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Recent Development

RECENT DEVELOPMENTS IN THE RIGHT OF PUBLICITY

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This review will cover two recent cases noteworthy for the celebrities involved and the legal principles announced.

I. Tom Waits for SalsaRio?

Tom Waits sued Frito-Lay, Inc. and its advertising agency, Tracy-Locke, Inc.,[1] for infringement of Waits' right of publicity and for "false endorsement" under Section 43(a) of the Lanham Act.[2] For infringement of the right of publicity, a jury found liability and rendered a verdict for $375,000 in actual damages, including $100,000 for the fair market value of his services, $200,000 for injury to his peace, happiness, and feelings, and $75,000 for injury to his goodwill, professional standing, and future publicity value.[3] The jury also awarded $2,000,000 in punitive damages.[4] For the Lanham Act claim, the jury awarded $100,000 in actual damages for the fair market value of Waits' services,[5] and the district court exercised its discretion to award attorney fees under Section 35 of the Lanham Act.[6] On appeal, the Ninth Circuit vacated the award of damages under the Lanham Act as duplicative of the damages awarded for infringement of the right of publicity, but affirmed all other aspects of the verdict and judgment.[7] Tom Waits is a singer, songwriter, and actor who has recorded 17 albums, performed throughout the world, and been featured on a number of national television shows and in a number of national publications. He has a "raspy, gravelly singing voice, described by one fan as 'like how you'd sound if you drank a quart of bourbon, smoked a pack of cigarettes and swallowed a pack of razor blades . . . . Late at night. After not sleeping for three days.'"[8]

Frito-Lay markets and distributes food products, including Doritos brand corn chips. To introduce a new Frito-Lay product, SalsaRio Doritos, Frito-Lay retained the advertising agency of Tracy-Locke. Inspired by Tom Waits' song "Step Right Up," a "jazzy parody" consisting of a succession of humorous advertising pitches, Tracy-Locke recommended a rewritten version of this song to promote SalsaRio Doritos. Without Tom Waits' knowledge, Tracy-Locke hired a singer who was experienced at imitating Tom Waits' voice to record the rewrite as an advertisement.

Tracy-Locke knew that Tom Waits had a policy of not endorsing products, and knew that the ***110** commercial imitation of Waits' voice to endorse Frito-Lay products could "pose legal problems." However, in a ten-minute telephone call Tracy-Locke's managing vice-president received an opinion of counsel that although there was a "high profile" risk of a lawsuit due to recent case law recognizing the protectability of a distinctive voice, such a suit would not have merit because "a singer's style of music is not protected."[9] As a result, Tracy-Locke agreed to indemnify Frito-Lay in the event of a lawsuit.

Discussing the right of publicity, the Ninth Circuit affirmed the jury's verdict that the defendants had committed the "*Midler* tort" by misappropriating Tom Waits' voice for commercial purposes.[10] The *Midler* tort is a species of violation of the right of publicity that protects against the unauthorized imitation of a celibrity's voice which is distinctive and widely known, for commercial purposes.[11]

Addressing the many arguments raised in defense to the right of publicity action, the Ninth Circuit concluded that:
1. The *Midler* tort is not pre-empted by federal copyright law because a voice is not a subject for copyright protection. "Waits' voice misappropriation claim is one for invasion of a personal property right: his right of publicity to control the use of his identity as embodied in his voice."[12]

2. There was no error in the district court's instructions to the jury concerning the protectability of a voice (which is protected under *Midler*) as distinguished from a style of music (which is not), the definition of a "distinctive" voice, and the definition of a "widely known" voice.[13]

3. Tom Waits was entitled to recover both for economic injury and for personal damages for humiliation, embarrassment, and mental distress. The evidence supported an award of personal damages because Waits had a policy known to his business

associates and friends of not endorsing products and "this corn chip sermon" caused him a great deal of personal embarrassment and humiliation and made him "an apparent hypocrite."[14]

4. Tom Waits was also entitled to damages for injury to goodwill because his reputation was damaged by creating "a public impression that Waits was a hypocrite for endorsing Doritos," and was entitled to damages for loss of future publicity value based on expert testimony that the fee Waits could command in the future was reduced because of the Dorito commercial.[15]

5. Punitive damages were available based on the jury finding of malice. Although punitive damages are generally not available when an issue is one of first impression or a right is not clearly established, defendants were aware of the *Midler* opinion, which was decided three months before the misappropriation of Tom Waits' voice. Because of this awareness, the evidence supports the finding that the defendants acted in "conscious disregard" of Waits' property rights in his voice.[16]

Regarding the claim under the Lanham Act, the Ninth Circuit concluded that:
1. Even before the 1988 amendments to the Lanham Act, § 43(a) authorized a claim for false endorsement, including a claim "premised on the unauthorized imitation of an entertainer's distinctive voice . . . . "[17]

2. A person has standing to assert a claim for false endorsement even if that person is not in competition with the defendant.[18] This reconciles prior opinions of the Ninth Circuit in *Smith v. Montoro,*[19] and *Halicki v. United Artists Communications, Inc.*[20] According to the Ninth Circuit, competition is not required to assert a "false association"-type 43(a) claim for false representations concerning origin, association, or endorsement (as in *Smith*), but competition is required for a "false advertising"-type 43(a) claim for false representations in advertising concerning the qualities of goods or services (as in *Halicki*).[21] Waits' claim of false ***111** endorsement is a type of false association claim, and therefore Waits need not be a competitor in order to have standing to sue under § 43(a).[22]

3. The totality of the evidence supported a finding that ordinary consumers would be confused as to whether Tom Waits sang the commercial or sponsors or endorses SalsaRio Doritos. The evidence supporting the finding included the distinctiveness of Waits' voice and style, instances of actual confusion, and intent to imitate Waits' voice.[23]

4. An award of attorney fees was within the district court's discretion due to the jury's finding of malice. This finding was sufficient to make the case "exceptional" under § 35 of the Lanham Act, authorizing attorneys' fee awards in such cases.[24]

II. VannaBot: Vanna in the 21st Century

Vanna White sued Samsung Electronics America, Inc. and its advertising agency, David Deutsch Associates, Inc. for violation of California Civil Code § 3344[25] concerning the right to privacy, infringement of her common law right of publicity, and violation of § 43(a) of the Lanham Act.[26] The district court granted summary judgment for the defendants, dismissing all claims.[27] On appeal, the Ninth Circuit (with one judge dissenting) affirmed dismissal of the Section 3344 claim, but reversed the dismissal of the right of publicity and Lanham Act claims and remanded for trial.[28]

Vanna White is the hostess of the "Wheel of Fortune," a game show reaching forty million people daily. Due to her celebrity status, Vanna endorses a variety of products.

Samsung markets electronic products including video cassette recorders ("VCRs") with the assistance of its advertising agency, David Deutsch Associates. Samsung and Deutsch developed an advertising campaign featuring the use of Samsung products in the 21st century. This campaign included humorous futuristic advertisements, such as one depicting a raw steak with the caption: "Revealed to be health food. 2010 A.D." and Morton Downey Jr. in front of an American flag with the caption: "Presidential candidate. 2008 A.D." Of particular significance to Vanna White, an advertisement for VCRs featured a robot with a blonde wig, gown, and jewelry selected to resemble Vanna's hair and dress. The robot was placed next to a game board instantly recognizable as the Wheel of Fortune game show set with the caption: "Longest-running game show. 2012 A.D." The defendants referred to this ad as the "Vanna White" ad. Vanna did not authorize the advertisement.

The California right of privacy statute, Section 3344, prohibits the use of a person's name, voice, signature, photograph or likeness for advertising or selling without that person's consent.[29] In *Midler v. Ford Motor Co.,*[30] the Ninth Circuit strictly construed this statute and held that Bette Midler could not assert a cause of action under the statute because Ford used someone to imitate Midler's voice in the advertisement and did not use Midler's voice.[31] Closely following *Midler,* the Ninth Circuit affirmed dismissal of Vanna's Section 3344 claim because the advertisement used a robot, and not a photo or model of Vanna. Therefore, according to the Ninth Circuit, the defendants did not use Vanna's "likeness within the meaning of

Section 3344."[32]

The Ninth Circuit concluded, however, that the right of publicity was not limited to "likeness," but included misappropriation of someone's identity, a broader concept. The court reasoned, "A rule which says that the right of publicity can be infringed only through the use of nine different methods of ***112** appropriating identity merely challenges the clever advertising strategist to come up with the tenth."[33] Vanna alleged the following facts as evidence that defendants had appropriated her identity: Vanna is the only person who dresses like the robot was dressed, turns letters on a game board, and does this on the Wheel of Fortune game show set. When viewed together, these facts required reversal of the summary judgement on the right of publicity claim.[34]

Regarding Vanna's Lanham Act claim, Vanna raised a question of fact as to whether defendants created a likelihood of confusion that Vanna was endorsing Samsung's VCRs.[35] Vanna's evidence supporting a likelihood of confusion included the strength of her celebrity identity, the close relationship between Vanna's television game show and Samsung's VCR, the similarity of the stance of the robot to Vanna's stance in other ads, the small degree of care exercised by consumers in analyzing whether a person has truly endorsed a VCR, and the series of advertisements, as a whole, suggested an endorsement.[36]

Answering a First Amendment defense, the Ninth Circuit concluded that this was not a parody for fun, but for profit. Samsung's purpose was to advertise products and profit from the sale of those products. The court stated, "The ad's spoof of Vanna White and Wheel of Fortune is subservient and only tangentially related to the ad's primary message: 'buy Samsung VCRs,"' and therefore, the First Amendment was no defense.[37]

Footnotes

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[1] Waits v. Frito-Lay, 978 F.2d 1093 (9th Cir. 1992), *cert. denied,* 113 S.Ct. 1047 (1993).

[2] 15 U.S.C. § 1125(a) (1993).

[3] *Waits,* 978 F.2d at 1103.

[4] *Id.* at 1104.

[5] *Id.* at 1106.

[6] *Id.* at 1098 (based on 15 U.S.C. 1125(a) (1993)).

[7] *Id.* at 1112.

[8] *Id.* at 1097.

[9] *Id.* at 1097-98.

[10] *Id.* at 1098-1106. *See* Midler v. Ford Motor Co., 849 F.2d 460 (9th Cir. 1988) (holding that a cause of action in tort exists when a widely known, distinctive voice of a professional singer is deliberately imitated in order to sell a product).

[11] *Waits,* 978 F.2d at 1098.

[12] *Id.* at 1100.

[13] *Id.* at 1100-02.

[14] *Id.* at 1103.

[15] *Id.* at 1104.

[16] *Id.* at 1004-05.

[17] *Id.* at 1107.

[18] *Id.* at 1110.

[19] 648 F.2d 602 (9th Cir. 1981) (holding that an actor has standing to assert a § 43(a) claim against a film distributor who substituted another's name for the actor's in the movie credits, despite the fact that the plaintiff was not in actual competition with the defendant).

[20] 812 F.2d 1213 (9th Cir. 1987) (holding that a movie producer has no standing to assert a § 43(a) claim against a film distributor who advertised a film as having an "R" rating when it actually had a "PG" rating, because the plaintiff was not in any discernible competition with the defendant).

[21] *Waits,* 978 F.2d at 1107-09.

[22] *Id.* at 1110.

[23] *Id.* at 1111.

[24] *Id.* at 1111-12.

[25] Cal. Civ. Code § 3344 (West 1993).

[26] White v. Samsung Electronics America, 971 F.2d 1395, 1396 (9th Cir. 1992).

[27] *Id.* at 1396-97.

[28] *Id.* at 1402.

[29] *Id.* at 1397.

[30] 849 F.2d 460 (9th Cir. 1988).

[31] *Id.* at 463.

[32] *White,* 971 F.2d at 1397.

[33] *Id.* at 1398.

[34] *Id.* at 1399.

[35] *Id.* at 1401.

[36] *Id.* at 1400-01.

[37] *Id.* at 1401.