

In Warhol Case, Justices May Clarify Fair Use Standard

By **Richard De Palma, Kevin Oles and Kelsey Ewing** (March 30, 2022)

Pablo Picasso is famously, if perhaps inaccurately, quoted as saying: "Good artists copy, great artists steal."

On March 25, the U.S. Supreme Court agreed to hear a case that raises the immensely important question of how artists, great or good, may fairly use prior works in the creation of new art under the Copyright Act. The facts of *Andy Warhol Foundation for the Visual Arts Inc. v. Lynn Goldsmith et al.* provide the framework for this inquiry.

In 1984, well-known rock photographer Lynn Goldsmith licensed, through her agency, her 1981 photograph of Prince to *Vanity Fair* magazine, for use as an artist reference to create artwork to accompany an article on Prince. The artist that *Vanity Fair* hired to create the art was Andy Warhol.

After creating the work for *Vanity Fair* — and unbeknownst to Goldsmith — Warhol then went on to create an additional 15 works, which became known as the Prince Series. In 2016, Goldsmith first learned of the existence of the Prince Series, and contacted the Andy Warhol Foundation for the Visual Arts, successor to Warhol's copyright in the Prince Series, and asserted infringement of her copyright in the photograph.

The foundation responded by suing Goldsmith for a declaration that the Prince Series works were noninfringing, or, in the alternative, that they constituted fair use. Goldsmith counterclaimed for infringement. Judge John Koeltl of the U.S. District Court for the Southern District of New York granted summary judgment to the foundation, finding that Warhol's paintings constituted fair use.

The application of the doctrine of fair use under the Copyright Act has vexed courts and scholars for years. It is a defense to a claim of copyright infringement that seeks to strike a balance between competing goals of copyright protection: incentivizing the creation of new works, while ensuring that the public can access and benefit from those works.

Because too rigid an application of the copyright laws may stifle the very creativity they are designed to encourage, the Copyright Act grants to the public the right to make fair use of copyrighted content. The question, then, is what constitutes fair use?

Section 107 of the Copyright Act provides a nonexclusive list of four factors that courts are to consider when evaluating whether the use of a copyrighted work is fair. The inquiry is intended to be flexible, and the factors must be weighed in the context of the specific case.

In granting judgment to the foundation, the district court found that the Prince Series was transformative, a finding that often drives the outcome in a fair use analysis. In coming to this determination, the court looked to the meaning of the works at issue, and concluded that, because the meaning of the Prince Series works was different from the meaning of Goldsmith's photograph, the Prince Series paintings were transformative.



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On appeal, the U.S. Court of Appeals for the Second Circuit reversed. The appellate court found that the district court erred when it looked to the meaning of the works, stating that "the court cannot assume the role of art critic and seek to ascertain the intent behind or meaning of the works at issue."

Instead, the court looked at the works side by side, and determined that "the Prince Series retains the essential elements of the Goldsmith Photograph without significantly adding to or altering those elements." Thus, the court concluded, "Prince Series is not 'transformative' within the meaning of the first factor."

The Second Circuit conceded that the Prince Series paintings are indeed immediately recognizable as Warhol works. However, the court stated that this was not enough to constitute fair use: "Entertaining that logic would inevitably create a celebrity-plagiarist privilege; the more established the artist and the more distinct that artist's style, the greater leeway that artist would have to pilfer the creative labors of others."

Importantly, Warhol did not decide whether any of the original Prince Series works — the actual 15 original paintings, drawings and silkscreens Warhol created — in the hands of collectors or museums infringe Goldsmith's copyright in the photograph. The holding of the case applies only to the foundation's commercial licensing of images of the Prince Series to third parties such as magazines.

For this reason, there was uncertainty as to whether the Supreme Court would view this as a proper vehicle to clarify the law surrounding fair use.

After the original Second Circuit decision, the Supreme Court decided *Google LLC v. Oracle America Inc.*, which held that exact copying of computer code could nonetheless be transformative if it "alter[s] the copyrighted work 'with new expression, meaning or message.'" The Second Circuit granted rehearing, and issued a revised opinion that kept to the original ruling, distinguishing Google as applying to the "unusual context" of computer code.

Ultimately, the Supreme Court granted certiorari, and the case warrants review because the test enunciated by the Second Circuit in Warhol differs from, and is seemingly at odds with, the standard applied in the U.S. Court of Appeals for the Ninth Circuit and others. It should be noted that more than half of all copyright cases each year in the U.S. arise in the Second and Ninth Circuits.

In contrast to the Second Circuit's analysis, which eschews meaning as the critical factor for determining fair use, the Ninth Circuit's analysis, as articulated in *Seltzer v. Green Day* in 1994, specifically focuses on meaning: whether the "new work ... adds something new, with a further purpose or different character, altering the first with new expression, meaning or message."^[1]

At issue in *Seltzer v. Green Day* was Green Day's use in a music video of street artist Seltzer's work: a screaming head image known as the "Scream Icon." In holding that Green Day's use of the image was fair, the court compared the original work's message with the message presented by Green Day's use.

Though not clear as to the original work's meaning — the court stated that the Scream Icon's message was "debatable" — the court cited the artist's statement that he intended to address "themes of youth culture, skateboard culture, insider/outsider culture." In

comparison, Green Day's intended meaning was to comment on religion and hypocrisy.

Based upon this analysis, the court held that Green Day's use was transformative, "even where — as here — the allegedly infringing work makes few physical changes to the original or fails to comment on the original." [2]

Although artistic meaning and intent may sometimes be apparent, there is truth to the Second Circuit's observation in Warhol that "such determinations are inherently subjective and courts are 'typically unsuited to make aesthetic judgments.'" Great works of art seldom bash the viewer over the head with their intended meaning.

Many of the most splendid works of art — whether visual, musical or literary — purposely leave gaps that allow the observer to step in with her own meaning and emotions. This interaction with a piece is what makes art so moving and personal.

Indeed, so strong is the human tendency to find and project meaning that even where the artist does not invite the viewer to imbue the work with her own meaning — or even attempts to forbid it — the viewer will do so anyway.

On the other hand, as the old saying goes, nothing is really new under the sun. Even the Second Circuit conceded in Warhol — quoting the Supreme Court's 1994 ruling in *Campbell v. Acuff-Rose Music Inc.* — that "in literature, in science and in art, there are, and can be, few, if any, things, which in an abstract sense, are strictly new and original throughout. Every book in literature, science and art, borrows, and must necessarily borrow, and use much which was well known and used before."

For hundreds, if not thousands, of years, artists have copied the work of those who went before them. That point is particularly relevant here, since most of Warhol's most iconic works — e.g., his images of Campbell's Soup cans, Marilyn Monroe, Mao Zedong — are stylized renditions of other artists' source material.

It is certainly true, as the Warhol Foundation has argued, that a rule that focuses solely on what changes are made to the physical attributes or presentation of the original work, without giving protection to a work that uses a minimally altered original work in a way that proclaims a new and different meaning, would "[chill] artistic speech by imposing the threat of ruinous penalties on artists who must predict — ex ante — whether their new work will be deemed too 'recognizable' to merit fair use protection." [4]

Balancing the competing interests that copyright law seeks to protect and promote is no small task. The standard's flexibility is also what makes it so hard to apply in a consistent and predictable fashion. Regarding the split among the circuits, picking one test over the other would be a mistake.

What is hoped is that the Supreme Court can articulate a unified, flexible and helpful test that lower courts can apply with some uniformity, and which will give the public and creators sufficient guidance. Artistic speech must be fostered, while allowing artists the right to profit from and control their own original work.

It will be interesting to see how the court approaches this balancing act, because the case's posture as specifically limited to the commercial licensing of the images, rather than the initial copying of the photograph, could lead it to issue a decision that does not answer all the questions presented by fair use. Instead, what is hoped is that the court makes good use of this opportunity to bring better understanding of what fair use is.

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[1] Seltzer v. Green Day, 725 F.3d 1170, 1175 (citing Campbell v. Acuff-Rose Music Inc., 510 U.S. 567, 579 (1994)).

[2] Id. at 1177.

[3] Warhol, p. 29.

[4] Foundation's petition at 4.