. STAT. tit. 12, § 1449(D), (F) (1985).

³⁴ *Cardtoons III*, 95 F.3d at 968 (citing OKLA. STAT. tit. 12, § 1449(D)).

³⁵ *Id.*

³⁶ *Id.* Based on this reasoning, would the Tenth Circuit have exempted these trading cards from liability if, for example, the players portrayed on the cards had recently made headlines for capturing higher salaries and better benefits after a long, bitter strike? Query whether trading cards as a medium can ever serve as a "news account" within the intent of the Oklahoma legislature.

³⁷ *Id.* (citing OKLA. STAT. tit. 12, § 1449(F)).

³⁸ *Id.*

³⁹ *Id.*

⁴⁰ *Id.*

3. First Amendment Right to Free Expression

Having determined that the trading cards infringed upon the Players' property rights, the court next explored "whether Cardtoons has a countervailing First Amendment right to publish the cards."⁴¹ The court found that the trading cards "provide social commentary on public figures, major league baseball players, who are involved in a significant commercial enterprise, major league baseball."⁴² The court further stated that the trading cards were "no less protected because they provide humorous rather than serious commentary."⁴³ Moreover, the court noted that parody "is a humorous form of social commentary that dates to Greek antiquity" and considered it to be an "artistic and literary device[] with [a] distinguished tradition[]." ⁴⁴ In addition, the court commented on cartoons' and caricatures' "prominent role in public and political debate throughout our nation's history."⁴⁵ For these reasons, the court concluded that "this type of commentary on an important social institution constitutes protected expression."⁴⁶

The Players argued unsuccessfully that "the parody trading cards are commercial merchandise rather than protected speech."⁴⁷ The court, citing *Virginia State Board of Pharmacy v. Virginia Citizens Consumer Council, Inc.*⁴⁸ and *Lakewood v. Plain Dealer Publishing Co.*,⁴⁹ stated that "[t]he fact that expressive materials are sold neither renders the speech unprotected, nor alters the level of protection under the First Amendment."⁵⁰

⁴¹ *Id.* at 968-69. The court noted that the First Amendment only protects against government regulation of speech. *Id.* Nevertheless, the court explained that, because Cardtoons claimed that a state statute was restricting its right of free expression, the state action requirement was evident. *Id.* (citing *New York Times Co. v. Sullivan*, 376 U.S. 254, 265 (1964)).

⁴² *Id.*

⁴³ *Id.*

⁴⁴ *Id.* at 969 (citing *L.L. Bean, Inc. v. Drake Publishers, Inc.*, 811 F.2d 26, 28 (1st Cir. 1987)).

⁴⁵ *Id.* (citing *Hustler Magazine v. Falwell*, 485 U.S. 46, 53-55 (1988)).

⁴⁶ *Id.*

⁴⁷ *Id.*

⁴⁸ 425 U.S. 748, 761 (1976).

⁴⁹ 486 U.S. 750, 756 n.5 (1988).

⁵⁰ *Cardtoons III*, 95 F.3d at 969-70 (citations omitted).

The Players also argued, again unsuccessfully, that the trading cards should receive less protection because they are commercial speech.⁵¹ The court offered several descriptions of commercial speech as defined by the Supreme Court in several prominent cases. It stated that *Central Hudson Gas & Electric Corporation v. Public Service Commission*⁵² defined commercial speech as “expression related solely to the economic interests of the speaker and its audience.”⁵³ The court, moreover, found that *Virginia State Board*⁵⁴ defined commercial speech as “[s]peech that does no more than propose a commercial transaction.”⁵⁵ Furthermore, the court stated that *44 Liquormart, Inc. v. Rhode Island*⁵⁶ described commercial speech as that which “merely advertises a product or service for business purposes.”⁵⁷

Based upon these definitions of commercial speech, the court reasoned that “Cardtoons’ trading cards . . . are not commercial speech [because] they do not merely advertise another unrelated product.”⁵⁸ Relying on this reasoning, the court distinguished *Cardtoons* from “the only other circuit court decision addressing the constitutional tensions inherent in a celebrity parody, *White v. Samsung Electronics America, Inc.*”⁵⁹ Thus, the court concluded that Cardtoons’ trading cards were subject to full First Amendment protection.⁶⁰

4. Balancing First Amendment vs. Publicity Rights

Having found that the First Amendment protected the trading cards, the court then set out to “balance the magnitude of the speech

⁵¹ *Id.* at 970.

⁵² 447 U.S. 557 (1980).

⁵³ *Id.* at 561.

⁵⁴ 425 U.S. 748 (1976).

⁵⁵ *Cardtoons III*, 95 F.3d at 970 (citing *Virginia State Board*, 425 U.S. at 762).

⁵⁶ 134 L. Ed. 2d 711 (1996).

⁵⁷ *Cardtoons III*, 95 F.3d at 970 (citing *Liquormart*).

⁵⁸ *Id.*

⁵⁹ *Id.* In *White*, Samsung created a print advertisement that featured a robot parody of Vanna White. 971 F.2d 1395 (9th Cir. 1992). The *White* court rejected Samsung’s First Amendment argument on the basis that “parody arguments are better addressed to non-commercial parodies.” *Id.* at 1401.

⁶⁰ *Cardtoons III*, 95 F.3d at 970.

restriction against the asserted governmental interest in protecting the intellectual property right.”⁶¹

a. *First Amendment*

Initially, the court discussed how parody, by “readily expos[ing] the foolish and absurd in society . . . implicates some of the core concerns of the First Amendment.”⁶² It also described parody as “a valuable form of self-expression that allows artists to shed light on earlier works and, at the same time, create new ones.”⁶³ The court concluded that “parody, both as social criticism and a means of self-expression, is a vital commodity in the marketplace of ideas.”⁶⁴

The court next explored the ways in which “[p]arodies of celebrities are an especially valuable means of expression because of the role celebrities play in modern society.”⁶⁵ According to the court, because celebrities symbolize particular ideas and values, they are “an important element of the shared communicative resources of our cultural domain.”⁶⁶ Moreover, it reasoned that, because they are valuable symbols of societal ideas and values, “[r]estricting the use of celebrity identities restricts the communication of ideas.”⁶⁷

The court also noted that elevation of publicity rights above the right to free expression would likely have a chilling effect on future celebrity parodies.⁶⁸ Moreover, the court stated that, because the Oklahoma statute requires consent prior to use of a person’s likeness, and people likely will not consent to irreverent commentary about themselves, unflattering parodies would likely be stifled by the statute.⁶⁹ In addition, the court, quoting Judge Kozinski’s dissent in *White*, stated that “the last thing we need, the last thing the First

⁶¹ *Id.* at 972.

⁶² *Id.*

⁶³ *Id.*

⁶⁴ *Id.*

⁶⁵ *Id.*

⁶⁶ *Id.*

⁶⁷ *Id.*

⁶⁸ *Id.* at 972-73.

⁶⁹ *Id.*

Amendment will tolerate, is a law that lets public figures keep people from mocking them.”⁷⁰

b. *Right of Publicity*

The court next considered society’s interest in protecting the Players’ publicity rights. Initially, the court found economic and noneconomic justifications for right of publicity protections. The “right is thought to further economic goals such as stimulating athletic and artistic achievement, promoting the efficient allocation of resources, and protecting consumers.”⁷¹ The right also “protect[s] various noneconomic interests, such as safeguarding natural rights, securing the fruits of celebrity labors, preventing unjust enrichment, and averting emotional harm.”⁷²

However, the court then proceeded to discount the very interests it found one by one. With respect to the right’s creation of incentive for creativity and achievement, the court responds that “[m]ost sports and entertainment celebrities with commercially valuable identities engage in activities that themselves generate a significant amount of income; the commercial value of their identities is merely a by-product of their performance values.”⁷³ Accordingly, the court found that abolishing the right of publicity would not impair celebrities’ abilities to make money from the activities that made them commercially marketable to begin with.⁷⁴ The court found the incentive argument even less persuasive in the context of celebrity parodies.⁷⁵ The court reasoned that, because celebrities will rarely give consent for parodies, granting them control over such uses will not result in additional income for them.⁷⁶ Moreover, the court reasoned that trading card parodies will not de-

⁷⁰ *Id.* at 973 (quoting *White v. Samsung Elecs. Am., Inc.*, 989 F.2d 1512, 1519 (1993) (Kozinski, J., dissenting)).

⁷¹ *Id.*

⁷² *Id.*

⁷³ *Id.*

⁷⁴ *Id.* at 974.

⁷⁵ *Id.*

⁷⁶ *Id.*

crease demand for the traditional baseball cards because parodies rarely act as a market substitute for the original.⁷⁷

Similarly, the court found the efficient allocation of resources argument unconvincing. According to this argument, “[g]iving people control of the commercial use of their identities . . . maximizes the economic and informational value of those identities.”⁷⁸ The court noted that this argument is “most persuasive in the context of advertising, where repeated use of a celebrity’s likeness to sell products may eventually diminish its commercial value.”⁷⁹ However, in nonadvertising contexts, especially parodies, the court found that the persuasiveness of the argument declines. The court was not convinced that the frequent appearance of a celebrity’s likeness on merchandise would reduce its value.⁸⁰ Rather, the court agreed with commentator Michael Madow that the value of the celebrities’ likeness may instead increase because now “everyone’s got one.”⁸¹ Moreover, even if celebrities had control over the parodic use of their identities, the court doubted that celebrities would “ration” parodic use of their identities to maximize their value over time.⁸² Rather, it again found that the celebrities would likely use that power to stifle irreverent commentary about themselves.⁸³

With respect to the consumer deception justification, the court found it unmeritorious as well. The court noted that the Lanham Act “already provides nationwide protection against false or misleading representations in connection with the sale of products.”⁸⁴ In addition, the court found that parodies are not likely to confuse or deceive consumers.⁸⁵

Next, the court addressed the noneconomic justifications for right of publicity. The court swiftly rejected the natural right rationale, de-

⁷⁷ *Id.*

⁷⁸ *Id.*

⁷⁹ *Id.* at 975.

⁸⁰ *Id.*

⁸¹ *Id.* (quoting Michael Madow, *Private Ownership of Public Image: Popular Culture and Publicity Rights*, 81 CAL. L. REV. 127, 222 (1993)).

⁸² *Id.* (citing *Matthews v. Wozencraft*, 15 F.3d 432, 438 (5th Cir. 1994)).

⁸³ *Id.*

⁸⁴ *Id.*

⁸⁵ *Id.*

scribing it as a “blind appeal[]” that “offers little reason.”⁸⁶ Then, the court focused on the “fruits of their labors” justification. This justification rests on the notion that “[p]eople deserve the right to control and profit from the commercial value of their identities because, quite simply, they’ve earned it.”⁸⁷ As noted in *Uhlaender v. Henricksen*, “[a] celebrity must be considered to have invested his years of practice and competition in a public personality which eventually may reach marketable status.”⁸⁸ The court rejected this rationale, finding that celebrities are not fully responsible for their fame because factors beyond a celebrity’s control, such as the media and the audience, come into play.⁸⁹ Even though sports figures are more responsible for their fame due to their natural talent and efforts, the court reasoned that, because parodies usually revolve around “socially undesirable behavior,” the right to enjoy the fruits of such behavior seems misplaced.⁹⁰

The court then addressed, and ultimately rejected, the prevention of unjust enrichment rationale. This justification finds that, regardless of how the celebrity acquired his valuable fame, “no social purpose is served by allowing others to freely appropriate it.” The court found that, because the creator of a parody adds a creative component to the celebrity identity and creates an entirely new product, “allowing [the Players] to control or profit from the parody trading cards would actually sanction the theft of Cardtoons’ creative enterprise.”⁹¹

Lastly, the court considered the prevention of emotional injury aspect of the right of publicity. The argument underlying this justification finds that celebrities may be distressed or offended by particular commercial uses of their identities. Thus, the right protects them from emotional harm by preventing unwanted commercial use of their identities. The court rejected this justification on several grounds. First, it found that “[p]ublicity rights . . . are meant to protect against

⁸⁶ *Id.* (citing and rejecting McCarthy’s natural rights rationale in 1 J. THOMAS MCCARTHY, THE RIGHTS OF PUBLICITY AND PRIVACY § 2.1[A](1996)).

⁸⁷ *Id.*

⁸⁸ *Id.* (quoting *Uhlaender*, 316 F. Supp. at 1282 (D. Minn. 1970))

⁸⁹ *Id.*

⁹⁰ *Id.* at 975-76.

⁹¹ *Id.* at 976.

the loss of financial gain, not mental anguish."⁹² Second, the court stated that this issue is already covered by laws such as the Lanham Act and the tort of intentional infliction of emotional distress.⁹³ Third, the court reasoned that "the law cannot allow those who enjoy the public limelight to so easily avoid the ridicule and criticism that sometimes accompany public prominence."⁹⁴

c. *Conclusion*

For the reasons stated above, the court held: "The justifications for the right of publicity are not nearly as compelling as those offered for other forms of intellectual property, and are particularly unpersuasive in the case of celebrity parodies. The cards, on the other hand, are an important form of entertainment and social commentary that deserve First Amendment protection."⁹⁵ Accordingly, the court affirmed the district court's holding that "the trading cards constitute expression protected by the First Amendment and therefore read a parody exception into Oklahoma's statutory right of publicity."⁹⁶ The Players have declined to petition for certiorari.

III. CRITIQUE OF THE TENTH CIRCUIT'S OPINION

The court analyzed the facts according to Oklahoma's right of publicity statute and correctly found that the trading cards violated the Players' publicity rights.⁹⁷ However, in deciding whether Cartoons nonetheless had a countervailing First Amendment right to publish the parody trading cards, the court failed to safeguard the Players' property rights in their names and likenesses against commercial exploitation.

⁹² *Id.* (citing *Zacchini v. Scripps-Howard Broadcasting Co.*, 433 U.S. 562, 573 (1977) and *Lugosi v. Universal Pictures*, 603 P.2d 425, 438-39 (Cal. 1979) (Bird, C.J., dissenting)).

⁹³ *Id.*

⁹⁴ *Id.*

⁹⁵ *Id.*

⁹⁶ *Id.* at 962.

⁹⁷ *See supra* Section II.C.1.

A. *The Tenth Circuit Ruled Inconsistently with Intellectual Property Decisional Authority*

1. The Tenth Circuit Disregarded Right of Publicity Precedent Set Forth by the Supreme Court in Rejecting the Importance of the Economic Incentive Rationale

The Tenth Circuit found that the trading cards were entitled to full First Amendment protection because they “provide social commentary on public figures, major league baseball players, who are involved in a significant commercial enterprise, major league baseball.”⁹⁸ Nevertheless, the Supreme Court stated in *Zacchini v. Scripps-Howard Broadcasting Co.*⁹⁹ that publicity rights may trump the freedom of expression under certain circumstances.¹⁰⁰ In the Supreme Court’s only case involving right of publicity, the Court focused on the economic impact of the defendant’s use on the value of the plaintiff’s performance.¹⁰¹ The Court reasoned that, even though the defendant used the plaintiff’s name and likeness for the purpose of a news account, because it “pose[d] a serious threat to the economic value” of the plaintiff’s publicity rights, such use was not excused by the First Amendment.¹⁰²

In *Zacchini*, a news program broadcasted the entirety of Zacchini the Human Cannonball’s performance without his consent and without compensating him. Viewing audiences generally paid an admission fee at the local fair for the opportunity to see his act. Thus, the television station had taken what Zacchini generally “sold” to audiences, his performance, and had given it to them for free. As a result, the station denied Zacchini income from the commercial value of his act.

The Supreme Court determined that the government interest in permitting a right of publicity is “in protecting the proprietary interest of an individual in his act in part to encourage such entertainment.”¹⁰³

⁹⁸ *Id.* at 969.

⁹⁹ 433 U.S. 564 (1977).

¹⁰⁰ *Id.* at 578.

¹⁰¹ *Id.* at 575.

¹⁰² *Id.*

¹⁰³ *Id.* at 573.

Moreover, the Court recognized that “this act is the product of [Zacchini]’s own talents and energy, the end result of much time, effort, and expense.”¹⁰⁴ It reasoned that “[m]uch of [the act’s] economic value lies in the ‘right of exclusive control over the publicity given to his performance.’”¹⁰⁵ Additionally, it accepted that the right of publicity’s protection provides an economic incentive for people “to make the investment required to produce a performance of interest to the public.”¹⁰⁶ The Court noted that, by allowing the public to view the act for free on television, it would be less willing to pay a fee to see it at the fair.¹⁰⁷ For this reason, the Court concluded that the broadcast of Zacchini’s act posed a “substantial threat to the economic value of that performance.”¹⁰⁸

The Supreme Court accepted the prevention of unjust enrichment by theft of good will as the rationale for protecting publicity rights.¹⁰⁹ It stated that “[n]o social purpose is served by having the defendant get free some aspect of the plaintiff that would have market value and for which he would normally pay.”¹¹⁰ Ultimately, the Court held, “The Constitution does not prevent [a state] from . . . deciding to protect [an] entertainer’s incentive in order to encourage the production of this type of work.”¹¹¹

The Tenth Circuit nonetheless rejected the economic incentive justification for the Players’ publicity rights by distinguishing *Cardtoons* from *Zacchini*. The court found that the Supreme Court’s reliance on the incentive argument was centered more on “right of performance” than “right of publicity.”¹¹²

¹⁰⁴ *Id.* at 575.

¹⁰⁵ *Id.*

¹⁰⁶ *Id.*

¹⁰⁷ *Id.*

¹⁰⁸ *Id.*

¹⁰⁹ *Id.* at 576.

¹¹⁰ *Id.* (quoting Kalven, *Privacy in Tort Law--Were Warren and Brandeis Wrong?*, 31 *LAW & CONTEMP. PROBS.*, 326, 331 (1966)).

¹¹¹ *Id.* at 577.

¹¹² *Cardtoons*, 95 F.3d at 973. See also Michael Madow, *Private Ownership of Public Image: Popular Culture and Publicity Rights*, 81 *CAL. L. REV.* 125, 209 n.395 (1993) (arguing that *Zacchini* should be interpreted solely as a case involving the appropriation of performance).

The Tenth Circuit read *Zacchini* much too narrowly. Commentators have suggested that *Zacchini* can be interpreted in at least two ways.¹¹³ A narrow interpretation would hold that, "when an 'entire act' of a performer has been appropriated by a newsperson (or anybody else), that use is not protected by the first amendment."¹¹⁴ The Tenth Circuit appears to subscribe to such a narrow reading of *Zacchini*. However, a broader, more reasonable interpretation of the case would find that "it restricts first amendment protection when substantial property interests of the plaintiff have been interfered with or appropriated."¹¹⁵ Copyright cases have interpreted the case in this manner,¹¹⁶ and the Tenth Circuit should have done so as well.

Applying the "substantial property interest" interpretation of *Zacchini* to the facts of *Cardtoons*, the Players' publicity rights prevail. Similar to the television station in *Zacchini*, the trading card company used the names and likenesses of the baseball players without their consent and without compensating them. Card companies are supposed to license commercial use of baseball players' identities and pay the negotiated fees and royalties. *Cardtoons* failed to do this. As a result, *Cardtoons* had taken what the Players generally "sold" to card companies and had exploited it for free. In this manner, *Cardtoons* denied the Players income from this commercial use of their identities.

Even though *Zacchini* involved an appropriation of performance while *Cardtoons* involved an appropriation of identity, the underlying issue remains unaltered. The question remains whether the appropriation resulted in the "taking" of a substantial property interest of the publicity owner, such that the owner might lose the economic incentive to invest time, effort, and expense into developing marketable

¹¹³ Pamela Samuelson, *Reviving Zacchini: Analyzing First Amendment Defenses in Right of Publicity and Copyright Cases*, 57 TUL. L. REV. 836, 876 (1983).

¹¹⁴ *Id.*

¹¹⁵ *Id.* at 877.

¹¹⁶ *See, e.g.*, *Dallas Cowboys Cheerleaders, Inc. v. Scoreboard Posters, Inc.*, 600 F.2d 1184 (5th Cir. 1979); *Walt Disney Prods. v. Air Pirates*, 581 F.2d 751 (9th Cir. 1978), *cert. denied*, 439 U.S. 1122 (1979); *Meeropol v. Nizer*, 560 F.2d 1061 (2d Cir. 1977), *cert. denied*, 434 U.S. 1013 (1978); *Iowa State Univ. Research Found., Inc. v. American Broadcasting Cos.*, 463 F. Supp. 902 (S.D.N.Y. 1978), *aff'd*, 621 F.2d 57 (2d Cir. 1980); *Italian Book Corp. v. American Broadcasting Cos.*, 458 F. Supp. 65 (S.D.N.Y. 1978).

good will. Did Cartoons “get free some aspect of the [baseball players] that would have market value and for which [it] would normally pay?”¹¹⁷ The answer is clearly yes.

Cartoons unjustly enriched itself by appropriating the valuable good will that the baseball players and their career management teams labored over creating, enhancing, and maintaining. The company admittedly selected the baseball players for their “well-knownness.” Baseball players, however, do not magically become well-known. Their career management teams, consisting of managers, agents, and publicity coordinators, invest time, effort, and expense into developing and maintaining the baseball players’ marketable personas.¹¹⁸ For example, Babe Ruth’s agent came up with movie roles for Babe Ruth, product endorsements, barnstorming tours, and even a stretch on the vaudeville circuit.¹¹⁹ Undoubtedly, economic incentives drive these career management teams to labor towards creating, maintaining, and enhancing the players’ marketable personas. Moreover, income generated by exploiting a celebrity’s publicity rights often exceeds income generated by the celebrity’s original fame-producing activity.¹²⁰

¹¹⁷ *Zacchini v. Scripps-Howard Broadcasting Co.*, 433 U.S. 562, 576 (1977).

¹¹⁸ See IRVING J. REIN ET AL., *HIGH VISIBILITY* 33 (1987) (finding that “the celebrity industry consists of specialists who take unknown and well-known people, design and manufacture their images, supervise their distribution, and manage their rise to high visibility”); Kenneth J. Abdo, *Agents, Managers, and Lawyers: A Roadmap for the Entertainment Attorney*, ENT. & SPORTS L.J., Fall 1996, at 3. Abdo defines agents as “persons who procure or attempt to procure employment for artists in the entertainment fields [by] soliciting engagement for working talent (such as actors), soliciting and licensing rights to creative works of talent (such as screenplay writers), or exploiting opportunities for individuals such as story rights holders.” *Id.* He defines personal managers as “the talent’s principal career advisors in all business affairs from daily management to strategic career development planning. . . . Personal managers are concerned with how the money is earned.” *Id.* In general, both agents and managers “create or reject employment opportunities and influence an artist’s career and image.” *Id.* Agents are usually paid 10 percent of the talent’s gross income while managers generally capture 15-20 percent. *Id.*

¹¹⁹ WARREN I. SUSMAN, *CULTURE AS HISTORY: THE TRANSFORMATION OF AMERICAN SOCIETY IN THE TWENTIETH CENTURY* 147 (1984).

¹²⁰ See REIN ET AL., *supra* note 118 at 59; Marilyn A. Harris, *The Smash Women Are Making in Tennis*, BUS. WK., Apr. 8, 1985, at 92 (finding that top-ranking female tennis players generate more income from endorsements than from playing tennis). *Cf.* *Warner Bros. v. Gay Toys, Inc.* 513 F. Supp. 1066, 1067 (S.D.N.Y.),

By taking for free that which other trading card companies must pay for, Cardtoons has posed a substantial threat to the economic value of the baseball players' publicity rights. Currently, six companies are licensed to manufacture and sell trading cards; they produce an estimated \$1.3 billion annually in sales, from which the Players receive fees and royalties.¹²¹ As a result of Cardtoons' appropriation, these trading card companies may decide not to obtain licenses from the Players because they can use caricatures for free instead. Alternatively, and arguably more likely, the caricature trading cards may divert sales from the licensed trading cards.¹²² Either possibility results in a decline in the substantial royalties the baseball players and their representatives receive. This decline diminishes the economic incentive the baseball players' representatives have in investing their time, effort, and expense towards developing the marketability of their personas. The baseball players will most likely continue playing baseball. However, their career management teams may lose some incentive to develop the baseball players' publicity rights. Because the payoff is now less lucrative, they may conclude that their efforts will be more productive elsewhere.

Therefore, by allowing Cardtoons to exploit the players' names and images without compensation, the Tenth Circuit has rejected the economic incentive theory of publicity rights that the Supreme Court adopted in *Zacchini*. Accordingly, the court appears to have erred in refusing to follow the reasoning adopted by this country's highest court.

rev'd, 658 F.2d 76 (2d Cir. 1981) (noting that merchandising revenue often exceeds broadcast revenue in the television industry).

¹²¹ *Cardtoons I*, 838 F. Supp. 1501, 1507 (N.D. Okla. 1993).

¹²² See *Fleer Corp. v. Topps Chewing Gum, Inc.*, 658 F.2d 139, 145 (3d Cir. 1981) (discussing how baseball novelties tend to "stay on the shelf," thereby inhibiting retailers from purchasing other baseball-related items and ultimately depressing the sales of trading cards).

2. Analogizing to Copyright Law, Cartoons' Trading Cards Fail to Qualify for the Fair Use Defense

Many commentators have suggested that courts should analogize to copyright law in settling freedom of speech versus right of publicity conflicts.¹²³ Similar to the economic incentive rationale for publicity rights, "[t]he constitutional clause [that deals with copyright] is usually taken to indicate that the primary goal of copyright . . . is to provide incentives: Congress is authorized to give authors and inventors rights of limited duration 'To promote the Progress of Science and useful Arts.'"¹²⁴ In the words of Justice Stevens, copyright law serves "to motivate the creative activity of authors and inventors by the provision of a special reward."¹²⁵

To account for potential conflicts with First Amendment freedoms, copyright law exempts certain "fair uses" of copyrighted work from liability. Examples of fair use include "criticism, comment, news reporting, teaching and research."¹²⁶ In determining whether an appropriation is subject to protection under the fair use doctrine, courts consider four factors: (1) the purpose and character of the use, including whether it is commercial or for nonprofit educational purposes; (2) the nature of the copyrighted work; (3) the amount and substantiality of the portion used in relation to the copyrighted work as a whole; and

¹²³ See, e.g., Stephen R. Barnett, *The Right of Publicity Versus Free Speech in Advertising: Some Counter-Points to Professor McCarthy*, 18 HASTINGS COMM. & ENT. L.J. 593, 604 (1996); Pamela Samuelson, *Reviving Zacchini: Analyzing First Amendment Defenses in Right of Publicity and Copyright Cases*, 57 TUL. L. REV. 836, 915 (1983).

¹²⁴ Wendy J. Gordon, *An Inquiry into the Merits of Copyright: The Challenges of Consistency, Consent, and Encouragement Theory*, 41 STAN. L. REV. 1343, 1349 n.21 (1989) (quoting U.S. CONST. art. I, § 8, cl. 8). However, some commentators, one of which is now a Supreme Court justice, are not entirely convinced. See, e.g., Stephen Breyer, *The Uneasy Case for Copyright: A Study of Copyright in Books, Photocopies, and Computer Programs*, 84 HARV. L. REV. 281, 350 (1970) (arguing that copyright might not be economically justifiable, and the "case for copyright protection is weak" as applied to several areas).

¹²⁵ *Sony Corp. of Am. v. Universal City Studios*, 464 U.S. 417, 429 (1984).

¹²⁶ 17 U.S.C.A. § 107 (West Supp. 1995).

(4) the effect on the “potential market” or “value” of the copyrighted work.¹²⁷

In *Campbell v. Acuff-Rose Music, Inc.*,¹²⁸ the Supreme Court held that rap music group 2 Live Crew’s song “Pretty Woman,” a parody of Roy Orbison’s rock ballad “Oh, Pretty Woman,” qualified for the defense of fair use.¹²⁹ The Court stated, “[t]he threshold question when fair use is raised in defense of parody is whether a parodic character may reasonably be perceived.”¹³⁰ The Court found that “the parody must ‘make some critical comment or statement about the original work which reflects the original perspective of the parodist—thereby giving the parody social value beyond its entertainment function.’”¹³¹ The Court further reasoned:

If, on the contrary, the commentary has no critical bearing on the substance or style of the original composition, which the alleged infringer merely uses to get attention or to avoid drudgery in working up something fresh, the claim to fairness in borrowing from another’s work diminishes accordingly (if it does not vanish), and other factors, like the extent of its commerciality, loom larger.¹³²

The Court accepted 2 Live Crew’s version of “Oh, Pretty Woman” “as a comment on the naivete of the original of an earlier day, as a rejection of its sentiment that ignores the ugliness of street life and the debasement that it signifies.”¹³³ Having concluded that the song was indeed a “parody,” the Court then considered the fair use factors.

Regarding the first factor, the Court found that 2 Live Crew appropriated Orbison’s song for commercial purposes.¹³⁴ However, the Court stated that this finding of commerciality was not conclusive of

¹²⁷ *Id.* See Samuelson, *supra* note 123 (tailoring copyright’s fair use factors to fit right of publicity issues).

¹²⁸ 510 U.S. 569 (1994).

¹²⁹ *Id.* at 571.

¹³⁰ *Id.* at 582.

¹³¹ *Id.* at 599 (quoting *Metro-Goldwyn-Mayer, Inc. v. Showcase Atlanta Cooperative Prods., Inc.*, 479 F. Supp. 351, 357 (N.D. Ga. 1979)).

¹³² *Id.* at 579.

¹³³ *Id.* at 583.

¹³⁴ *Id.* at 585.

the issue and that its force would vary with context.¹³⁵ For this reason, the Court held that the Court of Appeals erred in concluding that “the commercial nature of 2 Live Crew’s parody of ‘Oh, Pretty Woman’ rendered it presumptively unfair.”¹³⁶

The Court then stated that the second factor was “not much help in separating the fair use sheep from the infringing goats in a parody case[] since parodies almost invariably copy publicly known, expressive works.”¹³⁷ Next, the Court stated that, with respect to the “quantity and amount” of the copyrighted work taken, it would remand the case “to permit evaluation of the amount taken, in light of the song’s parodic purpose and character, its transformative elements, and [the fourth factor’s] considerations of the potential for market substitution.”¹³⁸ According to the Court,

[although p]arody’s humor, or in any event its comment, necessarily springs from recognizable allusion to its object through distorted imitation. . . . Once enough has been taken to assure identification, how much more is reasonable will depend . . . on the extent to which the song’s overriding purpose and character is to parody the original or, in contrast, the likelihood that the parody may serve as a market substitute for the original.”¹³⁹

Accordingly, the considerations under the third factor are tied to the fourth factor’s consideration of “the effect of the use upon the potential market for or value of the copyrighted work.”¹⁴⁰

However, the Court stated that the fourth factor “must take account not only of harm to the original but also of harm to the market for derivative works.”¹⁴¹ Although the Court determined that a potential derivative market for criticism was unlikely, it found that “the derivative market for rap music is a proper focus of inquiry [because e]vidence of

¹³⁵ *Id.*

¹³⁶ *Id.* at 594.

¹³⁷ *Id.* at 585. See Barnett, *supra* note 123 at 613 (accounting for the celebrity’s public role under the second factor); Samuelson, *supra* note 124 at 920 (focusing on whether the celebrities’ act, name, or name and likeness had been appropriated).

¹³⁸ *Id.* at 589.

¹³⁹ *Id.* at 588.

¹⁴⁰ *Id.* at 590 (quoting 17 U.S.C.A. § 107(4) (West Supp. 1995)).

¹⁴¹ *Id.* (quoting Harper & Row Publishers, Inc. v. Nation Enters., 471 U.S. 539, 568 (1985)).

substantial harm to it would weigh against a finding of fair use."¹⁴² The Court further reiterated the rationale that "the licensing of derivatives is an important economic incentive to the creation of originals."¹⁴³ Thus, the Court directed that on remand "evidence or affidavits addressing the likely effect of 2 Live Crew's parodic rap song on the market for a non-parody, rap version of 'Oh, Pretty Woman'"¹⁴⁴ should be considered. For these reasons, the Supreme Court reversed and remanded the case.¹⁴⁵

Unlike the parody in *Campbell*, the *Cardtoons* trading cards' "critical comment" is less evident. Circuit Judge Tacha's opinion did not explicitly inquire into the "threshold question" of whether these caricatures were indeed "parodies" as defined by the Supreme Court in *Campbell*. However, the court commented that "socially undesirable behavior . . . gives rise to a reason to parody."¹⁴⁶ In reciting the facts of the case, the court noted that some of the cards, including the "Treasury Bonds" card¹⁴⁷ and all of the "Big Bang Bucks" cards, "humorously criticize players for their substantial salaries."¹⁴⁸ The court also stated that other cards "mock the players' narcissism, as exempli-

¹⁴² *Id.* at 593 (citations omitted).

¹⁴³ *Id.*

¹⁴⁴ *Id.*

¹⁴⁵ *Id.* at 571.

¹⁴⁶ *Cardtoons III*, 95 F.3d 959, 974 (10th Cir. 1996).

¹⁴⁷ The card targets San Francisco Giants' outfielder Barry Bonds, calling him "Treasury Bonds." *Id.* at 962. It shows a recognizable caricature of Bonds tipping a bat boy for a 24-carat gold "Fort Knoxville Slugger." The backside of the card features a team logo for the "Gents" and the following text:

Redemption qualities and why Treasury Bonds is the league's most valuable player:

1. Having Bonds on your team is like having money in the bank.
2. He plays so hard he gives 110 percent, compounded daily.
3. He turned down the chance to play other sports because he has a high interest rate in baseball.
4. He deposits the ball in the bleachers.
5. He is into male bonding.
6. He is a money player.
7. He has a 24-karat Gold Glove.
8. He always cashes in on the payoff pitch.

Notice: Bonds is not tax-free in all states but is double exempt.

Id. at 962-63. At the end of the 1992 season, Barry Bonds was the highest-paid player in baseball, having signed a six-year contract for \$43.75 million. *Id.*

¹⁴⁸ *Id.* at 963

fied by the card featuring ‘Egotisticky Henderson’ of the ‘Pathetics,’ parodying Ricky Henderson, then of the Oakland Athletics.”¹⁴⁹ Moreover, the court found that

[t]he remainder of the cards poke fun at things such as the players’ names (“Chili Dog Davis” who “plays the game with relish,” a parody of designated hitter Chili Davis), physical characteristics (“Cloud Johnson,” a parody of six-foot-ten-inch pitcher Randy Johnson), and onfield behavior (backflipping “Ozzie Myth,” a parody of shortstop Ozzie Smith).¹⁵⁰

The trading cards that criticize the players’ high salaries and narcissism arguably constitute parodies falling within the definition offered in *Campbell*. They appear to “make some critical comment or statement about [the players] which reflects the original perspective of the parodist—thereby giving the parody social value beyond its entertainment function.”¹⁵¹ However, the remaining cards that “poke fun” of the players’ names, physical characteristics, and onfield behavior do not fall within *Campbell*’s definition of legally protected parodies. The critical social comment made by these remaining cards is less evident. Are Cardtoons and the Tenth Circuit implying that the first name “Chili” is socially undesirable? Is Cardtoons criticizing Randy Johnson for his socially undesirable height? Is Cardtoons implying that society should condemn Ozzie Smith for his gymnastic abilities? Or, are these caricature trading cards merely using the names and like-

¹⁴⁹ *Id.* The card features a caricature of Henderson holding up a finger in the “number one” sign while patting himself on the back. *Id.* The backside of the card features the following text:

Egotisticky Henderson, accepting the “Me-Me Award” from himself at the annual “Egotisticky Henderson Fan Club” banquet, sponsored by Egotisticky Henderson:

I would just like to thank myself for all I have done. (Pause for cheers.) I am the greatest of all time. (Raise arms triumphantly.) I love myself. (Pause for more cheers.) I am honored to know me. (Pause for louder cheers.) I wish there were two of me so I could spend more time with myself. (Wipe tears from eyes.) I couldn’t have done it without me. (Remove cap and hold it aloft.) It’s friends like me that keep me going. (Wave to crowd and acknowledge standing ovation.).

Id.

¹⁵⁰ *Id.* at 963.

¹⁵¹ *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 599 (quoting *Metro-Goldwyn-Mayer, Inc. v. Showcase Atlanta Cooperative Prods., Inc.*, 479 F. Supp. 351, 357 (N.D. Ga. 1979)).

nesses of these players “to get attention or to avoid drudgery in working up something fresh?”¹⁵²

Mike Sowell, writer and co-founder of Cardtoons, and ex-sports editor of the *Tulsa Tribune*, stated in a newspaper interview, “Baseball has been taken over by greed and money, and that’s what we’re holding up to ridicule in these cards.”¹⁵³ Criticism of the narcissism and overcompensation of sports figures arguably falls within the “ballpark” of the type of social debate the First Amendment strives to protect. However, making fun of someone’s name does not further society’s self-governance. It does not serve to illustrate what is wrong with society today. Moreover, it does not support Cardtoons’ asserted comment about greed and money in baseball. Rather, Cardtoons seemed to have created these particular caricatures with the intent to entertain, not critically comment about a socially undesirable issue. Thus, at least some of these caricatures do not fall within the definition of parody set forth in *Campbell*. “[T]he claim to fairness in borrowing [the players’ names and likenesses] diminishes accordingly (if it does not vanish), and other factors, like the extent of its commerciality, loom larger.”¹⁵⁴

Even if Cardtoons were given the benefit of the doubt with respect to the threshold question of whether these caricatures are indeed “parodies,” it nevertheless does not automatically qualify for the fair use defense. First, although not a conclusive finding, Cardtoons created the caricatures for a commercial purpose. The caricatures make up the set of trading cards sold by Cardtoons. Moreover, Cardtoons uses some of the caricatures to advertise and promote the overall product.¹⁵⁵ Thus, the caricatures clearly serve a commercial purpose.

¹⁵² *Id.* at 580.

¹⁵³ *Spoofing Baseball Cards: Parodists Striking Out With Players*, ARIZ. REPUBLIC, Sept. 4, 1995, at B6.

¹⁵⁴ *Id.*

¹⁵⁵ The parties stipulated that

Cardtoons conducted a direct mail advertising program for the Cardtoons Cards directed primarily at hobby dealers. The direct mail program provided for the mailing of an information packet to hobby dealers which contained: (a) three (3) promotional cards; (b) a 21” by 14” poster displaying the Cardtoons logo, artwork from six (6) sample cards, and a description of the Cardtoons Baseball Parody Cards; . . . (d) a two sided glossy advertisement, with a checklist on one side, and photographs of the cards and packaging, with descriptive text on the other side.

Second, similar to the Supreme Court's ruling in *Campbell*, the Tenth Circuit should have remanded this case for further factfinding as to whether Cardtoons appropriated more than necessary and whether the Players could prove economic injury from market substitution. The previous discussion regarding certain caricatures' lack of a socially critical message weighs in favor of finding that Cardtoons appropriated more than was necessary for its comment.¹⁵⁶ Justice Kennedy's concurrence stated that "[i]t is not enough that the parody use the original in a humorous fashion, however creative that humor may be. The parody must target the original, and not just its general style, the genre of art to which it belongs, or society as a whole."¹⁵⁷ Caricatures, such as that of Chili Davis, may be humorous, but Davis is not the target of Cardtoons' comment about greed and money in baseball. There is no indication that Davis's unusual name illustrates the narcissism or overcompensation of the players, or any other socially undesirable characteristic of the players or the game. Thus, Cardtoons' use of Davis's name and likeness appears unnecessary to its critical comment about baseball players. Apparently, the Tenth Circuit did not, but should have, conducted further factfinding towards determining how many of the caricatures lack any socially critical commentary.

This question also affects the market substitution issue. If Cardtoons' trading cards appear less similar to parodies commenting critically about social issues and more similar to funny cartoon trading cards whose purpose is to entertain, then the likelihood of market substitution increases. Similar to the Supreme Court's statement in *Campbell*, although a market for criticism may be unlikely, a potential market for licensed trading cards featuring humorous cartoon like-

Cardtoons I, 838 F. Supp. 1501, 1524 (N.D. Okla. 1993).

¹⁵⁶ Cardtoons may have needed to use the names and likenesses of Barry Bonds and Ricky Henderson to criticize sports figures' narcissism and overcompensation in its parodies. Accordingly, such use should be considered "fair use" and exempt from liability. However, Cardtoons' use of Chili Davis's name and likeness, for example, was not necessary to convey its social criticism of baseball players. The caricature of Chili Davis did not contribute to Cardtoons' claimed critical commentary about the players' narcissism or compensation. Rather, the caricature only poked fun of his unusual name.

¹⁵⁷ *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 597 (1994).

nesses of the baseball players is a proper focus of inquiry. The Players should have received the opportunity to prove, if possible, that Cardtoons' parody trading cards have harmed a potential market for licensed cartoon trading cards.¹⁵⁸

For the above reasons, Cardtoons' trading cards fail to qualify for copyright law's defense of fair use. Doubts abound as to whether the trading cards fall within Campbell's definition of parodies that are entitled to exemption. Furthermore, questions regarding the amount appropriated and market substitution remain unanswered.

3. *Analogizing to Trademark Law, Cardtoons' Commercial Appropriation Does Not Qualify for First Amendment Protection*

The Lanham Act prohibits the unauthorized use of a reproduction, copy, or imitation of a registered trademark in a way that "is likely to cause confusion" with the registered trademark.¹⁵⁹ As with right of publicity, defendants often seek First Amendment protection for their violations. However, courts have generally found that parodies utilized for commercial uses cannot hide behind the First Amendment's protection of freedom of expression.¹⁶⁰

For example, in *L.L. Bean, Inc. v. Drake Publishers, Inc.*,¹⁶¹ the court protected a clothing catalog parody against a trademark infringement challenge, finding that the use of a trademark-infringing parody in the context of a magazine constituted a noncommercial use.¹⁶² It distinguished the facts of *L.L. Bean* from other cases where courts have not permitted the unauthorized commercial use of an-

¹⁵⁸ First Amendment Publishing, Inc. ("FAPI") filed an amicus brief indicating its intent to create, market, and sell a set of cards focusing on major league baseball similar in form, content, and nature to Cardtoons' trading cards pending the outcome of the case at hand. FAPI had previously produced a line of unlicensed parody trading cards focusing on professional basketball.

¹⁵⁹ 15 U.S.C. § 1114(1)(a).

¹⁶⁰ See, e.g., *supra* notes 161-65 and accompanying text. *But see* *Rogers v. Grimaldi*, 875 F.2d 994, 999 (2d Cir. 1989).

¹⁶¹ 811 F.2d 26 (1st Cir. 1987).

¹⁶² *Id.* at 32 (deciding that "the instant defendant used plaintiff's mark solely for non-commercial purposes") (emphasis added).

other's trademark.¹⁶³ In the cases cited by the court, the parodied uses appeared on stickers,¹⁶⁴ in singing telegrams,¹⁶⁵ on underpants and t-shirts,¹⁶⁶ on diaper bags,¹⁶⁷ and on posters.¹⁶⁸

In *L.L. Bean*, the court found the following pertinent facts:

The article was labeled as 'humor' and 'parody' in the magazine's table of contents section; it took up two pages out of a one-hundred-page issue; neither the article nor appellant's trademark was featured on the front or back cover of the magazine. [The appropriator] did not use Bean's mark to identify or promote goods or services to consumer; it never intended to market the 'products' displayed in the parody.¹⁶⁹

Based on these facts, the court concluded that the catalog parody "constitutes an editorial or artistic, rather than a commercial, use of plaintiff's mark."¹⁷⁰ The court seemed to reason that, because the parody only constituted two out of the one-hundred pages, and the parody was not featured on the outside of the magazine, the appropriation was not for the commercial purpose of promoting the magazine itself.¹⁷¹ The court stated that "the Constitution tolerates an incidental impact on rights of expression of *commercial* actors in order to prevent a defendant from unauthorizedly merchandising his products with another's trademark."¹⁷² The court continued to say that "[t]he Constitution does not, however, permit the range of the anti-dilution statute to encom-

¹⁶³ *Id.* at 32.

¹⁶⁴ *Original Appalachian Artworks, Inc. v. Topps Chewing Gum*, 642 F. Supp. 1031 (N.D. Ga. 1986) (finding "Garbage Pail Kids" stickers and products infringed on Cabbage Patch Kids trademark).

¹⁶⁵ *D.C. Comics, Inc. v. Unlimited Monkey Business*, 598 F. Supp. 110 (N.D. Ga. 1984) (singing telegram franchisor infringed on Superman and Wonder Woman trademarks).

¹⁶⁶ *General Electric Co. v. Alumpa Coal Co.*, 205 U.S.P.Q. (BNA) 1036 (D. Mass. 1979) ("Genital Electric" monogram on underpants and t-shirts infringed on General Electric trademark).

¹⁶⁷ *Gucci Shops, Inc. v. R.H. Macy & Co.*, 446 F. Supp. 838 (S.D.N.Y. 1977) (diaper bags labeled "Gucchi Goo" infringed on Gucci trademark).

¹⁶⁸ *Coca-Cola Co. v. Gemini Rising, Inc.*, 346 F. Supp. 1183 (E.D.N.Y. 1972) (posters saying "Enjoy Cocaine" and bearing a logo similar to the Coca-Cola trademark infringed on Coca-Cola trademark).

¹⁶⁹ *L.L. Bean, Inc. v. Drake Publishers, Inc.*, 811 F.2d 26, 32 (1st Cir. 1987).

¹⁷⁰ *Id.*

¹⁷¹ *Id.* at 32.

¹⁷² *Id.* (emphasis added).

pass the unauthorized use of a trademark in a *noncommercial* setting such as an editorial or artistic context."¹⁷³

Contrary to the defendant in *L.L. Bean*, Cardtoons used the baseball players' names and likenesses for a commercial purpose, namely, to sell its product. Undoubtedly, the cards sell better with caricatures of famous players' names and faces than with caricatures of generic baseball players. Unlike the parody in *L.L. Bean*, which constituted only two pages out of the one-hundred page issue, the parodies here are the actual and entire products to be sold. Moreover, unlike the magazine in *L.L. Bean*, Cardtoons will use the caricatures of the baseball players' likenesses to promote the cards.¹⁷⁴ Thus, unlike the non-commercial parody in *L.L. Bean*, Cardtoons' commercial exploitation of the players' names and likenesses should not be exempt from liability under the First Amendment.

Instead, cases such as *Mutual of Omaha Ins. Co. v. Novak*¹⁷⁵ demonstrate that Cardtoons should be held liable for its commercial exploitation of the baseball players' names and likenesses. In *Mutual of Omaha*, the defendant created t-shirts bearing the text, "Mutant of Omaha—Nuclear Holocaust Insurance,"¹⁷⁶ and attempted to claim First Amendment protection.¹⁷⁷ The court, however, rejected this claim, finding that "Mutual's trademarks are a form of property, and Mutual's rights therein need not 'yield to the exercise of First Amendment rights under circumstances where adequate alternative avenues of communication exist.'"¹⁷⁸ Although Novak would not be allowed to use Mutual's trademark "as logos or 'to market, advertise,

¹⁷³ *Id.* at 33. (emphasis added).

¹⁷⁴ The parties stipulated that

Cardtoons conducted a direct mail advertising program for the Cardtoons Cards directed primarily at hobby dealers. The direct mail program provided for the mailing of an information packet to hobby dealers which contained: (a) three (3) promotional cards; (b) a 21" by 14" poster displaying the Cardtoons logo, artwork from six (6) sample cards, and a description of the Cardtoons Baseball Parody Cards; . . . (d) a two sided glossy advertisement, with a checklist on one side, and photographs of the cards and packaging, with descriptive text on the other side.

Cardtoons I, 838 F. Supp. at 1524.

¹⁷⁵ 836 F.2d 397 (8th Cir. 1987).

¹⁷⁶ *Id.* at 401.

¹⁷⁷ *Id.* at 402.

¹⁷⁸ *Id.*

or identify [his] services or products,” the court stated that other avenues for expressing his views existed and are unrestricted by the court’s ruling.¹⁷⁹ The court said, for example, that Novak’s parody could be presented and would be protected as an editorial parody in a book, magazine, or film.¹⁸⁰ The court noted that it would not require Novak to alter his design, and that the public would not be deprived of his ideas.¹⁸¹ Accordingly, the court held that the First Amendment would not protect the trademark-infringing parody.¹⁸²

Like the t-shirt in *Mutual of Omaha*, Cardtoons’ trading cards contain unlicensed parodies. Similar to *Mutual of Omaha*, Cardtoons has alternative avenues for expressing its views about baseball players. As with the court’s statement regarding the phrase “Mutant of Omaha,” Cardtoons should not be required to abandon its message or alter its designs. Rather, it should be able to present them noncommercially in a traditionally protected medium such as a book, magazine, or film. Alternatively, if Cardtoons opted to continue using commercial trading cards as its medium, it should be able to use only generic baseball player names and likenesses that do not violate the Players’ publicity rights. Thus, because adequate alternative avenues of communication exist, the First Amendment should not shield Cardtoons from liability for the commercial appropriation of the baseball players’ names and likenesses.

As *L.L. Bean* and *Mutual of Omaha* have demonstrated, Cardtoons’ appropriation of the players’ names and likenesses does not qualify for First Amendment protection according to trademark case law. Not only is the publicity rights’ violation for a commercial purpose, but adequate alternative avenues of communication exist. Some products such as books, magazines, and movies are traditional mediums for speaking about public issues.¹⁸³ Trading cards, however, are not.¹⁸⁴

¹⁷⁹ *Id.*

¹⁸⁰ *Id.*

¹⁸¹ *Id.*

¹⁸² *Id.*

¹⁸³ *See, e.g., Hicks v. Casablanca Records*, 464 F. Supp. 426, 430 (S.D.N.Y. 1978) (finding that “more so than posters, bubble gum cards, or some other such ‘merchandise,’ books and movies are vehicles through which ideas and opinions are

B. *The Tenth Circuit Erred in Discounting the Efficient Allocation of Resources Rationale for the Right of Publicity*

Commentators have argued that “legal protection of property rights creates incentives to use resources efficiently.”¹⁸⁵ For example, people will only cultivate farm land if they have some type of assurance that they will be able to reap the benefits of their labor.¹⁸⁶ This kind of assurance can come from property rights.¹⁸⁷

With respect to publicity rights, some commentators have asserted that “the right of publicity is needed to ensure that publicity assets are not wasted by a scramble to use them up as quickly as possible. The right of publicity privatizes a public good (in publicity) and thus encourages a more sensible use of this type of social asset.”¹⁸⁸ They analogize the right of publicity to the “common pool problem” associated with public goods.¹⁸⁹ The following describes this “common pool

disseminated and, as such, have enjoyed certain constitutional protections, not generally accorded ‘merchandise’”).

¹⁸⁴ *See id.*

¹⁸⁵ RICHARD A. POSNER, *ECONOMIC ANALYSIS OF LAW* 32 (4th ed. 1992).

¹⁸⁶ *Id.* at 32.

¹⁸⁷ *Id.* at 33. *But see* Madow, *supra* note 112 at 221 n.442:

First, it is not at all clear that the argument proves what it is supposed to prove—namely, that “private property” best promotes efficient use of scarce resources. At most it is an argument for placing a scarce resource in the control of someone who can charge the full economic price for its use. There is no apparent reason why that someone has to be an individual or private entity. It could just as well be a collective entity like the state. So even if the argument is read for all it is worth, it is not an argument for private property so much as an argument against common property. Second, the argument only works at all on the (unrealistic) assumption that nonlegal barriers to overuse—such as social disapproval or custom—are nonexistent or impotent.

Id.

¹⁸⁸ Mark F. Grady, *A Positive Economic Theory of the Right of Publicity*, 1 *UCLA ENT. L. REV.* 97, 98 (1994). *But see* Madow, *supra* note 112 at 220-25 (finding efficient allocation rationale unconvincing when applied to celebrity personas).

¹⁸⁹ Grady, *supra* note 188, at 102 (citing H. Scott Gordon, *The Economic Theory of a Common-Property Resource: The Fishery*, 62 *J. POL. ECON.* 124 (1954)). Publicity is a “public good” because it is “nonexcludable” (impossible to exclude people who have not paid to use the resource) and subject to “nonrivalrous consumption”

problem” of public goods. If a pool contains fish that no one owned, each angler has an incentive to catch as many fish as possible today without regard to the future of the fishing pool. The angler reaps the benefits of the fish today without incurring the full cost of his actions. Furthermore, a fish not caught by the angler today will likely be caught by someone else tomorrow. However, if there were an owner, he would have an incentive to fish slowly enough such that the fish would be preserved for the future. The owner internalizes the cost if he catches too many fish today because fewer fish will remain for future fishing. Thus, because the owner internalizes both the cost and benefit of fishing, he has the incentive to conserve the resource.

Like the fish in the common pool problem, publicity rights are public goods that may be used up too quickly if not privatized and legally protected.¹⁹⁰ If the baseball players’ proprietary interest in their publicity is not legally protected, advertisers and merchandisers will exploit the players’ personas indiscriminately today because they face little or no cost from doing so. In attempting to gain as much for themselves as possible, the exploiters diminish the value of the personas too quickly. For example, they may “substitute too many low-valued uses (Doritos commercials) for uses that [the public] value[s] more (artistic uses).”¹⁹¹ Eventually, the public will lose interest in these personas, and the exploiters will seek other celebrities to exploit.¹⁹² However, if the baseball players have exclusive rights to the

(one person’s consumption does not interfere with another person’s consumption). *Id.* at 98-99.

¹⁹⁰ *Id.* at 103.

¹⁹¹ *Id.*

¹⁹² See Tim Frazer, *Appropriation of Personality—A New Tort?*, 99 LAW Q. REV. 281, 303-04 (1983) (asserting that, because “there will always be a certain supply of existing and newly-created personalities to exploit . . . from the viewpoint of the individual [celebrity] concerned, . . . over-use of his or her personality is costly; but from the viewpoint of the user and society at large, the cost is small since a fairly plentiful supply of alternative resources exists.” See also Madow, *supra* note 112 at 225 (arguing that even if the supply of celebrities is depleted, there is no cause for concern because advertisers “would simply rely more on one or another of the myriad other techniques by which they currently attract attention to, and create favorable associations for, their products”).

use of their publicity, then they internalize the cost and benefits of their publicity. As a result, they have an incentive to use their publicity conservatively and plan ahead for maximum long term benefits.

The Tenth Circuit, however, rejected this rationale. Instead, it found that frequent appearances of a celebrity's likeness on merchandise may increase rather than decrease a celebrity's publicity value because "everyone's got one."¹⁹³ The court's finding is misplaced. "Although repetition of these images could for a time increase the value of subsequent repetitions, as when radio listeners learn to enjoy a new song, ultimately there is a point of diminishing marginal returns beyond which subsequent displays and performances diminish the value of the asset."¹⁹⁴ Thus, although the "everyone's got one" frenzy may increase the value of an asset for a period of time, ultimately, it will decrease the value of that asset.

The Tenth Circuit also opined that, even if given control over the parodic use of their identities, counter to the rationale underlying the efficiency justification, celebrities would not "ration" use of their identities to maximize their value over time. Rather, the court believed celebrities would likely use that power to stifle irreverent commentary about themselves.

Based on its conclusion, the Tenth Circuit appears to be speaking from a lack of understanding about how the entertainment industry works.¹⁹⁵ Publicity coordinators, agents, and managers, the professionals who create, enhance, and maintain a celebrity identity's com-

¹⁹³ See Madow, *supra* note 112 at 222 (noting that "[i]n the merchandising context, where faddism and emulation are important forces, sometimes it is 'the more the merrier.' If that is so, then the way to maximize economic value is to make the merchandise available to any and every one who is willing to pay the marginal cost of its production"). *But see id.* at 222 n.445 (conceding the "speculative character of these observations").

¹⁹⁴ *Id.* at 104. This argument relates back to the earlier discussion about market substitution under copyright's fair use doctrine. If too many images of the players, cartoon or otherwise, exist in the market, other trading card companies may decide not to use the players' names and likenesses out of concern that the point of diminishing marginal returns is nearing.

¹⁹⁵ Arguably, the Ninth and Second Circuits are more adept at handling intellectual property issues due to the more frequent appearances of such cases in those circuits.

mercial value, are well aware of how to maximize a celebrity's commercial value over time.¹⁹⁶ The evidence in *Cardtoons* indicates that the Director of Licensing for MLBPA testified that the MLBPA would not license *Cardtoons*, in part, because of a "glut" in the market. She found that "it does not make good business or economic sense to license additional card companies at this time."¹⁹⁷ Thus, celebrities, or those who handle their careers, indeed appear to ration the use, parodic or otherwise, of their identities to maximize their value.

Moreover, with respect to parodies, even if the court correctly determined that celebrities would use their licensing control to stifle irreverent commentary about themselves, the result is insubstantial. Even if a celebrity decided not to license a product that makes irreverent commentary about him,¹⁹⁸ that does not prevent the comment from being made through alternative avenues. Criticism of public figures has historically come primarily from traditional communication mediums like print and broadcast which do not require the target's authorization. Furthermore, many magazines, such as *Hustler* and *MAD*, routinely feature parodies criticizing celebrities. Similarly, numerous radio and television programs routinely feature parodies that are critical of celebrities. A partial listing includes *Late Night with David Letterman*, *The Howard Stern Show*, *MAD TV*, and *Saturday Night Live*. Accordingly, because a sufficient amount of critical parody and commentary of public figures already exists, and the historical channels for harsh critical commentary remain unrestricted, the possible loss of *Cardtoons*' baseball cards as a particular form of irreverent commentary seems quite insignificant.

¹⁹⁶ See generally IRVING J. REIN ET AL., HIGH VISIBILITY 32-63 (1987) (identifying the many parts of the celebrity industry and the roles they play).

¹⁹⁷ *Cardtoons I*, 838 F. Supp. 1501, 1507 (1993).

¹⁹⁸ The Director of Marketing for the MLBPA testified that the organization's objective "is to boost the image and salaries of major league baseball players" and MLBPA "would never license a parody which poked fun at the players" because that would "decrease the image—not enhance it." *Id.* She indicated that "the MLBPA does not object to parody of the sport generally, so long as individual players' likenesses are not used without their permission." *Id.* But see, for example, programs like *Saturday Night Live* where celebrities consent to and participate in parodies or skits that criticize them.

Moreover, the commentary at issue in *Cardtoons* is arguably not the type of speech that undeniably strikes the core of the First Amendment. Baseball may be a popular sport, and discourse about it may be important to many sports fans. However, it is a far cry from the type of political discourse that many people feel the Framers intended to safeguard.

For these reasons, the court placed too much emphasis on its conclusion that granting licensing control of commercial parodies would stifle irreverent commentary.

C. *The Tenth Circuit Erred in Concluding that the Right of Publicity Constitutes a Restriction on the Communication of Ideas*

The court found that celebrities symbolize particular ideas and values in society. The court also decided that celebrities would most likely not license critical commentary about themselves. Accordingly, the court held that such a restriction on the use of these symbols would necessarily mean a restriction on the communication of ideas. However, the court's assessment lacks merit.

1. Right of Publicity Statute Is Content-Neutral

The Oklahoma right of publicity statute is a content-neutral regulation of speech. It does not prohibit critical commentary about celebrities. Rather, it offers guidelines for the manner in which communication about celebrities may be exchanged. Moreover, the purpose of the guidelines is not to stifle criticism about celebrities but to protect their property rights from commercial exploitation.

As a content-neutral regulation, the court should uphold it if the regulation is narrowly tailored towards achieving a significant government interest and ample alternative channels exist.¹⁹⁹

¹⁹⁹ See e.g., *Clark v. Community for Creative Non-Violence*, 468 U.S. 288 (1984). Commentators have observed that

scrutiny . . . has most commonly been quite deferential on such questions as . . . the substantiality of the state's interests (as well as the relationship of the means chosen to the implementation of those interests). . . . The "narrowly drawn" requirement does not any longer, in cases beginning with [*Clark v. Community for Creative*

As demonstrated in the previous discussions regarding the economic justifications for right of publicity, the government does have a significant interest in protecting the Players' proprietary publicity rights from unlicensed commercial exploitation. Additionally, Oklahoma's right of publicity statute appears narrowly tailored towards protecting those rights because the statute provides various exceptions that safeguard First Amendment principles.

Furthermore, setting aside Cardtoons' commercial motive for the speech, alternative avenues of communication are at Cardtoons' disposal. Cardtoons is free to parody specific players as part of a traditional communication medium, like newspapers, magazines, or films. Moreover, Cardtoons is free to parody the institution of baseball and trading cards by creating trading card parodies of generic players. Using either one of these two alternatives, Cardtoons can effectively convey its commentary about baseball players' narcissism and over-compensation. Therefore, because Oklahoma's right of publicity statute is narrowly drawn towards achieving a significant government interest, and adequate alternative methods of communication exist, this content-neutral regulation should be upheld. Moreover, a judicially-created commercial parody exception should not be required.

2. The Tenth Circuit Erred in Finding That the Right of Publicity Prevents Cardtoons From Communicating Its Message

The court determined that use of the baseball players' names and likenesses was vital because celebrities are "common points of reference for millions of individuals."²⁰⁰ The court thus held that the Players' restriction on the words or images used by Cardtoons was a content-based restriction rather than a content-neutral time, place, or manner restriction.

Non-Violence], involve a serious inquiry into the availability of "less restrictive means" to implement the governmental interest.

GERALD GUNTHER, CONSTITUTIONAL LAW 1340 (12th ed. 1991).

²⁰⁰ Cardtoons III, 95 F.3d 959, 972 (10th Cir. 1996) (quoting JOHN B. THOMPSON, IDEOLOGY AND MODERN CULTURE: CRITICAL SOCIAL THEORY IN THE ERA OF MASS COMMUNICATION 163 (1990)).

However, the Supreme Court recently rejected a similar conclusion in a trademark case. In *San Francisco Arts & Athletics, Inc. v. United States Olympic Committee*,²⁰¹ the Supreme Court confronted the issue of whether the Olympic Commission could prevent the "Gay Olympic Games" from using the word "Olympic."²⁰² Arguably, the word "Olympic" symbolizes particular societal ideas and values.²⁰³ Moreover, it constitutes "an important element of the shared communicative resources of our cultural domain."²⁰⁴ Nonetheless, the Court rejected these arguments, apparently finding that, so long as alternative words or avenues could deliver the message, there was no First Amendment defense to the unauthorized use of the word.²⁰⁵ The Court stated that, "[b]y prohibiting the use of one word for particular purposes, neither Congress nor the USOC has prohibited the SFAA from conveying its message. The SFAA held its athletic event in its planned format under the names 'Gay Games I' and 'Gay Games II' in 1982 and 1986, respectively."²⁰⁶ The Court thus disallowed the unconsented use of the term.²⁰⁷

Following the reasoning in *San Francisco Arts*, the *Cardtoons* court erred in concluding that, regardless of alternative avenues, the Players' restriction on the use of the baseball players' names and like-

²⁰¹ 483 U.S. 522 (1987).

²⁰² The protection provided to the USOC's use of Olympic words and symbols stems from Section 110 of the Amateur Sports Act, 92 Stat. 3048, 36 U.S.C. § 380. *Id.* at 526. This protection differs normal trademark protection in that the USOC does not need to prove likely confusion and the unauthorized user does not have available the normal statutory defenses. *Id.* at 531.

²⁰³ The SFAA claimed that "its use of the word 'Olympic' was intended to convey a political statement about the status of homosexuals in society." *Id.* at 534.

²⁰⁴ *Cardtoons III*, 95 F.3d at 973.

²⁰⁵ *San Francisco Arts & Athletics*, 483 U.S. at 569-70. See also *Dallas Cowboys Cheerleaders, Inc. v. Pussycat Cinema, Ltd.*, 604 F.2d 200 (2d Cir. 1979) (stating that "[p]laintiff's trademark is in the nature of a property right, [citations omitted] and as such it need not 'yield to the exercise of First Amendment rights under circumstances where adequate alternative avenues of communication exist'"). But see *Rogers v. Grimaldi*, 875 F.2d 994, 999 (2d Cir. 1989) (discounting finding of adequate alternative avenues).

²⁰⁶ *San Francisco Arts & Athletics*, 483 U.S. at 536.

²⁰⁷ *Id.*

nesses would serve to restrict speech on a content-basis.²⁰⁸ Like the term "Olympic," even if the baseball players' names and likenesses indeed symbolize certain values and ideas, because other words and images can deliver the same message, there should not be a First Amendment defense to their unauthorized use.

IV. CONCLUSION

The court erred in discounting the justifications for upholding publicity rights. First, the Tenth Circuit's ruling strayed from intellectual property case law. The Supreme Court adopted the economic incentive justification for publicity rights in *Zacchini*. Agents, managers, and publicity coordinators devote time, effort, and expense towards creating, enhancing, and maintaining a celebrity's goodwill because of the economic incentives provided by publicity rights. Moreover, analogizing to copyright law, Cardtoons' trading cards fail to qualify for protection under the fair use doctrine. Some of the trading cards appear to lack critical commentary as required under *Campbell's* definition of parody while the possibility of economic harm to the Players through market substitution remains a concern. Further, analogizing to trademark law, Cardtoons' trading cards fail to qualify for First Amendment protection because they constitute a commercial use.

Second, the court erred in rejecting the efficient allocation of resources rationale for publicity rights. Publicity is a public good that advertisers and merchandisers will exploit too quickly for immediate personal gain. By allowing celebrities to control and conserve the use of their names and likenesses, the public good is internalized and appropriately rationed to obtain maximum long term benefit.

Third, the Tenth Circuit erred in concluding that protection of publicity rights would result in an impermissible restriction on the communication of ideas. Rather, Oklahoma's publicity rights statute is a content-neutral regulation of speech that passes intermediate scru-

²⁰⁸ *But see* *Rogers v. Grimaldi*, 875 F.2d 994 (2d Cir. 1989) (holding that the use of Ginger Rogers' name in the film title "Ginger and Fred" was protected by the defense of free expression because her name had artistic relevance to the film's content).

tiny. Further, Cardtoons can use alternative means to convey its message without violating the Players' publicity rights.

Therefore, the Tenth Circuit erred in its conclusion that the Players' proprietary publicity rights must yield to Cardtoons' First Amendment right to produce the trading cards. As a result, the floodgates of unlicensed commercially exploitative celebrity "parody" merchandising have been opened. Unfortunately, because the Players have declined to petition for certiorari, this wrong will not be corrected anytime soon.

