HARRY POTTER, TANYA GROTTER, AND THE COPYRIGHT DERIVATIVE WORK

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J.K. Rowling’s stories about Harry Potter and his friends are the basis of a global economic and cultural phenomenon that is probably unique in publishing history. Hundreds of millions of books in scores of languages have been sold in some 200 countries,¹ not to mention four very popular movies, with fans waiting eagerly for each new installment.² Devotees in non-English-speaking countries who are too impatient to wait for the authorized translation arrange their own translations.³ Symposia are held with participants who act and dress as characters from the novels, debate complex aspects of the plots, and attend scholarly discussions on the Harry Potter "canon."⁴

Harry Potter’s establishment as a cultural icon, however, has created a demand for ever more exploits, in much wider cultural and geographical contexts, than his creator can supply, even if she were willing to do so. Attempts to fill the demand have not been limited to noncommercial fan fiction of a type that has developed for characters from other popular television shows and film series.⁵ In India, an unauthorized translation of

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² Chauncey Mabe, Give ‘Em Spell, Harry!, S. FLA. SUN-SENTINEL, June 15, 2003, at 1D (describing the wait of Harry Potter fans for Order of the Phoenix).


⁴ Ron Hayes, ‘Potter’ Casts Spell on Adults, Too, PALM BEACH POST, July 21, 2003, at 1A.

⁵ Star Trek and Star Wars have been the basis for many new stories based on characters from the series, each story purporting to raise and answer hypothetical questions concerning events that generally remain true to the original stories (the “canon”) but extend them in various dimensions. See, e.g., Meredith McCardle, Note, Fan Fiction, Fandom, and Fanfare: What’s All the Fuss?, 9 B.U. J. SCI. & TECH. L. 433, 440-41 (2003); see also Leanne Stendell, Fanfic and Fan Fact: How Current Copyright Law Ignores the Reality of Copyright Owner and Consumer Interests in Fan Fiction, 58 SMU L. REV. 1551 (2005) (analyzing a variety of possible legal
Rowling’s first book, *Harry Potter and the Philosopher’s Stone*, added some new plot twists, while *Harry Potter in Kolkata* has Harry coming to Kolkata at the invitation of a fan and, after arriving, summarizing his first year at Hogwarts by incorporating most of the plot of *Philosopher’s Stone*. In China a work entitled *Harry Potter and Leopard-Walk-Up-to-Dragon*, in which sweet and sour rain transforms Harry into a hairy dwarf operating in an entirely new story, reportedly sold a million copies. In Belarus the title character in *Porri Gatter and the Stone Philosopher* uses a grenade launcher in new versions of the White Russian wars.

The most creatively ambitious of the Harry Potter take-offs, and the one raising the most interesting issues under traditional copyright law, are the Tanya Grotter stories created in Russia. *Tanya Grotter and her Magical Double-Bass* and *Tanya Grotter and the Disappearing Floor* are the creations of Dmitri Yemets, a Russian author of children’s books who achieved his first major success with the Tanya Grotter series. Yemets concedes that Tanya was inspired by Harry but argues that Harry and

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claims by copyright owners against the creators of fan fiction. For an early argument that noncommercial fan fiction should be deemed a fair use, see Rebecca Tushnet, Comment, *Legal Fictions: Copyright, Fan Fiction, and a New Common Law*, 17 LOY. L.A. ENT. L.J. 651, 654 (1997). Harry Potter has also been the subject of fan fiction. Hayes, supra note 4.


7. Ghosh, supra note 6. The protagonist Jhontu is an ordinary Bengali middle class boy. He fantasizes about Harry Potter, but for him and the Bengali middle class, Rowling’s language and nuances are foreign. In one of his fantasies, he asks Potter to come to Kolkata. The rest is largely, but not entirely, a translation, of *Sorcerer’s Stone*, stills from the film *Harry Potter and the Sorcerer’s Stone*, and a list of the cast and credits. The nominal author, Uttam Ghosh goes on to give some information on Rowling and even a few websites on Potter. The book is said to “capture[] the Potter crazy [sic] and deliver[] it to the Bengali in a setting he is comfortable with.” Priyanjali Mitra, *Bengali Babu, in Chitra Subramanyam & Subrata Nagchoudhury, Pirates Potter Around Kolkata, THE SUNDAY EXPRESS*, Apr. 20, 2003, available at http://www.indianexpress.com/res/web/ple/archive_full_story.php?content_id=22323.

8. Mabe, supra note 2. This Chinese version of Harry was anonymously written but sold under the name of J.K. Rowling. Id. That is surely misleading as a matter of trademark law, even though it is unlikely that anyone reading the actual story, having read any of the originals, would believe that Rowling was actually the author. I make no effort to defend *Leopard Walk Up to Dragon* on this point.


10. Alex Rodriguez, *Russian Parody of ‘Harry Potter’ Books Vexes British Author*, SAN DIEGO UNION-TRIB., Dec. 22, 2002, at A25. There are now ten novels in the Tanya Grotter series, the most recent being *Tanya Grotter and the Well of Poseidon*.

11. Id.
Tanya are distinct characters and that his works are "alternative parody with roots in Russian folklore."12 Although threatened,13 it seems that no formal legal action has yet been taken against Tanya in Russia, but Tanya's popularity in Russia14 led to negotiations for translations of Yemets’s work into other languages, including English.15

The Rowling side sought an injunction in Holland against publication of the English translation of Yemets’s Tanya Grotter and the Double Bass. In a decision widely reported in the press, the Dutch court enjoined publication in Holland of Tanya’s antics, based on similarities to The Philosopher’s Stone.16 According to press summaries of the case, the decision seems to have been based on similarities between the two main characters: Tanya Grotter is an 11-year-old (Harry started at 10) with a mole on her nose (Harry’s lightning bolt is on his forehead). As with Harry, Tanya is an orphan whose parents were killed by an evil wizard and attends a school for witches. While Harry flies on a broom, as well as cars and motorcycles, Tanya flies a double bass or a vacuum cleaner. Harry wears round glasses all the time, while Tanya does so occasionally. Each has an enemy too terrible to be named. Are these the kinds of similarities against which copyright is designed to protect?

Two primary questions present themselves for legal analysis: The first is the descriptive question of which, if any, of the above takeoffs on Harry Potter are permitted under modern copyright law, domestically and internationally. The second is the more interesting normative question of which of them should be permitted by a modern copyright law and, if permitted, under what conditions. What should the law make of this urge to cash in on the Harry Potter phenomenon or, less pejoratively, to extend J.K. Rowling’s creativity to other situations, cultures, languages, and milieus? Should authors have control over the characters they create even after they become cultural icons? If so, why, and why should such control continue for 70 years after their deaths? And should the right to control a created character extend to new characters that are obviously different from,

15. Rodriguez, supra note 10; Eksmo Publishers PR-Department, supra note 13.
although equally obviously based upon, the protected character? This paper seeks to address these and related questions.

I. GOALS OF COPYRIGHT

Discussion of normative issues of copyright is rendered difficult by the absence of a general consensus on copyright goals, even within the United States, let alone the rest of the world.\(^\text{17}\) The standard dichotomy is that between instrumentalism (incentives) and so-called “natural rights.” The former views copyright as a set of limited rights afforded to encourage creative authors to produce works valued by the public, an incentive thought necessary because of the public-goods aspects of intellectual property—nonexcludability and nonrivalrous consumption. Nonexcludability renders investment in the production of works unappealing absent protection against appropriation by others sufficient to give a chance for a return on the investment. Nonrivalrous consumption, on the other hand, means that too much protection is also inefficient, because once a work is created, the author still has it no matter how many others have it as well. This instrumentalist approach generally limits the scope and duration of protection to what is thought necessary to optimize the supply of desirable works made available to the public. Natural rights theories, on the other hand, appeal to fundamental, perhaps even instinctive, notions that the creator of something valuable should own what he or she has created: “I made it, so it’s mine.”

Historical analysis of the concerns of the drafters in placing the intellectual property power\(^\text{18}\) in the Constitution,\(^\text{19}\) as well as a long and, until recently, largely unbroken string of Supreme Court decisions\(^\text{20}\) would

\(^{17}\) E.g., Diane Leenheer Zimmerman, It's an Original! (?) : In Pursuit of Copyright's Elusive Essence, 28 COLUM. J.L. & ARTS 187, 189–90 (2005) (setting forth the recognition of artistic creativity, providing a return on creative efforts, and supplying society with desirable works as at least three of the most frequently invoked goals of copyright).

\(^{18}\) Congress has the power “To promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries.” U.S. CONST. art. I, § 8, cl. 8.

\(^{19}\) See Tyler T. Ochoa, Patent and Copyright Term Extension and the Constitution: A Historical Perspective, 49 J. COPYRIGHT SOC’Y USA 19 (2002).

\(^{20}\) Fogerty v. Fantasy, Inc., 510 U.S. 517, 524 (1994) (“The primary objective of the Copyright Act is to encourage the production of original literary, artistic, and musical expression for the good of the public.”); Feist Publ'ns, Inc. v. Rural Tel. Serv. Co., 499 U.S. 340, 349 (1991) (“The primary objective of copyright is not to reward the labor of authors, but '[t]o promote the Progress of Science and useful Arts'”) (citation omitted); Sony Corp. of Am. v. Universal City Studios, Inc., 464 U.S. 417, 429 (1984) (“The monopoly privileges that Congress may authorize are neither unlimited nor primarily designed to provide a special
seem to place the United States firmly in the instrumentalist camp. Lower courts, however, often show an apparent natural rights bias in their analyses, and some commentators have argued that both natural rights and instrumentalism have played an important role in the underpinnings of United States copyright. Moreover, the Supreme Court’s recent decision in *Eldred v. Ashcroft*,

Expressly relegates to Congress the interpretation of the limits on congressional power contained in the Intellectual Property Clause. Although Congress may pay lip service to the public interest in copyright represented by those limits on congressional power, structural biases mean that Congress actually hears primarily the voices seeking ever broader, stronger, and longer protection, and for 200 years that is the direction our copyright law has taken.

private benefit. Rather, the limited grant is a means by which an important public purpose may be achieved.

21. *Jane C. Ginsburg, A Tale of Two Copyrights: Literary Property in Revolutionary France and America, in Of Authors and Origins 131* (Brad Sherman & Alain Strowel eds., 1994) (concluding that both French and U.S. copyright law were concerned, at their inceptions, with both the progress of knowledge and the rights of authors based on their labor); R. Anthony Reese, *Note, Reflections on the Intellectual Commons: Two Perspectives on Copyright Duration and Reversion, 47 Stan. L. Rev. 707* (1995) (showing that U.S. law has elements of both authors’ natural rights and public cost/public benefit traditions).


24. *Jessica D. Litman, Copyright, Compromise, and Legislative History, 72 Cornell L. Rev. 857* (1987). Professor Dreyfuss has shown that trademark jurisprudence has also started to rely on natural rights notions to expand the scope of protection. Rochelle Cooper Dreyfuss, *Expressive Genericity: Trademarks as Language in the Pepsi Generation, 65 Notre Dame L. Rev. 397* (1990). Where the public finds value in trademarks beyond their value in signaling the source of the goods to which they are affixed, Professor Dreyfuss shows that courts are increasingly concluding that such excess value rightfully belongs to the trademark owner. *Id.* at 405. She also correctly observes that the problem with this approach is that it has no coherent limit. *Id.* Professors Stacey Dogan and Mark Lemley have questioned the basis in legal authority, especially in the Supreme Court, for the general assumption that trademark owners have the right to control commercial uses of their marks beyond those that signal the source of goods or services and have argued that trademark law should not be extended so far. Stacey L. Dogan & Mark A. Lemley, *The Merchandising Right: Fragile Theory or Fait Accompli?, 54 Emory L.J. 461, 464* (2005).
For protectionist forces, natural rights theories seem quite congenial, because they come with no built-in limitations on either the scope or duration of intellectual property rights. Nevertheless, no matter how appealing claims to "natural rights" might seem in some specific case, few advocate a pure natural rights theory for intellectual property, \(^{25}\) precisely because such theories are unable to justify universally accepted limitations on intellectual property rights in comparison with rights in tangible property. How, for example, can natural rights justify such a longer term of protection under copyright than under patent? Many inventions are at least as intellectually creative as the bulk of copyright-protected works. Nor would we distinguish between idea and expression in determining the scope of copyright protection under a pure natural rights perspective. Often, the most creative aspect of a work is its underlying "idea," yet nothing in pure natural rights theory can tell us where to draw the line between protected and unprotected elements of works.

This line-drawing problem is, in fact, one of the most important policy issues in copyright law, as judges and legislators seek to draw a balance between creation incentives and the social desirability of allowing others to make use of the work for further developments. We have concluded that the free use of "ideas" results in more works from subsequent authors than we lose by failing to protect them. In other words, while we remain sympathetic to general claims that creators should have control over their creations, we apply the public-benefit, or instrumentalist, philosophy in setting the limits on intellectual property rights. The issue, then, is always where to draw the balance in a particular case.\(^{26}\)

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For some reason, the forces seeking to ratchet up protection have not been too successful in the patent area, possibly because "patent owners are often also potential patent infringers and thus find themselves as either plaintiff or defendant at one time or another in patent litigation." Dennis S. Karjala, *Distinguishing Patent and Copyright Subject Matter*, 35 Conn. L. Rev. 439, 464 n.95 (2003). Or, possibly it is just that the functional nature of patent subject matter makes the costs much more obvious. One rarely hears calls from anyone other than the patent owner that, for example, the patent in a valuable, life-saving drug should be extended on the natural rights ground that the patent owner created something valuable and should be able to control it forever.

\(^{25}\) Generally, Western European nations, especially France, are said to follow natural rights philosophy and the United States is said to follow an instrumentalist view. Both cases are murky, however. See Adolf Dietz, *The Artist's Right of Integrity Under Copyright Law—A Comparative Approach*, 25 Int'l Rev. Indus. Prop. & Copyright L. 177 (1994) (showing that even under the European moral rights tradition, actual cases are usually decided by a balancing of interests); Ginsburg, *supra* note 21, at 132–33.

\(^{26}\) Richard A. Epstein, *Liberty Versus Property? Cracks in the Foundations of Copyright Law*, 42 San Diego L. Rev. 1, 4 (2005) (arguing that the only question is how differences in the nature of the resources in question require a distinctive configuration of property rights). Professor Epstein goes on to argue that the strength of natural law theories was in their implicit
II. DERIVATIVE WORKS UNDER COPYRIGHT

The U.S. Copyright Act now expressly affords the copyright owner an exclusive right to prepare derivative works,27 which are defined as “work[s] based upon one or more preexisting works.”28 Although the occasional court makes the mistake of reading this language in isolation and giving it its ordinary meaning,29 courts generally interpret it as requiring the incorporation of protected expressive material into the challenged work.30 To do otherwise would effectively eliminate the idea/expression distinction.31 Under United States law, therefore, when a character created by one author is used in a new work by another, the question comes down to whether the character is a protected element of the works in which the character appears.

Internationally, the issue is whether a given country is free to deny protection to fictional characters under the international intellectual property treaty regimes. The Berne Convention requires protection for “literary and artistic works,”32 but it does not specify the scope of protection except for the derivative work right to authorize “adaptations, arrangements and other utilitarian basis, leading to the tradeoffs that we see even in the case of much tangible property. Id. at 28. From this point of view, the fundamental theoretical basis for property rights in both tangible and intellectual property can be better harmonized, but of course we still have to figure out what those rights should be in specific types of property. The phrase, “I made it, so it’s all mine” just does not work.

28. Id. § 101 (definition of “derivative work”).
29. E.g., SAS Inst., Inc. v. S & H Computer Sys., Inc., 605 F. Supp. 816, 830 (M.D. Tenn. 1985) (asserting that pervasive copying of organization and structural details of a computer program was infringement in itself, and also resulted in a derivative work, because the challenged program was “substantially and pervasively” based upon the earlier work).
31. To take the classic example, consider someone who reads Einstein’s scientific papers, while they are still under copyright, and rewrites the theory of relativity in her own, by hypothesis noninfringing, words. The idea/expression distinction says the theory is an unprotected “idea.” 17 U.S.C. § 102(b) (2000) (copyright does not extend to any “concept” or “principle”); Hoehling v. Universal City Studios, Inc., 618 F.2d 972, 978 (2d Cir. 1980); Hearn v. Meyer, 664 F. Supp. 832, 850–51 (S.D.N.Y. 1987). The new version is “based on” Einstein’s protected works under a natural reading of the statutory definition and would infringe as an unauthorized derivative work. But copyright leaves unprotected elements free for the taking, precisely to encourage competition in the market for expression of important ideas. Such a broad reading of the derivative work right would therefore essentially repeal section 102(b) and the idea/expression distinction.
32. Berne Convention for the Protection of Literary and Artistic Works, art. 2, June 30, 1972, 102 Stat. 2853, 828 U.N.T.S. 221. The term includes “every production in the literary, scientific and artistic domain” and is followed by a long list of examples, such as books, musical compositions, films, and paintings [hereinafter Berne]. Id.
alterations.\(^{33}\) The Agreement on Trade-Related Aspects of Intellectual Property Rights ("TRIPS") has made the Berne Convention a part of the international trade regime,\(^{34}\) but TRIPS is also silent on the scope of protection. The argument is thus available, to any country that wishes to make it, that neither Berne nor TRIPS actually requires protection of literary characters, independent of the works in which those characters appear.\(^{35}\)

III. CHARACTER PROTECTION UNDER COPYRIGHT

Through about the first half of the 20th century, courts appeared to struggle somewhat with the notion of protecting fictional characters under copyright. The primary problem, not always explicitly stated, was that the beguiling idea-expression distinction seemed to have analytical content; characters, isolated from all of the detailed events occurring in a particular story, seemed very close to what most people would call an "idea." In many stories, a character might be little more than a name, a gender, and a brief description of physical and social characteristics that, without the context of a story, could be just about anyone. Literary characters in books without illustrations seemed particularly difficult to classify as "expressive" elements of the stories in which they appeared, unless they were quite fully delineated.\(^{36}\) The apparent equities between creators and owners in

\(^{33}\) Id. at art. 12.


\(^{35}\) Professor Kitch argues that the copyright in the work automatically protects the expressive details of the characters who appear in the work. Edmund W. Kitch, Response, Comment on Dennis S. Karjala, Harry Potter, Tanya Grotter and the Copyright Derivative Work, 38 ARIZ. ST. L.J. 41, 41 n.3. While this is probably universally true among the developed countries who gave us TRIPS, it was far from obvious even to United States courts as late as the mid-20th century, as outlined immediately below, who saw characters often as "ideas" and a given story in which they appeared as an "expression" of that idea. TRIPS does not formally compel its members to conform to the intellectual property views of the developed world. If United States courts could think of characters as unprotected ideas in the 20th century, developing countries may do so in the 21st, at least as far as the express language of TRIPS is concerned.

\(^{36}\) Nichols v. Universal Pictures Corp., 45 F.2d 119, 121 (2d Cir. 1930) (famously outlining how we cross the line from protected expression to unprotected idea as we go up the scale of abstraction and, while noting that no case had then found infringement based on copying a purely literary character, asserting the possibility that a literary character could be protected if sufficiently delineated); see also Warner Bros., Inc. v. Am. Broad. Co., 720 F.2d 231 (2d Cir. 1983).
particular cases also caused courts to flounder.\textsuperscript{37} Courts had much less difficulty with characters that appeared in pictorial form, such as those found in comic books.\textsuperscript{38}

Now, however, literary characters are routinely held by courts to be copyright protected. If they are presented in a context involving a set of human or nonhuman companions, it may take little more than a name and a few general attributes to enter the realm of protected "expression."\textsuperscript{39} While "James Bond" may be a common enough name that its use for a meek accountant who embezzles from his clients would not be infringing, give him a nickname like "007," a boss called "M," and a secretary named "Moneypenny" and you have reduced the inspirational sources to one.\textsuperscript{40}

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37. Warner Bros. Pictures, Inc. v. Columbia Broad. Sys., Inc., 216 F.2d 945, 950 (9th Cir. 1954) (relying on Nichols to devise the following incomprehensible test: "It is conceivable that the character really constitutes the story being told, but if the character is only the chessman in the game of telling the story he is not within the area of the protection afforded by the copyright."). This was a difficult case, because, had the court found the character (Sam Spade) protected by the copyright in the book in which the character first appeared (The Maltese Falcon), the actual author (Dashiell Hammett) might have lost control of the character, as a result of his having conveyed rights to the Falcon writings to the plaintiff. The copyright scope-of-protection analysis in this case was wholly unnecessary, however, because the court had a valid alternative holding based on the contract, namely, that Hammett had not granted rights in the character independent of the story for the purpose of making a movie. \textit{Id.} at 949. The "story being told" test has confused courts and students for nearly fifty years.

38. \textit{E.g.}, Warner Bros., 720 F.2d at 241–43 (accepting copyright protection of the Superman character but finding no infringement on the ground that the overall combination of characteristics of the parodic offending hero were quite different from those of Superman); Walt Disney Prod. v. Air Pirates, 581 F.2d 751, 759 (9th Cir. 1978) (finding that Mickey Mouse is a protected character).


40. Indeed, it might take only one "unusual" characteristic to generate a large revenue stream from the asserted copyright. Rudolph the Red-Nosed Reindeer first appeared in a 1939 story by Robert L. May designed for use as a holiday promotion by Montgomery Ward. Elizabeth Fernandez, \textit{Rudolph of the Red Nose Still Reigns, Dear}, \textit{SAN FRANCISCO CHRONICLE}, Dec. 24, 1989, at B-1. Take away the specific story, the only thing "highly delineated" about Rudolph is his glowing nose. Would displaying a reindeer with a red nose in a Christmas setting (without using the name "Rudolph") infringe, on the ground that it "calls to mind" the animal of the original story? \textit{Cf.} Stacey L. Dogan, \textit{An Exclusive Right to Evoke}, 44 B.C. L. REV. 291, 299–302, 304–08 (2003) (concluding that copyright infringement requires the taking of protected expression and not merely evoking the protected work in the public mind but worrying that the right of publicity may soon lead to liability, at least in the case of celebrities).
Unless the story is a parody, it is difficult to think of a reason for using this set of names other than to play off the popularity of the Ian Fleming version of James Bond.

Popular characters have an economic value that extends well beyond the right to reproduce copies of the stories in which they appear or to make movie versions of those stories. So-called "character merchandising," in which products are marketed in association with popular characters, is a multi-billion dollar business. The natural response of courts is to treat this "excess value" as belonging to the person who created the character, or that person's assigns.

At least on the instrumental view of the statute's goals, however, copyright is not designed to maximize the economic return to the creator. It is rather designed to optimize in some meaningful way the quantity of creative works available to the public. Moreover, the copyright public domain consists not simply of those works whose (ever lengthening) copyright term has expired. It also includes those elements of still-protected works that fall outside the scope of copyright protection (such as facts and ideas).

Popular fictional characters become a part of the vocabulary of modern life and can serve as building blocks for development and expansion of our cultural heritage. Optimally effective speech often requires at least the evocation of cultural associations. The question is how far a second author should be permitted to go in making use of characters as the building blocks of new works. Should control over characters who have become cultural icons remain firmly in the copyright owner for the very long period of copyright protection?

IV. DERIVATIVE WORK CASES INVOLVING CHARACTERS IN NEW STORIES

Without attempting to be comprehensive, I discuss in this section some cases in which the copyright owner has challenged an otherwise entirely new work or sequel involving protected characters. My goal is to give a
sense of the kinds of claims and rights copyright law currently gives to copyright owners in their characters and of the kinds of derivative works that the public may be losing by giving complete control to the copyright owner.

In Anderson v. Stallone, plaintiff Anderson saw actor/director Sylvester Stallone’s “Rocky III” movie and wrote a treatment for “Rocky IV,” which incorporated the characters created by Stallone in the earlier films in the series. He gave the treatment to Stallone with the understanding (at least on his side) that if Stallone used the treatment in a subsequent Rocky film, Anderson would be compensated. A few years later Stallone released “Rocky IV,” and Anderson sued on various grounds, including copyright infringement. The court concluded that Stallone’s “Rocky IV” did not infringe an assumed copyright in the Anderson treatment for want of substantial similarity. It also held, however, following the language of the Copyright Act, that Anderson’s treatment was wholly ineligible for copyright protection because Stallone’s protected characters pervaded the entire work. While the court in this case found that the new material in the treatment was not actually used in making “Rocky IV,” the result is that all of the new authorship in the treatment, which is entirely the creation of the derivative work author, may be used only by the owner of the Rocky Balboa copyright. Any third party seeking to make use of Anderson’s now copyright-unprotected treatment would run afoul of Stallone’s copyrights, just as Anderson did. Thus, copyright in the characters extends beyond the actual creations of the author to cover unauthorized sequels.

46. Id.
47. Id.
48. Id. at 1165.
49. 17 U.S.C. § 103(a) (2000). The statute provides that “protection for a work employing preexisting material in which copyright subsists does not extend to any part of the work in which such material has been used unlawfully.” Id.
50. Anderson, 11 U.S.P.Q.2d (BNA) at 1165–69. While this conclusion is the one most courts would likely reach under the statutory language, another way of reading the word “part” in § 103(a) is possible that avoids denying Anderson his copyright entirely. Suppose all of the names of the characters in Anderson’s treatment are replaced by letters A, B, C, etc. We are then left with a plot and some interactions among A, B, C, and the other unnamed “characters.” Can Anderson not argue that this new treatment, with names removed, is a “part” of his work that employs no preexisting copyright-protected material? If accepted, that argument would leave Anderson with most, if not all, of his detailed plot while still denying him the right to use the treatment in any meaningful way without the permission of the owner of the copyrights in the Rocky characters, because without the right to use those well known characters by name the treatment has little if any value to anyone.
Micro Star v. Formgen, Inc., 51 involved a very new kind of "sequel" making use of protected fictional characters. Formgen owned the copyrights related to the popular "Duke Nukem 3D" video game, in which the user plays the role of the title character in seeking secret passages to go to higher levels while avoiding numerous hazards, including evil aliens. The authorized game comes with a "Build Editor" that allows players to create new levels of play. Players were encouraged to post their new levels on the internet so that others could use them. 52 These new levels take the form of so-called "MAP files," which are comprised of computer program code that reproduces none of the proprietary code that runs the basic game. 53 Rather, the MAP files make "calls" on characters and other elements contained in the libraries relating to the game that have already been stored on the computer when the game was installed. The MAP files by themselves are therefore useless. No one can make use of such a MAP file without having the Formgen game installed on the computer. 54

With time and increasing popularity of the Duke Nukem 3D game, many MAP files offering new levels created by users of the game became available on the internet. Micro Star thought it saw a niche market among Duke Nukem aficionados who did not want to go to the trouble of sorting through all of the new levels that were available on the internet and determining which ones were worth trying. Micro Star did the search itself, chose what it deemed the 300 best new levels, compiled them together onto a CD, and offered the CD for sale. Formgen brought action for copyright infringement, and Judge Kozinski accepted the argument that each MAP file is an infringing derivative work, because each is, in effect, a sequel to the basic game. 55

Are the MAP files really sequels? On the one hand, there is no doubt that a user would need authorization from the copyright owner to create a new level of the Duke Nukem 3D game by copying the necessary code from the game's libraries and incorporating it directly into a new level that would operate as an independent game. On the other hand, even Judge Kozinsky conceded that if a MAP file could be used to tell another story involving different characters and settings, they would then not contain any protected expression from the Duke Nukem game. 56 The MAP file, however, is the same in either case; it is only the operating environment that changes when

51. 154 F.3d 1107 (9th Cir. 1998).
52. Id. at 1109.
53. Id. at 1110.
54. Id.
55. Id. at 1109.
56. Id. at 1112 n.5.
it is used to tell another story. How does the protected expression it contains suddenly disappear when it is used in a new way? In any event, the court’s holding again leaves the copyright owner as the sole person authorized to collect and commercially distribute “sequel” games created with authorization and made available on the internet. We can question whether this is a market copyright is designed to protect. With time we are increasingly likely to see possibilities for value-added services such as those Micro Star sought to render. Such services increase the internet’s efficiency by reducing the number of players who have to do tedious searching and testing to find new levels that continue to challenge their skills.

*Worlds of Wonder, Inc. v. Veritel Learning Systems, Inc.* involved a toy bear named “Teddy Ruxpin” and friends. The toys contained battery operated internal electronics that were controlled by a digital tape track for motion and an analog tape track for voice. When an authorized tape was used, Teddy and his best friend Grubby (connected by a cable) moved in sync to act out a story involving songs and speech. In a clever piece of lawyering, the “World of Teddy Ruxpin” was registered, and treated by the court, as an audiovisual work. The defendant in the case created tapes intended to be compatible with Teddy but telling independently created stories. The court agreed with the copyright owner that when the defendant’s tape was played in Teddy, it produced an audiovisual work substantially similar to the audiovisual work seen when an authorized tape was used. Given that it was the same bear, it is hardly surprising that its

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57. While Judge Kozinski’s hypothetical might sound far-fetched, it is probably at least theoretically within the range of today’s technology (although it would probably make no economic sense). The MAP file makes “calls” on libraries and similar code already stored on the user’s computer. At least in principle, a programmer could design new characters, clothing, weapons, and so forth, and write code implementing those features as libraries available to the new game (the MAP file). As long as the interfaces between the MAP file and the new libraries continue to “match,” the result would be not just a new level of the Duke Nukem game but a new game involving the newly created characters.

58. 658 F. Supp. 351 (N.D. Tex. 1986). Jack Brown’s firm, Brown & Bain of Phoenix, represented the plaintiff in both of the *Worlds of Wonder* cases discussed herein. When I covered these cases in class, I often told my students that to win such “unwinnable” cases showed just how good a lawyer Jack Brown was.

59. *Id.* at 352.

60. *Id.*


62. *Veritel Learning Sys.*, 658 F. Supp. at 355. The court concedes that there was “some difference in the story line” but not enough to overcome the similarities observed under a totality of circumstances approach. *Id.* Of course, the new story line is all that defendant added, but the court did not compare it at all to that of any of the authorized tapes. It seems that they could not have been too similar, in view of the copyright owner’s charge that the defendant’s
overall appearance would be similar when under the control of an independently created tape. A flashlight with a new battery will produce a beam that is substantially similar to the beam it produced with its original battery. Teddy Ruxpin is essentially a playback machine. We do not allow the manufacturers of other types of playback machines, including computers, to control the market for the copyright-protected content that is playable on the machine. On the other hand, if Teddy Ruxpin is a protected character (as opposed to a sculptural work, which is how dolls are usually classified), these cases may simply presage Judge Kozinsky’s analysis in Micro Star: Any independently created tape that involves Teddy and his friends in a new story is a “sequel” to the authorized set of stories and infringe if unauthorized. Copyright in these toys thus affords not only exclusive right to market the toys but also the exclusive right to create otherwise noninfringing original content for use by customers who have already bought the toys. A technological innovation, with no deliberate change in underlying copyright policy, thus allows a large expansion of the degree of market control afforded to the copyright owner.

Dr. Seuss Enterprises v. Penguin Books USA, Inc., involved a challenge by the owners of the Dr. Seuss copyrights to the publication of a satirical account of the O.J. Simpson trial. The accused work was entitled The Cat NOT in the Hat! A Parody by Dr. Juice. It used rhyming phrases and meters similar to those used in the famous Dr. Seuss stories, but the trial court held that the instances in which phraseology was substantially similar to copyright-protected Dr. Seuss works were either de minimis or, for purposes of a preliminary injunction, a likely noninfringing fair use.

tapes “alter Teddy Ruxpin’s character by taking him out of the ‘World of Teddy Ruxpin.’” Id. at 353.

63. Sega Enters. Ltd. v. Accolade, Inc., 977 F.2d 1510 (9th Cir. 1992), amended by 977 F.2d 1510 (1993), even allows copying a protected work intended to be used by a computer (a game console) for the purpose of extracting the compatibility information necessary to create noninfringing content that will run on the computer.

64. Id. at 1394 (9th Cir. 1997).

65. Id. at 1396. Professor Tyler Ochoa has written a thorough and highly critical analysis of the Ninth Circuit’s decision denying fair use in this case. Tyler T. Ochoa, Dr. Seuss, The Juice and Fair Use: How the Grinch Silenced a Parody, 45 J. COPYRIGHT SOC’Y U.S.A. 546 (1998).

66. Dr. Seuss Enters., 109 F.3d at 1396.

67. Dr. Seuss Enter. v. Penguin Books USA, Inc., 924 F. Supp. 1559, 1566 (S.D. Cal. 1996), aff’d, 109 F.3d 1394 (9th Cir. 1997). The court concluded that “One knife? / Two knife? / Red knife / Dead wife” was not a “significant part” of the Dr. Seuss work One Fish / Two Fish / Red Fish / Blue Fish, notwithstanding that the latter constituted the work’s title. Id. at 1563–66.

68. Id. Text taken from the Dr. Seuss work Horton Hatches the Egg was found by the court to be the “central rhyme and theme” of the work (“And I said what I meant . . . / An
Consequently, the injunction was based solely on similarities in the illustrations on the front and back covers of the accused work to the Dr. Seuss illustrations of *The Cat in the Hat*, the single most salient feature of which was the Cat's famous stovepipe hat. A strong argument can be made that the Ninth Circuit simply decided this case incorrectly. However, whether right or wrong on the question of copyright infringement, the end result is that a unique commentary on an issue of intense public interest was enjoined and is unavailable to the general public.

In *Metro-Goldwyn-Mayer, Inc. v. American Honda Motor Co., Inc.*, a TV commercial for Honda automobiles involved a well-dressed couple in a Honda under attack by a metal-armed villain on top of their car. They escape by releasing the Honda's detachable roof, sending the villain flying, with the driver maintaining his cool the whole time. Although the commercial used neither the name “James Bond” nor any of the actors who appeared in any James Bond films, the court concluded that the Bond copyright owners were likely to succeed in their claim that the commercial infringed the film maker’s copyright. Likelihood of success was based on substantial similarity in theme (handsome hero, beautiful woman, grotesque villain, high-speed chase), settings (high-speed chase), pace (high speed with loud horn music), dialogues with dry wit and subtle humor, and

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69. *Id.* at 1575. The court compared the cover of the accused work to a picture taken from *The Cat in the Hat*. *Id.* at 1564. Both showed a stove-pipe hat with “five thick alternately dark and light stripes.” *Id.* In addition, both showed inverted semicircular closed eyes, simple downward-stroked eyelashes, rounded ears with a single cavity, and feet that sloped unnaturally long and flat. *Id.* The court also compared *The Cat in the Hat* front cover with the back cover of the accused work. Both showed the stovepipe hat, identically composed characters with long necks, narrow shoulders, and interlinked hands placed above a paunchy belly. *Id.* Oval eyes with horseshoe-like pupils, and a mischeious expression “formed by upraised eyebrows and a closed-lip smile, the smile created with a single upturned line and two small circles at either edge” completed the similarity. *Id.* at 1566.

70. Ochoa, supra note 65; cf: Suntrust Bank v. Houghton Mifflin Co., 268 F.3d 1257 (11th Cir. 2001) (denying preliminary injunction against “parody” of *Gone with the Wind* entitled “The Wind Gone Done Gone,” in which many of the same characters and events appear but are seen from the point of view of the slaves).

character (young, handsome tuxedo-clad hero with beautiful women in tow).\textsuperscript{72} This kind of reasoning comes close to giving the copyright owner control not only of the works created by that author but also of a significant part of the genre into which the work falls.\textsuperscript{73}

V. APPLICATION TO THE HARRY POTTER TAKEOFFS

At least within the United States, as shown by \textit{Anderson v. Stallone}, a sequel consisting of entirely new text and story but relying on the same character set that is found in a protected work is prima facie infringing.\textsuperscript{74} Absent fair use, the infringing work and its creator are subject the usual panoply of copyright remedies, including damages and injunction. The Indian version of \textit{The Philosopher’s Stone} would likely infringe simply as an unauthorized translation, notwithstanding the addition of new material, and \textit{Harry Potter in Kolkata} would infringe as an unauthorized (and not very imaginative) sequel. \textit{Leopard Walk Up to Dragon}, in China, would similarly infringe as an unauthorized sequel (not to mention the trademark infringement by marketing the work under Rowling’s name). As in the

\textsuperscript{72} \textit{Id.} at 1298. The court also relied on similarities to specific scenes in a series of Bond films: Bond with a beautiful woman in a white sports car being chased by a helicopter and villain assaulting the car in \textit{The Spy Who Loved Me}; a villain clinging to the top of a car with metal-encased hands in \textit{Dr. No}; detachable sports car roof in \textit{Goldfinger}; a villain with metallic teeth and oversized goggles jumping out of an airplane in \textit{Goldfinger}; and a helicopter snagging a speeding car with a magnetic line in \textit{You Only Live Twice}. \textit{Id.} While beyond the scope of this essay, such analysis raises the very interesting question of whether taking ideas, scenes a faire, de minimis expression, or other unprotected elements from a series of separate works, none of which would be infringing in itself, can support a finding of copyright infringement. The \textit{American Honda} court would have a difficult time defending the copyright protectability of any of these scenes, at least at the level of abstraction with which they are presented. If each such scene were from works by unrelated copyright owners, how would a claim for infringement based on them be framed? Each subsection of section 106 of the U.S. Copyright Act, which establishes the exclusive rights of the copyright owner, makes reference to “the copyrighted work.” 17 U.S.C.A. § 106 (2005). If I create a new work by combining unprotected elements of existing works, it would seem that there could be no infringement. That analysis does not change where there is a single owner of the works from which unprotected elements are taken.

\textsuperscript{73} One of the plaintiff’s experts testified how the James Bond films represented a “fresh and novel approach” by hybridizing the spy thriller with the genres of adventure, comedy, and fantasy. \textit{Metro-Goldwyn-Mayer}, 900 F. Supp. at 1294. This “distinct melange” was also “seemal” in creating a set of characters, mission, setting, mood, dialogue, and music, etc. that was not seen in previous spy thriller films. \textit{Id.} at 1294–95 (quoting film historian Drew Casper). Even if plaintiffs did create a new genre, however, the issue is the extent to which plaintiffs can control that genre. A seminal work is by definition one on which many new works are based. As Judge Hand said in \textit{Nichols}, “[T]hough the plaintiff discovered the vein, she could not keep it to herself.” Nichols v. Universal Pictures Corp., 45 F.2d 119, 122 (2d Cir. 1930).

\textsuperscript{74} 11 U.S.P.Q. 2d 1161, 1167 (C.D. Cal. 1989).
Stallone case, any of the incidents in these stories could be taken up by J.K. Rowling in her subsequent novels or in new Harry Potter movies, without compensation to any of the authors. Of course, to the extent that Rowling chooses not to use these stories in her own works, they remain off limits to the rest of us.

The Tanya Grotter stories in Russia present a much closer legal case. The lists of similarities between the two works are quite short. Element-by-element analysis leaves very little on which to hang an infringement determination: Harry and Tanya are about the same age, attend schools for magic, are orphans, wear glasses, and have identifying marks on their faces. To protect against this level of similarity would be to grant Rowling a very long-term monopoly on the genre of children attending schools for magic. The glasses, the facial marks, even the status as orphans are, in any event, not crucial and could easily be eliminated in favor of something else. While the names are somewhat similar, the gender difference makes mistake impossible. Moreover, the one thing everyone would expect kids at a school for magic to learn is how to fly, and after Superman cornered the market on flying without assistance, they have to fly on something. A double bass or vacuum cleaner is not a broom. We should also bear in mind that many of these elements (schools for magic, unusual vehicles for flying, etc.) have been used in earlier works and, at least individually, might well not be original to Rowling.

The crux of the infringement analysis would seem to lie in the relationships among the parties, and I lack sufficient information about Tanya to make any judgment about that. But surely Tanya is entitled to have friends and teachers. Too many friends or too many close relationships with teachers clutter up the story, so the number that play an active role must be limited. An enemy of some sort is needed if there is to be any drama. These are, after all, children's stories, not psychological studies. Does the enemy have to be one whose name cannot be spoken? Probably not, but again is copying this sort of detail at the heart of the complaint here? Would J.K. Rowling be any happier if Tanya started referring to her enemy by name and had the mole transferred from her nose to her elbow?

The Tanya Grotter series represents a situation much closer to that in Nichols, where the plaintiff "discovered the vein" (squabbling between Jewish and Irish families, their children falling in love, eventual reconciliation through grandchildren), but was not allowed to keep it to herself. That a Dutch court was willing not only to find infringement by

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75. Id. at 1168–69.
76. Nichols v. Universal Pictures Corp., 45 F.2d 119, 122 (2d Cir. 1930).
Tanya but also to enjoin sale of her books gives powerful control over the subsequent development of the genre to the author of the first real economic blockbuster in the field. Indeed, at the level of abstraction at which the Dutch court conducted its analysis, there is an argument that Rowling herself is an infringer in creating a Harry Potter who resembles, in many ways, Diana Wynne Jones’s 1977 character Cat Chant.77

VI. RECONSIDERING THE BALANCE OF PUBLIC AND PRIVATE INTERESTS

To reiterate, the basic question is the extent to which an author, and an author’s assignees, should maintain control over the use of fictional characters created by the author. Under the instrumentalist approach to copyright, the basic goal is the growth of culture; exclusive rights are recognized to provide the incentive to create works protected by the copyright scheme. If the exclusive rights are too strong, too broad, or too long, they inhibit more cultural growth than they encourage by chilling the creation of new works that might be as good as, or even better than, those on which they are based. The current copyright remedies are very strong, and the term is extraordinarily long. Given the nature of our political process, it is impossible to retrench legislatively in either of these areas. The breadth, or scope, of the copyright, however, as well as the specific remedy applied to a given act of infringement are issues that are largely determined by the courts. For most of our copyright history, which is to say until the adoption of the Copyright Act of 1976,78 courts treated the public interest in a rich and vibrant public domain as a major factor in the analysis. The 1976 Act significantly modified the statutory underpinnings of copyright, moving from a system of narrow rights with broad exceptions to one of broad rights and very narrow and detailed exceptions.79 While reasonable people may differ, a case can be made that, in general, courts are focused today much

77. Harry is a ten-year-old orphan whose parents were killed by an evil wizard. He is unaware and disbelieving of his powers, attends school for wizards headed by the all-knowledgeable Dumbledore, flies on a broom (as well as cars and motorcycles), and may not enter the Forbidden Forest. Dragon breeding is outlawed and dragon’s blood is a powerful potion. In Charmed Life, Wynne Jones’s Cat Chant is about ten years old and an orphan whose witchcraft-capable parents have died in an accident. He is unaware and disbelieving of his powers, attends a school for witches headed by the all-knowledgeable Chrestomanci, and flies on levitating hand mirrors. He may not enter Chrestomanci’s garden, and dragon’s blood is banned from use as too dangerous and powerful. DIANE WYNN JONES, Charmed Life, in 1 THE CHRONICLES OF CHRестOMАСNI (Harper Trophy 2001). I am indebted to Vancouver attorney David Wotherspoon for having made me aware of the works of Diane Wynne Jones.
more strongly on the rights of the copyright owner than on the interests of the public. The question is whether we can supply judges with an analytical framework that allows them to see how they can protect both.

This brings us back to incentives and some sort of balance against "natural rights." We might accept that exclusive rights to market the original novels, movies based on those novels, and even character merchandising rights are a part of the stimulus for placing a writer like Rowling behind her typewriter. Would she have done something else had she known that her characters might be used without her permission in Russia, China, or India, in new stories adapted to local conditions? Because such take-offs in other countries are extremely unlikely absent international success with the originals, their possibility would not likely have been a deterrent to her as a new writer. Indeed, at least as an economic matter, it is difficult to say that Rowling and her publishers have not been more than adequately recompensed for the creative stories that she has shared with the public. On what basis, other than the circular one that the law gives a right of control to her, should she be allowed to enjoin the creation of new Harry Potter stories by others?

What about the "natural right" of an author to maintain control of her characters? One suspects that it is natural rights notions that underlie the Dutch court's injunction against Tanya Grotter in Holland. Rowling and her publishers may be worried about the financial loss, although it has to be quite a small percentage of their total income from Harry, but in any event under the instrumentalist view the copyright goal is not to maximize the income of authors. Are there any legitimate claims that can be made on the basis of natural rights—Rowling created Harry and his friends and that alone should give her the right to maintain worldwide control over whatever he does?

One potential argument concerning the right of copyright owners to control the use of popular characters in new works is that of debasement, in the sense that whatever is created in the take-off stories is actually

80. Wu, supra note 9.
81. I accept Professor Kitch's critique of this sentence. Kitch, supra note 35, at n.10. While I would not agree that Rowling's "overcompensation" rises to the level of a "theme" in this essay, the sentence has more rhetorical than analytical cogency.
82. The take-offs sell for a lower price than the authorized Harry Potter books. Tanya and Harry were available side by side in a Russian bookstore, with Tanya selling for about $4 and Harry $6. MacKinnon, supra note 12. Another report has Tanya going for $2.50. Rodriguez, supra note 10. I personally paid about $4 for a copy of Tanya Grotter and the Well of Poseidon in Lithuania in January 2005.
something different from the original, diluting its cultural quality.\textsuperscript{83} Rowling, Disney, and other creative authors have at least some justification for being outraged when their characters are used in contexts wholly different from their original, such as pornography, and from there it is just a matter of degree concerning how much variation they can be reasonably expected to stomach. This is not a strong argument against the \textit{Harry Potter} take-offs, however, in view of our acceptance of a fair use exemption for parody. Indeed, one of the justifications for treating parody as a fair use is that parody serves an important social purpose and is a use that a copyright owner is very likely unwilling to authorize.\textsuperscript{84} The \textit{Harry Potter} take-offs are not necessarily parody,\textsuperscript{85} but they do serve an important social and cultural purpose that Rowling is not only unwilling but unable to meet. If she has to tolerate parody in the interest of free speech and a fuller dissemination of ideas and culture, it is not too much of a step further to say she must tolerate some \textit{Harry Potter} take-offs—at least those that do seek to bring Harry and his friends into milieu and circumstances that are more familiar to fans in other countries. We might all be better off if her copyright does not extend to the power to stop this kind of creativity altogether.

A related argument is that, if any and all Harry Potter takeoffs are allowed (perhaps even with some monetary payment to Rowling), Harry will become so overexposed that the public will tire of him.\textsuperscript{86} It seems well documented that owners of property rights in characters do husband their appearances to maximize profits.\textsuperscript{87} If the public tires of Harry due to

\textsuperscript{83} See Michael Steven Green, \textit{Copyrighting Facts}, 78 IND. L.J. 919, 925–26 (2003) (asserting that, without a copyright in Superman, no one will take into account the tendency of each work involving the character to reduce the value of works based on Superman in the future); Alex Kozinski, \textit{Mickey & Me}, 11 U. MIAMI ENT. & SPORTS L. REV. 465, 469 (1994) (asserting diminished value if many people can create their own versions of popular characters).

\textsuperscript{84} Campbell v. Acuff-Rose Music, Inc., 510 U.S. 569 (1994); see also Mattel Inc. v. Walking Mountain Prods., 353 F.3d 792 (9th Cir. 2003) (finding photographs of a nude “Barbie” are a fair use as transformative parody); cf. Walt Disney Prods. v. Air Pirates, 581 F.2d 751, 753, 758 (9th Cir. 1978) (finding no fair use in pornographic comic involving the Disney characters, but result likely a fair use today under \textit{Campbell}).

\textsuperscript{85} Dmitry Yemets has argued that \textit{Tanya and the Double Bass} is a parody. Reuters, \textit{ supra} note 14.

\textsuperscript{86} See William M. Landes & Richard A. Posner, \textit{Indefinitely Renewable Copyright}, 70 U. CHI. L. REV. 471, 484–88 (2003). I have sought to refute the theory of Professor Landes and Judge Posner that society might lose overall social value as result of a character’s “overexposure” after entering the public domain. However, nothing in my argument asserts that the \textit{copyright owner} does not lose when a valuable work goes into the public domain. Karjala, \textit{ supra} note 43, at 226–27.

overexposure by authors other than Rowling but would not have done so under proper husbandry by the copyright owner, Rowling not only loses potentially substantial future income but also some of the possibility of adding to her literary heritage.\textsuperscript{88} Even without natural rights, this could undercut much of Rowling's incentive to create new works in the Harry Potter canon. While the public's loss in these circumstances should perhaps be offset by the value of the new works involving Harry that have been created by others and are now available to the public, there is no way to calculate even the quantitative, let alone the qualitative, tradeoff.\textsuperscript{89}

I therefore have a degree of sympathy with a claim by Rowling, and similarly situated authors, to control all uses of characters they have created. At least during her lifetime, isn't it simply "fair" to allow her to control her creations? She is the one who "knows" the characters best and is most likely to put them into stories that, by whatever standard, we judge to be "better" than most others could do. On the other side, however, particularly for non-English-language stories, even she is not capable of putting Harry into settings, languages, and cultures that may resonate better with children in

\textsuperscript{88} Professor Laura Bradford has propounded a theory of secondary use derived from research in cognitive and behavioral psychology that looks to harm to consumer perceptions in judging whether a given secondary use should be tolerated. Laura A. Bradford, \textit{Parody and Perception: Using Cognitive Research to Expand Fair Use}, 46 B.C. L. REV. 705 (2005). That attitudes once formed are resistant to change suggests that newer works need more protection than older works. Secondary works clearly indicating that they are unauthorized will help preserve consumers' ability to choose accurately. Overexposure through advertising and other mass media channels by secondary works can harm the market for the original, however, and should remain subject to injunction. Secondary works that demand greater cognitive involvement, such as literary works, are likely to have less of an effect on consumer attitudes than easily digested cartoons or melodies. Professor Bradford argues that these notions could be incorporated into factor four of the standard fair use analysis (effect of the use on the market for the infringed work). \textit{Id.} at 768–69.

\textsuperscript{89} Professor Michael Abramowicz has recently applied rent-dissipation theory to argue in favor of a strong derivative work right, possibly even lengthening it relative to the reproduction right. Michael Abramowicz, \textit{A Theory of Copyright's Derivative Right and Related Doctrines}, 90 MINN. L. REV. 317 (2005). The idea is that, without the exclusive derivative work right in the copyright owner, too many people might rush to create unauthorized derivative works based on a popular original work or character, in a sort of "gold rush" to mine its current popularity. The result might be too many similar derivatives resulting from overinvestment in the production of derivative works. In the case of wildly popular characters like Harry Potter (Professor Abramowicz's primary example), his argument has some plausibility. The less popular the character in question, however, the less chance it would seem there is for an efficiency-eroding race to exploit the character in unauthorized derivative works. To the extent he is correct, therefore, it argues for focusing on the current level of popularity of the character in question rather than on concern for the author's sensibilities in determining when to loosen the copyright owner's firm grasp on the derivative work right by, as suggested herein, denying injunctions against unauthorized derivative works.
other countries. Moreover, after her death, there is no reason to believe that her successors in copyright ownership will have the same ability to maintain and extend a coherent Harry Potter canon, or indeed a better ability to do so than anyone else who is an intimate fan of the Potter works.

Once we decide where the balance is to be drawn, how can it be effected under the current international copyright regime? Revising national legislation and international treaties to accommodate a new limitation on author’s rights is politically very difficult. A general fair use defense to copyright infringement is not only not a mandate of TRIPS; there is actually an argument that U.S. fair use traditions are not even compatible with TRIPS, placing the U.S. in violation. A major step in the right direction would be for the United States to start taking seriously its own belief in the importance of balance in copyright law by urging the incorporation of a mandatory fair use provision into TRIPS.

Fair use, however, is insufficient to assure that the appropriate balances between public and private interests will be consistently drawn. It may also not be necessary, however desirable, to have fair use formally codified internationally. National courts have considerable latitude under TRIPS in determining both the scope of protection to be afforded to works in particular cases and to decide what remedies to apply in cases where infringement is found. World Trade Organization panels hearing challenges to a given country’s scope-of-protection and remedies decisions must also recognize that the copyright involves important public interest factors and,

90. Wu, supra note 9.
91. At least some believe that Theodor Seuss Geisel would never have approved the wholesale “slaughter” that has occurred with the marketing of some of his works, such as the recent Cat in the Hat movie. NPR Morning Edition: Commentary: Selling out “The Cat in the Hat” (NPR radio broadcast Dec. 22, 2003) (explaining that Geisel once declined a “stratospheric” sum for the use of one of his verses on a Christmas billboard).
92. TRIPS art. 13 provides, “[m]embers shall confine limitations or exceptions to exclusive rights [of copyright] to certain special cases which do not conflict with a normal exploitation of the work and do not unreasonably prejudice the legitimate interests of the right holder.” TRIPS, supra note 34. This language is taken from Berne art. 9(2), which limits only the reproduction right and not all of copyright’s exclusive rights. Berne, supra note 32, art. 9. Berne’s other limitations on copyright, incorporated into TRIPS via TRIPS art. 9(1), are few and narrow. E.g., Berne art. 10(1) (“quotations” from published works), art. 10(2)(works used as illustrations in teaching), art. 10(4)(1) (media reproduction of newspaper and journal articles on current events). Id. Off-the-air videotaping for time-shifting purposes is a fair use under U.S. law. Sony Corp. of Am. v. Universal City Studios, Inc., 464 U.S. 417, 456 (1984). A much more specific limitation allowing public performance of off-the-air music in certain business establishments was found by a TRIPS panel to be noncompliant with each of the three requirements of Article 13. Panel Report, United States—Section 110(5) of the US Copyright Act, WT/DS160/R (June 15, 2000).
absent a violation of a clear TRIPS mandate, should defer to limitations on scope and remedies determined by national courts to be in the public interest.

The most obvious way for national courts to limit authorial control is to be more cautious about injunctions against the distribution of creative derivative works involving protected characters in new stories. Richard Stern has proposed a no-injunction regime for non-code aspects of software and non-verbatim copying of computer programs,\(^{93}\) which results in works that in many ways are analogous to new works involving protected fictional characters: They involve new creative input and can result in a socially valuable new product. Paul Geller has proposed more generally that courts can be stingier with injunctions when a second work shows a high degree of creativity in building upon (but still taking from) a protected work.\(^{94}\) The Supreme Court has suggested that courts consider this approach when a creative work like a parody "goes beyond the bounds of fair use."\(^{95}\) Denying an injunction still allows at least a financial return to the author—a judicially imposed compulsory license via a damages remedy—while permitting a fuller development of popular characters who have become cultural icons.

I would propose that courts consider the problem of new fictional works based on existing copyright-protected characters in two steps: First, they should take the infringement analysis much more seriously, asking what the scope of protection is for a character like Harry Potter. When a Tanya Grotter appears on the scene who is obviously derived from but clearly distinguishable from Harry, infringement simply should not be found. Moreover, even where the same character is used in a new story, the court should consider denying injunctive relief where the new work broadens in any meaningful way the qualitative cultural choices available to consumers. Injunctive relief should only be granted where the copyright owner demonstrates a real possibility of substantial future losses due to overexposure of the character. Moreover, injunctive relief should no longer

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93. Richard H. Stern, A Sui Generis Utility Model Law as an Alternative Legal Model for Protecting Software, 1 U. BALT. INT`L PROP. L.J. 108, 112–13 (1993). Professor Rubenfeld has cogently argued that First Amendment consideration require an even more stringent limitation on the copyright owner’s power to control derivative works. Jed Rubenfeld, The Freedom of Imagination: Copyright’s Constitutionality, 112 YALE L.J. 1 (2002). Not only would he deny injunctions against unauthorized derivative works but he would also deny a damages remedy, relegating the copyright owner to a portion of the profits earned by the derivative work author. Id. at 55.


be available at all after the death of the original author. And, following the lead set by our "moral rights" protection for works of visual art, the no-injunction regime for new works based on protected characters should apply from creation in the case of works made for hire.