

THE COLUMBIA JOURNAL OF
LAW *& the* **ARTS**

A QUARTERLY JOURNAL OF LAW AND THE ARTS,
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**2023 SYMPOSIUM OF THE KERNOCHAN CENTER FOR LAW, MEDIA AND THE ARTS:
“Rearrange, Transform, or Adapt: The Derivative Works Right After
Andy Warhol Foundation v. Goldsmith”**

Reconciling Fair Use and the Derivative Work Right:
Did *Warhol* Say “Kenough?”
Aimée Wolfson

Rearrange, Transform, or Adapt:
A Few Notes on Music
Jacqueline C. Charlesworth

Warhol’s Lessons for the Publishing Industry
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What the *Warhol* Court Got Wrong:
Use as an Artist Reference and the Derivative Work Doctrine
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Going “Beyond” Mere Transformation:
Warhol and Reconciliation of the Derivative Work Right and Fair Use
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Exploring the Economic, Social, and Moral Justice Ramifications of the
Warhol Decision
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Pamela Samuelson

From the Bench
Judge Pierre Leval, Judge M. Margaret McKeown, & Jane C. Ginsburg

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Editor's Note on the Symposium Issue

Each academic year, the *Columbia Journal of Law & the Arts* publishes an Issue dedicated to the annual Symposium of the Kernochan Center for Law, Media and the Arts, which is hosted at Columbia Law School. This year's Symposium was titled "Rearrange, Transform, or Adapt: The Derivative Works Right After *Andy Warhol Foundation v. Goldsmith*" and was held on Friday, October 20, 2023. As always, the *Journal* was honored to participate in the event and is pleased to publish the proceedings here.

There are two types of publications in this Issue. Each speaker was asked to select one of the two options: to write an Article based on his or her remarks at the Symposium or to produce a Transcript of his or her remarks. The Articles have been written, edited, and proofread to the same high standard as other academic articles published by the *Journal* in its non-Symposium Issues. The Transcripts have been edited lightly for concision and clarity. The pieces in this Issue are presented in the order in which contributors spoke at the Symposium. The Program of the 2023 Symposium on page *vii* of this Issue reflects the actual order of the speakers on the day of the event.

More information about the 2023 Symposium can be found on the Kernochan Center's website,¹ including readings for the event,² biographies of the speakers,³ and video recording of the event.⁴

1. The 2023 Symposium webpage is at <https://kernochan.law.columbia.edu/content/symposium-2023-rearrange-transform-or-adapt-derivative-works-right-after-andy-warhol> [<https://perma.cc/F3BK-99TW>]

[<https://web.archive.org/web/20240820152534/https://kernochan.law.columbia.edu/content/symposium-2023-rearrange-transform-or-adapt-derivative-works-right-after-andy-warhol>].

2. Readings for the 2023 Symposium can be found at <https://kernochan.law.columbia.edu/content/rearrange-transform-or-adapt-derivative-works-right-after-andy-warhol-foundation-v> [<https://perma.cc/D5GM-NQRK>]

[<https://web.archive.org/web/20240820153227/https://kernochan.law.columbia.edu/content/rearrange-transform-or-adapt-derivative-works-right-after-andy-warhol-foundation-v>].

3. Speaker biographies for the 2023 Symposium can be found at <https://kernochan.law.columbia.edu/content/speaker-biographies-rearrange-transform-or-adapt-derivative-works-right-after-andy-warhol> [<https://perma.cc/85ZE-LHQK>]

[<https://web.archive.org/web/20240820153348/https://kernochan.law.columbia.edu/content/speaker-biographies-rearrange-transform-or-adapt-derivative-works-right-after-andy-warhol>].

4. Video recording of the 2023 Symposium can be found at <https://kernochan.law.columbia.edu/videos#!#%2Ffilter%2Fcat1%2FSymposium%20Fall%202023> [<https://perma.cc/ST9M-FE2L>]

[<https://web.archive.org/web/20240820153607/https://kernochan.law.columbia.edu/videos#!#%2Ffilter%2Fcat1%2FSymposium%20Fall%202023>].

Program of the 2023 Symposium

PANEL I — CREATORS AND THE DERIVATIVE WORKS RIGHT

Speakers:

Aimée Wolfson
Jacqueline C. Charlesworth
Terry Hart
Eva E. Subotnik

Moderator:

Philippa S. Loengard

PANEL II — THE DERIVATIVE WORKS RIGHT IN *THE ANDY WARHOL FOUNDATION FOR THE VISUAL ARTS V. LYNN GOLDSMITH ET. AL.*

Speakers:

Shyamkrishna Balganes
Lateef Mtima
Pamela Samuelson

Moderator:

Ofer Tur-Sinai

PANEL III — FROM THE BENCH

Speakers:

Judge Pierre Leval
Judge M. Margaret McKeown

Moderator:

Jane C. Ginsburg

Reconciling Fair Use and the Derivative Work Right: Did *Warhol* Say “Kenough?”¹

Aimée Wolfson*

TRANSCRIPT

Good morning. Thank you to the Kernochan Center for the opportunity to speak with you today. Of course, these comments are my own and are not attributable to my company or to my trade organization. But it’s important to note that the Motion Picture Association filed an amicus brief in support of *neither* party in the *Warhol*² litigation. Our interest was not in the specific result in the case so much as ensuring an appropriate, balanced framework for assessment, without championing one artist over another.

As audiovisual content creators, we very much need to know what the rules are when art is on both sides of the equation. I hope to provide a practitioner’s perspective on how, in the wake of the *Warhol* decision, we can try to navigate and to make sense of the First Amendment and copyright guardrails that the fair use statutory provision is designed to ensure.

We start with the simple and unassailable proposition that the transformative use test as developed in case law must not be confused with or substituted for the statutory four-factor fair use test.³ Yet the posture of

* Aimée Wolfson is Executive Vice President, Intellectual Property and Deputy General Counsel for Sony Pictures Entertainment.

1. This is a reference to the 2023 *Barbie* movie, for reasons that will become apparent below. See *Barbie The Movie Official “I Am Kenough” Unisex Hoodie*, MATTEL CREATIONS, <https://creations.mattel.com/products/barbie-the-movie-i-am-kenough-unisex-hoodie-hyn77> [<https://perma.cc/K2KK-WFQM>]

[<https://web.archive.org/save/https://creations.mattel.com/products/barbie-the-movie-i-am-kenough-unisex-hoodie-hyn77>] (last visited Mar. 21, 2024).

2. *Andy Warhol Found. for Visual Arts, Inc. v. Goldsmith*, 598 U.S. 508 (2023).

3. “(1) [T]he purpose and character of the use, including whether such use is of a commercial nature or is for nonprofit educational purposes; (2) the nature of the copyrighted work; (3) the amount and substantiality of the portion used in relation to the copyrighted work as a whole; and (4) the effect of the use upon the potential market for or value of the copyrighted work.” 17 U.S.C. § 107.

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the *Warhol* litigation as it arrived at the Supreme Court both presented and reflected a bias in fair use jurisprudence: that is, an unbalanced and almost myopic focus on the first factor and, more specifically, the transformative use test.

Indeed, the sole question presented for the Court to decide was “whether a work of art is ‘transformative’ when it conveys a different meaning or message from its source material,” even “where it ‘recognizably derives from its source material . . .’”⁴ As the question presented makes apparent, the big issue was this: Ever-expanding transformative test jurisprudence seemingly introduced a tension, or at least a potentially uncertain continuum, between transformative fair use and the exclusive right to make and control derivative works.

As a reminder, the first fair use factor in the copyright statute provides that courts must consider “the purpose and character of the use, including whether such use is of a commercial nature.”⁵ In *Campbell v. Acuff-Rose*,⁶ also known as the *Pretty Woman* case, the Supreme Court adopted the term “transformative” from Judge Leval’s seminal article and incorporated it into the first factor consideration. Building on Justice Story’s 1841 *Folsom v. Marsh*⁷ opinion, and importantly, in the context of 2 Live Crew’s *parodic* work, the *Campbell* Court focused the first factor analysis on “whether the new work merely ‘supersede[s] the objects’ of the original,”⁸ or “instead adds something new with further purpose or different character, altering the first with new expression, meaning, or message; it asks, in other words, whether and to what extent the new work is ‘transformative.’”⁹

But while the word “transformative” does not appear in the first statutory fair use factor—only in judicial precedent—it *does* appear in the statutory definition of what constitutes a “derivative work,” and thus defines the scope of that exclusive right of copyright holders.¹⁰ Hence the tension and potential confusion as to at what point a transformative fair use might impinge on the exclusive derivative work right. As Justice Gorsuch noted in his *Warhol* concurrence, you don’t want to put a statute “at war with itself.”¹¹

4. Brief for Petitioner at i, *Andy Warhol Found. for Visual Arts, Inc.*, 598 U.S. 508 (No. 21-869) (citation omitted) (internal quotation marks omitted).

5. 17 U.S.C. § 107.

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

7. *Folsom v. Marsh*, 9 F. Cas. 342, 348 (C.C.D. Mass. 1841).

8. *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 579 (1994) (quoting *Folsom v. Marsh*, 9 F. Cas. 342, 348 (C.C.D. Mass. 1841)).

9. *Id.* (quoting Pierre N. Leval, *Towards a Fair Use Standard*, 103 HARV. L. REV. 1105, 1111 (1990)).

10. 17 U.S.C. § 101.

11. *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 598 U.S. 508, 555 (2023) (Gorsuch, J., concurring).

Confusion does not serve my industry, where the derivative work right is so important. Across the last twenty years of Oscar Best Picture nominees, sixty-five percent of these critically acclaimed films are derivative works.¹² And across the same twenty years, eighty-six percent of the top ten films at the domestic theatrical box office are derivative works.¹³

The motion picture industry needs assurance in the exclusivity of our copyright interests, so that we can confidently invest in acquiring rights and building franchises on our own original creative material. By taking that financial and creative risk, any rewards that flow from our exclusive rights allow us to continue investing in and creating new productions.

To do this, motion picture and television producers are on both sides of the fair use and derivative works equations. We regularly rely on fair use in our productions, and we vigilantly protect and defend our exclusive rights. We are in the culture business. We create hopefully iconic cultural content, and we also comment upon the cultural content of others. Therefore, we need to know the rules of the road to support creative talent who want to engage in these cultural conversations.

So, let's explore this tension with a hypothetical question that takes these considerations to extremes. I hope by now you have all seen Greta Gerwig's brilliant *Barbie* movie.¹⁴ The question I have is this: Could a filmmaker have made the *Barbie* movie without rights? I'm not suggesting that you could, but I'd like to play it out.

On the pro side, the film provides a serious and persistent commentary on the doll's reflection and construction of women's roles in modern society. It's unusual in that it's not a documentary or a biopic or a true story. Rather, it's an entirely fictional narrative. Gerwig's film pointedly explores the world and culture that the copyrighted doll has spawned.¹⁵ The outfits, the characters, the props and sets, the narrative of their creation and

12. See *Experience Over Nine Decades of the Oscars From 1927 To 2024*, ACAD. MOTION PICTURE ARTS & SCIENCES, <https://www.oscars.org/oscars/ceremonies> [<https://perma.cc/4HUT-DWH2>] [<https://web.archive.org/save/https://www.oscars.org/oscars/ceremonies>] (last visited Apr. 3, 2024).

10. See *Domestic Yearly Box Office*, BOX OFFICE MOJO, https://www.boxofficemojo.com/year/?ref_=bo_nb_hm_secondarytab [<https://perma.cc/Q7M2-RRV3>] [https://web.archive.org/save/https://www.boxofficemojo.com/year/?ref_=bo_nb_hm_secondarytab] (last visited Apr. 3, 2024).

14. *BARBIE* (Warner Bros. Pictures 2023).

15. See, e.g., Richard Brody, "*Barbie*" Is Brilliant, Beautiful, and Fun as Hell, *NEW YORKER* (July 21, 2023), <https://www.newyorker.com/culture/the-front-row/barbie-is-brilliant-beautiful-and-fun-as-hell> [<https://perma.cc/6Z8P-HZJZ>] [<https://web.archive.org/save/https://www.newyorker.com/culture/the-front-row/barbie-is-brilliant-beautiful-and-fun-as-hell>].

exploitation—they are all “real,” reproducing decades-worth of actual Barbie merchandise.¹⁶

It’s worth reminding ourselves that comment or criticism is not reserved only for finding fault or criticizing. It can also encompass a positive, celebratory analysis or review of a work, or an effort to connect it to the culture in which it exists. Typically, in assessing claims of fair use, we are making determinations involving a scene or two, or maybe a few clips or quotes. It is exceedingly rare—it might even be unprecedented—for a narrative feature film that is not based on a true story to sustain a persistent level of comment upon the third-party copyrighted material that it is exploring.

In my opinion, there is hardly an element or a moment in the *Barbie* movie that doesn’t directly address the doll’s pervasive cultural impact, both within Barbie’s merchandised world of play and in the construction of modern American culture. The imagined narrative structure that engulfs the Barbie character is perfectly encapsulated by Billie Eilish’s transcendent musical theme, “What Was I Made For?,”¹⁷ which ties the fictional heroine’s specific journey to the doll’s cultural impact on contemporary questions about gender and purpose. Which is to say, one doesn’t have to work too hard to extrapolate or discover commentary as an ex-post rationalization; it’s very much the point of the film.

So, for the sake of this exploration, let’s assume that I’ve offered a fair assessment of the film’s status as commentary. Can you make this film without underlying rights, relying on fair use alone? How would you advise your hypothetical studio? And has the *Warhol* decision helped you in reaching a conclusion?

Luckily, we have some prior case law on which to lean: the 2001 *Wind Done Gone* case out of the Eleventh Circuit, and the Ninth Circuit’s 2020 decision on the Dr. Seuss-*Star Trek* mash up book titled *Oh, the Places You’ll Boldly Go*.

In *SunTrust Bank v. Houghton Mifflin*, the Eleventh Circuit held that Alice Randall’s novel, *The Wind Done Gone*, had a viable fair use defense to the claim that it violated the derivative rights of Margaret Mitchell’s *Gone With*

16. See, e.g., Beauty Inside a Box, *EVERY Doll Reference in the Barbie Movie!*, YOUTUBE (Sept. 22, 2023), <https://www.youtube.com/watch?v=006OMXLTLPk> [<https://perma.cc/RG87-U25T>]

[<https://web.archive.org/web/20240419005314/https://www.youtube.com/watch?v=006OMXLTLPk>]; see also Pema Bakshi, *All the Real-Life Barbie Dolls Inspiring Greta Gerwig’s Barbieland Citizens*, GRAZIA, <https://graziomagazine.com/articles/barbie-movie-characters-real-dolls/> [<https://perma.cc/5MA5-2VAL>]

[<https://web.archive.org/save/https://graziomagazine.com/articles/barbie-movie-characters-real-dolls/>] (last visited Apr. 3, 2024).

17. BILLIE EILISH, *WHAT WAS I MADE FOR?* (Atlantic, Darkroom & Interscope Records 2023).

The Wind.¹⁸ Randall's novel presents the flip side of Mitchell's fictional saga, exploring the same situational narratives from the perspective of the earlier novel's African American characters and following those characters into newly imagined futures. Randall transparently renames Mitchell's characters, and iconic scenes from the original work are described.

By switching narrators and perspectives, *The Wind Done Gone* functions as a parodic commentary on Mitchell's fictional novel, which sanitized the brutality of slavery, offered a biased narrative of the South, and perpetuated racial stereotypes. As the court summarized, "[*The Wind Done Gone*] is more than an abstract, pure fictional work. It is principally and purposefully a critical statement that seeks to rebut and destroy the perspective, judgments, and mythology of [*Gone With The Wind*]." ¹⁹ Randall's novel thus serves as a comment on Mitchell's specific work—not just the historic times that she depicts.

That said, the court also rightly acknowledged that Randall took a lot—and I emphasize, *a lot*—from Mitchell's work. Recognizing this huge taking in assessing the first factor, the court acknowledged the transformative conundrum, writing, "The issue of transformation is a double-edged sword in this case."²⁰ On the one hand, Randall infuses the borrowed elements with new meaning and message. But the court also concedes that *The Wind Done Gone*'s "success as a pure work of fiction depends heavily on copyrighted elements appropriated from [*Gone With The Wind*] to carry its own plot forward."²¹ The court refers to the second half of the book, which functions as a sequel, allowing Mitchell's thinly veiled characters to experience completely new plot extensions.

Typically, one assumes that more changes constitute greater transformation. But for a parody to avoid being a derivative work, *The Wind Done Gone* court seemed to suggest that staying closer to the original would have signaled an even greater degree of comment, rather than operating as a sequel.

So how can we assess Randall's work? Is it fair use, or is it an unauthorized derivative work? The transformative test just can't and couldn't answer that question without a robust, four-factor analysis. Interestingly, the Eleventh Circuit's analysis of the third factor was longer than that of the first. Reading *Campbell* as instructing that no factor should be considered in isolation, the Eleventh Circuit discussed commercial issues in the third and fourth factor analyses. As a result, the court did not issue a

18. Suntrust Bank v. Houghton Mifflin Co., 268 F.3d 1257, 1277 (11th Cir. 2001).

19. *Id.* at 1270.

20. *Id.* at 1279.

21. *Id.* at 1269.

conclusion of fair use, but it found the defense “viable.”²² Accordingly, the court determined that the district court’s preliminary injunction was unwarranted, remanding the case for further proceedings. The Mitchell Estate dropped the case shortly thereafter.

In a clearer case, *Dr. Seuss Enterprises v. ComicMix*, the Ninth Circuit had no difficulty reversing the district court and declaring that the challenged mashup of the Dr. Seuss classic book, *Oh, The Places You’ll Go!*, with *Star Trek* elements—resulting in the challenged book *Oh, the Places You’ll Boldly Go!*—was not fair use.²³ Like the *Wind Done Gone* case, the clear conclusion was based on a four-factor analysis.

With respect to the first factor, *Boldly* wasn’t critical of Seuss. It joyfully occupied the same space, with a generous infusion of Seuss’s other work, *The Sneetches*. The defendants didn’t even articulate how their offering was a parody, just that it was “funny.”²⁴ The illustrations and text were “slavish” copies of the original that “meticulously” imitated them.²⁵ The court held that the mashup did not transform the original merely because it included some new elements; it “merely repackaged” the original.²⁶ Add in robust fourth factor usurpation analysis, telling facts, and terrible defense witnesses, and the result was clear: The secondary work was not fair use.²⁷

So, with these two circuit cases as factual and jurisprudential guideposts, does the *Warhol* decision advance our understanding and help us resolve our *Barbie* hypothetical?

Unfortunately, the *Warhol* Court was stuck with an appeal only on the first factor, and as the question presented was phrased, only on the transformative test. Recent case law’s overreliance on the transformative test needed a course correction, and the majority provides it by infusing the first factor with what the Court itself distilled to three subcomponents.

Specifically addressing concern for the derivative work right, footnote 22 of the *Warhol* decision concisely summarizes the other contexts that should come into play when considering whether a secondary work is sufficiently transformative: (1) The degree of difference in purpose and character from the source material; (2) the commercial nature of the use; and (3) the justification for the use.²⁸ Reading what the Court means by these three

22. *Id.* at 1277.

23. *Dr. Seuss Enters., L.P. v. ComicMix LLC*, 983 F.3d 443, 461 (9th Cir. 2020).

24. *Id.* at 452. The defendants did not consult counsel prior to creating their work. *Id.* at 450.

25. *Id.* at 450, 453.

26. *Id.* at 453.

27. *Id.* at 463.

28. *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 598 U.S. 508, 548 n.22 (2023).

concepts across the span of a very lengthy decision, it sure sounds a lot like a blend of factors one, three, and four of the fair use statute.

Footnote 22 serves as an important reminder that there is a lot of interplay between and across the fair use factors. In the same way, the *Campbell* Court recognized that when assessing factor three, a parodist's "justification" for the "extent" of the copying "harken[s] back" to factor one,²⁹ and the "facts bearing on this [third] factor also tend to address the fourth."³⁰

I am not surprised that *Campbell* and now *Warhol* articulate a blended, holistic approach to the factors when discussing factor three in particular. As a practitioner who must regularly advise on fair use, the third factor is clutch. In the real world, where one has to risk-assess the likelihood, viability, and resiliency of potential claims, we of course look for and confirm any commentary component to a use. But factor three tends to be what drives the practical guidance. Are you taking what you need to make the comment, but not excessively more?

Typically, as I've said, it would be extremely hard for a film like *Barbie*, which is not based on real events yet so saturated in protected iconography, to satisfy that practical guidance. *Barbie* comes as close as I have ever seen. But without obtaining the right to make a derivative work, filmmakers would be unlikely to make such a major investment on a bet that a court somewhere down the line might agree that *all* of the uses of third-party protectible elements were "fair uses." The practical advice then becomes, would you be able to make the film that you *want* to make if you can't borrow everything that you wish?

When a fictional narrative that might be viewed as a derivative work attempts to rely on fair use, it could become an artistic compromise. Could the filmmakers make do with less? Would *Barbie* have made as much of an impact if it hadn't been so saturated with genuine Barbie iconography? Would including fewer protected elements have fully communicated the level to which Barbie culture is infused as a mirror to our own?

We have an inkling of what a genericized version of the film might have looked like. If you watch the band Aqua's music video for the song "Barbie Girl," it just doesn't look as pointed or "real" as images from the *Barbie* movie.³¹ Further, knowing that so many of the visual, character, and

29. *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 586 (1994).

30. *Id.* at 587.

31. Aqua, *Barbie Girl (Official Music Video)*, YOUTUBE (Aug. 20, 2010), <https://www.youtube.com/watch?v=ZyhrYis509A> [<https://perma.cc/WR7M-5F2S>] [<https://web.archive.org/web/20240419005642/https://www.youtube.com/watch?v=ZyhrYis509A>]. The *Barbie Girl* case presented trademark claims, but the visuals of the music video nonetheless illustrate attempts at commentary on a third-party property without crossing the line into an unauthorized derivative work. See *Mattel, Inc. v. MCA Records, Inc.*, 28 F. Supp. 2d 1120, 1137 (C.D. Cal. 1998) ("Although the singers adopt the names of the dolls, they do not

narrative elements from *Barbie* really were part of the doll's decades-long history only enhances the significance of Gerwig's commentary, which would not be nearly as sharp or meaningful if the environment and characters were genericized.³²

In addition to the enhancement of the creative commentary, studios enhance the odds of becoming a successful "event" film with major advertising, merchandising, and co-promotion campaigns. Audiovisual works require thousands of assets and images, not just one. It would be a big risk to rely on earlier cases, such as the *Walking Mountain* case,³³ for all the collective imagery necessary for a film like *Barbie*.

In *Walking Mountain*, Mattel sued fine art photographer Tom Forsythe for trademark and copyright infringement for his series *Foodchain Barbie*, which depicts Barbie dolls in concocted scenes of domestic peril.³⁴ For instance, *Barbie Enchiladas* depicts dolls wrapped in tortillas and baking inside an oven.³⁵ In considering Forsythe's fair use defense, the Ninth Circuit declared Mattel's argument that artist Tom Forsythe didn't need to show the *whole* Barbie as "absurd."³⁶ But existing decisions involving fine art pieces don't necessarily capture the scale of imagery used in full-length motion pictures

adopt their likeness, either on the album cover or in the related video."), *aff'd*, 296 F.3d 894 (9th Cir. 2002).

32. See Brody, *supra* note 15; see also Beauty Inside a Box, *supra* note 16; Hedy Phillips, *Fashion Historian Calls the 'Barbie' Wardrobe a 'Sophisticated Interpretation' of the Doll's Style (Exclusive)*, PEOPLE (Aug. 15, 2023), <https://people.com/barbie-fashion-historian-karan-feder-barbie-movie-wardrobe-authenticity-interview-exclusive-7636627> [https://perma.cc/SKE6-2SP8] [https://web.archive.org/web/20240419010138/https://people.com/barbie-fashion-historian-karan-feder-barbie-movie-wardrobe-authenticity-interview-exclusive-7636627]; Steve Pond & Kristen Lopez, *Barbie: How They Did It*, THEWRAP (Dec. 14, 2023), <https://www.thewrap.com/how-barbie-movie-was-made-greta-gerwig/> [https://perma.cc/BW77-WWLA] [https://web.archive.org/save/https://www.thewrap.com/how-barbie-movie-was-made-greta-gerwig/]; Kyle Buchanan, *How Those 'Barbie' Dreamhouses Came To Life: 'We All Had to Believe in It,'* N.Y. TIMES (Aug. 7, 2023), <https://www.nytimes.com/2023/07/26/movies/barbie-movie-set-design.html> [https://perma.cc/3Y2F-GVNA] [https://web.archive.org/web/20240419010904/https://www.nytimes.com/2023/07/26/movie-s/barbie-movie-set-design.html].

33. Mattel, Inc. v. Walking Mountain Prods., 353 F.3d 792 (9th Cir. 2003).

34. *Id.*

35. Tom Forsythe, *Barbie Enchiladas* (photograph), in FOOD CHAIN BARBIE (2020), https://wiki.ncac.org/Food_Chain_Barbie [https://perma.cc/M88C-CW2B] [https://web.archive.org/save/https://wiki.ncac.org/Food_Chain_Barbie].

36. *Walking Mountain Prods.*, 353 F.3d at 804. Don't you wish the Court had said that the artist could depict the whole enchilada?

like *Barbie*, which are not based on a true story. I appreciate the wise words of Banksy, which are best expressed visually:³⁷



But I haven't seen this to be true in the audiovisual space. In a lot of circumstances, you might need to have permission in order to get to "greatness." Of course, every situation is a case-by-case assessment, and that is an important attribute of *Warhol's* use-driven analysis. It drives a conversation—a conversation about licensing. Licensing can support the creative freedom necessary to create the art that will matter most. Of course, it can also come with its own constraints and controls, and that's something you have to manage with the filmmakers.

Ultimately, the *Barbie* musical theme and the *Warhol* majority both focus on purpose and ask the same question, "What Was I Made For?" If the answer is parody or commentary, the *Warhol* decision restores a holistic approach where transformative uses can be assessed *because* of their purpose—not based on artistry or new elements alone. But is there any purpose or justification for use of another work if, like Warhol's *Orange Prince*, there is zero intention to comment in even some abstract way on the work being borrowed?³⁸

There might be other ways to defend the secondary work, such as distilling the borrowed work down to any protectable elements, arguing

37. Banksy, "The Bad Artists Imitate, The Great Artists Steal" (engraved sculpture), *in* LAUGH NOW (at the Moco Museum in Amsterdam), <https://banksy.co.uk/in.html> [<https://perma.cc/S5VJ-DHMP>] [<https://web.archive.org/save/https://banksy.co.uk/in.html>]. Justice Kagan's *Warhol* dissent attributes a version of this quote to Stravinsky, perhaps demonstrating the point that artists frequently appropriate the ideas of others. *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 598 U.S. 508, 585 (2023) (Kagan, J., dissenting).

38. *Andy Warhol Found. for the Visual Arts, Inc.*, 598 U.S. at 546 n.20 (2023) ("At no point in this litigation has [the Warhol Foundation] maintained that any of the Prince Series works, let alone Orange Prince...comment on, criticize, or otherwise target Goldsmith's photograph.").

against substantial similarity, or any other available defenses. But *Warhol* doesn't necessarily help us answer that question based on fair use, because the issue on appeal in *Warhol* didn't present a holistic question that directly engaged all four fair use factors.

With that, I look forward to the rest of today's discussion. Thank you for your attention.

Rearrange, Transform, or Adapt: A Few Notes on Music

Jacqueline C. Charlesworth*

TRANSCRIPT

Good morning, I'm Jacqueline Charlesworth. I want to thank everyone who worked so hard to put this symposium together and for inviting me here today. It's great to see so many familiar faces speaking about one of my favorite topics, and specifically about music.

Although music—by which I mean both musical works and sound recordings—is governed by the same Copyright Act as other creative works, it occupies its own special territory within our copyright system (yes, we music lawyers like that).

Music has an immediate emotional resonance that is unique. A memorable musical phrase can serve as inspiration for and as a core component of a new work, audio-only or audiovisual. Even a brief excerpt from a song—for example, a few notes comprising its “hook”—can be instantly recognizable and compelling to the public.

What is more, every musical creator out there has access to the tools to incorporate earlier works into their own at their fingertips. But those in the throes of creative passion may not appreciate the risk of borrowing.

This sounds like a recipe for lots and lots of music litigation involving questions of fair use, but that's not the reality. Yes, there is a good amount of litigation involving claimed copying, but fair use claims involving music are relatively small in number, especially when one considers the enormous volume of music derivatives, both professional and user-generated. In a 2018 article, *Fair Use Avoidance in Music Cases*,¹ Professor Edward Lee

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1. Edward Lee, *Fair Use Avoidance in Music Cases*, 59 B.C. L. REV. 1873 (2018).

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confirmed, based on empirical research, that fair use is rarely litigated in copyright cases involving musical works. Apart from a few parody cases, he identified only a single ruling on fair use (and that case arose from a spoken-word interlude).² As a second data point, there are fewer music cases listed in the Copyright Office index of fair use decisions than there are cases involving visual art, films, or photographs. Indeed, in recent high-profile disputes we've all heard about—for example, the “Blurred Lines”³ and “Stairway to Heaven”⁴ cases—no fair use defense was asserted.⁵

Why would this be? I would suggest a few reasons for this phenomenon.

First, I would characterize the dearth of precedent in this area as not so much a question of “fair use avoidance” as litigation avoidance, made possible by the well-established music industry protocols for licensing of derivative uses (to which I will turn in a moment). In addition to more substantial uses, the custom and practice of the industry is to license even brief excerpts of music that in the case of other types of works might attract a fair use defense. Where a party is successful in establishing copying of a prior work to create a commercially successful recording (as the Marvin Gaye estate did in the “Blurred Lines” case), it is difficult to see—whether pre- or post-*Warhol*⁶—how a fair use claim would be likely to succeed absent a claim of parody or other commentary.⁷

If use of an underlying work is extremely abbreviated (lasting less than a second, for example) and unlikely to be recognizable to the average listener, a defendant might be better off asserting a *de minimis* rather than fair use defense. A *de minimis* defense was upheld by the Second Circuit in the *VMG Salsoul v. Ciccone* case,⁸ where Madonna was sued for sampling “horn hits” of less than a second in duration from plaintiff’s recording and using them in modified form in her hit song “Vogue.”⁹ The court held that an ordinary listener would not perceive the appropriation.¹⁰ On the other hand, there is the earlier 2005 decision of the Sixth Circuit in *Bridgeport Music v. Dimension Films*,¹¹ in which that court held that there is no *de minimis* defense to unauthorized sampling of a sound recording.¹²

2. *Id.* at 1878.

3. *Williams v. Gaye*, 895 F.3d 1106 (9th Cir. 2018).

4. *Skidmore v. Led Zeppelin*, 952 F.3d 1051 (9th Cir. 2020) (en banc).

5. Lee, *supra* note 1, at 1899–1900.

6. *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 598 U.S. 508 (2023).

7. Here I part ways with Professor Lee, who finds the lack of fair use precedent in the context of music puzzling. See Lee, *supra* note 1, at 1877.

8. *VMG Salsoul, LLC v. Ciccone*, 824 F.3d 871 (9th Cir. 2016).

9. See *id.* at 874, 878–80.

10. *Id.* at 880.

11. *Bridgeport Music, Inc. v. Dimension Films*, 410 F.3d 792 (6th Cir. 2005).

12. *Id.* at 800–01.

The second reason I see for the dearth of litigated fair use disputes is that music (that is, the musical part of music) does not translate easily into words. Words are the instrument of analysis and currency of our legal system. But with music, we typically rely on experts—often competing experts—to try to explain to lay judges and juries how and why a composition or sound recording has been copied. This adds another layer of uncertainty on top of the already fluid concept of fair use.

If there are lyrics involved in the taking, it is more feasible for a court or jury to assess whether the use is parodic, as in *Campbell*,¹³ or whether it otherwise offers commentary on the underlying work. But if you are speaking only of musical notes or instrumentation, how do you demonstrate that a secondary use comments on or criticizes those elements? Even under a more forgiving pre-*Warhol* standard of transformativeness, how would you articulate the claimed new message or meaning? Though it may be theoretically possible, it is difficult to imagine a musicologist explaining to a judge or jury how some notes parody others.

The unique conventions of the music industry are especially apparent when it comes to the treatment of derivative works. Although the basic tenets of copyright stand as tall trees in the forest we know as music law, it is in fact a thick undergrowth of custom and practice that largely regulates the creation and use of music derivatives. Drawing on the section 106 rights of reproduction, distribution, performance, display¹⁴—and of course the right to prepare derivative works—the music industry has devised subspecies of the exclusive rights listed in the Copyright Act to define and authorize the exploitation of music in follow-on works.

I assume most of you are familiar with the synchronization right, the right to reproduce music in conjunction with visual content. This well-recognized form of exploitation, representing a combination of the reproduction and derivative work rights, is nowhere to be found in the Copyright Act. Yet record companies and music publishers have whole departments devoted to reviewing and negotiating licenses for synch uses in television, film, and commercials. The synch right is also the basis of catalog-wide licensing deals with platforms like YouTube that host user-posted content incorporating music. Indeed, elaborate rights clearance mechanisms have developed around such synch uses, most notably YouTube's Content ID tool,¹⁵ which allows rights owners to monetize or block the use of their

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

14. *See* 17 U.S.C. § 106.

15. *See generally* *How Content ID Works*, YouTube Help, <https://support.google.com/youtube/answer/2797370?hl=en> [<https://perma.cc/B325-ZE7D>] [<https://web.archive.org/save/https://support.google.com/youtube/answer/2797370?hl=en>] (last visited Mar. 25, 2024).

content in lieu of sending takedown notices under the Digital Millennium Copyright Act.¹⁶

Then there is the somewhat more obscure concept of grand rights in a musical work, also not mentioned in the Copyright Act, which address the right to perform the work in a dramatic context, for example, in a musical or theatrical rendition. As grand rights are not included in a blanket performance license issued by ASCAP or BMI, those seeking to create and stage dramatic performances of musical works apply to the copyright owner for a negotiated license.

No doubt you are all familiar with the common practice of sampling an existing sound recording to incorporate an excerpt into a new recording—though perhaps less familiar with its sister act, interpolation, which refers to the analogous use of an excerpt of a musical work, either in connection with the sampling of a sound recording in which it is embodied or by rerecording it as part of a new work. The licensing market for samples and interpolations is highly evolved in the industry. Depending upon the use—which may involve just a memorable phrase or “hook” from the underlying work, or a significantly longer selection, the license might call for a one-time buyout, an ongoing share of royalties, or the grant of a partial copyright interest in the new work to the owner of the earlier one.

In sum, despite its idiosyncratic sub-rights and rituals, there are well-traveled paths through the woods of music law that support a thriving marketplace for music derivatives. Rather than spend time and money litigating uncertain issues of infringement or fair use, industry players tend to negotiate licenses to resolve potential claims. In many cases it is less expensive to agree to a license than litigate in federal court. Rights holders with a large catalog of works will likely be on both the giving and receiving ends of these sorts of transactions. Logically, unless the stakes are very high, it often makes sense to keep the money in the industry rather than share it with the lawyers.

In sum, although *Warhol's* clarification of transformative use may be helpful to the occasional music owner facing a claim of fair use, overall, I believe the market for music derivatives can be expected to continue much as it has.

That said, there are a few aspects of *Warhol* worth highlighting in relation to music, including whether its interpretation of transformative use would have caused some of the limited number of music fair use precedents to turn out differently had they been litigated today.

In offering these thoughts, I want to clarify that I do not see a line, fine or otherwise, between derivative works and works deemed to constitute a fair use. Most (though not all) claims of fair use involve the creation of a

16. See 17 U.S.C. § 512 (DMCA notice and takedown provisions).

derivative from a preexisting work. In my mind the question is not whether the derivative line has been crossed, but whether the derivative at issue qualifies as a fair use under the statutory test.

Although I was not surprised that the Supreme Court granted certiorari, a dispute involving the works and legacy of Andy Warhol may not have been the easiest pick as the case in which to revisit the fair use doctrine. Justice Kagan's strident dissent to the majority opinion might best be summed up as, "But it's a Warhol!"¹⁷ In rereading Justice Sotomayor's majority opinion, however, I believe it was likely strengthened by having to grapple with Kagan's passionately held view that art has intrinsic merit and meaning that is ascertainable by a court (albeit with the help of an expert or two), and that courts should engage in just such analysis in assessing whether a use is transformative. Given Warhol's iconic status in the art world, it was not surprising that Warhol's derivative use of Goldsmith's photo passed Kagan's transformative test with vivid, flying colors.¹⁸

The significant correction made by the *Warhol* majority was not just reining in the concept of transformative use but reining in the very sorts of subjective judgments of transformativeness that Justice Kagan found so compelling. Although surely never intended by the *Campbell* Court or Judge Leval in his famous article,¹⁹ in some pre-*Warhol* cases the question of transformativeness had been reduced simply to a question of whether the secondary user altered or added meaning to the underlying work.

Indeed, this was exactly what the Warhol Foundation argued in *Warhol*²⁰—and something that can be said of virtually any derivative work by some expert somewhere. Invoking the enduring wisdom (and democratizing spirit) of the Supreme Court's 1903 *Bleistein* decision,²¹ Justice Sotomayor's opinion flatly rejects attempts to "evaluate the artistic significance of a particular work"²² and makes clear that judges "should not assume the role of art critic."²³

This command was expressly followed in one of the first fair use decisions to follow *Warhol*, *Sedlik v. Von Drachenberg*,²⁴ involving the unlicensed use of a photo to create a tattoo. On a motion for reconsideration, the district court rejected the tattoo artist's transformative use argument,

17. See *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 598 U.S. 508, 558–93 (2023) (Kagan, J., dissenting).

18. See *id.* at 560–66.

19. See Pierre N. Leval, *Toward a Fair Use Standard*, 103 HARV. L. REV. 1105 (1990).

20. See *Warhol*, 598 U.S. at 539–41.

21. See *Bleistein v. Donaldson Lithographing Co.*, 188 U.S. 239 (1903).

22. *Warhol*, 598 U.S. at 544.

23. *Id.* (quoting decision below, *Andy Warhol Found. for Visual Arts, Inc. v. Goldsmith*, 11 F. 4th 26, 41 (2d Cir. 2021)).

24. *Sedlik v. Von Drachenberg*, No. CV 21-1102 DSF (MRWx), 2023 U.S. Dist. LEXIS 183184 (C.D. Cal. Oct. 10, 2023).

explaining that the court's prior analysis had improperly "assess[ed] the aesthetic character of the resulting work,' instead of focusing on the purpose of its use as required by *Warhol*."²⁵

This is a marked development in the law of fair use. Assuming other courts similarly retrain their focus on fundamental transformative categories such as criticism, commentary, and parody—as such can be reasonably and objectively perceived—I am hopeful we will see more predictable outcomes and fewer outlier fair use cases going forward.

I am reminded here of a 2017 case, *Estate of Smith v. Cash Money Records*,²⁶ in which the estate of deceased jazz musician Jimmy Smith sued popular recording artist Drake and others for incorporating a thirty-five-second excerpt from a spoken-word track taken from one of Smith's albums in a Drake release. The excerpt was reproduced largely verbatim, though with Smith's original statement, "Jazz is the only real music that's gonna last," edited to become "Only real music is gonna last."²⁷ The court found the use transformative because, in its words, Drake had turned Smith's "brazen dismissal of all non-jazz music into a statement that 'real music,' with no qualifiers, is 'the only thing that's gonna last.'"²⁸ In so doing, the court rebuffed the Smith estate's objection that the typical Drake listener would not recognize the obscure original as Smith's, let alone perceive supposed commentary on it. With all due respect to my music attorney colleagues who won this case for Drake and his cohorts, this was a prime example of transformativeness gone awry. I hope that under the clarifying light of *Warhol* this case would come out differently today.

By contrast, although it didn't make the music community happy, an earlier 2008 case, *Lennon v. Premise Media Corp.*,²⁹ made more sense in concluding that a fifteen-second use of John Lennon's song "Imagine" in a documentary film questioning the theory of evolution was a fair use.³⁰ The musical excerpt, which followed remarks by several speakers expressing negative views about religion, was accompanied by a display of Lennon's lyrics, "Nothing to kill or die for/And no religion too."³¹ The court held that the use of Lennon's music was transformative because it was for purposes of criticism and commentary.³² I don't see anything in *Warhol* that would alter this particular outcome.

25. *Id.* at *7–13 (but noting other triable issues under the fair use factors).

26. *Estate of Smith v. Cash Money Records, Inc.*, 253 F. Supp. 3d 737 (S.D.N.Y. 2017).

27. *Id.* at 749.

28. *Id.* at 749–50.

29. *Lennon v. Premise Media Corp.*, 556 F. Supp. 2d 310 (S.D.N.Y. 2008).

30. *Id.* at 327.

31. *Id.* at 317.

32. *Id.* at 322–23.

The *Warhol* majority accepted Goldsmith's invitation to remove the Warhol elephant from the room (or ignore the elephant, from Justice Kagan's perspective) by excluding Warhol's original creations from consideration and evaluating only the magazine uses.³³ While it is difficult to predict how the majority's emphasis on specific commercial purpose will play out in the lower courts, it seems that in future cases there may be less focus on the artistic process behind a derivative and more on particular uses of the derivative—more slicing and dicing within the fair use analysis, as it were. Prospective plaintiffs—music and non-music alike—may become more specific in their pleadings, and we may see more splintered fair use analyses as courts sort through different manifestations of the same unauthorized work.

Such an approach is evident in a pre-*Warhol* case in which recording artist Nicki Minaj successfully defended against one of the claims in an infringement action brought by musician Tracy Chapman, *Chapman v. Maraj*.³⁴ After Minaj "experiment[ed]" with one of Chapman's songs to create a new track, Chapman declined Minaj's repeated requests to license a derivative and the track was excluded from Minaj's forthcoming album.³⁵ Somehow, however, the unlicensed track was transmitted to a deejay, who played it on his show.³⁶ Sued over both the creation and distribution of the unauthorized derivative, Minaj argued that her use of Chapman's song for the purpose of exploring the possibility of a new work for potential release should be considered noninfringing.³⁷ The court agreed, holding that Minaj's "artistic experimentation" qualified as fair use, especially given the industry's general practice of providing a proposed track to the original artist for approval before seeking a license.³⁸ Would *Warhol* have changed the outcome here? It's hard to see that it would have, given the court's determination that Minaj's use of Chapman's song to create the unreleased track was only "incidental[ly] commercial" and did not "usurp any potential market" for Chapman's work.³⁹

Last but not least, as we move into campaign season again, it seems appropriate to highlight one final aspect of the *Warhol* decision, namely the

33. *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 598 U.S. 508, 534 (2023).

34. *Chapman v. Maraj*, No. 2:18-cv-09088-VAP-SSx, 2020 U.S. Dist. LEXIS 198684 (C.D. Cal. Sept. 16, 2020). Maraj is Minaj's actual last name.

35. *Id.* at *16–17.

36. *Id.* at *17–21.

37. *See id.* at *22, *27–28.

38. *See id.* at *16, *28–30, *33. It does not appear Minaj asserted a fair use defense with respect to the distribution claim (and the court did not grant her judgment on that). *Id.* at *33–34.

39. *Id.* at *32–33.

majority's reiteration of the distinction between parody and satire⁴⁰—a significant point that is also made, but less prominently, in *Campbell*.⁴¹ This distinction exemplifies what I view as a (perhaps the) core principle of fair use: that there has to be a reason you are using the underlying work to achieve your purpose—*that* work, not just any work that might be a useful vehicle for your expression.

On the modest roster of fair use cases involving music, the handful of parody cases stand out, led by *Campbell*, of course. In *Campbell*, there couldn't be much of a question that 2 Live Crew was targeting Roy Orbison's well-known song—the lyrics were (pretty graphically) clear.⁴² But in another case I litigated a while back, *Henley v. DeVore*,⁴³ the distinction between parody and satire was critical. In that case, California senatorial candidate Chuck DeVore rewrote the lyrics to two Don Henley songs, taking aim at Barack Obama and Barbara Boxer, and posted videos featuring the altered songs on YouTube and other sites as campaign ads.⁴⁴ Because the ads mocked Obama and Boxer rather than the songs themselves, the district court determined that they fell on the satire side of the line, and rejected the defendants' claim of fair use.⁴⁵

More recently, a New York court, ruling on a motion to dismiss, relied on *Henley* to reject a transformative use claim in a case brought by the musician Eddie Grant against Donald Trump, *Grant v. Trump*.⁴⁶ Grant sued over Trump's use of his song in a 2020 animated campaign ad depicting Trump on a high-speed train and Biden on a handcar, with Grant's music playing in the background.⁴⁷ As the unauthorized use of music by politicians seems to be a perennial election season affliction, it is a good thing for musicians that the *Warhol* majority doubled down on the parody/satire distinction.

40. See *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 598 U.S. 508, 530–33, 542–43 (2023).

41. See *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 580–81 (1994).

42. See *id.* at 595–96 (Appendix B).

43. *Henley v. DeVore*, 733 F. Supp. 2d 1144 (C.D. Cal. 2010).

44. *Id.* at 1148–49.

45. *Id.* at 1157–58.

46. *Grant v. Trump*, 563 F. Supp. 3d 278, 284–86 (S.D.N.Y. 2021).

47. *Id.* at 282–83.

Warhol's Lessons for the Publishing Industry

Terry Hart*

INTRODUCTION

What, if anything, can the publishing industry learn from *Andy Warhol Foundation v. Goldsmith*?¹

In this Article, I will focus on three key areas that the *Warhol* Court touched on in its decision—transformativeness, commerciality, and market harm—to see what questions were answered and what questions were left for another day.

Publishing is, of course, the original copyright industry. The world's first general copyright law, Great Britain's Statute of Anne, exclusively protected "books."² The primary focus of the first copyright law in the United States was also books, though the law also covered maps and charts.³

Today, the U.S. publishing industry is diverse, ranging from major commercial book and journal publishers to small, non-profit, university, and scholarly presses, as well as leading publishers of educational materials and digital learning platforms. Further, it remains vital to society. In 2022, the U.S. book publishing industry generated \$28.1 billion in revenue.⁴ Beyond its economic contributions, a healthy and independent publishing industry supports the nation's political, intellectual, and cultural systems.

* Terry Hart is General Counsel for the Association of American Publishers. This Article is written in his personal capacity, and any views expressed are his own and not necessarily those of his employer.

1. *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 598 U.S. 508 (2023). This Article assumes familiarity with the decision and opinion.

2. 8 Anne, c. 19 (1710).

3. Copyright Act of 1790 § 1, 1 Stat. 124 (1790).

4. Press Release, Association of American Publishers, AAP StatShot Annual Report: Publishing Revenues Totaled \$28.10 Billion for 2022 (May 31, 2023), <https://publishers.org/news/aap-statshot-annual-report-publishing-revenues-totaled-28-10-billion-for-2022/> [https://perma.cc/NW3F-EG8D] [https://web.archive.org/web/202402231430/https://publishers.org/news/aap-statshot-annual-report-publishing-revenues-totaled-28-10-billion-for-2022/].

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Indeed, the free operation of the publishing industry in a nation cannot be separated from the free exercise of democracy.⁵

Copyright continues to serve as a critical legal foundation for the work of publishers. This includes both an appropriately balanced fair use doctrine, which publishers rely on regularly in the course of their work, and a meaningful derivative works right.

Helping courts correctly distinguish between the two is what motivated the Association of American Publishers (AAP), the national trade association for U.S. publishers, to file an amicus brief in support of Lynn Goldsmith. AAP's concern was not that courts were generally not getting it right, at least in cases involving books and other publications. The concern, rather, was that there was a lot of room for the Supreme Court to get things wrong and undermine the derivative works right through an unbalanced conception of the transformativeness doctrine.

The amicus brief observed that “[p]ublishers rely on the derivative works right daily, including to justify the use of a license for a film adaptation of a novel, translation of a novel into another language, or recasting of a novel into an ebook or audiobook—all of which are quintessential examples of derivative works.”⁶ Publishers in the educational space also rely on the derivative works right to protect supplementary materials, instructor solution manuals, and other adjuncts to the textbooks and course materials they create and distribute.

From the perspective of book publishers, then, the Court got it right. It recognized the tension between transformativeness and the derivative works right, explaining that “an overbroad concept of transformative use, one that includes any further purpose, or any different character, would narrow the copyright owner’s exclusive right to create derivative works.”⁷ If the Court did nothing beyond shining a light on this tension, it would be considered a good outcome for publishers.

I. TRANSFORMATIVENESS

The Court discussed the doctrine of transformativeness extensively beyond its recognition of the tension with the derivative works right, and this discussion has the potential to impact many issues facing publishers going forward. I will look more closely at how *Warhol's* transformativeness holding plays out in certain factual situations that commonly come up in the fair use space for publishers, starting with the

5. “A popular Government, without popular information, or the means of acquiring it, is but a Prologue to a Farce or a Tragedy; or, perhaps both. Knowledge will forever govern ignorance: And a people who mean to be their own Governors, must arm themselves with the power which knowledge gives.” Letter from James Madison to W. T. Barry (Aug. 4, 1822), <https://press-pubs.uchicago.edu/founders/documents/v1ch18s35.html> [https://perma.cc/E4MP-Q2B8] [https://web.archive.org/web/20231002192051/https://press-pubs.uchicago.edu/founders/documents/v1ch18s35.html].

6. Brief for Amicus Curiae Ass'n of American Publishers in Support of Respondents at 21, *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 598 U.S. 508 (2023) (No. 21-869).

7. *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 598 U.S. 508, 529 (2023).

one most analogous to the facts of that case—that is, modifying an original work to make a new creative work. I will then consider the use of an unaltered work in a new work, and finally consider uses which neither alter the original work nor result in the creation of a new work.

A. ALTERED ORIGINAL, NEW WORK

Prior to *Warhol*, there have been a number of cases involving books where a court has denied a fair use defense under similar factual situations. In *Penguin Random House v. Colting*, the U.S. District Court for the Southern District of New York denied the defendant's fair use argument for its series of "Kinderguides," which are illustrated children's books that contain condensed, simplified versions of classic novels, that included four novels in which the plaintiff owned the copyright.⁸ Defendants made three claims of transformation: abridgment of the original work, removal of "adult" themes, and addition of several pages of commentary and background information. The court rejected all three as insufficiently transformative, categorizing the *Kinderguides* instead as unauthorized derivative works.

In *Castle Rock Entertainment, Inc. v. Carol Publishing Group, Inc.*, the Second Circuit rejected the defendant's fair use argument for its publication of *The Seinfeld Aptitude Test*, "a trivia quiz book devoted exclusively to testing its readers' recollection of scenes and events from the fictional television series *Seinfeld*."⁹ It concluded the book was not created to comment on or criticize *Seinfeld*, but "to repackage *Seinfeld* to entertain *Seinfeld* viewers."¹⁰

The Ninth Circuit has denied fair use in two cases involving the works of Dr. Seuss. In *Dr. Seuss Enterprises, L.P. v. Penguin Books USA, Inc.*, the court held "The Cat NOT in the Hat," a poetic retelling of the O.J. Simpson double murder trial done in the style of Dr. Seuss, was not protected by fair use—though it mimicked Seuss's protected expression, the work did not criticize or comment on Seuss's work.¹¹ More recently, in *Dr. Seuss Enterprises, L.P. v. ComicMix L.L.C.*, the court held that "Oh, the Places You'll Boldly Go!", a mashup of Seuss's iconic work "Oh, the Places You'll Go" with elements from the *Star Trek* universe, was not entitled to fair use.¹² Again, the court concluded that the work merely repackaged Seuss and failed to make any type of transformative criticism or critique of the work.¹³

In other cases, courts have found a defendant's modification of an original work to make a new creative work to be fair use. In *SunTrust Bank v. Houghton Mifflin Co.*, the Eleventh Circuit considered the publication of "The Wind Done Gone," a retelling of Margaret Mitchell's classic novel "Gone With the Wind" from the perspective of one

8. *Penguin Random House LLC v. Colting*, 270 F. Supp. 3d 736 (S.D.N.Y. 2017).

9. *Castle Rock Ent., Inc. v. Carol Publ'g Grp., Inc.*, 150 F.3d 132, 135 (2d Cir. 1998).

10. *Id.* at 142.

11. *Dr. Seuss Enters., L.P. v. Penguin Books USA, Inc.*, 109 F.3d 1394 (9th Cir. 1997).

12. *Dr. Seuss Enters., L.P. v. ComicMix L.L.C.*, 983 F.3d 443 (9th Cir. 2020).

13. *Id.* at 455.

of the enslaved characters.¹⁴ It found transformative value in the new work, calling it “principally and purposefully a critical statement that seeks to rebut and destroy the perspective, judgments, and mythology of [Gone With the Wind].”¹⁵ Meanwhile, in *New Era Publications International, ApS v. Carol Publishing Group*, the Second Circuit found that the incorporation of over 100 quotations of L. Ron Hubbard, the founder of Scientology in a critical biography was fair use. The purpose of the use was to illustrate and demonstrate the author’s view of the character of Hubbard, “qualities that may best (or only) be revealed through direct quotation.”¹⁶

Two points are worth noting about these cases. First, while these cases can certainly generate robust discussion and differing views on whether courts reached the correct outcome, there is general agreement that, as a whole, the logic of each court is consistent, relatively clear, and acceptable—at least with respect to the publishing industry. Second, the *Warhol* decision probably would not have led to different outcomes for these decisions.

B. UNALTERED ORIGINAL, NEW WORK

Let’s take things one step further. How would *Warhol* apply in a situation where an original work is used in a new creative work, but the work itself remains unaltered? For example, consider the seven copyrighted Grateful Dead concert posters reproduced by defendants in their entirety in an illustrated history book of the band in *Bill Graham Archives LLC v. Dorling Kindersley Ltd.*¹⁷ The U.S. District Court for the Southern District of New York found this use transformative because the images were used to commemorate the occurrence of the concerts as part of a visual timeline rather than merely for their aesthetic value.¹⁸

While this fact pattern is a little bit farther from the question *Warhol* considered, the Court did touch on it a little bit. In a footnote, the Court noted that, in theory, “the question of transformative use or transformative purpose can be separated from the question whether there has been transformation of a work.”¹⁹ But “[i]n practice,” it continued, “the two may overlap.”²⁰ Not incredibly helpful or insightful, at first glance.

Fortunately, the lower courts have done a lot of good work here. Consider, for example, the Fourth Circuit’s 2019 decision in *Brammer v. Violent Hues Productions, LLC*.²¹ There, the court identified “two recurring situations” where courts have found unmodified uses to be transformative.²² In one of these situations, “copyrighted works

14. *SunTrust Bank v. Houghton Mifflin Co.*, 268 F.3d 1257 (11th Cir. 2001).

15. *Id.* at 1270.

16. *New Era Publ’ns Int’l, ApS v. Carol Publ’g Grp.*, 904 F.2d 152, 156 (2d Cir. 1990).

17. 386 F. Supp. 2d 324 (S.D.N.Y. 2005).

18. *Id.* at 329.

19. *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 598 U.S. 508, 529 n.5 (2023).

20. *Id.*

21. 922 F.3d 255 (4th Cir. 2019).

22. *Id.* at 263–64.

serve documentary purposes and may be important to the accurate representations of historical events.”²³ Such “representations often have scholarly, biographical, or journalistic value, and are frequently accompanied by commentary on the copyrighted work itself.”²⁴

In other words, the Fourth Circuit suggests that in some situations a copyrighted work is used as a sort of historical artifact, which is a purpose different from its original purpose. This aligns with the discussion of transformativeness in *Warhol* and embodies the type of justification the Court identified as part of that analysis. So, to the extent that courts are looking at this type of situation post-*Warhol*, we will not necessarily see any changes in the outcomes they have been reaching pre-*Warhol*.

C. NO ALTERATION, NO NEW WORK

The final situation I want to consider involves what are sometimes referred to as “functional uses,” which is probably the farthest from *Warhol* we could get. This category includes uses where not only is the original work not changed or altered in any sort of aesthetic fashion, but also there is no creation of a new work. Instead, the copyrighted work is being used for some other functional or technological purpose independent of the creation of a new work. And it is often the case that the use involves large numbers of copyrighted works rather than a single copyrighted work.

Some illustrative examples of “functional uses” that have been found to be fair use include *Authors Guild v. Google, Inc.* (digitization of books to create search index),²⁵ *A.V. ex rel Vanderhye v. iParadigms, LLC* (reproduction of student coursework to check for plagiarism),²⁶ *Perfect 10, Inc. v. Amazon.com, Inc.* (reproduction of images to create search result pointers),²⁷ and *Kelly v. Arriba Soft Corp.* (same).²⁸ On the flip side, courts have rejected fair use arguments for functional uses in such cases as *Hachette Book Group, Inc. v. Internet Archive* (digitization and online distribution of books),²⁹ *Fox News Network, LLC v. TVEyes, Inc.* (reproduction and distribution of TV clips),³⁰ *Associated Press v. Meltwater U.S. Holdings, Inc.* (scraping and distribution of online news article excerpts),³¹ and *Infinity Broadcast Corp. v. Kirkwood* (retransmission of radio broadcasts over telephone).³²

At the time of writing, the big question mark for functional uses in a post-*Warhol* landscape arises from the use of copyrighted works in the development of artificial

23. *Id.* at 264.

24. *Id.*

25. 804 F.3d 202 (2d Cir. 2015).

26. 562 F.3d 630 (4th Cir. 2009).

27. 508 F.3d 1146 (9th Cir. 2007).

28. 336 F.3d 811 (9th Cir. 2003).

29. 664 F. Supp. 3d 370 (S.D.N.Y. 2023).

30. 883 F.3d 169 (2d Cir. 2018).

31. 931 F. Supp. 2d 537 (S.D.N.Y. 2013).

32. 150 F.3d 104 (2d Cir. 1998).

intelligence (AI) tools—particularly generative AI tools. This currently popular subset of AI models relies on the ingestion of large quantities of expressive material for machine learning inputs.³³ The unpermitted use of copyrighted works for training AI models has raised questions about fair use—and sparked litigation.³⁴ Such litigation will be a big test for functional uses.

Does *Warhol* give us any clues as to how courts will address these issues? On the one hand, the Court did cite to one of these functional use cases in a manner that may be seen as implicitly endorsing the purpose at issue as transformative. In describing when “the meaning of a secondary work . . . should be considered to the extent necessary to determine whether the purpose of the use is distinct from the original,” the Court included as one example “provid[ing] otherwise unavailable information about the original,” which was the purpose found in *Google Books*.³⁵ This suggests at least some functional uses may be consistent with the Court’s understanding of transformativeness in *Warhol*.

On the other hand, *Warhol* also provides very strong language that serves as a counterweight to these functional use cases—such as when the majority chides the dissent for “[i]ts single-minded focus on the value of copying,” the result of which “is an account of fair use that is unbalanced in theory.”³⁶ Elsewhere, the Court cautions against overreading its earlier decision in *Google LLC v. Oracle America, Inc*, saying, “[t]he Court did not hold that any secondary use that is innovative, in some sense, or that a judge or Justice considers to be creative progress consistent with the constitutional objective of copyright, is thereby transformative.”³⁷ Perhaps this language will be taken by courts as a signal to be less amenable to finding functional uses of original works transformative.

II. COMMERCIALITY

Commerciality is another key area of *Warhol*’s discussion of the first fair use factor, and one that plays an important role in many cases related to the publishing industry.

33. See U.S. PAT. & TRADEMARK OFF., PUBLIC VIEWS ON ARTIFICIAL INTELLIGENCE AND INTELLECTUAL PROPERTY POLICY 23–24 (Oct. 2020), https://www.uspto.gov/sites/default/files/documents/USPTO_AI-Report_2020-10-07.pdf [<https://perma.cc/A2W9-4JBQ>] [https://web.archive.org/web/20240205041212/https://www.uspto.gov/sites/default/files/documents/USPTO_AI-Report_2020-10-07.pdf].

34. Sheera Frenkel & Stuart A. Thompson, *Not for Machines To Harvest: Data Revolts Break Out Against A.I.*, N.Y. TIMES (July 15, 2023), <https://www.nytimes.com/2023/07/15/technology/artificial-intelligence-models-chat-data.html> [<https://perma.cc/XR2T-MWPG>] [<https://web.archive.org/web/20240205040809/https://www.nytimes.com/2023/07/15/technology/artificial-intelligence-models-chat-data.html>].

35. *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 598 U.S. 508, 544–45 (2023).

36. *Id.* at 549.

37. *Id.* at 543 n.18.

The Copyright Act establishes that courts must consider whether a use “is of a commercial nature” as part of the first factor analysis.³⁸ And we also knew prior to *Warhol* that courts should avoid presumptions on either side. That is, just because a use or a user is not for-profit, that does not automatically mean the first fair use factor favors finding fair use.³⁹ And just because a use is commercial, that does not bar fair use.⁴⁰ In the publishing industry, that second presumption is especially important because most publishers operate for profit but still rely on fair use.⁴¹

What did *Warhol* add to that? Not much.

The Court did say, “[f]irst, the fact that a use is commercial as opposed to nonprofit is an additional ‘element of the first factor.’ The commercial nature of the use is not dispositive. But it is relevant.”⁴²

Given how little new ground the Court broke, why did it discuss commerciality at all? Perhaps the Court observed lower courts treating it as a sort of a non-factor in the fair use analysis.⁴³ Perhaps it wanted to reiterate that yes, this is a factor that courts must consider—even if it is not dispositive, courts should not give it short shrift.

What effect might this recognition have going forward?

I can think of two potential effects, recalling the two presumptions that courts want to avoid. One, to what extent is there a commercial penalty under the first fair use factor—or, how much will a commercial use weigh against fair use? And two, to what extent is there a noncommercial privilege—or, how much will a noncommercial use weigh in favor of fair use?

The Supreme Court’s existing discussions of commerciality provide strong guideposts. The Court has been very clear about putting little weight on commerciality. As *Campbell* observed, barring fair use on commerciality “would swallow nearly all of the illustrative uses listed in the preamble paragraph of § 107 . . . since these activities ‘are generally conducted for profit in this country.’”⁴⁴ The majority cited approvingly to Samuel Johnson’s pronouncement that “no man but a blockhead ever wrote, except for money.”⁴⁵ Justice Breyer reiterated this point in *Google v. Oracle*, saying, “[t]here is no doubt that a finding that copying was not commercial in nature tips the scales in favor of fair use. But the inverse is not necessarily true, as many common fair uses are

38. 17 U.S.C. § 107(1).

39. *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 584 (1994).

40. *Id.*

41. *Id.*

42. *Andy Warhol Found. for the Visual Arts, Inc.*, 598 U.S. at 531.

43. See, e.g., *Authors Guild v. Google, Inc.*, 804 F.3d 202, 219 (2d Cir. 2015); *Cariou v. Prince*, 714 F.3d 694, 708 (2d Cir. 2013) (“Although there is no question that Prince’s artworks are commercial, we do not place much significance on that fact due to the transformative nature of the work.”); see also Jiarui Liu, *An Empirical Study of Transformative Use in Copyright Law*, 22 STAN. TECH. L. REV. 163, 168 (2019) (“A finding of transformative use consistently overrode a finding of commercial purpose in 91.5% of the decisions where the two pointed to opposite directions.”).

44. *Campbell*, 510 U.S. at 584 (quoting *Harper & Row, Publishers v. Nation Enters.*, 471 U.S. 539, 592 (1985)).

45. *Id.*

indisputably commercial.”⁴⁶ Given this, we will unlikely see the commercial penalty increase after *Warhol* given that the Court has established clear outside bounds.

But on the other hand, maybe there will be less weight given to noncommercial uses because of *Warhol*. The Supreme Court has already suggested “profit” should be read broadly. In *Harper & Row, Publishers, Inc. v. Nation Enterprises*, it held, “[t]he crux of the profit/nonprofit distinction is not whether the sole motive of the use is monetary gain but whether the user stands to profit from exploitation of the copyrighted material without paying the customary price.”⁴⁷ That language sweeps in a lot of uses by noncommercial users. Other holdings from lower courts also point to a narrow noncommercial privilege. For example, appellate courts have held that the fact that a user is a nonprofit organization is not dispositive,⁴⁸ that the benefits a nonprofit organization accrues through the use may be considered commercial,⁴⁹ and that it is irrelevant if the ultimate use is noncommercial.⁵⁰ Perhaps this points toward a continued narrowing of the noncommercial privilege, and less emphasis being placed on the noncommercial nature of a use in the first fair use factor.

This deemphasis is consistent with other aspects of the Copyright Act. For example, consider the public performance right: The 1976 revision removed the “for-profit” limitation that accompanied the 1909 Act’s public performance right.⁵¹ As the legislative history reveals, the dropping of the for-profit limitation was driven in part by technological advances, the maturation of the nonprofit sector, and the impact that nonprofit uses have on commercial markets.⁵² Since the Copyright Act has narrowed the privilege for nonprofit uses there, it is consistent to narrow it in the fair use context.

III. MARKET HARM

The *Warhol* decision was confined to just two aspects of the first fair use factor: transformativeness and commerciality. Yet we know the fourth fair use factor—“the effect of the use upon the potential market for or value of the copyrighted work”—plays

46. *Google LLC v. Oracle Am., Inc.*, 593 U.S. 1, 32 (2021).

47. *Harper & Row, Publishers*, 471 U.S. at 562.

48. *See, e.g., Soc’y of Holy Transfiguration Monastery, Inc. v. Gregory*, 689 F.3d 29, 61 (1st Cir. 2012); *Worldwide Church of God v. Phila. Church of God, Inc.*, 227 F.3d 1110, 1118 (9th Cir. 2000); *Weissmann v. Freeman*, 868 F.2d 1313, 1324 (2d Cir. 1989).

49. *See, e.g., Worldwide Church of God v. Phila. Church of God, Inc.*, 227 F.3d 1110, 1118 (9th Cir. 2000); *Weissmann*, 868 F.2d at 1324; *Soc’y of Holy Transfiguration Monastery, Inc. v. Gregory*, 689 F.3d 29, 61 (1st Cir. 2012).

50. *See, e.g., De Fontbrune v. Wofsy*, 39 F.4th 1214, 1224 (9th Cir. 2022); *Princeton Univ. Press v. Mich. Document Servs., Inc.*, 99 F.3d 1381, 1386 (6th Cir. 1996).

51. H.R. REP. NO. 94-1476, at 62 (1976).

52. “The line between commercial and ‘nonprofit’ organizations is increasingly difficult to draw. Many ‘non-profit’ organizations are highly subsidized and capable of paying royalties, and the widespread public exploitation of copyrighted works by public broadcasters and other noncommercial organizations is likely to grow. In addition to these trends, it is worth noting that performances and displays are continuing to supplant markets for printed copies and that in the future a broad ‘not for profit’ exemption could not only hurt authors but could dry up their incentive to write.” *Id.* at 62–63.

a central role in the fair use analysis. The Court in *Harper & Row* called it “undoubtedly the single most important element of fair use,”⁵³ a point cited approvingly in both the concurring⁵⁴ and dissenting⁵⁵ *Warhol* opinions. Does *Warhol* offer any guidance to courts related to the fourth fair use factor?

For one, *Warhol* makes a helpful insight. In a footnote, the majority explains that the first and fourth factors are related, then draws a distinction between the two by explaining, “[w]hile the first factor considers whether and to what extent an original work and secondary use have substitutable purposes, the fourth factor focuses on actual or potential market substitution.”⁵⁶ It chides the dissent for “fumb[ling] the relationship between the first and fourth fair use factors.”⁵⁷ The analysis for each is different—unlike the fourth factor, “the first factor does not ask whether a secondary use causes a copyright owner economic harm.”⁵⁸ However, there is a correlation between the two. The majority explains, “[a] secondary use that is more different in purpose and character is less likely to usurp demand for the original work or its derivatives.”⁵⁹ This key insight regarding the distinction and correlation between the first and fourth fair use factors should prove helpful to courts when applying the fair use analysis.

But *Warhol* also raises a concern regarding misapplication of the fourth fair use factor.

The concern arises out of the majority’s careful clarification that its decision in *Campbell* does not mean that “any use that adds some new expression, meaning, or message” weighs in favor of fair use.⁶⁰ “Otherwise,” the majority explains, “‘transformative use’ would swallow the copyright owner’s exclusive right to prepare derivative works”⁶¹—a right that both the majority and the dissent agree includes the adaptation of a novel into a film.⁶² The majority again takes to the footnotes to confront the dissent, which it says is “stumped” on how to apply its transformative use test without vitiating the derivative works right.⁶³ According to the majority, the dissent “suggests that the fourth fair use factor alone takes care of derivative works like book-to-film adaptations,” but the majority is aware of no authority for this proposition.⁶⁴

The dissent counters that the majority’s first factor test would not stop “the freeloading filmmaker.”⁶⁵ And herein lies the problematic language. In explaining its

53. *Harper & Row, Publishers. v. Nation Enters.*, 471 U.S. 539, 566 (1985).

54. *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 598 U.S. 508, 555 (2023) (Gorsuch, J., concurring).

55. *Id.* at 569 (Kagan, J., dissenting).

56. *Id.* at 536 n.12 (majority opinion).

57. *Id.*

58. *Id.*

59. *Id.*

60. *Id.* at 541.

61. *Id.*

62. *Id.*; *Id.* at 569 n.5 (Kagan, J., dissenting).

63. *Id.* at 541 n.17 (majority opinion).

64. *Id.*

65. *Id.* at 569 n.5 (Kagan, J., dissenting).

rationale, the dissent asserts that the majority's test "boils down to whether a follow-on work serves substantially the same commercial purpose as the original," a "mold" that a film adaption "doesn't fit."⁶⁶ According to the dissent, "[t]he filmmaker . . . wants to reach different buyers, in different markets, consuming different products."⁶⁷

This is an unfortunate error made by courts in applying the fourth fair use factor. It is a common error, particularly when dealing with licensing and derivative works markets.⁶⁸

The error arises—keeping with the example of a book-to-film adaptation—in comparing the market of the film adaptation itself with the end user market of the book that the film is based on. In other words, a court mistakenly asks if watching the film serves as a substitute for the book—if someone sees the movie, are they less likely to buy the book? This analysis misconstrues derivative works markets and leads to erroneous results.

Instead, when a court looks at licensing and derivative works markets, the correct focus of the market analysis should be on the derivative works market itself. That is, will an unauthorized film adaptation of an original work substitute for authorized adaptations of the original work? In most instances, the answer will be yes, absent some further transformative purpose, such as parody.

It is worth revisiting the Court's opinion in *Campbell* here, because its discussion of the fourth fair use factor highlights the care courts should take when examining harm to derivative works markets.

As a reminder, contrary to the common understanding that *Campbell* held that 2 Live Crew's commercial parody of Roy Orbison's song "Oh Pretty Woman" was fair use, the Court actually reversed the Sixth Circuit's finding of infringement and remanded the issue.⁶⁹ It did so in part because of a lack of an evidentiary record of any harm to derivative works markets. The Court famously held that the law does not recognize a derivative market for critical works, such as parody, but less famously cautioned that "the later work may have a more complex character, with effects not only in the arena of criticism but also in protectible markets for derivative works, too."⁷⁰ 2 Live Crew's song was both a parody and a rap version of Orbison's tune, and

66. *Id.*

67. *Id.*

68. See, e.g., *Tresóna Multimedia, Ltd. Liab. Co. v. Burbank High Sch. Vocal Music Ass'n*, 953 F.3d 638, 652 (9th Cir. 2020) (concluding that use of song by show choir in musical performance "does not affect the consumer market for the sheet music in the song at all"); *Fox News Network, LLC v. TVEyes, Inc.*, 43 F. Supp. 3d 379, 396 (S.D.N.Y. 2014) (analyzing market harm based on whether media clipping service product acts as a substitute for copyright owner's broadcast programming), *rev'd*, 883 F.3d 169 (2d Cir. 2018) (finding harm to copyright owner because service undercut ability to license searchable access to its copyrighted content to third parties); *Brammer v. Violent Hues Prods., LLC*, No. 1-17-cv-01009, 2018 U.S. Dist. LEXIS 98003, at *7 (E.D. Va. June 11, 2018) (finding unauthorized use of photo on website did not have adverse effect on market because user "did not sell copies of the photo or generate any revenue from it"), *rev'd*, 922 F.3d 255 (4th Cir. 2019).

69. *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 572 (1994).

70. *Id.* at 592.

the latter must also be part of the fourth factor analysis. “Evidence of substantial harm” to the derivative market for rap music, said the Court, “would weigh against a finding of fair use, because the licensing of derivatives is an important economic incentive to the creation of originals.”⁷¹

Courts should similarly take care to examine the effects of any use on all protectible markets for derivative works to ensure that the use is not unfairly encroaching on a copyright owner’s interests.

IV. CONCLUSION

As seen above, *Warhol* represents at times an extension, clarification, or correction of fair use on the issues of transformation, commerciality, and market harm. For publishers, the original copyright industry, the careful reasoning by the majority should provide comfort that copyright will continue its important role as a catalyst for markets in literary works that inform, inspire, and entertain. As Justice Sotomayor wisely observed in the opinion, “[i]f the last century of American art, literature, music, and film is any indication, the existing copyright law, of which today’s opinion is a continuation, is a powerful engine of creativity.”⁷²

71. *Id.* at 593.

72. *Andy Warhol Found. for the Visual Arts, Inc.*, 598 U.S. at 550.

What the *Warhol* Court Got Wrong: Use as an Artist Reference and the Derivative Work Doctrine

Jessica Silbey* & Eva E. Subotnik**

ABSTRACT

In Andy Warhol Foundation for the Visual Arts, Inc. v. Goldsmith, the Supreme Court conflated “use as an artist reference” with preparing a “derivative work.” It did so on the erroneous assumption that permission to use a copyrighted work as an artist reference is a license to prepare a derivative work. But copyright law does not necessarily deem all uses of references for making new art to be the preparation of a derivative work. In other words, not all adaptations of an original work are infringing. Some may be neither derivative works nor substantially similar copies, and some may be subject to the exceptions and limitations in the statute, such as fair use.

Examining longstanding artistic practices, case law, and our recent study of professional photographers, this Article develops a more nuanced view of the relationship between the artist reference and the derivative work. Drawing on this evidence, we argue that courts should explicitly engage with the characteristics and context of the reference and the new work before arriving at a determination of infringement or noninfringement between the two works.

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** Eva E. Subotnik, Professor of Law and Associate Dean for Faculty Scholarship, St. John’s University School of Law. I dedicate this Article to the memory of my father, Professor Daniel Subotnik (1942–2024), on whose shoulders I stood for forty-eight years. He will be greatly missed.

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This reasoning applies equally whether the use of an artist reference is initially licensed or unlicensed by a second artist. When expressly authorized, artist references are simply permissions to use—a ticket to entry, permission for access to the work in its tangible and intangible forms. And, importantly, they are just the beginning of an artistic process. What the new author produces based on the artist reference makes all the difference, and legal liability should depend on aesthetic evaluation of both the referenced work and the new work. Avoiding that aesthetic evaluation and misconstruing an agreement to “use as an artist reference” as a license to prepare a derivative work, which the Supreme Court did in its formalistic approach in Warhol, is a shortcut that distorts copyright law and harms creative practice.

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INTRODUCTION

In *Andy Warhol Foundation for the Visual Arts, Inc. v. Goldsmith*, the Supreme Court conflated “use as an artist reference” with preparing a “derivative work,” assuming the answer to the question it claimed to avoid.¹ It did so on the erroneous assumption that permission to “use as an artist reference” is a license to prepare a derivative work. But copyright law does not necessarily deem all resulting uses from an “artist reference” to be “derivative works.” Derivative works are certain kinds of adaptations that are statutorily enumerated.² Courts must determine that the resulting work fits within the definition of “derivative work” to find infringement of that exclusive right (if permission was not granted), which may then trigger application of defenses. In other words, not all adaptations of the original work are infringing. Some may be neither derivative works nor—under the more general infringement standard—substantially similar copies, and some may be subject to the exceptions and limitations in the statute, such as in § 107 (fair use) and thereafter.³

In this Article, we examine longstanding artistic practices, case law, and our recent study of professional photographers to develop a more nuanced view of the relationship between the artist reference and the derivative work. Artist references are photographs or other visual art to which subsequent artists may refer when making new work.⁴ As this paper explains, use of a “reference” by artists is an age-old practice whose purposes range from inspirational to informational. Famously, Andy Warhol

1. *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 598 U.S. 508, 515, 533–35 (2023) (internal quotation marks omitted).

2. 17 U.S.C. § 101 (“A ‘derivative work’ is a work based upon one or more preexisting works, such as a translation, musical arrangement, dramatization, fictionalization, motion picture version, sound recording, art reproduction, abridgment, condensation, or any other form in which a work may be recast, transformed, or adapted. A work consisting of editorial revisions, annotations, elaborations, or other modifications which, as a whole, represent an original work of authorship, is a ‘derivative work.’”).

3. Whether a derivative work is also necessarily a substantially similar copy is subject to some debate. Compare *Mirage Editions, Inc. v. Albuquerque A.R.T. Co.*, 856 F.2d 1341 (9th Cir. 1988) (finding violation of right to prepare derivative work but no separate copy made in violation of § 106(1)), with *Litchfield v. Spielberg*, 736 F.2d 1352 (9th Cir. 1984) (holding “a work is not derivative unless it has been substantially copied from the prior work”). This Article’s argument is unaffected by this distinction, but we discuss some of the implications of their independence *infra* at notes 50–60. We focus on the right to prepare a derivative work because that is how the Supreme Court analyzed the issue, and because often the more challenging analytical line to draw is between a derivative work and a work that is transformative in purpose and character under fair use factor one (§ 107(1)). Furthermore, as explained *infra*, the relevance of the agreement to “use as an artist reference” does not change if Warhol’s work was deemed a substantially similar copy rather than a derivative work because in either case the Court failed to engage with the resulting paintings so as to justify a conclusion of infringement. For an analysis of the Warhol prints according to the substantial similarity analysis, see Carys J. Craig, *Transforming “Total Concept and Feel”: Dialogic Creativity and Copyright’s Substantial Similarity Doctrine*, 38 CARDOZO ARTS & ENT. L. J. 603, 643–46 (2020).

4. As explained more fully in Part II, an “artist reference” is also sometimes called an “aide-mémoire” in art history and practice. The artist reference is an image or object that helps an artist render work as intended. AARON SCHARF, *ART AND PHOTOGRAPHY* 111 (1974).

used photographs as references for many of his portraits, such as *Marilyn* or *Red Jackie*.⁵ Contemporary portrait artists rely on photographs as references to make paintings, obviating the burden on subjects to endure long sittings. In general, artists regularly rely on photographs or other visual art to create images of otherwise inaccessible people, objects, or places. Artistic “use of a reference” is ubiquitous and subject to diverse and evolving practices within artistic communities. In our study of photographers, we explored their practices of, among other things, referential uses.⁶ And contrary to the factual assumptions underlying the *Warhol* decision, the photographers we studied do not deem “derivative” (that is, with legal consequences) all new art made from the use of or reference to older art, even when done expressly and under an agreement to “use as an artist reference.” Photographers describe a narrower scope of uses for which they would demand licenses. In this framework, an “artist reference” is a creative tool, and its use to produce a new work is not considered copyright infringement without evaluating the new work’s aesthetic form and purpose.

In contrast and without a factual basis, the Supreme Court defined an “artist reference” as something that inevitably creates “stylized derivatives” within the scope of the original author’s copyright.⁷ This erroneous elision of “use as an artist reference” with “stylized derivative” avoided addressing the case’s central legal issue: whether Warhol’s *Prince Series* works are infringing works or fair uses.⁸ As described more fully below, Andy Warhol made the *Prince Series* in 1984 with permission from Lynn Goldsmith to use her photograph as an artist reference. Included in the *Prince Series* was the *Orange Prince*, which Condé Nast later published on its cover in 2016. The factual errors and legal ambiguities left in the wake of the Court’s *Warhol* decision require clarification, such as when uses of artist references require authorial permission or, instead, may be non-infringing.

This Article aims to provide that clarity by drawing on case law, history, and artistic practice. We show that “use as an artist reference” does not necessarily produce an infringing work for at least three reasons: (1) Photography practice hews to a narrower scope of copyright protection; (2) use as an artist reference does not necessarily produce a substantially similar copy or a derivative work (e.g., use of a reference per se is not

5. Emily A. Francisco, *Andy Warhol: Polaroids & Portraits*, 11 SCHMUCKER ART CATALOGS 11 (2013), <https://cupola.gettysburg.edu/artcatalogs/11> [https://perma.cc/L97U-SMPT] [<https://web.archive.org/web/20240128165705/https://cupola.gettysburg.edu/artcatalogs/11/>] (describing Warhol’s use of Polaroids in his early portraiture). “At the same time, he treated photography as both a reference tool for painting and an artistic medium of its own.” *Id.* at 3; see also *Warhol Women, Red Jackie*, LÉVY GORVY (May 10, 2019), <https://www.levygorvy.com/happenings/warhol-women-red-jackie/> [https://perma.cc/YA2X-2YSU] [<https://web.archive.org/web/20240317151749/https://www.levygorvy.com/happenings/warhol-women-red-jackie/>].

6. Jessica Silbey, Eva Subotnik & Peter DiCola, *Existential Copyright and Professional Photography*, 95 NOTRE DAME L. REV. 263, 277–301 (2019); see also Jessica Silbey, *Justifying Copyright in the Age of Digital Reproduction: The Case of Photographers*, 9 U.C. IRVINE L. REV. 405, 437–40 (2019).

7. See *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 598 U.S. 508, 535 (2023).

8. *Id.* at 536, 536 n.9 (narrowing the issue before the Court to the use by Condé Nast in 2016).

infringing); and (3) permission to use an artist reference may be sought and granted even if unnecessary under law. All three reasons require evaluating the second work's aesthetic characteristics—what is the art made with the use?—an evaluation the Supreme Court erroneously thought it could avoid.

We will have more to say about the background dispute, but the brief facts of the case are as follows. In 1984, Andy Warhol made sixteen portraits of the musician Prince, under commission with *Vanity Fair* for an article about the musician. Warhol used, with permission, Goldsmith's unpublished 1981 photograph of Prince as a reference for his portraits. *Vanity Fair* paid Goldsmith and Warhol for their contributions and published one of the sixteen Warhol prints—the *Purple Prince*—in the magazine. It is unclear if *Vanity Fair* knew there were sixteen prints or if Warhol only offered one. Goldsmith was credited with the source photo and Warhol was credited as the portrait artist.⁹

In 2016, after Prince's death, Condé Nast (which owns *Vanity Fair*¹⁰) requested another portrait from the Andy Warhol Foundation (“AWF”) for a special edition about the musician. AWF offered *Orange Prince*, also made in 1984 as part of the earlier commissioned project.¹¹ When Condé Nast published *Orange Prince*, this time on the cover of the magazine, Goldsmith recognized her photo as a reference for the cover art and contacted AWF.¹² In her correspondence, she alleged that all of the Warhol Prince portraits in the *Prince Series* that used her photograph as a reference, except the *Purple Prince* published in 1984, infringed her photograph and could not be copied, distributed, or displayed without her permission. AWF refused to concede this point and filed a declaratory judgment action of noninfringement against Goldsmith.¹³

The procedural and substantive legal proceedings are thoroughly described by Professor Pamela Samuelson's excellent contribution to the 2023 Kernochan Center for Law, Media and the Arts' Symposium.¹⁴ As they pertain to our Article, they will be discussed in more detail below. But central to this Article's focus is that the courts below wrestled in opposite ways with the aesthetic features of Warhol's *Prince Series* (and *Orange Prince* in particular) to determine whether Warhol prepared derivative works or otherwise transformed Goldsmith's photo into something new. The district court found fair use, considering evidence and expert testimony about how Warhol's *Prince Series* works are significantly different from Goldsmith's photograph. And the Court of Appeals for the Second Circuit rejected that evidence as beyond the capacity of a court's competence and creating a “celebrity-plagiarist privilege.”¹⁵

9. *Andy Warhol Found. for the Visual Arts, Inc.*, 598 U.S. at 514–22.

10. *Id.* at 519.

11. *Id.* at 519–520.

12. *Id.* at 522.

13. *Id.* at 522, 534.

14. See Pamela Samuelson, *Did the Solicitor General Hijack the Warhol v. Goldsmith Case?*, 47 COLUM. J.L. & ARTS 513 (2024).

15. *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 11 F.4th 26, 43 (2d Cir. 2021).

The Supreme Court largely ignored those discussions, leaving the determination of derivative works and fair use substantially less clear than before. This Article hopes to bring a measure of clarity to the Supreme Court's decision by relying on the history of "use of artist references" and evidence from contemporary photographic practice. The Article also explains that aesthetic determinations are integral to determining whether a derivative work or a fair use has been made and that the Supreme Court's allergy to judging art is an excuse for avoiding the hard issues the case initially presented and that have not yet been resolved.¹⁶

The Supreme Court's decision in *Warhol* creates more problems than it solves. Importantly, it does not clarify the confusing decision of the Court of Appeals for the Second Circuit and instead answers a question that was not expressly presented to the Supreme Court: whether AWF should have requested permission and paid Goldsmith for Condé Nast's use of *Orange Prince* on the special edition cover in 2016. Notably, this is distinct from the question of whether *Orange Prince*—as a work in and of itself and when it was created—is a fair use of Goldsmith's photograph. The latter question was not answered except in the context of *Orange Prince*'s publication on the Condé Nast cover. This Article develops an answer to that important question, cabining the Court's holding in *Warhol* to the specific and unusual factual situation presented.

Without limiting *Warhol* to its facts, the Supreme Court decision appears to narrow the "transformative use" test without overruling it, as well as establish a use-by-use fair use assessment of otherwise lawfully made works, which would be the first explicit articulation of such a rule. It thus leaves lower courts and future parties in an uncomfortable state of uncertainty as to the scope and application of fair use. The Court appears (without being explicit) to confine its decision to circumstances in which an agreement to prepare a derivative work exists between the parties. It does so by misconstruing the 1984 agreement between *Vanity Fair* and Lynn Goldsmith as a license that effectively bound Andy Warhol to prepare a derivative work from Goldsmith's photograph for a single purpose (publication in the 1984 magazine and nowhere else). But, as we show, that is not what an agreement for "use as an artist reference" necessarily means. Based on evidence from history, contemporary photographic practice, and relevant case law on photographic references for secondary works, this Article corrects the erroneous assumptions in *Warhol* in order to properly guide its future application.

The Article proceeds in three parts. Part I briefly describes the rulings below: the district court finding fair use and the Court of Appeals for the Second Circuit finding no fair use and therefore infringement. It further describes a handful of lower court cases in which use of a photograph to produce a secondary work was assessed under

16. Professor Amy Adler has discussed the irrelevance of aesthetic determinations in judging the value and significance of art. See Amy Adler, *Why Art Does Not Need Copyright*, 86 GEO. WASH. L. REV. 313, 359 (2018) ("Not only does [an 'aesthetics' test] embroil judges in an inquiry for which they are distinctly ill suited, but also it injects a troubling term—'aesthetics'—into the center of fair use." (footnote omitted)). While we appreciate her expertise on how the fine art markets have operated, we believe that some degree of aesthetic analysis is foundational to the courts' ability to offer sound legal analysis on copyright law questions.

infringement analysis and/or the fair use factors in ways that differ from what occurred here. In many cases, the photographers' concern was reproduction—use of the photograph as an exact or near-exact copy. That makes sense, we point out, because the copyright statute and its legislative history circumscribe the scope of derivative works to enumerated adaptations and versions, not copies. Courts decide many photography copyright cases on fair use grounds—largely, though not exclusively, on the basis of the first factor. What is notable is the degree of aesthetic evaluation they engage in as part of the process, including the attention they pay to the context of the secondary use. The judgments are careful and measured—they do not contain any reflexive notion that use of a photograph to create a subsequent work of art is always infringement. We argue in Part I that courts should continue with that careful practice, *Warhol* notwithstanding.

This case law aligns with the evidence in Parts II and III. Part II describes the history of photographic “use as an artist reference” and how artists and photographers embraced that practice, as old as photography, for the purposes of making more art that is usually (but not always) different from the photograph and for which the photograph was an essential input. The *Warhol* majority ignored this history, distorting the legal effect of Warhol's use of Goldsmith's photograph as a reference for his paintings. Part III describes data from interviews with contemporary photographers about their tolerance for and resistance to unauthorized uses of their photographs. Photographers explain that what matters to them is what the new use looks like and what it is for—resonating with the “purpose and character” language of § 107(1) of the Copyright Act and requiring aesthetic evaluation of the new work. Photographers' explanations of permitted versus unpermitted uses may not always align with copyright's fair use doctrine (especially because photographers tend to object to critical uses). But, photographers' attention to aesthetic evaluation—as essential to distinguishing between permitted and unpermitted uses—undermines *Warhol*'s interpretation of fair use factor one as focusing only on “purpose” and ignoring the new work's “character.” Part III ends with what should have happened in *Warhol* given the fuller context of “use as an artist reference” in history and practice.

I. LEGAL AND FACTUAL PRECEDENT

A. THE FACTS

In 1984, Andy Warhol made sixteen portraits of the musician Prince, under commission with *Vanity Fair*, for an article about the musician (the “*Prince Series*”). *Vanity Fair* sourced a photograph for the Warhol commission from Lynn Goldsmith's agency.¹⁷

17. *Andy Warhol Found. for the Visual Arts, Inc.*, 598 U.S. at 517.



Figure 1: Goldsmith's photograph (left); Warhol's portraits (right)

The original transaction between Lynn Goldsmith and *Vanity Fair* was for an “artist reference” and was memorialized in an invoice dated October 29, 1984 (the “VF Invoice”). The VF Invoice described granting *Vanity Fair* the right to

USE . . . ONE PHOTOGRAPH OF PRINCE, COPYRIGHT 1981 LYNN GOLDSMITH FOR USE AS ARTIST REFERENCE FOR AN ILLUSTRATION TO BE PUBLISHED IN VANITY FAIR NOVEMBER 1984 ISSUE. IT CAN APPEAR ONE TIME FULL PAGE AND ONE TIME UNDER ONE QUARTER PAGE. NO OTHER USAGE RIGHTS GRANTED. ONE TIME ENGLISH LANGUAGE ONLY NORTH AMERICAN DISTRIBUTION ONLY. License is granted to use ~~or reproduce~~ above-described photograph(s) on condition that total amount shown hereon is paid. The credit line—LYNN GOLDSMITH—must not be omitted, abbreviated or altered under penalty of double charge. Released, on rental basis only, and in accordance with terms and conditions of submission. License, for one reproduction only, is granted to reproduce above-described photograph(s) in IN [sic] VANITY FAIR NOVEMBER 1984 ISSUE.¹⁸

Goldsmith was to receive \$400 for this use and source credit.¹⁹ This invoice was preceded by an approval form, dated September 25, 1984, sent on behalf of Goldsmith to *Vanity Fair* that stated “11” x 14” B&W studio portrait of Prince by © 1981 Lynn

18. Joint Appendix – Volume I at 85–86, *Andy Warhol Found. for the Visual Arts, Inc.*, 598 U.S. 508 (No. 21-869) (strikethrough in original). The significance of the strikethrough of “reproduce” was not elaborated in the litigation, but it is our contention that “use” is different than “reproduce” for the purposes of understanding the practice of “use as an artist reference.”

19. *Andy Warhol Found. for the Visual Arts, Inc.*, 598 U.S. at 517.

Goldsmith for possible use as an artist reference.²⁰ *Vanity Fair* paid Goldsmith and published one of the sixteen Warhol prints—*Purple Prince*—in the magazine.



Figure 2: As published in *Vanity Fair*, November 1984

It is unclear if *Vanity Fair* knew there were sixteen prints or if Warhol only offered one. Goldsmith was credited with the source photo and Warhol was credited as the portrait artist.²¹

In 2016, after Prince's death, Condé Nast asked AWF for permission to run *Purple Prince* on the cover of a commemorative magazine issue, and learned AWF had other images from the 1984 *Prince Series*.²² AWF offered Condé Nast *Orange Prince* and Condé Nast paid \$10,000 for that use.²³

20. Joint Appendix – Volume I, *supra* note 18, at 146.

21. Joint Appendix – Volume I, *supra* note 18, at 324-25 (“The article’s attribution credits stated it featured a special portrait for *Vanity Fair* by ANDY WARHOL.”).

22. The Second Circuit describes the exchange like this: “On April 22, 2016, the day after Prince died, Condé Nast, *Vanity Fair*’s parent company, contacted AWF. Its initial intent in doing so was to determine whether AWF still had the 1984 image, which Condé Nast hoped to use in connection with a planned magazine commemorating Prince’s life. After learning that AWF had additional images from the Prince Series, Condé Nast ultimately obtained a commercial license, to be exclusive for three months, for a different Prince Series image for the cover of the planned tribute magazine.” *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 11 F.4th 26, 35 (2d Cir. 2021).

23. *Andy Warhol Found. for the Visual Arts, Inc.*, 598 U.S. at 520.



Figure 3: As published by Condé Nast, May 2016

No one checked with Goldsmith that time, neither AWF nor Condé Nast. Why? Presumably because once Warhol made the *Prince Series* as part of his work for *Vanity Fair* in 1984, Warhol's use of Goldsmith's photograph as an artist reference was complete. What remained were the sixteen Warhols, which subsequently were sold and distributed to private collectors and museums (and copies eventually licensed by AWF). Whether Condé Nast's failure to also ask Goldsmith's permission to use Warhol's *Orange Prince* in 2016 on the commemorative magazine cover violated the Copyright Act was not even a question presented to the Supreme Court in *Warhol*.

Goldsmith threatened to sue only Warhol, not Condé Nast, which muddled the Court's analysis of the issues, to say the least.²⁴ Untangling the issues requires focusing on an embedded question, initially part of Goldsmith's counterclaim against AWF: that all sixteen prints in the *Prince Series* infringe her photograph.²⁵ Goldsmith eventually

24. The case was initially filed as a declaratory judgment action by AWF with a countersuit by Goldsmith. Condé Nast was never brought into the lawsuit. The doctrinal muddle created by Goldsmith threatening only Warhol, and not bringing Condé Nast into the lawsuit, is well described in Peter Karol, *What's the Use? The Structural Flaw Undermining Warhol v. Goldsmith*, J. COPYRIGHT SOC'Y (forthcoming 2024).

25. Goldsmith abandoned her claims about the lawfulness of the *Prince Series* as created in 1984 by the time she got to the Supreme Court. See *Andy Warhol Found. for the Visual Arts, Inc.*, 598 U.S. at 534 n.9 (citing to Goldsmith's brief and to her counsel's statements at oral argument). Indeed, Goldsmith's brief to the Supreme Court suggests that all sixteen works may have been created under a license. Brief for Respondents at 36–37, *Andy Warhol Found. for the Visual Arts, Inc.*, 598 U.S. 508 (No. 21-869) ("The Copyright Act also protects museum displays if displayed works were 'lawfully made.' 17 U.S.C. § 109(c). Here, the creation of the *Prince Series* is not at issue because the only alleged infringement involves the 2016 magazine licensing of *Orange Prince*. And the circumstances of the *Prince Series*' creation remain obscure. For instance, it is unclear whether Warhol created the *Prince Series* so *Vanity Fair* could pick the image it liked best—in which

dropped this broader claim but not until oral argument before the Supreme Court, narrowing the issue for the Court to the use of *Orange Prince* on the magazine cover. But the significance of use as an “artist reference” in 1984 remains central to both the broad and narrow claims of copyright infringement.

In its decision, the Supreme Court articulated two ways portrait photographers license their works. One way, “[a] typical use,” is when a photographer licenses a photo “to accompany stories about the celebrity, often in magazines.”²⁶ The other way is more attenuated and is at the heart of the case itself: “A photographer may also license her creative work to serve as a reference for an artist, like Goldsmith did in 1984 when Vanity Fair wanted an image of Prince created by Warhol to illustrate an article about Prince.”²⁷ As to the latter way, the Court was persuaded by Goldsmith’s “‘uncontroverted’ evidence ‘that photographers generally license others to create stylized derivatives of their work in the vein of the Prince Series.’”²⁸ The Court stated that “[s]uch licenses, for photographs or derivatives of them, are how photographers like Goldsmith make a living.”²⁹

This is a factual mistake. And it turns a ubiquitous, varied, and century-old artistic practice of “use as an artist reference” into a reified legal concept of “derivative work” without basis or context.³⁰ Although the legal issue eventually decided by the Supreme Court was not about infringement and only about application of fair use (specifically, § 107(1) alone), the Court’s statement of facts seemed to suggest that the right transgressed—and for which the possibility of fair use was now to be evaluated—was

case the Prince Series might have been ‘lawfully made’ under Vanity Fair’s license.”). This concession makes the final disposition at the Supreme Court all the more mysterious because it would seem that the *Prince Series* consists of lawfully made works. See Samuelson, *supra* note 14, at 540. That *Orange Prince* may have been licensed unlawfully to Condé Nast in 2016 suggests that some uses of works in which copyright lawfully persists (Warhol’s original art, the *Prince Series*) are nonetheless unlawful. This is an innovation in copyright law heretofore unknown, unless there is an antecedent contract specifically limiting subsequent uses of the otherwise lawfully made works created pursuant to the contract. Cf. *Schrock v. Learning Curve Int’l, Inc.*, 586 F.3d 513, 524 (7th Cir. 2009) (“[B]ecause the owner of a copyrighted work has the exclusive right to control the preparation of derivative works, the owner could limit the derivative-work author’s intellectual-property rights in the contract, license, or agreement that authorized the production of the derivative work.”). In *Warhol*, that returns us to the interpretation of the VF Invoice. Our research suggests “use as an artist reference” does not tether the use of the subsequent work by its author to the photograph in any hierarchical or subservient way if the new work was made with permission by the reference author. From AWF’s perspective, the new work is unencumbered by the photograph to which it referenced.

26. *Andy Warhol Found. for the Visual Arts, Inc.*, 598 U.S. at 534.

27. *Id.* at 535. Obviously, there are many other ways portrait photographers license their images or otherwise make a living through portrait photography. See, e.g., Silbey et al., *supra* note 6, at 277–301 (describing diverse business methods for photographers to earn a living from their work).

28. *Andy Warhol Found. for the Visual Arts, Inc.*, 598 U.S. at 535 (quoting *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 11 F.4th 26, 50 (2d Cir. 2021)). More on this below in Part II.

29. *Id.* at 535. Goldsmith self-identifies as a celebrity portrait photographer, Joint Appendix – Volume II at 310, *Andy Warhol Found. for the Visual Arts, Inc.*, 598 U.S. 508 (No. 21-869), not simply a portrait photographer who earns a living making portrait photographs for anyone. The licensing opportunities for the former are obviously more abundant than for the latter.

30. See *infra* Part II.

the derivative work right born from the “use as an artist reference.”³¹ Indeed, one might predict that, going forward, the Court’s language will be used to establish that use of an “artist reference for an illustration”³² produces a quintessential type of derivative work that falls squarely within a photographer’s bundle of § 106 rights.³³ That would be a mistake of law, as we describe below in Part III.C.

B. PROCEEDINGS BELOW

As mentioned, Professor Samuelson’s companion article in this Symposium Issue comprehensively reviews the proceedings at all three levels in *Warhol*, and so here we highlight only those aspects relevant to our argument.

With respect to the district court, it sidestepped an in-depth discussion of infringement (of the derivative work right or otherwise) because it held that it “is plain that the Prince Series works are protected by fair use.”³⁴ Nevertheless, in the lead-up to that judicial determination, the district court laid a trail of bread crumbs through the relevant infringement precedents and frameworks firmly grounded in the reproduction right analysis and no other.³⁵ Indeed, it would have been odd for the district court—had it decided to determine the infringement question—to have focused on any exclusive right other than the reproduction right because it said nothing about the other exclusive rights, including about the right to prepare derivative works.

The Second Circuit followed suit. It approached the issue as a reproduction right violation with no reference to the right to prepare derivative works.³⁶ To be sure, the appellate court’s infringement analysis appeared at the end of a very long opinion rejecting fair use.³⁷ The court appeared to offer this eleventh-hour analysis, as an alternate to its fair use decision, in response to AWF’s alternative claim that “the Prince Series works are not substantially similar to the Goldsmith Photograph.”³⁸ Nonetheless, the appellate court’s conclusion stated that far from an adaptation, Warhol’s *Prince Series*

31. The Court frames the issue as whether the right to prepare a derivative work was infringed presumably because it was relying on the permission to “use as [an] artist reference” as evidence that a derivative work (an “adaptation” or “art reproduction”) was prepared, 17 U.S.C. § 101 (defining derivative work), but the Court’s statement of proceedings below describe both substantial similarity and derivative work claims. See *Andy Warhol Found. for the Visual Arts, Inc.*, 598 U.S. at 525 (“AWF does not challenge the Court of Appeals’ holding that Goldsmith’s photograph and the Prince Series works are substantially similar.”).

32. See *Andy Warhol Found. for the Visual Arts, Inc.*, 598 U.S. at 517.

33. *Id.* at 535 (stating that the bundle “provide[s] an economic incentive to create original works, which is the goal of copyright”).

34. *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 382 F. Supp. 3d 312, 324 (S.D.N.Y. 2019). It is common for a trial court to assume for purposes of a fair use determination—and without waiving defendant’s opportunity to argue otherwise—that infringement exists, but the exemption of fair use nonetheless applies.

35. *Id.* at 323–24.

36. *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 11 F.4th 26, 52–54 (2d Cir. 2021).

37. *Id.*

38. *Id.* at 52.

contained an “exact reproduction” of the Goldsmith photo.³⁹ This framework is not surprising within the context of the Second Circuit’s opinion because earlier in the course of its fair use analysis, the court specifically avoided deciding the question of whether Warhol’s *Prince Series* works are derivative works:

Nonetheless, although we do not conclude that the Prince Series works are necessarily *derivative* works as a matter of law, they are much closer to presenting the same work in a different form, that form being a high-contrast screenprint, than they are to being works that make a transformative use of the original.⁴⁰

This refusal by the Second Circuit to commit to a position on the derivative work status *vel non* of the *Prince Series* works is curious because the opinion repeatedly juxtaposes the application of the fair use factors (especially factors one and four) against the right to prepare derivative works.⁴¹ The court comes right up to the line, criticizing “the district court [for] entirely overlook[ing] the potential harm to Goldsmith’s derivative market, which is likewise substantial,”⁴² but abstains from a clear or firm conclusion regarding whether Warhol’s *Prince Series* violates both § 106(1) and § 106(2). It reversed only the district court’s application of the fair use factors and remanded (absent appeal) for reconsideration in light of its rearticulated standard.⁴³

On the fair use question itself under § 107, the Second Circuit issued a controversial decision rejecting the district court’s factual findings of aesthetic transformation in the context of fair use’s first factor, and narrowing the “transformative use” test to questions of similar genres or markets rather than to the secondary work’s meaning and

39. *Id.* at 54 (distinguishing cases in which “the secondary users in those cases did not merely *copy* the original photographs at issue; they instead replicated th[e] photographs using their own subjects in similar poses” (emphasis added)). The court noted further, “By contrast, Warhol did not create the Prince Series by taking his own photograph of Prince in a similar pose as in the Goldsmith Photograph. Nor did he attempt to copy merely the ‘idea’ conveyed in the Goldsmith Photograph. Rather, he produced the Prince Series works by *copying* the Goldsmith Photograph itself—*i.e.*, Goldsmith’s particular expression of that idea.” *Id.* (emphasis added). To hammer the point home, the court concluded, “This is not to say that every use of an *exact reproduction* constitutes a work that is substantially similar to the original. But here, given the degree to which Goldsmith’s work remains recognizable within Warhol’s, there can be no reasonable debate that the works are substantially similar.” *Id.* (emphasis added).

40. *Id.* at 43 (emphasis in original); *see also id.* at 44 (“And our conclusion that those images are closer to what the law deems ‘derivative’ (and not ‘transformative’) does not imply that the Prince Series (or Warhol’s art more broadly) is ‘derivative,’ in the pejorative artistic sense, of Goldsmith’s work or of anyone else’s.”).

41. *See, e.g., id.* at 39, 43.

42. *Id.* at 50.

43. *See Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 598 U.S. 508, 535 (2023). The Supreme Court did not exercise such restraint. Instead, it repeated the Second Circuit’s zero-sum analysis relating the existence of a derivative work with the absence of a transformative use. And then the Supreme Court went further: It stated that Warhol’s art was, in fact, a “stylized derivative[]” of Goldsmith’s photo. *Id.* In Part II below, we describe further the faulty basis of the Court’s determination and the errors that flow from it.

message.⁴⁴ The transformative use test, announced first by the Supreme Court in *Campbell v. Acuff-Rose Music, Inc.*, holds that the more the second work transforms the first work—in purpose and character—the more likely the first fair use factor favors the second work.

Under the first of the four § 107 factors, the purpose and character of the use, including whether such use is of a commercial nature . . . the enquiry focuses on whether the new work merely supersedes the objects of the original creation, or whether and to what extent it is ‘transformative,’ altering the original with new expression, meaning, or message. The more transformative the new work, the less will be the significance of other factors, like commercialism, that may weigh against a finding of fair use.⁴⁵

The appellate court justified its decision finding insufficiently transformed meaning or message for purposes of the first fair use factor by critiquing the district court’s reliance on Warhol’s artistic style as the source of the aesthetic transformation. It concluded that “the Prince Series retains the essential elements of its source material, and . . . the Goldsmith Photograph remains the recognizable foundation upon which the Prince Series is built.”⁴⁶

In doing so, the appellate court seemed to talk out both sides of its mouth. It cited copyright’s aesthetic non-discrimination principle as the basis for the district court’s error interpreting Warhol’s art as different in meaning and message from Goldsmith’s photograph.⁴⁷ And then it also conducted its own aesthetic analysis comparing the two works and finding insufficient aesthetic differences. The court said that the two works are both works of visual art and portraits of the same person, and that despite “the distinct aesthetic sensibility that many would immediately associate with Warhol’s signature style—the elements of which are absent from the Goldsmith photo,” the *Prince Series* “is not ‘transformative’ within the meaning of the first factor.”⁴⁸ The Second Circuit’s application of the aesthetic non-discrimination principle, its fair use analysis, and its rejection of the district court’s findings of new expression, meaning, and message work profound shifts in copyright law and are contrary to milestone Supreme Court decisions, including those as recent as 2021.

The Supreme Court granted certiorari to resolve the issue—or so it had seemed. Specifically, the question presented on which the Court granted cert was published as follows:

44. *Andy Warhol Found. for Visual Arts, Inc.*, 11 F.4th at 40 (pointing, for example, to the fact that “at least at a high level of generality, [the two works] share the same overarching purpose (i.e., to serve as works of visual art)”).

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

46. *Andy Warhol Found. for the Visual Arts, Inc.*, 11 F.4th at 43.

47. *Id.* at 41–42 (“[T]he district judge should not assume the role of art critic and seek to ascertain the intent behind or meaning of the works at issue. That is so both because judges are typically unsuited to make aesthetic judgments and because such perceptions are inherently subjective.”).

48. *Id.* at 42.

This Court has repeatedly made clear that a work of art is “transformative” for purposes of fair use under the Copyright Act if it conveys a different “meaning or message” from its source material. *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 579 (1994); *Google LLC v. Oracle Am., Inc.*, 141 8. Ct. 1183, 1202 (2021). In the decision below, the Second Circuit nonetheless held that a court is in fact forbidden from trying to “ascertain the intent behind or meaning of the works at issue.” App. 22a-23a. Instead, the court concluded that even where a new work indisputably conveys a distinct meaning or message, the work is not transformative if it “recognizably deriv[es] from, and retain[s] the essential elements of, its source material.” *Id.* at 24a.

The question presented is:

Whether a work of art is “transformative” when it conveys a different meaning or message from its source material (as this Court, the Ninth Circuit, and other courts of appeals have held), or whether a court is forbidden from considering the meaning of the accused work where it “recognizably deriv[es] from” its source material (as the Second Circuit has held).⁴⁹

The Supreme Court failed to resolve this question and instead issued an opinion expanding the scope of derivative works on the basis of a misunderstanding about “use as an artist reference.” We return to this flawed analysis in Part III.

C. A SHORT HISTORY OF PHOTOGRAPHY COPYRIGHT CASE LAW

Photography cases from the past several decades—specifically, those that are natural ancestor precedents for *Warhol*—have not always invoked the derivative work right in the ways suggested by the Court’s reasoning in *Warhol*. While a full account of such litigation is beyond the scope of this Article, we highlight here some notable cases to demonstrate *Warhol*’s unorthodox reasoning regarding the relevance of “use of an artist reference” to the derivative work right and how unnecessary that aspect is in the context of similar cases.

First, a preliminary note. As discussed above,⁵⁰ because the district court decided the case on fair use grounds without deciding infringement, the issue of infringement was not squarely presented or decided. Both the district court and the court of appeals mostly analyzed the application of fair use, although, as previously mentioned, in both decisions some discussion was devoted to infringement of the reproduction right (under the “substantial similarity” test). When the Supreme Court decided the case, it remained a fair use case, but the assumption in *Warhol* appeared to be that *Warhol* infringed Goldsmith’s right to prepare derivative works largely because of the agreement for her photo to “serve as an artist reference.”⁵¹

49. Petition for a Writ of Certiorari at i, *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 598 U.S. 508 (2023) (No. 21-869) (alterations in original).

50. See *supra* Part I.B.

51. *Andy Warhol Found. for the Visual Arts, Inc.*, 598 U.S. at 520. As we mentioned *supra* note 3, our analysis of the relevance of “use of an artist reference” remains the same whether the new work produced is accused of being a “substantially similar copy” or a “derivative work.”

For our purposes in this Article, the shift in analysis from an unlawful copy to an unlawful derivative work is significant because the Court appears ready to assume the latter (without analysis) thanks alone to Goldsmith's permission to "use [her photograph] as [an] artist reference." With the discussion of cases that follow and the history and uses of artist references in Parts II and III, we hope to complicate that assumption and reorient the infringement analysis as one that compares the aesthetics of the two works—either as a substantially similar copy or as a derivative work (or as neither)—informed by the statutory definition and case law. An assumption that the derivative work right has been infringed without factual and legal analysis ignores the independence of the derivative work as an exclusive right grounded in a statutory definition and informed by relevant case law and history.⁵² And the same assumption has direct implications on the correct application of fair use factors one and four, whereby the nature of the transformation of the work (its "purpose and character") and the existence of a distinct market for the new work as altered become centrally relevant. In other words, the fair use analysis would arguably proceed differently on these two important factors with more clarity on the existence and scope of the derivative work at issue.

Of course, whether the reproduction right and right to prepare derivative works are meaningfully distinct has been the subject of sustained analysis.⁵³ Most commentators agree that while the rights overlap, their separate enumeration and evidence from the legislative history indicate their independence. A violation of one (e.g., the right to make copies) does not necessarily mean a violation of the other (e.g., the right to prepare derivative works), and vice versa.⁵⁴ Moreover, the legislative history to the 1976 Act does not mention "derivative works," only "versions" and "adaptations,"⁵⁵ indicating an intention to capture in the author's exclusive right to prepare derivative

52. To be sure, 17 U.S.C. § 106(1) and 106(2) may and often do overlap. See *supra* notes 3, 50–51; *infra* note 53. But the breadth of the derivative work right and its confusion with a fair use that is a "transformative work" make the need for disentanglement all the more vital. As *Warhol* explained: "As most copying has some further purpose and many secondary works add something new, the first [fair use] factor asks 'whether and to what extent' the use at issue has a purpose or character different from the original. . . . The larger the difference, the more likely the first factor weighs in favor of fair use. A use that has a further purpose or different character is said to be 'transformative,' but that too is a matter of degree. . . . To preserve the copyright owner's right to prepare derivative works, defined in § 101 of the Copyright Act to include 'any other form in which a work may be recast, transformed, or adapted,' the degree of transformation required to make 'transformative' use of an original work must go beyond that required to qualify as a derivative." *Andy Warhol Found. for the Visual Arts, Inc.*, 598 U.S. at 510 (emphasis in original) (citations omitted).

53. See e.g., Pamela Samuelson, *The Quest for a Sound Conception of Copyright's Derivative Work Right*, 101 GEO. L.J. 1505 (2013); Daniel Gervais, *The Derivative Right, or Why Copyright Law Protects Foxes Better Than Hedgehogs*, 15 VAND. J. ENT. & TECH. L. 785, 805 (2013).

54. But see MELVILLE B. NIMMER & DAVID NIMMER, 2 NIMMER ON COPYRIGHT § 8.09[A][1] ("[I]f the right to make derivative works, i.e., the adaptation right, has been infringed, then there is necessarily also an infringement of either the reproduction or performance right.").

55. See e.g., H. COMM. ON THE JUDICIARY, 87TH CONG., COPYRIGHT LAW REVISION, REPORT OF THE REGISTER OF COPYRIGHTS ON THE GENERAL REVISION OF THE U.S. COPYRIGHT LAW 22 (1961) (stating the "right to make new versions," including "translations, adaptations").

works certain targeted “reuses of protected works”⁵⁶ that were of concern to the copyright industries engaging in the legislative reform. Eventually, these targeted adaptations or versions were enumerated in the nine exemplary derivatives contained in the statutory definition of a derivative work and, as Professor Pamela Samuelson has argued, also include the exemplars’ “close analogues.”⁵⁷ This is to say that what is and infringes as a “derivative work” is not always the same as what is or infringes as a “copy” under the reproduction right. And keeping in mind these separate two categories and their analyses—and the purposes for their independence—can help clarify the relevance of the evidence in the infringement case and the ultimate determination of the scope of protection, liability, and strength of defenses.

For our purposes, the distinction between the reproduction right and the right to prepare derivative works is in the kind of analysis necessary to find (1) infringement and (2) existence of fair use, especially for factor one’s assessment of “purpose and character” and factor four’s assessment of market harm. Whether the second work is a “substantially similar copy” put to a different purpose or, alternatively, a new version of the first work with a different “character” demands aesthetic and contextual analysis that relies on distinct facts and expertise. Arguably, Goldsmith could have prevailed following either path, but the fair use analysis for a violation of the reproduction right would have relied on different facts and analyses: proving that *Orange Prince* was a substantially similar copy of Goldsmith’s photograph, and that an ordinary observer not setting out to notice differences would mostly see their similarities.⁵⁸ The first fair use factor would then be easy for Goldsmith, because the two images would have been determined to be substantially the same and, at least for licensing to magazines to illustrate a story about Prince, the two works would therefore be substitutable.

But if Warhol’s art is arguably a derivative work—an adaptation or new version of the Goldsmith photo—the nature and purposes of Warhol’s changes would affect whether Warhol produced a derivative work as enumerated within the definitional nine categories or their close analogues. Similarly, if the changes Warhol made to the image’s purpose and character are so far transformed (“with new expression, meaning, or message”⁵⁹), fair use’s first factor would lean in Warhol’s favor and away from infringement liability. This predicate determination of a derivative work would also affect the fair use analysis under factor four, which asks not only about aesthetic and

56. Gervais, *supra* note 53, at 800.

57. Samuelson, *supra* note 53, at 1509.

58. *See, e.g.*, Peter F. Gaito Architecture, LLC v. Simone Dev. Corp., 602 F.3d 57, 66 (2d Cir. 2010) (“The standard test for substantial similarity between two items is whether an ‘ordinary observer, unless he set out to detect the disparities, would be disposed to overlook them, and regard [the] aesthetic appeal as the same.’” (alteration in original) (citations omitted)). Sometimes an analogous test is posed. *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 11 F.4th 26, 53 (2d Cir. 2021) (“In general, and as applicable here, two works are substantially similar when ‘an average lay observer would recognize the alleged copy as having been appropriated from the copyrighted work.’” (citations omitted)).

59. *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 579 (1994).

purposive transformation but also about foreseeable derivative markets for the altered work, a potentially harder factual proffer than with substantially similar copies.⁶⁰

What facts did *Warhol* rely upon to determine that *Orange Prince* was a derivative work other than Goldsmith's permission to provide her photograph as an "artist reference" for Warhol? What facts support such a finding absent the agreement between Goldsmith and *Vanity Fair*? What makes the *Orange Prince* a derivative work (and not a substantially similar copy) that demands a special kind of treatment when subject to the fair use factors? And what about all the other works in the *Prince Series* that may have different characters and purposes?

The *Warhol* Court provided no answer to these questions and only conclusory assessments about the role of derivative works in the photography business and the prominence of licensing photographs in news media.⁶¹ And that thin reasoning does not help establish that Warhol's work is a derivative work as defined by statute and case law. If the Court's reason for so concluding is based only on Goldsmith's permission for Warhol to "use [her photograph] as [an] artist reference," we assert this is insufficient as a matter of fact and law. More broadly, we think that the simple formula that "use as an artist reference" always creates a "derivative work" is not consistent with the case law, the history of the right to prepare derivative works, or its implication for the fair use analysis.

60. Markets for substantially similar copies are often presumed, unless the uses reflect the statutory preamble, such as for criticism, commentary, news reporting, education, scholarship, or research. 17 U.S.C. § 107. *But see Campbell*, 510 U.S. at 591 ("No 'presumption' or inference of market harm that might find support in *Sony* is applicable to a case involving something beyond mere duplication for commercial purposes.").

61. See discussion of these facts, *infra* Parts II and III.

For example, in *Reece v. Island Treasures Art Gallery, Inc.*, a case from 2006, a photographer brought an action for copyright infringement of his “sepia tone image of a woman kneeling in the beach shorebreak, performing in the hula kahiko tradition with the shoreline in the distant background.”⁶² He sued an art gallery for publicly displaying a stained-glass version of his photograph. Here are the relevant works:



Figure 4: Kim Taylor Reece, *Makanani* (left); Marylee Leialoha Colucci, *Nohe* (right)⁶³

The case was framed as a simple reproduction right violation: The plaintiff had argued that the stained-glass work was “a virtually identical copy of” plaintiff’s photograph.⁶⁴ And the court decided the case purely on reproduction right violation principles, finding—after a substantial comparison of the two works⁶⁵—that they were not substantially similar, let alone that any derivative work right had been violated.⁶⁶

In a more recent case, *Laspatas DeCaro Studio Co[r]poration v. Rimowa GmbH*, a creative marketing agency’s photos “evoking Hollywood in the 1920s” were used without its permission as “reference photographs” for an “advertising campaign and lookbook” for

62. *Reece v. Island Treasures Art Gallery, Inc.*, 468 F. Supp. 2d 1197, 1200 (D. Haw. 2006).

63. *Id.*

64. *Id.* at 1201. Indeed, this language is a direct quote from the plaintiff’s complaint, which nowhere mentioned the derivative work (or adaptation) right. See First Amended Complaint at 2, *Reece*, 468 F. Supp. 2d 1197 (No. 06-00489 JMS/BMK) (“The infringing image is at least substantially similar to the original photograph, and in fact is virtually identical to the original.”).

65. *Reece*, 468 F. Supp. 2d at 1204–09.

66. *Id.* at 1204.

a German luggage manufacturer.⁶⁷ In that case, the plaintiff did allege violations of various rights, including the derivative work right.⁶⁸ The court denied cross-motions for summary judgment “to both parties on the issue of substantial similarity because [it found] that reasonable jurors could differ as to whether each of the allegedly infringing . . . photographs is substantially similar to the corresponding . . . original.”⁶⁹ Noteworthy for our purposes is the degree of care the court used in explaining the similarities and differences between the images, rather than automatically converting use of reference into infringement and granting summary judgment to the plaintiff. Here is one representative pairing of images:



Figure 5: Plaintiff's image (left); Defendants' image (right)

And here is what the court had to say:

Scènes-à-faire in this . . . pair of images include the woman in a flapper dress, the Jack Russell terrier on a director's chair, and the background, which in both images evokes a classic studio lot. Similarities that may be protectable include the general positioning of objects in the images, with the dog on the director's chair to the left, facing the woman on the right with its forelimbs resting on the seat arm. The woman in both images extends an imaginary treat to the dog with her right hand, standing with her left arm back and her left leg bent (although the women are not identically posed). Both images frame the dog with a more distant background and have ladders against the wall in the top right quadrant of the image.

But the two images differ in ways such that a reasonable jury could find that they are not substantially similar. For instance, the lighting and tones in the images are almost reversed. The models in the [plaintiff's] image are outside a warehouse in the daytime. On the top left quadrant of the image is the entrance to a dark warehouse. The woman is dressed in black or dark colors. The model in the [defendants'] image is inside a dark warehouse or hangar, backlit by the daylight coming through the entrance to the building on the top left and a studio light on the right which casts long shadows in the image. The

67. *Laspatha DeCaro Studio Co[r]poration v. Rimowa GmbH*, No. 16 Civ. 934 (LGS), 2018 WL 3059650, at *1-2 (S.D.N.Y. June 20, 2018).

68. First Amended Complaint and Demand for Jury Trial at 8-12, *Rimowa GmbH*, No. 16 Civ. 934 (LGS), 2018 WL 3059650.

69. *Rimowa GmbH*, 2018 WL 3059650, at *3.

woman is dressed in white or light colors. The overall effect is that the [defendants'] image is more dramatic.⁷⁰

Many photography cases are decided on fair use grounds, meaning that the two works may appropriately enjoy two rounds of aesthetic scrutiny by the court. In *Rogers v. Koons*, Jeff Koons's sculpture *String of Puppies* was alleged to have infringed photographer Art Rogers's photo *Puppies*.⁷¹



Figure 6: Art Rogers, *Puppies* (top left); Jeff Koons, *String of Puppies* (all others)

The district court in this case did focus on the derivative work right as the relevant right at issue, identifying “art reproduction” as the form of derivative.⁷² This made sense in view of one of Koons’s arguments: that the change of medium precluded his liability.⁷³

The district court admittedly did not go into much detail with respect to the similarities and differences between the works, other than invoking the “substantial

70. *Id.* at *5.

71. *Rogers v. Koons*, 960 F.2d 301, 305–06 (2d Cir. 1992). We have retrieved relevant images from the Intellectual Property Teaching Resources database, found at <https://ipteaching.ll.georgetown.edu/>.

72. *Rogers v. Koons*, 751 F. Supp. 474, 477 (S.D.N.Y. 1990), *amended on reargument*, 777 F. Supp. 1 (S.D.N.Y. 1991), *aff’d*, 960 F.2d 301 (2d Cir. 1992).

73. *Rogers*, 751 F. Supp. at 477 (noting that “Koons’ reproduction of the Rogers photograph in sculpture form does not preclude a finding of copyright infringement” and proceeding to discuss the derivative work right).

similarity” test and perfunctorily applying it.⁷⁴ But the Second Circuit went further. With respect to the infringement analysis, it noted that “Koons used the identical expression of the idea that Rogers created; the composition, the poses, and the expressions were all incorporated into the sculpture to the extent that, under the ordinary observer test, we conclude that no reasonable jury could have differed on the issue of substantial similarity. For this reason, the district court properly held that Koons ‘copied’ the original.”⁷⁵ It held, furthermore, that “Koons’ additions, such as the flowers in the hair of the couple and the bulbous noses of the puppies, are insufficient to raise a genuine issue of material fact with regard to copying in light of the overwhelming similarity to the protected expression of the original work.”⁷⁶ The fair use analysis, pre-*Campbell* as it was, did not engage in much aesthetic scrutiny, reducing the factor one analysis to the fact that “[t]he circumstances of this case indicate that Koons’ copying of the photograph ‘Puppies’ was done in bad faith, primarily for profit-making motives, and did not constitute a parody of the original work.”⁷⁷

But modern fair uses (i.e., post-*Campbell*) are quite expansive in their aesthetic analysis, which asks the hard questions about whether the new work is truly “derivative” or whether it exudes a new “purpose and character”⁷⁸ to justify the fair use defense. In another case involving Koons as a defendant, *Blanch v. Koons*, Koons’s painting *Niagara* was alleged to have infringed Andrea Blanch’s photograph *Silk Sandals by Gucci* (“*Silk Sandals*”), which had appeared in *Allure* magazine.⁷⁹

74. “There is no question in the case at bar that ‘an average lay observer’ would recognize the sculpture ‘String of Puppies’ as ‘having been appropriated from’ the photograph ‘Puppies.’ Questions of size and color aside, the sculpture is as exact a copy of the photograph as Koons’ hired artisans could fashion, which is precisely what Koons told them to do.” *Rogers*, 751 F. Supp. at 478.

75. *Rogers*, 960 F.2d at 308.

76. *Id.*

77. *Id.* at 310.

78. 17 U.S.C. § 107(1).

79. *Blanch v. Koons*, 467 F.3d 244, 247–48 (2d Cir. 2006).



Figure 7: Andrea Blanch, *Silk Sandals* by Gucci (left); Jeff Koons, *Niagara* (right)⁸⁰

The Second Circuit went out of its way to describe both works in detail and Koons's process in creating the follow-on work:

Koons scanned the image of “*Silk Sandals*” into his computer and incorporated a version of the scanned image into “*Niagara*.” He included in the painting only the legs and feet from the photograph, discarding the background of the airplane cabin and the man’s lap on which the legs rest. Koons inverted the orientation of the legs so that they dangle vertically downward above the other elements of “*Niagara*” rather than slant upward at a 45-degree angle as they appear in the photograph. He added a heel to one of the feet and modified the photograph’s coloring. The legs from “*Silk Sandals*” are second from the left among the four pairs of legs that form the focal images of “*Niagara*.”⁸¹

The case was resolved entirely on fair use grounds. Applying the transformative use test under factor one, the Second Circuit stated: “The test almost perfectly describes Koons’s adaptation of ‘*Silk Sandals*’: the use of a fashion photograph created for publication in a glossy American ‘lifestyles’ magazine—with changes of its colors, the background against which it is portrayed, the medium, the size of the objects pictured, the objects’ details and, crucially, their entirely different purpose and meaning—as part of a massive painting commissioned for exhibition in a German art-gallery space. We therefore conclude that the use in question was transformative.”⁸²

To be sure, the court bolstered its view with well-crafted and uncontradicted statements by the defendant, obviating the court’s need to rely on its own “artistic

80. *Id.*

81. *Id.* at 248.

82. *Id.* at 253.

sensibilities”⁸³—a path unavailable to Warhol in *Warhol*. But the court also gave the reader some comparative details about the two works to help contextualize its conclusion that the purpose and character of the defendant’s new work were transformed from the original on which it relied. Note also that the mere usage of a portion of Blanch’s work—“scanned” and “incorporated” though they were—did not automatically mean an infringement had occurred. Koons used Blanch’s work without permission and as a reference—even as raw material, as Warhol did (although Warhol had permission). And yet the Second Circuit did not assume that use as a reference and as incorporated into the new work automatically produced a derivative work.

Even the Seventh Circuit engaged in aesthetic analysis in its decision in *Kienitz v. Scennie Nation LLC*,⁸⁴ despite distancing itself from the Second Circuit’s high-watermark transformative use approach in *Cariou v. Prince*.⁸⁵ In *Kienitz*, the Mayor of Madison, Wisconsin, Paul Soglin sought to shut down the annual Mifflin Street Block Party, “whose theme (according to Soglin) was ‘taking a sharp stick and poking it in the eye of authority.’”⁸⁶ In connection with the 2012 Block Party, “Scennie Nation made some t-shirts and tank tops displaying an image of Soglin’s face and the phrase ‘Sorry for Partying.’”⁸⁷ Upon its sale of fifty-four such items, the photographer of the relevant image, Michael Kienitz, sued Scennie Nation for copyright infringement.⁸⁸ Infringement was not at issue. “Scennie Nation concedes starting with a photograph that Kienitz took at Soglin’s inauguration in 2011. Soglin (with Kienitz’s permission) had posted it on the City’s website, from which Scennie Nation downloaded a copy.

83. “Although it seems clear enough to us that Koons’s use of a slick fashion photograph enables him to satirize life as it appears when seen through the prism of slick fashion photography, we need not depend on our own poorly honed artistic sensibilities. Koons explained, without contradiction, why he used Blanch’s image:

Although the legs in the Allure Magazine photograph [“Silk Sandals”] might seem prosaic, I considered them to be necessary for inclusion in my painting rather than legs I might have photographed myself. The ubiquity of the photograph is central to my message. The photograph is typical of a certain style of mass communication. Images almost identical to them can be found in almost any glossy magazine, as well as in other media. To me, the legs depicted in the Allure photograph are a fact in the world, something that everyone experiences constantly; they are not anyone’s legs in particular. By using a fragment of the Allure photograph in my painting, I thus comment upon the culture and attitudes promoted and embodied in Allure Magazine. By using an existing image, I also ensure a certain authenticity or veracity that enhances my commentary—it is the difference between quoting and paraphrasing—and ensure that the viewer will understand what I am referring to.

We conclude that Koons thus established a ‘justif[ication for] the very act of [his] borrowing.’ Whether or not Koons could have created ‘Niagara’ without reference to ‘Silk Sandals,’ we have been given no reason to question his statement that the use of an existing image advanced his artistic purposes.” *Blanch*, 467 F.3d at 255 (alterations in original) (citations omitted); see Eva E. Subotnik, *Intent in Fair Use*, 18 LEWIS & CLARK L. REV. 935, 949–52 (2014) (discussing and critiquing this aspect of the decision).

84. See *Kienitz v. Scennie Nation LLC*, 766 F.3d 756 (7th Cir. 2014).

85. See *Cariou v. Prince*, 714 F.3d 694 (2d Cir. 2013).

86. *Kienitz*, 766 F.3d at 757.

87. *Id.*

88. *Id.*

The photograph was posterized, the background was removed, and Soglin's face was turned lime green and surrounded by multi-colored writing.⁸⁹ The court was thus faced with a fair use dispute over these images:⁹⁰

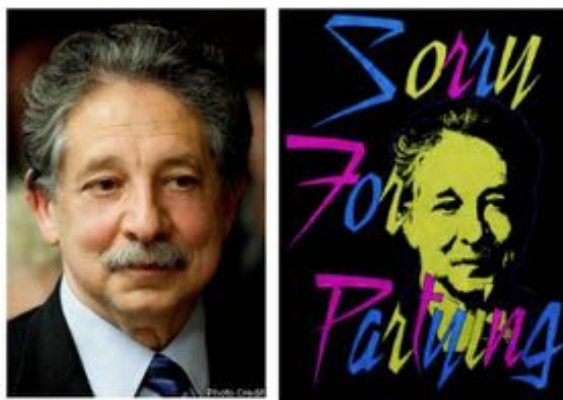


Figure 8: Photograph of Paul Soglin by Michael Kienitz (left); Scennie Nation LLC t-shirt (right)⁹¹

The court focused its attention on fair use factor three because defendants removed so much of the original to make the poster. As the court explained:

Other than factor (4), which we have discussed already, only [factor] (3)—the amount taken in relation to the copyrighted work as a whole—has much bite in this litigation. Defendants removed so much of the original that, as with the Cheshire Cat, only the smile remains. Defendants started with a low-resolution version posted on the City's website, so much of the original's detail never had a chance to reach the copy; the original's background is gone; its colors and shading are gone; the expression in Soglin's eyes can no longer be read; after the posterization (and reproduction by silk-screening), the effect of the lighting in the original is almost extinguished. What is left, besides a hint of Soglin's smile, is the outline of his face, which can't be copyrighted. Defendants could have achieved the same effect by starting with a snap-shot taken on the street.⁹²

Here, the court analyzes the characteristics of the new work as distinct from the old work precisely to determine how factor three (as it relates to the other factors) influences the fair use determination. In particular, the court analyzes whether the defendant's new work put to a new use interferes with the copyright owner's reasonable expectation of exploitable value in the photograph. By contrast, the *Warhol* Court

89. *Id.*

90. *Id.* at 758.

91. *Id.*

92. *Id.* at 759.

conducted fair use factor one's aesthetic analysis in the most cursory way. It relied only on an invoice for use of Goldsmith's photograph "to serve as an artist reference"⁹³ to declare the Warhol prints "stylized derivatives"⁹⁴ and that both artists occasionally publish their portraits in magazines.⁹⁵ *Warhol's* conclusory determination is inaccurate as a matter of photography practice and history. And as the above discussion shows, it is unusual in the context of the many lower court cases that considered the aesthetics of copyrighted works in order to conduct a thorough assessment of fair use in light of either infringing copies or derivative works.

II. THE "ARTIST REFERENCE"

A. THE SET-UP

As mentioned above, the original transaction between Lynn Goldsmith and *Vanity Fair* was for an "artist reference."⁹⁶ The facts as stated above in Part I.A and the use of the term "artist reference" were undisputed, but what "artist reference" means was nowhere explained. Instead, the Supreme Court's opinion in favor of Goldsmith kept repeating the vague understanding that artist references serve illustration purposes, as here: "*Vanity Fair* sought to license one of Goldsmith's Prince photographs for use as an 'artist reference.' The magazine wanted the photograph to help illustrate a story about the musician."⁹⁷ In one other place, the Court cites what it describes as "uncontroverted" evidence, saying:

A photographer may also license her creative work to serve as a reference for an artist, like Goldsmith did in 1984 when *Vanity Fair* wanted an image of Prince created by Warhol to illustrate an article about Prince. As noted by the Court of Appeals, Goldsmith introduced "uncontroverted" evidence "that photographers generally license others to create stylized derivatives of their work in the vein of the Prince Series." In fact, Warhol himself paid to license photographs for some of his artistic renditions. Such licenses, for photographs or derivatives of them, are how photographers like Goldsmith make a living.

93. *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 598 U.S. 508, 533–35 (2023).

94. *Id.* at 535. In recent remarks on the Supreme Court's opinion, Professor Amy Adler has argued that the Court's references to Warhol's "characteristic style" and to the fact that Warhol portrayed Prince "somewhat differently" from Goldsmith, *id.* at 546, indicate some level of aesthetic analysis. See Amy Adler, Keynote Address at the Cardozo Arts and Entertainment Law Journal's Annual Symposium: "Barking Up the Wrong Tree: An Exploration of Intellectual Property Law Protections Following Bad Spaniels and Andy Warhol" (Feb. 16, 2024). We submit that is insufficient aesthetic engagement by the Court.

95. *Andy Warhol Found. for the Visual Arts, Inc.*, 598 U.S. at 520–21.

96. See *supra* note 18 and accompanying text.

97. *Andy Warhol Found. for the Visual Arts, Inc.*, 598 U.S. at 515; see also *id.* at 517 ("In 1984, Goldsmith, through her agency, licensed that photograph to *Vanity Fair* to serve as an 'artist reference for an illustration' in the magazine."); *id.* at 533–34 ("After Goldsmith licensed the photograph to *Vanity Fair* to serve as an artist reference, Warhol used the photograph to create the *Vanity Fair* illustration and the other Prince Series works. *Vanity Fair* then used the photograph, pursuant to the license, when it published Warhol's illustration in 1984.").

They provide an economic incentive to create original works, which is the goal of copyright.⁹⁸

There are many problems with these statements. First, the evidence was not uncontroverted. Goldsmith testified she could recall no other instance in which her photographs of Prince were used as a possible artist reference.⁹⁹ Second, the other evidence on which the Court relies is a preliminary expert report explaining existing licensing markets for photographs, including use on book covers and product packages, but not including use as “artist references.”¹⁰⁰ Indeed, the excerpt of the expert report before the Court nowhere mentions “artist reference.” Third, the Supreme Court’s conflation of “artist reference” with “stylized derivative” in the above sentences is the legal question to be decided but lacks any legal analysis.

By defining an “artist reference” as something that yields “stylized derivatives,” which is necessarily within the scope of the original author’s copyright, the Supreme Court avoided addressing the case’s central legal issue: whether what was produced *in this case* with the artist reference is an infringing work or a fair use. This leaves lower courts and future parties in an uncomfortable state of uncertainty. It also disrupts the well-established practice of using “artist references” to make new art.

And herein lies our central claim: Not all uses of artist references produce infringing works that must be licensed;¹⁰¹ visual artists regularly rely on existing works to create their own.¹⁰² And when an artist receives permission to use or “reference” existing copyrighted works, doing so does not necessarily produce work that required permission in the first place. The Court’s *deus ex machina*—conflating “artist reference”

98. *Id.* at 535 (citations omitted).

99. “Goldsmith testified that she did not know whether, aside from the license to Vanity Fair in 1984, she or her company ever (1) licensed any of the photographs from her December 3, 1981 studio shoot; (2) licensed any of those photographs for use as an artist reference; or (3) licensed any other photograph she has made of Prince for use as an artist reference.” Joint Appendix – Volume II, *supra* note 29, at 568.

100. *Id.* at 291–99 (Preliminary Expert Report of Professor Jeffrey Sedlik). Sedlik’s Amicus Brief, not cited by the Court, describes a “specialized . . . license that would allow a creative artist to use a photograph in a derivative work . . . [as] an ‘artist reference license.’” Brief of Amicus Curiae Jeffrey Sedlik, Professional Photographer and Photography Licensing Expert, in Support of Respondents at 31, *Andy Warhol Found. for the Visual Arts, Inc.*, 598 U.S. 508 (No. 21-869). In support, Sedlik references the PLUS Coalition’s definition, an organization Sedlik co-founded in 2004. *Id.* at 31–32.

101. The fact that the invoice for the transaction between VANITY FAIR and Goldsmith was sometimes called a license by the parties in litigation does not change the legal analysis of *whether what was produced from the transaction required a license under law*. To be sure, VANITY FAIR and Warhol had no way of accessing the Goldsmith photo without permission from Goldsmith, as it was an unpublished photograph in her archives. So, the VF Invoice was as much as bailment for the tangible copy of the photo as it was a license to use for a particular purpose and not others. Whether the license also included the right to reproduce copyrightable expression in the photo may be assumed by the language of the invoice: The photograph was to serve as a reference for an illustration in the magazine. Whether in fact the Warhol *Prince Series* reproduced copyrightable expression from the photograph, and enough of it to be a substantially similar copy and/or a derivative work (such as an “art reproduction”), was part of the focus of the contradictory court opinions below, which the Supreme Court failed to clarify. *See supra* Part I.

102. *See infra* Part II.B.

with “stylized derivative[.]”—was both factual and legal error, which hopefully will not extend beyond the limited context of *Warhol*.

The long and diverse history of using “artist references” is worth describing in detail to avoid compounding *Warhol’s* error. Sometimes called an “aide-mémoire” in art history and practice, the artist reference is an image or object that helps an artist render work as intended.¹⁰³ Since shortly after the birth of photography in 1839, painters and other artists have relied on photographs as aide-mémoires to compose their art.¹⁰⁴ Famous painters, such as Edgar Degas, Eugène Delacroix, Vincent van Gogh, Paul Gauguin, and Paul Cézanne, all experimented with and used photographs when creating their paintings.¹⁰⁵

In general, it seems both obvious and inevitable that visual artists would use photographs as a “reference” when making paintings or other art. Consider if an artist has never seen an octopus in person or up-close but wants to include one in a painting. A photograph—or many—would be helpful to consult. This would be true for any subject of visual art that is hard to access firsthand. Think of distant places or deceased people.¹⁰⁶ Or, consider the practice of portraiture and the exhausting experience of

103. See SCHARF, *supra* note 4, at 111.

104. See *id.* at 111–12; see also GABRIEL WEISBERG, BEYOND IMPRESSIONISM: THE NATURALIST IMPULSE (1992) (describing widespread practice among naturalist painters, in response to the Realism movement, of depicting contemporary life as modern and using photography as an important tool in doing so, in many cases copying directly from photographs); Elizabeth Childs, “The Colonial Lens: Gauguin, Primitivism, and Photography in the *Fin de siècle*,” in ANTIMODERNISM AND ARTISTIC EXPERIENCE: POLICING THE BOUNDARIES OF MODERNITY 50 (Lynda Jessup ed., 2001) (describing Gauguin’s use of photography for his Tahitian paintings). Art historians describe Gauguin as having carried photographs with him to Tahiti for his paintings and contributing to dozens of works of art. See Charles Stucky, *The First Tahitian Years*, in THE ART OF PAUL GAUGUIN 210, 214 (1988) (reporting in a collection of letters edited by Roseline Bacou and Ari Redon, “Lettres de Gauguin, Gide, Huysmans, Jammes, Mallarme, Verhaeren . . . à Olion Redon” (1960), in which Gauguin writes, “I am bringing a whole little world of friends with me in the form of photographs [and] drawings who will speak to me everyday” (alteration in original)); see also ELIZABETH C. CHILDS, VANISHING PARADISE: ART AND EXOTICISM IN COLONIAL TAHITI 95 (2013) (describing the number of Gauguin works based on photographs).

105. See, e.g., *Photo Models of Alphonse Mucha – in the Photos and Paintings. Captivating Images and Their Prototypes*, ARTHIVE (Feb. 1, 2019) [hereinafter ARTHIVE], https://arhive.com/publications/1156~Photo_models_of_Alphonse_Mucha_in_the_photos_and_paintings_Captivating_images_and_their_prototypes/ [https://perma.cc/LR77-VNCF] [https://web.archive.org/save/https://arhive.com/publications/1156~Photo_models_of_Alphonse_Mucha_in_the_photos_and_paintings_Captivating_images_and_their_prototypes/] (collecting art and commentary devoted to networking among artists, galleries, and collectors).

106. Of course, photography as a medium has long been noted for its ability to bring the world closer, and the past present. See, e.g., Walter Benjamin, *The Work of Art in the Age of Its Technological Reproducibility*, in 4 WALTER BENJAMIN: SELECTED WRITINGS: 1938–1940, at 19, 21–22 (Howard Eiland & Michael W. Jennings eds., 2006) (“[T]echnological reproduction can place the copy of the original in situations which the original itself cannot attain” and “enables the original to meet the recipient halfway” . . . “in the form of a photograph.” . . . The “cathedral leaves its site to be received in the studio of an art lover.”). Roland Barthes opens *Camera Lucida* with his experience of coming across an 1852 photograph of Napoleon’s youngest brother and realizing, with “amazement,” that “I am looking at eyes that looked at the Emperor.” ROLAND BARTHES, *CAMERA LUCIDA: REFLECTIONS ON PHOTOGRAPHY* 3 (Richard Howard trans.,

sitting for a painter over hours and days. A photographic artist reference is now standard practice for portrait painters to free them and their subject from the confinement of portrait sitting. Photography is of course its own art form. But it is also—and has always been—an aid for painting and drawing, as well as an input into the art itself. Below we describe diverse kinds and uses of photographic “artist references.” As should become clear, the term is much broader and varied than *Warhol* made it seem. And, erasing that variation undermines copyright’s goals of facilitating the making and dissemination of works of authorship: If all photographic artist references become “stylized derivatives,” the practice of making art by referring to photographs without permission and payment has been rendered illegal.¹⁰⁷

B. A LONG PRACTICE OF PERMITTED USES AS ARTIST REFERENCE

Henri de Toulouse-Lautrec (1864–1901), an artist famous for his fin de siècle illustrations of life in the Paris neighborhood around Montmartre, relied on photographs as references for his work. Lautrec’s artistry and career successes also relied on the rise of printmaking and “elevated the popular medium of the advertising lithograph to the realm of high art.”¹⁰⁸ As one curator at the Metropolitan Museum of Art wrote, “It is fair to say that without Lautrec, there would be no Andy Warhol.”¹⁰⁹ Lautrec was not a photographer himself, but he asked his many photographer friends to make photographs for him. Some photographs are described by art historians as “commissioned” photos and many others as made by “amateur” photographers.¹¹⁰

1981) (internal quotation marks omitted). In this latter example, the photograph serves as a portal to an earlier time as well as to an inaccessible visual subject.

107. Of course, Andy Warhol had permission to use, as we describe in more detail below. With permission to use the Goldsmith photo as an artist reference, the question of whether his *Prince Series* is infringing—that is, whether or not the paintings are derivative works or fair uses—should end there. Under the VF Invoice, VANITY FAIR may have only had the right to publish the work resulting from use of the artist reference one time, but that transaction and its restriction involved only VANITY FAIR’s use of the photo and Goldsmith, not Andy Warhol’s use of the photograph.

108. Cora Michael, *Henri de Toulouse-Lautrec (1864–1901)*, THE METRO. MUSEUM OF ART (May 2010), https://www.metmuseum.org/toah/hd/laut/hd_laut.htm [https://perma.cc/FDX4-RUS6] [https://web.archive.org/save/https://www.metmuseum.org/toah/hd/laut/hd_laut.htm].

109. *Id.*

110. Press Release, *Exhibition: Toulouse-Lautrec and Photography*, Sektion der Ausstellung, Kunst Museum Bern (Aug. 28, 2015), https://www.kunstmuseumbern.ch/admin/data/hosts/kmb/files/page_editorial_paragraph_file/file_en/1107/150826_ausstellungsfuehrer_toulouse_lautrec_e.pdf?lm=1440581397 [https://perma.cc/SAK6-T9ZA] [https://web.archive.org/save/https://www.kunstmuseumbern.ch/admin/data/hosts/kmb/files/page_editorial_paragraph_file/file_en/1107/150826_ausstellungsfuehrer_toulouse_lautrec_e.pdf?lm=1440581397].

“Of the three photographers who often did this work for him, only one was a professional photographer, and his name was Paul Sescou. The second was François Gauzi. He was actually a painter and, together with Lautrec in the 1880s, a student of Fernand Cormond in Paris. The last of the trio was Maurice Guibert, a young bon viveur who earned his living as a sales representative for champagne makers . . . but was first and foremost an enthusiastic amateur photographer. Many of the best photographic portraits of Lautrec were taken by this long-standing friend; however, they were all first made after 1890. Prior to this date, the artist engaged especially François Gauzi to do photography commissions for him. . . . Of the three photographer

Whatever the business relationship between photographer and artist, Lautrec's art relied on the referential photographs. And, that same art is celebrated as Lautrec's own authored work, separate from the photographs on which he relied.¹¹¹ A recent exhibition at the Kunstmuseum Bern in Bern, Switzerland, focused on the interrelationship between Lautrec's art and the rise of photography. It exhibited side-by-side the photographs and the illustrations for which Lautrec became famous, explaining that "[w]hatever he depicted and how he did so would have been inconceivable without photography."¹¹²

Here are just two examples:

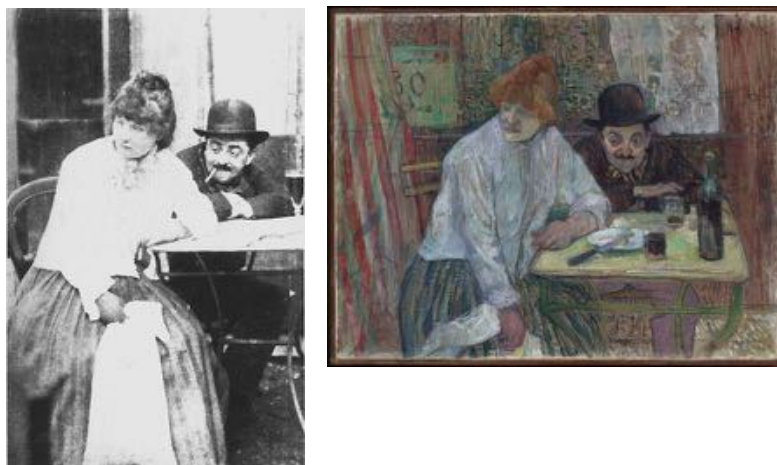


Figure 9: Photo reference (left); Henri de Toulouse-Lautrec, *At the Café La Mie* (right)¹¹³

friends, Paul Sescou also loved wearing costumes and taking pictures of himself in these getups, often posing with a musical instrument [in] his hands. Sescou must have been a very talented musician too. Lautrec designed a color poster for him when he opened up his new photographer's studio at Place Pigalle in 1896/1897." *Id.*

111. Contemporary analysis of these business relationships might conceive of the transactions as "implied licenses" to use the photograph where the photographer would expect the artist to have full range of uses of the work made by reference to the photograph. Terms of implied licenses are context specific and arise from the parties' conduct, relationship, and history of dealings. *See, e.g.*, Aaron Perzanowski, *Tattoos, Norms, and Implied Licenses*, 107 MINN. L. R. HEADNOTES 104 (2023); *see also* Christopher M. Newman, "What Exactly Are You Implying?": *The Elusive Nature of the Implied Copyright License*, 32 CARDOZO ARTS & ENT. L. J. 501 (2014).

112. *Toulouse-Lautrec and Photography*, KUNSTMUSEUM BERN, <https://www.kunstmuseumbern.ch/en/see/today/493-toulouse-lautrec-120.html> [<https://perma.cc/D4L3-KM6Z>]

[<https://web.archive.org/web/20240214191156/https://www.kunstmuseumbern.ch/en/see/today/493-toulouse-lautrec-120.html>] (last visited Feb. 14, 2024).

113. *See, e.g.*, Erika Lancaster, *When and How To Use Other People's Photographs To Create Art*, ERIKA LANCASTER (Dec. 12, 2017), <https://www.erikalancaster.com/art-blog/an-artists-guide-to-using->



Figure 10: Photo reference (left); Henri de Toulouse-Lautrec, *Jardin de Paris* (right)¹¹⁴

Lautrec's example shows how photography influences art and how art shapes photographic practices. One form of creative practice does not predominate over the other, "come first" (as in have creative priority), or become "derivative" of the other. Indeed, the critical reception and celebration of artists such as Lautrec demonstrate the mutual integration of photography with art.

Another fin de siècle artist, Alphonse Mucha (1860-1939), also relied on photographs as part of his celebrated paintings.¹¹⁵ But Mucha made his own photographs as part of his artistic practice. Like other artists of his time, Mucha experimented with photography as a new technology and tool. But not until he was in Paris and sharing a studio with Paul Gauguin did he own a reliable camera to use for his commissioned art work.¹¹⁶ At this time, between 1893–1896, he became well-known for his series on Sarah Bernhardt advertising theatrical performances in which she appeared. Many of them began as photographs for the purpose of eventually becoming theater posters.¹¹⁷

references-pt1-when-and-how-to-use-other-peoples-photographs-to-create-art [https://perma.cc/6T34-8L9Z] [https://web.archive.org/web/20240124022928/https://www.erikalancaster.com/art-blog/an-artists-guide-to-using-references-pt1-when-and-how-to-use-other-peoples-photographs-to-create-art].

114. ARTHIVE, *supra* note 105; see also JIRI MUCHA ET AL., ALPHONSE MUCHA: POSTERS AND PHOTOGRAPHS (1971).

115. ARTHIVE, *supra* note 105.

116. *Id.*

117. *Id.*



Figure 11: Photo reference (left); Alphonse Mucha, *En L'Honneur de Sarah Bernhardt* and *Sarah Bernhardt: Théâtre de la Renaissance* (right)¹¹⁸

118. *Id.*

Unlike Lautrec, Mucha more thoroughly experimented with photography, dressing up his models with his studio as a stage, “using draperies and jewels. . . . [He] preferred to improvise while shooting, and was driven by inspiration, creating works for the future rather than for a specific project.”¹¹⁹ In addition to using photographs as aide-mémoires for artwork on-demand, Mucha also made photographs to collect images and ideas for later artwork, using pieces of photographs as well as entire photographs in a bricolage process, as evidenced by the relationship between the below photographs and paintings.



Figure 12: Photo reference (left); Alphonse Mucha, *Le Soir* (right)¹²⁰

119. *Id.*

120. *Id.*



Figure 13: Photo reference (left); Alphonse Mucha, *Poster for Regional Exhibition at Ivančice 1913*¹²¹

Mucha was a prolific photographer as well as painter.¹²² The two art forms appeared inseparable for him and part of a cohesive art practice. In the above photograph of the young girl sitting in a white dress (Figure 13, left), Mucha's gridlines are visible. He then used them to adapt the photographic image into the colorful poster advertising an exhibition in Ivančice, Czechoslovakia (then part of the Hapsburg Monarchy) (Figure 13, right).¹²³ Like Lautrec, Mucha used photography as both an exercise of and a step in his creative process; the photographs both stand on their own as authored images and are tools for subsequent creativity. They are a kind of “artist reference” essential to Mucha's practice without imposing a hierarchy or constraint over later work.

Whereas Mucha created his own photographic references, and Lautrec asked photographer colleagues to create references for him, Norman Rockwell engaged in yet a third kind of creative practice employing photographic references for his famous illustrations. His practice resembled a cinematic director, staging photographs in his studio with regular photographers whom he hired as part of his studio work.¹²⁴ As one curator described Rockwell's unique photographic practice,

Unlike most illustrators, for whom camera studies are merely visual notes—convenient shortcuts to accuracy and efficient aids for meeting deadlines—Rockwell went to

121. *Id.*

122. See JIRI MUCHA ET AL., *supra* note 114.

123. ARTHIVE, *supra* note 105.

124. See RON SCHICK, *NORMAN ROCKWELL: BEHIND THE CAMERA* 9–12 (2009).

elaborate lengths to stage images that portrayed his concepts exactly, sometimes producing as many as a hundred photographs for a single work. This method was key to the hyperrealism that lay at the heart of his appeal. . . . Working with photographers much as a director does with a cinematographer, he composed the scene, positioned the camera, and decided when to shoot, although he rarely looked through the viewfinder or tripped the shutter himself.¹²⁵

125. *Norman Rockwell: Behind the Camera*, BROOKLYN MUSEUM, <https://www.brooklynmuseum.org/opencollection/exhibitions/3227> [https://perma.cc/N9TP-GQ8B] [https://web.archive.org/web/20240124023635/https://www.brooklynmuseum.org/opencollection/exhibitions/3227] (last visited Feb. 14, 2024).

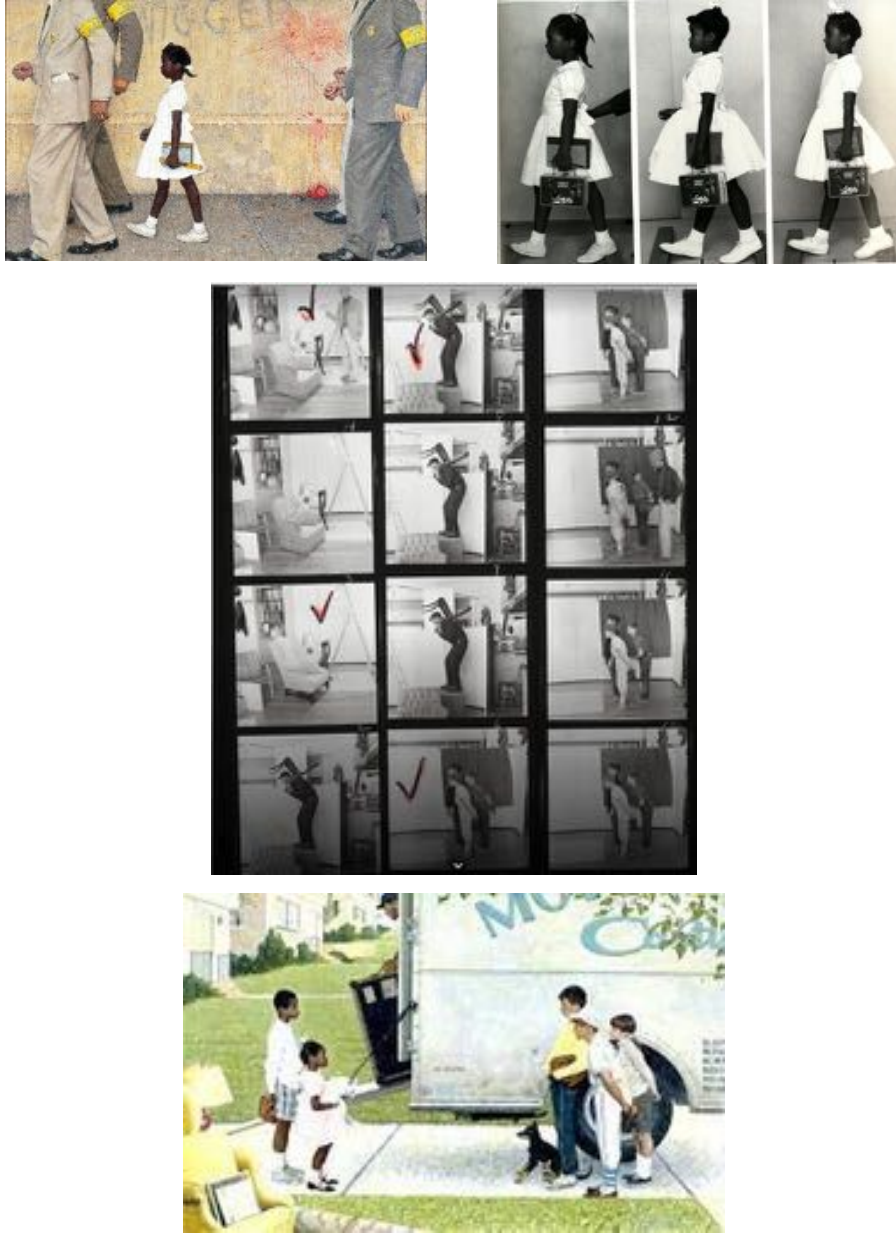


Figure 14: Norman Rockwell, *The Problem We All Live With* (top left); Photo reference for *The Problem We All Live With* (top right); Photo reference for *New Kids in the Neighborhood* (center); Norman Rockwell, *New Kids in the Neighborhood* (bottom)¹²⁶

Rockwell was a realist painter and his illustrations are examples of narrative art, telling stories with pictures.¹²⁷ He was interested in ways to visually tell a particular story, as the above contact sheet for *New Kids in the Neighborhood* demonstrates with its approved and rejected images (Figure 14). A regular group of photographers assisted Rockwell with making the reference photographs. Rockwell then traced the photographs; he did not draw freehand.¹²⁸ The subject and style of Rockwell's paintings were sometimes controversial, not only because of the socio-political commentary they contained, but also because they were commissioned illustrations, some even for advertisements, and were described by some as "kitschy and cliched."¹²⁹ Rockwell considered himself a commercial illustrator, in fact, and celebration of his artistry and groundbreaking creative style only occurred decades after the height of his commercial practice.¹³⁰

These are only three examples of cutting-edge and celebrated illustrators who relied on photographic references to produce their art. Research the practice of photographic references, and the fact of its ubiquity becomes immediately clear. The variation among the above examples demonstrates that there is not one way—be it lawful or normative—to engage in the creative practice. Mucha largely made his own photographs; Lautrec used photographs made by others; and Rockwell had studio photographers, whom he employed like assistants. Each artist used photographs deliberately, both as aide-mémoires to more efficiently render realistic illustrations and as aesthetic inputs for a final image. The final image often contained parts that resembled the photograph (or part of it) and also stood alone as original artwork. None of the artists appeared to assume that the existence of the preexisting photographs limited the making or use of their subsequent art; to the contrary, they enthusiastically embraced use of artist references for their illustrations as liberating and creativity-enhancing.

126. See SCHICK, *supra* note 124, at 202–03, 208.

127. See *id.* at 9; see also Rebecca Fulleylove, *Discover Norman Rockwell's Reference Photos for His Most Famous Paintings*, GOOGLE ARTS & CULTURE, <https://artsandculture.google.com/story/discover-norman-rockwell-s-reference-photos-for-his-most-famous-paintings/iALCpe8lCP9QJg> [https://perma.cc/VK75-2T9F] [https://web.archive.org/web/20240124024156/https://artsandculture.google.com/story/discover-norman-rockwell-s-reference-photos-for-his-most-famous-paintings/iALCpe8lCP9QJg] (last visited Feb. 14, 2024).

128. Michael Zhang, *The Photographs Norman Rockwell Used To Create His Famous Paintings*, PETAPIXEL (Dec. 27, 2012), <https://petapixel.com/2012/12/27/the-photographs-norman-rockwell-used-to-create-his-famous-paintings/> [https://perma.cc/6Q6W-6K92] [https://web.archive.org/web/20240124024529/https://petapixel.com/2012/12/27/the-photographs-norman-rockwell-used-to-create-his-famous-paintings/]; see also SCHICK, *supra* note 124, at 10–12.

129. Claire O'Neill, *Norman Rockwell's Cast of Characters Revealed*, NPR (Nov. 29, 2009), <https://www.npr.org/sections/pictureshow/2009/11/rockwell.html> [https://perma.cc/9KHQ-GTDV] [https://web.archive.org/web/20240124024722/https://www.npr.org/sections/pictureshow/2009/11/rockwell.html]. It is not clear why the commercialization of art should be controversial. We have found no evidence that Rockwell told stories with his commercial images that he would not be interested in telling otherwise.

130. *Id.*

What do these practices have to do with Warhol and the *Prince Series*? A couple of points are pertinent. First, there is variation among artists—some make their own photos, some use photos made by others—and the art made from “use as an artist reference” can vary widely. Based on that diversity of practice and outcome, it is wrong to assume one and only one legal result (an infringing “stylized derivative”) from “use as an artist reference,” whether used with permission or otherwise. Second, the practice of using photographs as an “artist reference” predated any formal copyright or contract rules between photographers and other artists, which rules presuppose licensing terms that likely did not arise until after the 1976 Act when the derivative work right was first broadly construed. Warhol was participating in that practice, established by his commercial illustrator predecessors. Whether he knew of the VF Invoice is largely beside the point if we take seriously this history of “use as an artist reference” as fundamental to twentieth-century art. Warhol was making his own work using a photograph as an “artist reference” and his art was meant to stand alone.

The practice of using photographic artist references is deeply embedded in the visual arts from the early days of photography. The Supreme Court’s overreliance on the agreement between Goldsmith and *Vanity Fair* (and not with Andy Warhol, notably) to create a legal hierarchy between the works undermines the important, historic practice between artists that understands the works as independent. By insisting that our twenty-first century copyright regime deem the new artwork “derivative” when published on a magazine cover, it subordinates the new artwork to the preexisting one when that is not what history tells us was the practice. This result is nonsensical, especially in light of the commercial examples of Mucha, Lautrec, and Rockwell, all of whom made images for advertisements and journalistic illustration. Further, it is not what the 1984 agreement says.¹³¹ And, in context of art history and practice, it cannot

131. The VF Invoice could be read in several ways. As we explain *infra* Part III.C, we think the best interpretation is that Warhol was given access to and permitted to use the Goldsmith photograph to make any number of illustrations—that is consistent with the above-described history—and VANITY FAIR was permitted to publish one of those illustrations in its 1984 November issue. The practice of “use as an artist reference” (and the data from contemporary photographers in Part III) strongly suggest that Warhol’s art made by reference to the photograph was wholly his own, as long as it was aesthetically distinguishable and not a mere copy of Goldsmith’s work.

To be sure, this case could have been litigated as a contract dispute instead of as a copyright infringement case. But Goldsmith did not threaten Condé Nast with a lawsuit (be it contract or otherwise). See Karol, *supra* note 24. Goldsmith threatened AWF instead with a copyright infringement claim that the *Prince Series* was an infringing derivative work. *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 598 U.S. 508, 513 (2023). In that posture, the resulting declaratory judgment action brought by AWF understandably defended the Warhol art from being rendered unlawful (and thus uncopyrightable without Goldsmith’s permission). This presumably would have been pursuant to § 103(a) of the Copyright Act. See *Anderson v. Stallone*, 11 U.S.P.Q.2d 1161 (C.D. Cal. 1989) (holding that an unauthorized screenplay about Sylvester Stallone’s Rocky character is an infringing derivative work of the character Rocky and thus not entitled to copyright protection by screenplay author under § 103(a)); *Pickett v. Prince*, 207 F.3d. 402 (7th Cir. 2000) (holding that an unauthorized derivative of Prince’s symbol—made into a guitar—cannot be copyrighted by guitar designer under § 103(a)). There is some debate about the reach of § 103(a) when the secondary work is not pervaded by or intermingled with the unlawfully used work. See *Anderson*, 11 U.S.P.Q.2d at 1168 (discussing dispute in legislative history). But that situation does not easily apply to the

be what the agreement meant—not for Andy Warhol, the artist whose use of artist references was as legendary as they were varied and persistent.¹³²

None of this is to suggest that copyright law should yield to artistic practice and history. But, of course, when copyright is supposed to further creativity and support artistry, one wonders: Why not yield? To be sure, practices change and norms evolve. Between 1984, when Warhol made his *Prince Series*, and 2016, when Condé Nast ran a second article about Prince with a Warhol on its cover, the use of artist references

Prince Series, given it is not a work (unlike a compilation or collective work) easily separable into Goldsmith's photograph and Andy Warhol's art. The upshot is that Goldsmith initially sought through her counterclaim to invalidate AWF's copyright in the *Prince Series*, preventing AWF from licensing the works without permission from Goldsmith. Amended Answer of Defendants, Amended Counterclaim of Lynn Goldsmith for Copyright Infringement and Jury Demand at 105, *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 382 F. Supp. 3d 312 (S.D.N.Y. 2019) (No. 17-cv-02532-JGK); accord Samuelson, *supra* note 14, at 531–42 (discussing this point at length).

132. Francisco, *supra* note 5 (describing Warhol's use of Polaroids in his early portraiture). "At the same time, he treated photography as both a reference tool for painting and an artistic medium of its own." *Id.* at 3; see also Thomas Crow, *From the Archives: Saturday Disasters: Trace and Reference in Early Warhol*, ART IN AM. (Jan. 1, 1987), <https://www.artnews.com/art-in-america/features/archives-saturday-disasters-trace-reference-early-warhol-63578/> [<https://perma.cc/FWH4-RQ5Z>] [<https://web.archive.org/web/20240215175454/https://www.artnews.com/art-in-america/features/archives-saturday-disasters-trace-reference-early-warhol-63578/>] (describing Warhol's use of photos he made, photos made for him, and photos he selected from other media to incorporate into his artwork, some silkscreens, some collages, and others tracings); George Porcari, *Who Shot Marilyn? Photography, Film and Andy Warhol's Silkscreens of Marilyn Monroe*, LIGHTMONKEY (2015), <https://www.lightmonkey.net/who-shot-marilyn> [<https://perma.cc/9AZ3-DAHU>] [<https://web.archive.org/web/20240128174723/https://www.lightmonkey.net/who-shot-marilyn>] (describing the use of Gene Kornman's publicity photograph of Marilyn Monroe for her performance in Niagara as part of Warhol's death series). For the digital image of the original Kornman photograph with Warhol's crop marks, resembling the way he cropped the Goldsmith photograph of Prince, see Fig. 3. *This 1953 Publicity Photograph of Marilyn Moroe by Photographer Gene Korman, Bearing Andy Warhol's Crop Marks, Was the Source Image for Warhol's Marilyn Series. / Beyond Pop's Image: The Immateriality of Everyday Life*, UNIV. OF MICH. LIBR., https://quod.lib.umich.edu/b/bulletinic/x-03101-und-03/03101_03 [<https://perma.cc/87JK-XBKV>] [https://web.archive.org/save/https://quod.lib.umich.edu/b/bulletinic/x-03101-und-03/03101_03] (last visited Feb. 15, 2024). For further discussion of Andy Warhol's persistent use of photographs as potentially infringing, see Kate Donahue, *Andy the Appropriator: The Copyright Battles You Won't Hear About at the Whitney's Warhol Exhibit*, COLUM. J.L. & ARTS: JLA BEAT (Aug. 2, 2019), <https://journals.library.columbia.edu/index.php/lawandarts/announcement/view/112> [<https://perma.cc/K9CQ-YX2K>] [<https://web.archive.org/save/https://journals.library.columbia.edu/index.php/lawandarts/announcement/view/112>]. Art historians describe Warhol's use of the photograph as a "memory" or "memorial" and thus a comment on photography and its subject. See Thomas Crow, *From the Archives: Saturday Disasters: Trace and Reference in Early Warhol*, ART IN AM. (Jan. 1, 1987), <https://www.artnews.com/art-in-america/features/archives-saturday-disasters-trace-reference-early-warhol-63578/> [<https://perma.cc/FWH4-RQ5Z>] [<https://web.archive.org/web/20240215175454/https://www.artnews.com/art-in-america/features/archives-saturday-disasters-trace-reference-early-warhol-63578/>] (describing Warhol's process of making his Marilyn series which "coincide[d] with [his] commitment to the photo-silk-screen technique . . . [in which] [t]he screened image, reproduced whole, has the character of an involuntary trace: it is a memorial in the sense of resembling memory, which is sometimes vividly present, sometime elusive, and always open to embellishment as well as loss").

might have changed.¹³³ Our point here is that ignoring all of this history and the specific contexts in which these artistic practices arise partakes in a kind of vacuous copyright formalism that does not serve copyright's purposes.¹³⁴ And in this case, it also results in more confusion than clarity.

Part III below describes the practices of contemporary working photographers, which we think sheds light on what the VF Invoice intended to accomplish and what Warhol reasonably thought he could do with the Goldsmith photograph. Those practices reaffirm the freedom to use artist references in many circumstances and not always to produce licensed "derivative works" in the legal sense. The varied practices also inject more nuance into the above-described examples, especially concerning the reasons why permission and payment may be sought.¹³⁵ As Part III explains, most photographers work within a reproduction right paradigm—one that limits making a "substantially similar" copy that is a market substitute for their photograph. They do not describe a derivative work scheme that broadly construes the adaptation right and brands as illegal new art made from the use of (or reference to) older art. In this framework, an "artist reference" is a creative tool and its use is rarely considered copyright infringement without an independent evaluation of the new work's aesthetic form and purpose. Photographers care about the subsequent art's message and what it looks like when assessing prohibited or permitted uses of their photographs. And this is different from whether use as an artist reference—a tool of creativity providing access to materials and services—should be paid for or credited in the manner one might compensate a collaborator or employee. As Part III describes, the use of an "artist reference," even in the face of an agreement for the use, is not the same as preparing a derivative work.

133. For a discussion about the changing nature of photography as an art form within the framework of copyright law in the digital age, see Silbey et al., *supra* note 6.

134. Formalism (and textualism) may simply be the way of the current Supreme Court, in many domains, not just intellectual property law. But that does not make it well-reasoned law or good policy. See, e.g., *Star Athletica, L.L.C. v. Varsity Brands, Inc.*, 580 U.S. 405, 415, 417 (2017) (interpreting and applying copyright law's "useful articles" doctrine based on the statutory definition that largely repeats the words in the statute, calling the application "straightforward" and citing the OED in support); see also Daniel Hemel, *The Problem with that Big Gay Rights Decision? It's Not Really About Gay Rights*, WASH. POST. (June 17, 2020), <https://www.washingtonpost.com/outlook/2020/06/17/problem-with-that-big-gay-rights-decision-its-not-really-about-gay-rights/> [<https://perma.cc/GW3V-P5MS>] [<https://web.archive.org/web/20240317215042/https://www.washingtonpost.com/outlook/2020/06/17/problem-with-that-big-gay-rights-decision-its-not-really-about-gay-rights/>].

135. The data in Part III does not purport to speak to practices before the 1980s, when many of the photographers interviewed began their careers.

III. CONTEMPORARY PHOTOGRAPHER PRACTICE

A. THE CASE AND OUR CASE STUDY

The industries at the heart of the *Warhol* decision are commercial photography (Lynn Goldsmith), print media (*Vanity Fair* and Condé Nast), and contemporary art (Andy Warhol). Each industry deals with copyright law in its own specific manner. Copyright law may apply equally to each, but separate creative communities and the industries supporting them often develop separate norms and practices concerning permissive and prohibited copying—despite copyright law’s formal rules.¹³⁶ In a study we conducted several years ago, we learned from professional photographers how they adapted their aesthetic and business practices, including reliance on copyright, given new digital age affordances. In particular, we learned from a variety of photographers how the internet was challenging established business expectations.¹³⁷ We published several articles describing that research, which focused on different aspects of contemporary photography practice, including: how photographers understand the benefits of copyright law; when copyright law works and does not work for them; how photographers manage the sometimes conflicting rights between the subjects of their photographs and the photographers’ own copyright in the photographs; and photographers’ views on what makes excellent photography, as opposed to what is simply “original” and protectible under copyright law.¹³⁸

The dispute between Lynn Goldsmith and the Andy Warhol Foundation (“AWF”) is an opportunity to return to our data to better understand the real questions the *Warhol* Court granted cert to decide: whether Condé Nast’s 2016 use of Warhol’s

136. JESSICA SILBEY, *THE EUREKA MYTH: CREATORS, INNOVATORS, AND EVERYDAY INTELLECTUAL PROPERTY* (2014) (analyzing data from over fifty interviews with a range of artists and scientists about diverse copyright, patent, and trademark practices). The composition of Panel I of the 2023 Kernochan Center for Law, Media and the Arts’ Symposium, to investigate the approaches to the derivative work right in the motion picture, music, publishing, and photography industries, itself reflects this reality.

137. We do not claim that the photographers we interviewed are representative of all working photographers, or that we agree with their views, or that their views necessarily represent the state of the law leading up to the *Warhol* decision. What we can do is present the variations we noticed across the range of in-depth interviews we conducted. Our research methodology is explained in our publications cited *supra*; the interviews were stratified among photographic genres and business models to produce as much variation as possible so that when themes emerged, we could feel confident the themes were not idiosyncratic of individuals but representative of shared practices, behaviors, and beliefs. For a list of all the photographers interviewed, see JESSICA SILBEY, *AGAINST PROGRESS: INTELLECTUAL PROPERTY AND FUNDAMENTAL VALUES IN THE INTERNET AGE* 325–33 (2022).

138. Silbey et al., *supra* note 6; see also Jessica Silbey, *Control over Contemporary Photography: A Tangle of Copyright, Right of Publicity, and the First Amendment*, 42 COLUM. J.L. & ARTS 351 (2019) (describing how contemporary photographers prioritize their own First Amendment rights over their subjects’ right of publicity and privacy as part of a stewardship of identity and image); Silbey, *supra* note 6 (describing how contemporary photographers’ claims for originality, protection against infringement, and demands on the public domain do not align with canonical copyright doctrine). For more on the history of copyright interests of photographic subjects (or lack thereof), see Eva E. Subotnik, *The Author Was Not an Author: The Copyright Interests of Photographic Subjects from Wilde To Garcia*, 39 COLUM. J.L. & ARTS 449 (2016).

Orange Prince on its cover—without permission from or payment to Goldsmith—is fair use or otherwise infringes Goldsmith’s right to prepare derivative works of her photograph.¹³⁹ (This is already an awkward question because *Vanity Fair* did not prepare the so-called “derivative work” in 1984, Warhol did. But it was *Vanity Fair* who paid Goldsmith \$400 in 1984 for (presumably) Warhol’s use as “artist reference.” Whether Warhol knew of the fee or agreement between Goldsmith and *Vanity Fair* remains unknown.) What did permission to use as an “artist reference” guarantee Warhol in 1984 and thereafter? The Supreme Court decided that the use of the “artist reference” extended only to the preparation of the contribution to the 1984 magazine because it interpreted the invoice as a limited license to prepare a derivative work for a single purpose. This conclusion conflicts with existing copyright law and artistic practices.

Copyright law does not necessarily deem all resulting uses from an “artist reference” to be “derivative works.” Derivative works are *certain kinds* of adaptations that are statutorily enumerated;¹⁴⁰ courts must determine that the resulting work fits within the definition of a “derivative work.”¹⁴¹ In other words, *not all adaptations of the original work infringe the derivative work right*; some may be non-infringing works or “fair uses.” An infringement determination requires identifying a derivative work, which requires the predicate evaluation (or “interpretation”) of the images made by reference to the original work. The *Warhol* Court avoided that predicate aesthetic evaluation (e.g., a comparison of *Orange Prince* with the Goldsmith photograph),¹⁴² eschewing what it considered inappropriate art criticism as part of its legal determination, which compounded the error at the court of appeals.¹⁴³ But by conflating “use as an artist reference” with preparing a “derivative work,” the Court assumed the answer to the

139. For a procedural history of the *Warhol* case, see Samuelson, *supra* note 14.

140. 17 U.S.C. § 101 (defining “derivative work”).

141. To be sure, the existence of a license that describes works prepared under it to be derivative works may be good evidence that the parties intended that result. But if a license describes the right to prepare derivative works, and the resulting work is a fair use, that does not make the resulting work a derivative work that is permitted solely pursuant to the license. As the Supreme Court has said, “[W]e reject [the] argument that . . . request for permission to use the original should be weighed against a finding of fair use. . . . [T]he offer may simply have been made in a good-faith effort to avoid . . . litigation. If the use is otherwise fair, then no permission need be sought or granted. Thus, being denied permission to use a work does not weigh against a finding of fair use.” *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 585 n.18 (1994).

142. Justice Kagan in dissent chastises the majority on just this point. “The majority does not see it. And I mean that literally. There is precious little evidence in today’s opinion that the majority has actually looked at these images, much less that it has engaged with expert views of their aesthetics and meaning.” *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 598 U.S. 508, 574 (2023) (Kagan, J., dissenting); see also *supra* notes 93–94 and accompanying text (describing, in our view, the flimsy nature of the aesthetic analysis that does exist in the Court’s majority opinion).

143. See *supra* Part I (critiquing Second Circuit opinion).

aesthetic question it claimed to avoid. And it did so on the erroneous factual assumption that “use as an artist reference” is a license to prepare a derivative work.¹⁴⁴

Explanations of contemporary photography practices described below contradict that assumption. Hopefully, future courts will not repeat the Supreme Court’s mistake. Evidence from past practice relying on artist references¹⁴⁵ and from contemporary practice described below confirm that both the resulting images’ form and function—not just the fact that an artist reference was used—can usefully determine whether a copyright license is necessary from working photographers. An overly formalistic reliance on an existing agreement to use an artist reference does not answer the question at the heart of *Warhol*—neither for photographers nor for artists who, like Warhol, rely on artist references.

B. VARIATIONS OF USES AS ARTIST REFERENCES

Despite the diverse forms of work and experience, the photographers we interviewed drew some consistent distinctions between adaptive reuses that, in their views, required permission and those that did not. As described more fully below, reuses that did *not* require permission—even when employing the photograph as an “artist reference”—were those that resulted in art that was sufficiently distinct from the old work and was truly the new artist’s “own.” What this means will be elaborated below, but in general it means the old work may be recognizable in the new work¹⁴⁶ but does not predominate. The old work may be a component of the new work, but the new work has a new character evidenced by the new artist’s individual efforts and craft. While this might sound impossibly subjective, it also reflects existing aspects of the legal line between infringing derivatives and non-infringing fair uses.¹⁴⁷

144. Whether the VF Invoice in this case was such a license—and if so, the scope of its terms—could have been the subject of factual and legal analysis below. Instead, the Court accepts haphazard waivers of scope by Goldsmith’s counsel in her Supreme Court brief and at oral argument, changing the focus of the litigation at the last possible moment. See Samuelson, *supra* note 14. Until that point, AWF’s lawyers were rational to believe they were litigating a case about whether the *Prince Series* works were fair uses or infringing derivative works, not whether the single use of the *Orange Prince* on the 2016 magazine cover, which AWF authorized Condé Nast to publish, was otherwise lawful under the 1984 agreement between VANITY FAIR and Goldsmith.

145. See *supra* Part II.

146. This undermines the thrust of the Second Circuit’s recognizability principle. See *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 11 F.4th 26, 42 (2d Cir. 2021).

147. See, e.g., *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 579 (1994) (“The central purpose of this investigation is to see . . . whether the new work merely ‘supersede[s] the objects’ of the original creation . . . or instead adds something new, with a further purpose or different character, altering the first with new expression, meaning, or message; it asks, in other words, whether and to what extent the new work is ‘transformative.’ . . . Such works lie at the heart of the fair use doctrine’s guarantee of breathing space within the confines of copyright.” (alteration in original)); see also *Authors Guild v. Google, Inc.*, 804 F.3d 202, 214 (2d Cir. 2015) (“In other words, transformative uses tend to favor a fair use finding because a transformative use is one that communicates something new and different from the original or expands its utility, thus serving copyright’s overall objective of contributing to public knowledge.”); *Blanch v. Koons*, 467 F.3d 244, 252 (2d Cir. 2006) (accepting evaluation of Koons art not simply “repackag[ing] Blanch’s ‘Silk

Moreover, we think the data from contemporary photographers is both more objective and more complex than current law. That is, explainable rules as norms exist according to photographers for when permission is required and when it is not, but they are more nuanced than the statutory definition and common law elaboration of “derivative work.” Whether these internal community norms *should be* the legal rules is a different question—good reasons exist not to adhere to all the norms of the professional photographer community (or any particular community, for that matter). But they are nonetheless instructive to explain the error in *Warhol* and to guide future disputes by providing context for the ubiquitous practice on which art and creativity rely.

The photographers’ practices are both overinclusive and underinclusive as to what would count as an infringing adaptation under law. The overinclusiveness presents significant First Amendment problems that copyright fair use is designed to avoid. And the underinclusiveness should give future courts pause as to whether “use as an artist reference” means anything but mere “use,” which is not, by itself, infringement.

According to the photographers, several conditions required permission and payment. These include when a reuse is (1) a pure commercialization of the exact or near-exact image (e.g., reuse beyond the scope of a previous license); (2) by someone who is—or whose use will be—morally repugnant to the photographer; or (3) by a big for-profit company which regularly licenses images, should know better, and can pay. In the second and third conditions, distaste for the identity of the secondary user is a factor, which is not part of copyright infringement analysis for good reason: Enabling critical reuses and facilitating diversity of expression about and with the prior work is a core function of fair use to prevent copyright law from becoming a mechanism of censorship. The first condition describes infringement of the reproduction right and does not usually describe an adaptive use (i.e., the preparation of a derivative work) that adds additional original copyrighted expression. We provide examples of each condition; the examples also include acceptable reuses that resemble historic use as an “artist reference” described above in Part II.

Sandals,’ but . . . employ[ing] it ‘in the creation of new information, new aesthetics, new insights and understandings.’” (alteration in original)); *Castle Rock En’t., Inc. v. Carol Publ’g Grp., Inc.*, 150 F.3d 132, 142 (2d Cir. 1988) (“If ‘the secondary use adds value to the original—if [copyrightable expression in the original work] is used as raw material, transformed in the creation of new information, new aesthetics, new insights and understandings—this is the very type of activity that the fair use doctrine intends to protect for the enrichment of society.’” (alteration in original)) (quoting Pierre N. Leval, *Toward a Fair Use Standard*, 103 HARV. L. REV. 1105, 1111 (1990)). Even the *Warhol* Court distinguished transformation for the purpose of fair use from adaptation for the purpose of preparing derivative works. “To preserve the copyright owner’s right to prepare derivative works, defined in § 101 of the Copyright Act to include ‘any other form in which a work may be recast, transformed, or adapted,’ the degree of transformation required to make ‘transformative’ use of an original work must go beyond that required to qualify as a derivative.” *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 598 U.S. 508 (2023); *cf. Dr. Seuss Enters., L.P. v. ComicMix LLC*, 983 F.3d 443, 454 (9th Cir. 2020) (noting new work failed to “possess[] a further purpose or different character, [and instead] paralleled [the original work’s] purpose. . . . Absent new purpose or character, merely recontextualizing the original expression by ‘plucking the most visually arresting excerpt[s]’ of the copyrighted work is not transformative”).

1. Exact or Near-Exact Copies

Most relevant to *Warhol* itself, photographers describe being paid when their photos are used explicitly as the basis of an illustration or magazine cover that would be a realistic rendering of the photo, albeit in a new form. For example, Rick Friedman, a commercial photographer and photojournalist, mentioned that he “used to get these wonderful assignments from the old *Wall Street Journal*. Remember they used to have all the dot . . . drawings? . . . They would hire us for a magazine day rate to go do that.”¹⁴⁸ He remarked more generally that “people buy photographs to use to be the basis of a drawing.”¹⁴⁹ This practice frequently extended to uses for magazine covers: A well-known magazine publication had “covers that would be drawings. And the drawing would be based on a photograph, and the photographer would get paid the same thing as if the cover ran as a photograph.”¹⁵⁰

This practice provides some evidentiary support for what the Supreme Court says in *Warhol*: “A photographer may . . . license her creative work to serve as a reference for an artist, like Goldsmith did in 1984 when Vanity Fair wanted an image of Prince created by Warhol to illustrate an article about Prince.”¹⁵¹ But Rick expressly described illustrations that are near-exact copies of the original photograph in a different medium. The photograph is used as an aide-mémoire (i.e., photograph to dot-drawing, or photograph to painted portrait).

More particularly, Rick’s example is of both conditions one and three above. He described a near-exact copy of the photograph in a commercial context *and* a newspaper or magazine that regularly pays photographers for use of their photographs. Many photographers confirmed Rick’s perspective, complaining when the second work was a near-exact copy of their photograph. For example, Noreen, a photojournalist, described a time she actually sued a painter for creating a “painted version of a photo that [she] had taken.”¹⁵² It was done in “photorealistic” style that “[l]ooked like my photo,” and the painter was actually selling it. Eventually the case settled for a monetary

148. Interview with Rick Friedman, in Bos., Mass. (Sept. 12, 2016). These illustrations are called “hedcuts.” For a description of the practice, see *Hedcut*, WIKIPEDIA, en.wikipedia.org/wiki/Hedcut [https://perma.cc/D5BK-GVJ4] [https://web.archive.org/web/20240128190144/https://en.wikipedia.org/wiki/Hedcut] (last visited Feb. 15, 2024); see also Francesco Marconi et al., *What’s in a Hedcut? Depends How It’s Made.*, WALL ST. J. (Dec. 16, 2019), https://www.wsj.com/articles/whats-in-a-hedcut-depends-how-its-made-11576537243 [https://perma.cc/N2C6-TNGL] [https://web.archive.org/web/20240128191522/https://www.wsj.com/articles/whats-in-a-hedcut-depends-how-its-made-11576537243]. Some of the photographers we quote and refer to herein permitted us to use their names; others requested pseudonyms. See Silbey et al., *supra* note 6, at 276. In order to adopt a consistent convention in referring to them, we often use first names in the following discussion.

149. Interview with Rick Friedman, *supra* note 148.

150. *Id.*

151. *Andy Warhol Found. for the Visual Arts, Inc.*, 598 U.S. at 535.

152. Interview with Noreen (pseudonym), in N.Y.C., N.Y. (July 21, 2017).

sum and an agreement that “if he ever exhibited it again, he had to put that . . . mine was the reference image.”¹⁵³ We return to the importance of attribution below.

The situation in *Warhol* concerned a large for-profit company (Condé Nast) that regularly licenses images, should know better than to use a photograph without asking permission (according to the photographers we interviewed), and thus should pay (condition three above). But it does not clearly capture the first condition: a pure commercialization of the exact or near-exact image, because that issue was disputed by the lower courts until the Supreme Court avoided the question. The next section expands upon how photographers engage in aesthetic evaluation to determine whether exact or near-exact copies were made, which would (to them) determine whether permission to use their photographs was necessary. On this issue (of exact or near-exact copying), professional photographers express a range of attitudes and practices, and their demand for control or their acquiescence depends on the context, including the identity of the licensee and the nature of the use.¹⁵⁴

2. From Shepard Fairey To Warhol: Commercial Use or Art?

To test professional photographers’ tolerance for reuse of their photographs beyond exact or near-exact reproductions, we asked whether they thought Shepard Fairey should have asked permission to use the AP photograph of Barack Obama for Fairey’s “Hope” poster.¹⁵⁵



Figure 15: Shepard Fairey poster (left); AP photo/photo credit: Mannie Garcia, (right)

153. *Id.*

154. For more examples of the kind of tolerated uses by photographers of substantially similar copies of their photographs, see Silbey, *supra* note 6, at 437–40.

155. For more about this dispute, see David Kravets, *Associated Press Settles Copyright Lawsuit Against Obama ‘Hope’ Artist*, WIRE (Jan. 12, 2011), <https://www.wired.com/2011/01/hope-image-flap/> [<https://web.archive.org/web/20240128192935/https://www.wired.com/2011/01/hope-image-flap/>].

This question drew a range of responses anchored in the context and nature of the use as well as the identity of the user.

Many photographers explained that the context of the use mattered to them, whether the copy was exact or altered. For example, Kim Lorraine said: “If someone took a picture that inspired them to create a poster to help an institution, like, or to help bring awareness, like say cancer, or anything . . . I would probably be fine with it, and I’d probably feel proud that that created that much emotion that people would want to use my image for the purpose of inspiring others to help.”¹⁵⁶ But, Kim noted, “If it was used and transformed to something for someone just to make money, I would probably be ticked off . . . I would probably still reach out to the person who used it, for whatever inspiration . . . but I’d probably say, ‘Hey, that’s not cool, but I’m cool with it, because you’re doing a really good thing, and I’m gonna back you, and I’m happy to back you, just give me attribution, that this is my picture.’”¹⁵⁷ Here we see acquiescence in uses that advance causes that the photographer supports and a critique of “pure commercial” uses without a further admirable purpose (in the photographer’s view), which she will not constrain but for which she still wants credit.

Absent straightforward market substitution, photographers drew both purposive and aesthetic distinctions, and they were conscious of the challenges of doing so. Recognizing that the line between permitted and prohibited uses is fuzzy and often personal, some photographers defaulted to permissiveness for the sake of art—itsself a laudable purpose. For example, Ali Campbell noted specifically that “I don’t have a particularly hard-line stance” and underscored that her “general attitude is I’m like everyone should be making art.”¹⁵⁸ But then she offered a contrast that resonated with other photographers:

[I]f someone were to lift my photos and use ‘em in like a Breitbart news article, I’d be livid, like, right? Because I’d be like, ‘I don’t want to have any association with that.’ Or if someone were to do something that was like really, you know, disparaging, or really bigoted, I’d be really, really upset, whereas if someone’s like, ‘I included this in a painting,’ or like ‘I drew somebody from one of your photos,’ and like it doesn’t really bother me, ‘cause I’m like . . . Thumbs up. Yeah. Exactly . . . because I think, it just, if it’s encouraging other people to do creative work, that’s good, that’s, you know, that’s fine with me.¹⁵⁹

Another photographer, Andy Levine, explained his view in terms of inspiration and the freedom to be inspired. “I would never rip off the same idea, but . . . as an artist, I think you gotta, you know, every artist is inspired by a bunch of other artists, and some, you know maybe someone’ll be inspired by something I would do, like, it’s fine.”¹⁶⁰ If the purpose is to make new art, that purpose receives deference from photographers.

156. Interview with Kim Lorraine, in N.Y.C., N.Y. (June 22, 2016).

157. *Id.*

158. Interview with Alison Campbell, in Bos., Mass. (Feb. 4, 2017).

159. *Id.*

160. Interview with Andy Levine, in Norwood, Mass. (June 20, 2017).

Some photographers went further. When we asked “have you had experience of people manipulating your work . . . doing some kinda transformation to it,” Alejandro said he was “a little flattered” by “good artists” who are “inspired by [his] image” and make it into a new and valuable work.¹⁶¹ The difference for him and Andy (as compared to other photographers we spoke with), however, is that none of these inspired uses were, in their eyes, commercially exploiting their work “per se.”¹⁶² With respect to one such incident, Alejandro said “they were good artists . . . and they took one image of mine and they made it, they said, you know they were inspired by this image, and they took some other image, and . . . I’m like, ‘All right, you know, they’re not selling it per se.’”¹⁶³

What does “selling it per se” mean? Alejandro gave examples: “If they’re trying to sell a sweater with my image on it, that’d be a problem. If it’s an educational institution, I don’t care.”¹⁶⁴ Direct exploitation of the photograph as such is objectionable, but in service to a good cause or using it to make new or “good” art is okay (even “flattering”).¹⁶⁵ To our copyright scholar ears, the aesthetic distinction Alejandro and Andy make here resembles early articulations of the originality standard in which original works of expression contain the artist’s “personality”¹⁶⁶ and include efforts or aspects that are “recognizably [their] own.”¹⁶⁷ These photographers are not concerned that the second work is merely based on or adapted from the first one.¹⁶⁸ They probe further about the nature of the new art and the context of its use.

Some photographers, like Alejandro, still described Shepard Fairey’s “Hope” poster as borderline misappropriation, however. The analogy they drew was to controversies concerning music sampling—that is, clearly taking from another and layering your own work on top.¹⁶⁹ This kind of borrowing elicited a range of responses, some very permissive and others more critical. Linda, an editorial and fine art photographer, explained that inspired adaptations by fellow travelers in the professional photographic

161. Interview with Alejandro (pseudonym), in N.Y.C, N.Y. (July 10, 2017).

162. *Id.*

163. *Id.*

164. *Id.*

165. Neither was true in the above examples from Rick and Noreen. Both were art reproductions (described as “photorealistic”), not new art.

166. *Bleistein v. Donaldson Lithographing Co.*, 188 U.S. 239, 250 (1903).

167. “All that is needed to satisfy both the Constitution and the statute is that the ‘author’ contributed something more than a ‘merely trivial’ variation, something recognizably ‘his own.’” *Alfred Bell & Co. v. Catalda Fine Arts, Inc.*, 191 F.2d 99, 102–03 (2d Cir. 1951) (citing *Chamberlin v. Uris Sales Corp.*, 150 F.2d 512 (2d Cir. 1945)). For an exploration of the originality requirement and photography, see Eva E. Subotnik, *Originality Proxies: Toward a Theory of Copyright and Creativity*, 76 BROOK. L. REV. 1487 (2011).

168. *Bleistein* and its progeny concern originality as a threshold for copyright protection, and not whether an original derivative work infringes upon the work on which it was based. But it is interesting to us that the originality standard is invoked by professional photographers as one way to distinguish between permitted and prohibited copying. In our interviews with photographers, they suggest that if the second work appears to have sufficient authorship, the use of the first work is fine.

169. We find the music sampling analogy intriguing and think the range of debates in music copyright potentially fruitful in this context.

community are not problematic. For example, restaging a similar scene in a new location, if performed by a working photographer, does not trouble Linda “cause they’re doing their own thing. They’re actually working. . . . They’re not taking someone else’s work. . . . I guess, it’s continuing a conversation, like borrowing your beats, like sampling. . . . [I]t’s like a new song.”¹⁷⁰ For Linda, what is important is that new art is being made, a laudatory practice. This was a persistent theme in the interviews.

Linda is bothered, however, if *non-photographers* take her work instead of paying her. She acknowledged that one can get caught up in

questions of how many notes they actually [laughs] sampled, and like it’s a technicality, but I think the use of images without permission is confusing to me because, . . . photography’s many things to many people, and for me, my website, . . . it’s like my portfolio online, but . . . all these other people that used the work are basically not paying me to go take those photos. They’re not paying another photographer to go take those photos . . . they’re not generating more work for photographers.¹⁷¹

Like Rick, Noreen, and Alejandro above, Linda described market substitution as a problem but embraces (or begrudgingly accepts as “confusing”) the possibility of being lenient with art made from other art.

Some photographers went as far as to insist that unauthorized use was necessary for art itself, but that making art has to be the purpose of the use. Lee Crosson explained:

I think it’s a question of intent. . . . What is the person trying to do . . . ? In [the] case [of a student using a photograph in a PowerPoint presentation], I would have no problem at all. That would flatter me and nothing else [T]his is a conversation that needed to happen, and I think this is really the only way that it would’ve happened.

When asked about a situation in which the copier had asked permission and the photographer had said no, but the copier went ahead and did it anyway, Crosson replied,

I think it would make it more powerful art. You know. I wouldn’t wanna be that person. But it would make it more powerful art I don’t know what I would say [if asked]. But that would destroy it. . . . [T]he conversation goes away. . . . F. Scott Fitzgerald has this great quote that I return to time and time again . . . “The test of a first-rate intelligence is the ability to hold two opposed ideas in the mind at the same time, and still retain the ability to function.” And I think that’s got applications everywhere. So . . . OK, I think it’s almost necessary to be pissed about this [unauthorized copying], but . . . at the same time . . . I want to be able to say what I want to say, and when I want to say it, and this is a consequence of it, you know. And the law . . . it’s impossible for that to be made around one single person, and that is essentially the expectation you’re saying, like, “I don’t want

170. Interview with Linda (pseudonym), in N.Y.C., N.Y. (Nov. 30, 2016).

171. *Id.*

this to happen to me," but the implications of that not being able to happen I think are far more damaging, and far more wide-reaching.¹⁷²

These are hard, uncomfortable distinctions, and photographers struggle with them. But for many the default is to let the art happen.

3. Attribution

Photographers sometimes distinguished between requiring permission and simply providing attribution. Alejandro joined the chorus that drawing lines is hard and raised the common concern of attribution. Talking about Shepard Fairey again, he said:

Like he's [Shepard Fairey] creating something new, right? . . . But it's not entirely new . . . there's gotta be a nod at, there's gotta be something to the artist, or the original work that was, I would call it appropriated from. You know, because it did not exist before. And, OK, you have put another layer on top of it. It's like sampling tracks, right? But you still have to acknowledge that there is a creator—I mean, it's like, you know, do you do "copyright so-and-so with permission from artists, blah blah blah," I mean that's a way to do it.¹⁷³

What does Alejandro mean here? He appears to tie his ethical compass to the "recognizability" principle that dominated the Second Circuit's *Warhol* decision, but less so the Supreme Court's.¹⁷⁴ For him, when the underlying (first) work is recognizable and/or predominates, the second work may infringe absent an exemption or excuse. Alejandro is unfamiliar with the details of copyright law; but, as he suggests in the quoted portion of his interview above, when "appropriat[ing]" from the "original work" and without creating something "entirely new," an artist should at least "acknowledge that there is a creator" underlying the new work. The second artist, like Fairey, should seek permission from the first, or at least credit the first with contributing so much to the new work.¹⁷⁵

172. Interview with Lee Crosson, in Arrowsic, Me. (Dec. 24, 2016).

173. Interview with Alejandro, *supra* note 161.

174. *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 11 F.4th 26, 54 (2d Cir. 2021) ("[G]iven the degree to which Goldsmith's work remains recognizable within Warhol's, there can be no reasonable debate that the works are substantially similar." (citation omitted)).

175. It is worth noting that the VF Invoice and agreement between Goldsmith and VANITY FAIR included a double-penalty provision in the case of failure to attribute. "The credit line—LYNN GOLDSMITH—must not be omitted, abbreviated or altered under penalty of double charge." Joint Appendix – Volume I, *supra* note 18, at 86. Goldsmith and her agency LGI were credited in the 1984 magazine vertically alongside the gutter between pages sixty-six and sixty-seven. *Id.* at 113. The extent of the credit on page sixty-six was "Lynn Goldsmith/LGI." *Id.* On page 121 of VANITY FAIR, an additional credit stated: "Page 67: source photograph © 1984 by Lynn Goldsmith/LGI." *Id.* at 113. "Condé Nast's vice president of business affairs and rights management, Chris Donnellan, testified that the reference to 'source photograph' meant '[t]he underlying image that was used to create the artwork.'" Joint Appendix – Volume II, *supra* note 29, at 326. "Source credit" in this case is the same as "use as an artist reference." The Warhol *Purple Prince* took up the entire page sixty-seven. See Joint Appendix – Volume I, *supra* note 18, at 112. Warhol was credited in the

Photographers emphasized attribution and the importance of credit and influence in making and innovating art forms, what in related fields we might call “citation,” “precedent,” or “reference.”¹⁷⁶ Alejandro insisted that reference and citation are the proper way for artists to build on the works of others. For some, this requires permission; for others, attribution is enough. Martha, a photojournalist, said of the Shepard Fairey example:

I guess if it was me, I would have said ‘I’m flattered,’ but AP wouldn’t have. [laughs] . . . If it was me, I’d be flattered. I would love a little credit, you know, like that would be enough for me. I feel like, you know, I’m paid a weekly salary, or whatever. And to me like having that out there is inspiration, if somehow people knew that it was my photograph, I think for me that would be enough. But I’m like, I don’t monetize everything. [laughs]¹⁷⁷

Related to the desire for attribution is the perception that the second artist, by not crediting the first, falsely presents their work as new—as an original artwork. For some, this was Shepard Fairey’s failure. Failing to credit breaches ethical norms, which for them is synonymous with infringement. Craig Dale, a portrait and commercial photographer who also teaches photography, commented on the Fairey example, saying: “I think to present something as an original artwork, particularly as a portrait photographer, like if you’re gonna present my portrait of somebody as your own original artwork, I’m gonna have a problem with that.”¹⁷⁸ By contrast, presenting work in a way that uses the underlying work but only as a reference—drawing a Hitler moustache on a Trump photograph (an example Craig used in his interview)—does not create independent art or hold itself out as doing so. That kind of alteration is a more acceptable appropriation because, unlike the Shepard Fairey example, there is no

byline of the article as “a special portrait for *Vanity Fair* by ANDY WARHOL.” Joint Appendix – Volume II, *supra* note 29, at 324.

As Alejandro’s example demonstrates, attributive credit is a normative practice distinct from copyright law. Attribution is highly desirable among artists and providing it can squelch brewing lawsuits even when meritorious. SILBEY, *supra* note 136, at 153, 165–67, 283–84 (describing the importance of attribution). Students of copyright are often surprised to learn that giving or omitting credit does not coincide with avoiding or committing copyright infringement. Omitting credit is not a copyright violation, and providing credit does not avoid copyright liability or mean anything more, absent normative evidence in the specific industry. People want credit not necessarily because they are authors in the copyright sense, but to be recognized as part of a creative collaboration. For articles on the misalignment between IP—especially copyright—and attribution, see, e.g., Catherine L. Fisk, *Credit Where It’s Due: The Law and Norms of Attribution*, 95 GEO. L.J. 49 (2006); Greg Lastowka, *Digital Attribution: Copyright and the Right To Credit*, 87 B.U. L. REV. 41 (2007); Rebecca Tushnet, *Naming Rights: Attribution and Law*, 2007 UTAH L. REV. 781.

176. For an example of this terminology in architecture, see Amanda Reeser Lawrence, *Standing on Precedent: An Argument for Instrumentalizing Architectural History*, in 2012 ASCA INTERNATIONAL CONFERENCE: CHANGE, ARCHITECTURE, EDUCATION, PRACTICES - BARCELONA 205 (2012), [https://www.acsa-](https://www.acsa-arch.org/proceedings/International%20Proceedings/ACSA.Intl.2012/ACSA.Intl.2012.31.pdf)

[arch.org/proceedings/International%20Proceedings/ACSA.Intl.2012/ACSA.Intl.2012.31.pdf](https://www.acsa-arch.org/proceedings/International%20Proceedings/ACSA.Intl.2012/ACSA.Intl.2012.31.pdf)

[<https://perma.cc/RDS9-AXZ9>]

[[https://web.archive.org/save/https://www.acsa-](https://web.archive.org/save/https://www.acsa-arch.org/proceedings/International%20Proceedings/ACSA.Intl.2012/ACSA.Intl.2012.31.pdf)

[arch.org/proceedings/International%20Proceedings/ACSA.Intl.2012/ACSA.Intl.2012.31.pdf](https://www.acsa-arch.org/proceedings/International%20Proceedings/ACSA.Intl.2012/ACSA.Intl.2012.31.pdf)].

177. Interview with Martha (pseudonym), in Bos., Mass. (July 10, 2017).

178. Interview with Craig Dale, in Hoboken, N.J. (Sept. 17, 2018).

“disguising” that the underlying photograph is anything but the work of the first artist. To our ears, the demand for attribution resonates with prohibition against plagiarism, not copyright infringement.¹⁷⁹

Michael Grecco, a commercial and editorial photographer who also runs a business pursuing online infringements on behalf of other photographers, combined these approaches. In terms of Fairey, Michael said:

Shepard is a friend. If Shepard called me, and asked me to use it, I would've told him yes. If you're a student, and you call me, and tell me you're doing a project, I say yes. I'm not gonna charge you if you have the courtesy to ask, and are conscious enough about copyright law, dependent on the circumstances.¹⁸⁰

But then in terms of credit and attribution, he said “I get magazines and real websites call me, financial websites call me up, ‘Oh you'll get credit.’ I said ‘Go fuck yourself. So do you take credit home to feed your family?’”¹⁸¹ In this example, we see clearly the distinction between the benefit of asking permission and being granted it for certain uses, even if for near-exact copies, and the expectation that commercial entities that regularly license photographs to illustrate literary content should pay for them.

4. Defining Harms, Not Derivative Works

The harms photographers seek to avoid range from market substitution to protecting what they perceive as their moral rights (such as attribution and integrity). Both arise in the context of the preparation of derivative works, *but the harm is not the existence of a derivative work per se*. Some works “based on” or “adapted from” photographs will be welcome—even “flattering” if the resulting images qualify as good art. Others will be unwelcome if the second work somehow “disguises” the photograph when obviously being based upon it, thereby misattributing the artistry to the second author when the first should be credited. Some uses will be tolerated as new art, non-commercial, or charitable. Other uses (mostly exact or near-exact copies for illustration purposes) are objectionable because they are by those who usually hire photographers to make pictures or pay for licensed copies, whether it is in *Breitbart* or on the cover of a magazine. In these cases, photographers think they should be able to control those uses and exploit existing markets for their work. Contrary to the *Warhol* decision, use as an “artist reference” is not at all dispositive.

We conclude with a final example from James, a commercial and editorial photographer, who combined many of these perspectives in a single exchange. Like others, James insisted that permission be sought when one of his photographs was transposed into a painting.

179. See RICHARD POSNER, *THE LITTLE BOOK OF PLAGIARISM* (2007) (describing the difference between plagiarism and copyright infringement as the former being based in fraud and misrepresentation).

180. Interview with Michael Grecco, in Brooklyn, N.Y. (Dec. 1, 2017).

181. *Id.*

Q: What if somebody made a painting of your photo?

A: There we have a problem.¹⁸²

By contrast, he does not mind if someone copies or is “inspired by” his photograph when that involves restaging his photograph and making one’s own, even if the new photographer mimics the style of James’s photograph. Doing the work of making new art, even if it resembles the old art, is part of being an artist.

Q: But I can imagine trying to reproduce that [photo], for example. Not copying your picture, not right-click and copy, but saying, “I wanna make a picture that looks like [your] picture.” Is that the same kind of problem? . . . I’m making a photo, trying to make it just look like [yours].

A: Knock yourself out.

Q: Why, that doesn’t bother you at all?

A: Does not bother me at all.

Q: Why not? I could sell it instead of someone buying yours.

A: Knock yourself out

Q: Is that because I can’t?

A: No. It’s just like I, I don’t know that, I’ve been inspired by photographers, right? And it’s . . . and it’s, [sighs] I say this with all humility. I think it’s easier to make the great picture than it is to make the picture that feels like a snapshot. . . . So taking some inspiration to have the desire to do that, I think that’s a good thing.¹⁸³

The “inspired” new work would be “based upon” James’s photo (it would have been made *in reference* to James’s photo) and might look a lot like his photo. But that “does not bother” him at all. James *does* object, however, to a painter making his photo into a painting, which we assume is a near-exact copy. Why? Both scenarios likely produce both derivative works and substantially similar copies. But the photographers we studied cared less about the mere existence of a “derivative work,” or a “copy,” or a use of their photographs as an “artist reference” and much more about:

- market substitution of the original photograph (they did not care as much about remakes or new art “inspired by” their photos);
- how their photos as photos (and not as a new art form) were being recontextualized and reused, if their meanings changed based on who was

182. Interview with James (pseudonym), in Bos., Mass. (May 21, 2018).

183. *Id.*

using the photo, or if the use served a cause or message with which they disagree;

- being *seen* as original artists and being referred to and recognized as authors, because taking without citation (either artistic credit or formal permission) offends both artistic practice and professional norms. This means that when other artists are making art, be it Shepard Fairey or perhaps Warhol, it is problematic to re-render the photograph into a photorealistic painting or dot-illustration, without more, and to fail to acknowledge the original artist.

C. ANSWERING WARHOL

Does any of the above history, facts, or analysis answer the real question at the center of *Warhol v. Goldsmith*: whether Warhol's *Prince Series*, made in 1984 with permission to "use [Goldsmith's photo] as [an] artist reference," infringes Goldsmith's copyright in her photographic portrait of Prince?¹⁸⁴ If we were to analyze that original question in light of the above explanations from working photographers, the invoice for "use as artist reference" in combination with the aesthetic features of the *Prince Series* does not prove infringement by Warhol but is likely dispositive of the opposite. The *Prince Series* are non-infringing works.

Warhol made his prints with permission from Goldsmith, the same way past artists made their work as described in Part II. Whether the situation is best described as an implied license,¹⁸⁵ or, given what was made, a non-infringing work, should not matter. What does matter is the following. Goldsmith received credit and payment for the original use on the cover of *Vanity Fair*, as requested by her agent and per the VF Invoice. The rest of the *Prince Series*, its copies and distribution, did not require payment to Goldsmith because Warhol was given the photo for "use as [an] artist reference" as part of his work for *Vanity Fair*, from which he produced the *Prince Series* as a whole. Warhol likely and fairly presumed he had permission to make the series because *Vanity Fair* handed him the Goldsmith photo in 1984.

This is a reasonable belief based on our understanding of professional photography and what permission to "use as an artist reference" means, especially when the resulting work is so distinctive of the new artist's effort and style. Warhol's *Prince Series* is not a mere "photorealistic" copy of Goldsmith's photo for which every use would be a market substitute for a Goldsmith and for which photographers agree permission would be

184. As described above, this question changed throughout the course of the litigation such that when the Supreme Court eventually decided the case, the Court narrowed it to only the use of *Orange Prince* on the cover of VANITY FAIR in 2016. See *supra* notes 25, 144.

185. See *supra* note 111 (discussing implied licenses). The implied license cases are relevant here, as is the fact of a copyright holder's "handing over" their work for various purposes which are, in turn, taken up. See, e.g., *Asset Mktg. Sys., Inc. v. Gagnon*, 542 F.3d 748, 754–55 (9th Cir. 2008); *Effects Assocs., Inc. v. Cohen*, 908 F.2d 555, 558–59 (9th Cir. 1990).

required. Considering the historic examples in Part II and the accounts of photography practice and norms in Part III.B, reference photographs and the new work made with them are not market substitutes for each other because the new work is not a near or exact-copy and it usually stands on its own as an independently authored work. The authored second works—by Lautrec, Rockwell, or the artists who “flatter” the photographers with their new art based on the reference photographs—are separate works unencumbered by the reference photograph and are not considered unlawful. Likewise, the *Prince Series* is something new and stands on its own.

That the Goldsmith photo and one of the Warhol’s Prince portraits could in principle (or in fact) each be on the cover of a magazine is irrelevant to AWF’s liability. Almost anything can be on the cover of a magazine, and there are many options to illustrate an article about Prince, including other photographs of Prince or other contemporary art images of the rockstar.¹⁸⁶

In 1984, permission might have been necessary from Goldsmith because access to the photograph was otherwise unavailable. But that does not mean that what Warhol made with the photograph required permission had he gotten hold of the photograph in another way. Relatedly, when in 2016, Condé Nast sought to use a new Warhol on its cover, Warhol (had he still been alive) and AWF should not have had to seek permission from Goldsmith because Warhol did not commit copyright infringement when he made the *Prince Series* in 1984. The independence of the *Prince Series* means that Warhol and AWF should not have had to pay for subsequent uses and copies of the *Prince Series* by other people—even on the cover of a magazine. Pursuant to tried-and-true practices between artists and especially after putting in his own effort and time making the series, Warhol’s work became his own.¹⁸⁷

Would credit be good, like liner notes on a musical album? Yes, it would, but of course, attribution is not part of copyright law.¹⁸⁸ To be sure, photographers appreciate attribution or citation to their reference photographs when the line is blurry between a near copy and something new. And in this way, Andy Warhol’s primary mistake (or

186. Consider these examples of other artworks depicting Prince that could have also been on the cover of a magazine about him. See, e.g., Dane Shue, *Prince Pop Art Portrait* (2023), Private Collection; Kathleen Carrillo, *Prince* (2023), Private Collection. For other photographs of Prince, see, e.g., Jeff Katz, Brianne Tracy, *Prince Like You’ve Never Seen Him Before: The Star’s Longtime Photographer Shares Rare Photos and Private Memories*, PEOPLE (July 15, 2019), <https://people.com/music/prince-rare-photos-jeff-katz-exclusive/> [<https://perma.cc/LTK8-HF9J>] [<https://web.archive.org/web/20240317231625/https://people.com/music/prince-rare-photos-jeff-katz-exclusive/>].

187. If Warhol was a sub-licensee of VANITY FAIR under the VF Invoice, subject to its terms and limitations, Warhol was presumably unaware. The effect of such an arrangement, whereby Warhol’s work produced by reference to Goldsmith’s photograph is forever and wholly encumbered by Goldsmith’s copyright in the underlying photograph, is contrary to established artistic practice and not clearly what the VF Invoice says or means. Apparently, Goldsmith finally conceded this point about the legality of the *Prince Series*. See *supra* notes 25, 144 (discussing Goldsmith’s abandonment of her claims that the *Prince Series* is unlawful in its entirety).

188. For reasons discussed in the copyright literature, mandatory attribution is problematic as a legal rule and factual imperative. See *supra* note 175 (on attribution).

AWF's ongoing mistake) may have been failure to credit Lynn Goldsmith. But as mentioned *supra*, that is a question of ethical norms among artists in the way plagiarism norms are a matter of community standards in education and research.¹⁸⁹ Mandating that authors credit all references and sources of inspiration as a matter of copyright law is unworkable and, to many authors (perhaps especially to Warhol) is likely considered an intrusion into their artistic practice.¹⁹⁰

Likewise, should Condé Nast have sought permission from and paid Goldsmith to re-run a Warhol Prince on its cover? Probably yes, given the explanations in our interviews that regular licensees and companies who hire photographers and distribute copies of their photographs (or reproduce versions of their photographs in other forms) should continue to pay for and support photographers. This seems especially true given that *Vanity Fair's* agreement with Goldsmith was for "one time" use, "no other usage rights granted."¹⁹¹ That invoice is best interpreted as "one time" use for Warhol (which it was—he made the whole *Prince Series* with the one time use in 1984) and "one time" use for *Vanity Fair* (which it was not—the magazine and its parent company Condé Nast ran a Warhol based on the photo twice). What does that mean for Condé Nast? It breached an agreement with Goldsmith, for which it might owe Goldsmith the reasonable value of a license negotiated *ex ante* the breach. But it did not commit copyright infringement.

* * * * *

The variation in our data and in professional photographic practice leads to the conclusion that not all uses of artist references must be licensed to avoid infringement liability. Instead, it is necessary that courts explicitly engage with aesthetics and context before they arrive at a conclusion of infringement or noninfringement between two works. And this applies equally to use of an artist reference by a second artist who was a contractual stranger to the first.

But when expressly authorized, artist references are simply permissions to use—a ticket to entry, permission for access to the work in its tangible and intangible forms.¹⁹²

189. See *supra* Part III.B.3.

190. See, e.g., discussions of Andy Warhol's innovation as a contemporary artist as questioning the possibility of originality and the place of "the copy" in modern art, in ARTHUR C. DANTO, *ANDY WARHOL* (1997); ARTHUR C. DANTO, *WHAT ART IS* (2013). See also ROSALIND E. KRAUSS, *THE ORIGINALITY OF THE AVANT-GARDE AND OTHER MODERNIST MYTHS* (1986); *Dastar Corp. v. Twentieth Century Fox Film Corp.*, 539 U.S. 23, 34–35 (2003) (highlighting the challenges of using trademark law for the purposes of authorial attribution, especially when copyright law only provides for attribution for limited works under the Visual Artists Rights Act).

191. See *supra* note 18 and accompanying text.

192. See *supra* note 101 describing an artist reference as a kind of bailment when works are inaccessible as a physical matter. When use is not expressly authorized, the question is even more straightforward, at least for the photographers we studied: Is the new work a near or exact-copy of the reference photograph, or does it stand alone as a new work and with independent authorship that distinguishes it from the photograph?

And, as importantly, they are the *beginning* of an artistic process. Artist references are just that—references. What the new author produces based on the artist reference makes all the difference, and legal liability depends on (or should depend on) aesthetic evaluation of both the referenced work and the new work. Avoiding that aesthetic evaluation and deferring to an express or implied agreement “to use as an artist reference” is a shortcut that deforms copyright law and creative practice.

For future courts, resolution of the question whether the use of an artist reference produces an infringing work or is a fair use must be informed by aesthetic judgment. How could it not be?¹⁹³ Courts and lawyers must ask: What do the first and second works look like? What is the purpose or context for the second work? What are the customary practices and relationships between the parties?¹⁹⁴ Certainly, infringement should not depend on the mere existence of an agreement to use the photograph as an artist reference, which could produce almost anything—even subsequent works with no resemblance to the photograph.¹⁹⁵

The evidence in *Warhol* about the Goldsmith-*Vanity Fair* transaction to use her photo as an “artist reference” reflects an age-old practice between photographers and artists of making all kinds of art free from further permission, infringement liability, and other encumbrances. The Supreme Court decision and its formalistic interpretation of the *Vanity Fair* invoice distorted the relevance of this historical practice and should not constrain future artists.

IV. CONCLUSION

Although the Court in *Warhol* might have made it seem otherwise, photographers do not view every adaptive use of their photographs to constitute infringement. Photographers’ aesthetic and professional practices are both overinclusive and underinclusive of the legal rules defining an infringing derivative work. The overinclusiveness concerns, which constitute claims of distortion and attribution, are largely irrelevant to the legal analysis in the *Warhol* case. These practices may be helpful to avoid lawsuits, but play little role in the infringement or fair use analyses.¹⁹⁶

193. See *supra* note 142 (quoting the dissent’s critique on this point).

194. *Harper & Row Publishers, Inc. v. Nation Enters.*, 471 U.S. 539, 562 (1985) (“The crux of the profit/nonprofit distinction is not whether the sole motive of the use is monetary gain but whether the user stands to profit from exploitation of the copyrighted material without paying the customary price.”). This often-quoted sentence from *Harper & Row* begs the question: The “customary price” for which use?

195. Otherwise put, the fact that permission to use was obtained does not mean it was needed; the fact that many artists do not obtain permission to use is not a lapse on their part. It all depends on what is made with the use.

196. The copying norms literature can be helpful to explain misalignment between different artistic communities who may sometimes face each other in court. For example, in *Sedlik v. von Drachenberg*, No. CV 21-1102 DSF (MRWx), 2023 WL 6787447 (C.D. Cal. Oct. 10, 2023), a photographer sued a tattoo artist for her rendition of his photo of Miles Davis as a tattoo on her friend’s arm, and the court denied summary judgment and sent infringement claims and most elements of fair use to the jury, which returned a verdict of no infringement. Compare Aaron Perzanowski, *Tattoos & IP Norms*, 98 U. MINN. L. REV. 511 (2013) (explaining tattoo artists’ practice of copying reference art by other artists but not further copying custom

The practices most instructive for the legal question in *Warhol* concern photographers' tolerance for use by other artists who make "inspired by" versions and artistic adaptations that foreground the new artists' style and efforts. This evidence conforms with historic practice of "artist references" and copyright case law since 1976. Both explain that an infringing use of a photograph more frequently resembles a substantially similar copy of the photograph or a "photorealistic" adaptation in another form, used in the same context as the original photograph and without permission from the original author.

None of this was true in *Warhol*. Andy Warhol's *Prince Series* was made with permission from Goldsmith, is an example of contemporary pop art, and does not share the aesthetic character and qualities of Goldsmith's photorealistic portrait of Prince. The Court could have paid more attention to these practices between artists of "use as an artist reference," all of which is relevant to construing the VF Invoice and the intent between the parties. The everyday practice of artists should matter when the everyday practice of art is at stake.¹⁹⁷

tattoos on other people), with Silbey et al., *supra* note 6, and Silbey, *supra* note 6, at 437–40 (explaining photographer expectations that exact and near-exact copies of their photographs will be licensed). It is also possible that outlier community members are more prone to file or be part of lawsuits. Also, there is some evidence that in recent years, photographers are more frequently filing lawsuits than other individual artists (or authors generally). See Melissa Eckhause, *Fighting Image Piracy or Copyright Trolling? An Empirical Study of Photography Copyright Infringement Lawsuits*, 86 ALBANY L. REV. 111 (2023); cf. SILBEY, *supra* note 137, at 314–15 (explaining how the photographer case study was derived from an initial, but erroneous assumption that photographers were outliers among artists as to the reasons for and mechanisms by which they protect their work and earn a living). In the context of *Warhol*, Lynn Goldsmith threatened but did not file suit. AWF filed the declaratory judgment action. If what Goldsmith really wanted was a \$10,000 license from Condé Nast (and her initial counterclaim seeking invalidation of Warhol's art was just litigation bluster), her preference would have been consistent with our interview data of photographers. As we understand, neither Goldsmith nor AWF involved Condé Nast in the lawsuit, possibly because Condé Nast is a major licensee of both photographers and artists, and suing an entity who is a major source of licensing revenue is bad business.

197. Of course, when overriding fundamental or constitutional principles are at stake, everyday practices may have to give way.

Going “Beyond” Mere Transformation: Warhol and Reconciliation of the Derivative Work Right and Fair Use

Shyamkrishna Balganesh* & Peter S. Menell**

ABSTRACT

The Supreme Court’s recent decision in Andy Warhol Foundation for Visual Arts, Inc. v. Goldsmith is a watershed moment in the story of copyright jurisprudence. At its broadest, the decision articulates a unified vision—one that had been dormant in the lower court fair use jurisprudence—about the role of copyright and the manner in which to make sense of its effort to balance exclusivity with its myriad limitations. This Essay focuses on how the Court reconciled the working of the statute’s derivative work right with the breadth and reach of the “transformative use” version of the fair use doctrine. The core of the Court’s reconciliation centers around three ideas. The first is the need for an independent justification for a use to even qualify for fair use. Transformation on its own does not provide such a justification, which must be instead identified independently. Related is the second idea, that the secondary use must reveal a distinct purpose. Unlike the justification element, this step is comparative and heavily contextual. And the third element is the balance between transformativeness and commerciality, which the legislative text makes clear and Campbell had gone to extreme lengths to reinforce.

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To preserve [the derivative works] right, the degree of transformation required to make “transformative” use of an original must *go beyond* that required to qualify as a derivative.

—*Andy Warhol Foundation for Visual Arts, Inc. v. Goldsmith*, 598 U.S. 508, 529 (2023).

[F]or uses which result in the creation of a derivative work, the fair use inquiry must examine the level of transformativeness that *goes beyond* the transformation simply seen in a derivative.

—Brief of Professors Peter S. Menell, Shyamkrishna Balganesh, and Jane C. Ginsburg as *Amici Curiae* in Support of Respondents at 27–28, *Andy Warhol Found. for the Visual Arts, Inc.*, 598 U.S. 508 (2023) (No. 21-869).

INTRODUCTION

The Supreme Court’s recent decision in *Andy Warhol Foundation for the Visual Arts, Inc. v. Goldsmith*¹ is a watershed moment in the story of copyright jurisprudence, and for a variety of reasons. At its broadest, the decision articulates a unified vision—one that had been dormant in the lower court fair use jurisprudence—about the role of copyright and the manner in which to make sense of its effort to balance exclusivity with its myriad limitations. Somewhat more narrowly, the decision sets forth a methodology of common law statutory interpretation that guides courts in reconciling the statute’s textual directives while applying key judge-made foundational doctrines and principles. And most narrowly at the doctrinal level, *Warhol* answers the decades long question of how to reconcile the working of the statute’s derivative work right with the breadth and reach of the “transformative use” version of the fair use doctrine. Each of these contributions is important in its own right. In this Article, we focus on the third of these contributions, and in so doing set the stage for an examination of the other two as well.

What precipitated the Court’s need to reconcile the derivative work right and fair use was a two-fold reality. The first was the longstanding reality that in defining a derivative work in the Act of 1976, Congress had very expressly understood such works to include those where a preexisting work has been “recast, transformed, or adapted.”² The second was that in explicating the fair use doctrine through common law development, the Court in its 1994 decision of *Campbell v. Acuff-Rose Music, Inc.* had adopted the idea of a “transformative use” to describe certain kinds of uses that could potentially qualify as fair use—a phrase taken from Judge Pierre Leval’s article published just a few years prior.³ While the Court in *Campbell* sidestepped the question of reconciling its approach to fair use with the derivative work right, that question soon

1. *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 598 U.S. 508 (2023).

2. 17 U.S.C. § 101 (emphasis added).

3. Pierre N. Leval, *Toward A Fair Use Standard*, 103 HARV. L. REV. 1105, 1111 (1990).

became front and center in a host of lower court fair use disputes. And while some courts dealt with the issue somewhat cursorily, others acknowledged the obvious conflict rather directly and thus set up something of a minor legitimacy crisis for the Court in as much as it brought the conflict into sharp focus.⁴

Ever since its origins, the fair use doctrine has posed a line-drawing challenge. In 1841, Justice Joseph Story observed that "the question of piracy" often depends upon a balance of factors, giving rise to the fair use doctrine.⁵ Courts evolved the fair use doctrine through hundreds of published opinions in the ensuing decades. The 1909 Act intentionally left the contours of infringement and fair use to the courts.⁶ As a report prepared for omnibus copyright revision—what would eventually become the 1976 Act—summarized, the general scope of fair use was reflected in a range of examples, including quotation of excerpts in a review or criticism for purposes of illustration or comment; parody; news reporting; reproduction by a library to replace part of a damaged copy; reproduction by a teacher or student of a small part of a work for illustrative purposes; use in legislative or judicial proceedings; and incidental and fortuitous reproduction in a newsreel or broadcast of a work located at the scene of an event being reported.⁷ These examples reflected four principal factors.

The drafters of the Copyright Act of 1976 debated whether the statute should codify the fair use doctrine or leave it for courts to evolve. Their resolution of this question vacillated.⁸ By 1967, the drafters chose the codification path,⁹ but with caveats reflected in the legislative history to perpetuate the doctrine's case-by-case and common law character and not to "freeze" its development.¹⁰ The main thrust of the provision was to restate the fair use doctrine, without any intention, in the text or the legislative history, to alter the doctrine beyond ensuring that it could address unforeseen technological developments and address "particular situations on a case-by-case basis."¹¹ Section 107 brought greater clarity to the fair use inquiry by setting forth illustrative examples in the preamble and codifying the doctrine's principal factors. This may well have achieved the clarificatory goal but for an unanticipated semantic collision that threatened to undermine the drafters' explication and expansion of the exclusive right to prepare derivative works.

4. See, e.g., *Dr. Seuss Enters., L.P. v. ComicMix LLC*, 983 F.3d 443, 460 (9th Cir. 2020); *Kienitz v. Sconnie Nation LLC*, 766 F.3d 756, 758 (7th Cir. 2014).

5. *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 575–76 (1994); Leval, *supra* note 3, at 1107.

6. See ALAN LATMAN, STUDY NO. 14: FAIR USE OF COPYRIGHTED WORKS (1958), reprinted in S. COMM. ON THE JUDICIARY, 86TH CONG., COPYRIGHT LAW REVISION, STUDIES PREPARED FOR THE SUBCOMMITTEE ON PATENTS, TRADEMARKS, AND COPYRIGHTS, STUDIES 14–16, at 1, 18 (Comm. Print 1960) [hereinafter FAIR USE STUDY].

7. See H. COMM. ON THE JUDICIARY, 87TH CONG., COPYRIGHT LAW REVISION, REPORT OF THE REGISTER OF COPYRIGHTS ON THE GENERAL REVISION OF THE U.S. COPYRIGHT LAW 24–25 (Comm. Print 1961) [hereinafter REGISTER'S REPORT] (citing FAIR USE STUDY, *supra* note 6).

8. See *infra* Part I.A.2.

9. See *infra* Part I.B.2.

10. See H.R. REP. NO. 94-1476, at 66 (1976).

11. See *id.*

In an effort to focus the fair use doctrine on whether a new use of copyrighted expression is "productive,"¹² which favors a finding of fair use, Judge Pierre Leval proposed in a 1990 law review article that courts assess the "transformativeness" of the secondary use.¹³ His choice of terminology, however, unwittingly placed the fair use doctrine on a collision course with the exclusive right to prepare derivative works, which keys off the term "transforms." When the Supreme Court drew upon on Judge Leval's "transformativeness" terminology in the 1994 *Campbell* decision, the potential for confusion arose.

As we have explained elsewhere,¹⁴ the *Campbell* decision itself was faithful to the legislative scheme and purpose. Read in context, *Campbell's* use of "transformativeness" did not swallow or eviscerate the right to prepare derivative works. Justice Souter's opinion for the Court placed important guardrails on "transformativeness" and, through a host of illustrations, effectively cabined its potential conflict with the derivative work right. Indeed, almost forgotten in the story of *Campbell* is the reality that the Court did not find the secondary use to be a fair use but instead remanded to, among other reasons, obtain evidence on the effect of the use on the market for derivative works. Despite this reality, a series of lower court fair use decisions accelerating in 2006 threatened to render the derivative work right meaningless.¹⁵ These decisions effectively collapsed the fair use factors into a simplistic inquiry focused on whether a secondary work "transformed" the original.

Reflecting on his use of the term "transformative" in 2015, Judge Leval conceded that the term created "ambiguity" owing to the conflict with the derivative work right. As he acknowledged, implicitly disagreeing with some of the jurisprudence that had emerged, "saying that a secondary work transforms the original does nothing to distinguish a fair use from a derivative [work],"¹⁶ and that "[t]ransformative . . . was never intended as a full definition or explanation of fair use."¹⁷ Despite these observations, Judge Leval continued to believe that the term—if appropriately understood and applied—was an appropriate "symbol" to signify what the first fair use

12. The term "productive use" was initially understood as little more than the opposite of what copyright practitioner Leon Seltzer described as an "ordinary" use of the work in his 1978 treatise on fair use. LEON E. SELTZER, EXEMPTIONS AND FAIR USE IN COPYRIGHT: THE EXCLUSIVE RIGHTS TENSIONS IN THE 1976 COPYRIGHT ACT 24 (1978). Seltzer did not use the term "productive use" in his treatise. It instead appears to have originated in a student note a couple of years later, which sought to analyze the district court decision in *Universal City Studios, Inc. v. Sony*, 480 F. Supp. 429 (C.D. Cal. 1979), using Seltzer's framework. See C. H. R., III, Note, *University City Studios, Inc. v. Sony Corp.: "Fair Use" Looks Different on Videotape*, 66 VA. L. REV. 1005, 1013 (1980).

13. Leval, *supra* note 3, at 1111 (building on the idea put forward by Seltzer and *Sony*, noting that "the question of justification [for a secondary use] turns primarily on whether, and to what extent, the challenged use is *transformative*," meaning that "[t]he use must be productive and must employ the quoted matter in a different manner or for a different purpose from the original") (emphasis added).

14. See Shyamkrishna Balganeshe & Peter S. Menell, *Misreading Campbell: Lessons for Warhol*, 72 DUKE L.J. ONLINE 113 (2023).

15. See *Blanch v. Koons*, 467 F.3d 244, 251–58 (2d Cir. 2006); *Bill Graham Archives v. Dorling Kindersley Ltd.*, 448 F.3d 605, 615 (2d Cir. 2006); *Cariou v. Prince*, 714 F.3d 694, 705 (2d Cir. 2013).

16. See Pierre N. Leval, *Campbell as Fair Use Blueprint*, 90 WASH. L. REV. 597, 608 (2015).

17. *Id.*

factor needed, in contrast to some scholars who advocated jettisoning the term altogether.¹⁸

It was against this backdrop that the Court in *Warhol* confronted and averted the collision course. While not eliminating the overlapping usage of “transformed/transformational” in the definition of derivative works and application of the fair use doctrine, the majority opinion explains how the meaning of “transform” varies between these two provisions and offers a workable blueprint for reconciling them situationally. Fair use focuses on the use of a work, requires more than mere transformation, and considers commerciality along with a host of other factors. In so doing, *Warhol* restored and better operationalized Congress’s text and intent.

As we explain below, the core of the Court’s reconciliation centers around three ideas. The first is the need for an *independent justification* for a use to even qualify for fair use. Transformation on its own does not provide such a justification, which must be instead identified independently. Related is the second idea, that the secondary use must reveal a *distinct purpose*. Unlike the justification element, this step is comparative and heavily contextual. And the third element is the balance between transformativeness and *commerciality*, which the legislative text makes clear and *Campbell* had gone to extreme lengths to reinforce.

At the outset, we must acknowledge an element of immodesty here. As the quotations at the beginning of this Article highlight, the Court’s test for reconciling the derivative work right and transformative use bears a close resemblance to the text and analysis that we advanced on that issue to the Court in our co-authored amicus brief.¹⁹ At oral argument, the Court was directed to our brief to answer questions about the reconciliation.²⁰ The reconstruction that therefore follows below begins with the fully (in our view) defensible recognition that the Court adopted our test in its reasoning and thus parses its logic in that direction.

This Article proceeds in four parts. Part I traces the textual conflict and its legislative history. It shows that while the need for reconciling the derivative work right and fair use may not have been central to the drafting of the relevant provisions (since the conflict emerged from the judicial gloss put on fair use by *Campbell*), the drafters of the 1976 Act were nevertheless explicit about the underlying principles which were to guide any understanding of those provisions. As such, the history therefore reveals that they intended all of the Act’s enumerated exclusive rights to be understood in “broad” terms, without having fair use undermine that understanding. Part II then examines

18. See, e.g., WILLIAM F. PATRY, 4 PATRY ON COPYRIGHT § 10:21 (2023) (suggesting that “we may be better off dropping the label”).

19. Brief of Professors Peter S. Menell, Shyamkrishna Balganesh, and Jane C. Ginsburg as *Amici Curiae* in Support of Respondents at 27–28, *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 598 U.S. 508 (2023) (No. 21-869); *Andy Warhol Found. for the Visual Arts, Inc.*, 598 U.S. at 528–29.

20. Transcript of Oral Argument at 83–84, *Andy Warhol Found. for the Visual Arts, Inc.*, 598 U.S. 508 (No. 21-869), https://www.supremecourt.gov/oral_arguments/audio/2022/21-869 [<https://perma.cc/2JMM-GV22>] [https://web.archive.org/web/20240208224040/https://www.supremecourt.gov/oral_arguments/audio/2022/21-869].

how *Campbell's* introduction of the "transformative" use idea muddied the line between the two doctrines, and focuses on lower courts' misinterpretation of their independence. It sets the stage for *Warhol* by showing how a few courts had begun to push back against this misinterpretation, even though they had failed to offer a way out of it. Part III then unpacks *Warhol's* framework for reconciling the two, relying on the three-step understanding detailed immediately above. Part IV then tests the workability of the *Warhol* reconciliation on two well-known cases where transformativeness was raised as an issue in the fair use analysis, to show how its test is workable and straightforward. A short conclusion follows.

I. INTERPRETIVE PRINCIPLES IN THE LEGISLATIVE HISTORY

The Copyright Act of 1976 grants copyright owners "the exclusive right[] to . . . prepare derivative works based upon the copyright work."²¹ To explicate the meaning of that right, it further contains a rather elaborate definition of a derivative work, which it defines as:

[A] work based upon one or more preexisting works, such as a translation, musical arrangement, dramatization, fictionalization, motion picture version, sound recording, art reproduction, abridgment, condensation, or any other form in which a work may be recast, transformed, or adapted.²²

At enactment, the definition's use of the term "transform" presented no obvious problem or conflict with fair use, since the fair use doctrine—which Congress chose to codify for the first time ever in the Act of 1976—said nothing of transformations. It merely sought to "restate" prior judge-made law, which it crystallized into four factors.²³ The provision nevertheless embodied both a preamble and a set of illustrative purposes, and noted in relevant part that:

Notwithstanding the provisions of sections 106 and 106A, the fair use of a copyrighted work, including such use by reproduction in copies or phonorecords or by any other means specified by that section, for purposes such as criticism, comment, news reporting, teaching (including multiple copies for classroom use), scholarship, or research, is not an infringement of copyright. In determining whether the use made of a work in any particular case is a fair use the factors to be considered shall include—

- (1) the purpose and character of the use, including whether such use is of a commercial nature or is for nonprofit educational purposes;
- (2) the nature of the copyrighted work;
- (3) the amount and substantiality of the portion used in relation to the copyrighted work as a whole; and

21. 17 U.S.C. § 106(2).

22. 17 U.S.C. § 101 (emphasis added) (defining "derivative works").

23. H.R. REP. NO. 94-1476, at 65 (1976).

(4) the effect of the use upon the potential market for or value of the copyrighted work.²⁴

The fair use provision was structured as an exception to *all* of copyright's exclusive rights, which included the exclusive right "to prepare derivative works" contained in § 106(2). Additionally, it was phrased in extremely general terms, and with the underlying idea that courts continue to apply (and develop) the doctrine situationally.

Now while Congress did not at the time perceive any obvious conflict between fair use and the derivative work rights, the legislative history nevertheless addressed the manner in which courts were to approach their interpretation and understanding of the statute's exclusive rights vis-à-vis fair use. And while this history was not specific to the derivative work right, it nevertheless remains highly relevant to the manner in which that right interacts with fair use.

To be sure, the Court in *Warhol* did not explicitly cite to the legislative history, nor did it suggest that it was basing its decision on a reading of the same. All the same, at oral argument counsel for the respondent was asked whether the legislative history shed light on the conflict, and in response directed the Court's attention to our brief where we summarized the pertinent backdrop.²⁵

A full understanding of the text and meaning of the Copyright Act of 1976 can be difficult to glean due to the Act's two-decade gestation.²⁶ Furthermore, much of the key text (and related legislative history) as ultimately enacted was drafted by the mid-1960s, but the legislation was stalled by controversy over cable television, which burst onto the scene around that time.²⁷ The Copyright Office oversaw the process and led the drafting effort. Much of that process is captured in contemporaneous reports and hearing transcripts.²⁸ A reading of the early legislative history that led to the Act reveals two interconnected points. First, the idea of an independent derivative work right was uncontroversial from the very outset and posed no problems. The Act of 1909 contained a similar right, albeit differently worded. The initial belief was therefore that the retention, broadening, and reinforcement of the right in the new Act would further the copyright modernization purposes. Second, whether and how to bring the fair use doctrine into the statute was mired in controversy and disagreement from the outset of the legislative reform process.

24. 17 U.S.C. § 107.

25. Transcript of Oral Argument, *supra* note 20, at 84.

26. Congress set out to update the 1909 Copyright Act at various points during the first half of the twentieth century without success. See REGISTER'S REPORT, *supra* note 7, at x.

27. See *Hearings Before Subcomm. No. 3 of the Comm. On the Judiciary on H.R. 4347, H.R. 5680, H.R. 6831, H.R. 6835*, 89th Cong. 33–36 (1966) [hereinafter *Hearings Before Subcomm. No. 3*] (statement of George D. Cary, Deputy Register of Copyrights) (describing the "controversy" surrounding community antenna television, which came to be known as cable television); H.R. REP. NO. 94-1476, at 48 (1976) (recounting the long gestation of the Copyright Act of 1976).

28. See OMNIBUS COPYRIGHT REVISION LEGISLATIVE HISTORY (George S. Grossman ed., 2001) (17 vols.).

A. THE DERIVATIVE WORK RIGHT WAS TO BE UNDERSTOOD IN “BROAD TERMS”

A 1964 Bill embodied a definition of “derivative work” that was nearly identical to the version contained in the 1976 Act today. The text of the fair use provision, by contrast, shifted from the language in the 1964 version that approximates the 1976 Act version, to a brief statement merely recognizing the fair use doctrine in the 1965 Bill.

In 1965, the Copyright Office issued a comprehensive *Supplementary Report* setting forth the Register’s “reasons for changing a number of the recommendations in the 1961 Report and to clarify the meaning of the provisions of the copyright law revision bill of 1965.”²⁹ The *Supplementary Report* contains a trove of insight into the drafters’ intent in legislating the exclusive rights. We quote this language at length because it illuminates the meaning of the statutory text and is often overlooked as a result of the long delay between the drafting of the exclusive rights (and associated definitions) and the ultimate passage of the statute (with the earlier text undisturbed) due to the decade-long battle over the cable television provisions.

Chapter 2 of the *Supplementary Report*, relating to the exclusive rights, begins by describing the “Basic Approach of the Bill,” which highlights the challenge of drafting legislation that will need to apply to emerging technologies:

It is hard to predict which provisions of the bill will ultimately be most significant in the development of the copyright law, but on the basis of our discussions there is no question as to which group of sections is most important to the interests immediately affected. The nine sections setting forth the scope and limitations on the exclusive rights of copyright owners represent a whole series of direct points of conflict between authors . . . on the one side, and users, both commercial and noncommercial, on the other. Moreover, of the many problems dealt with in the bill, those covered by the exclusive rights sections are most affected by *advancing technology* in all fields of communications, including a number of future developments that can only be speculated about. It is not surprising, therefore, that these sections proved extremely controversial and difficult to draft.

In a narrow view, all of the author’s exclusive rights translate into money: whether [the author] should be paid for a particular use or whether it should be free. But it would be a serious mistake to think of these issues solely in terms of who has to pay and how much. *The basic legislative problem is to insure that the copyright law provides the necessary monetary incentives to write, produce, publish, and disseminate creative works, while at the same time guarding against the danger that these works will not be disseminated and used as fully as they should because of copyright restrictions. The problem of balancing existing interests is delicate enough, but the bill must do something even more difficult. It must try to foresee and take account of changes in the forms of use and the relative importance of the competing interests in the years to come, and it must attempt to balance them fairly in a way that carries out the basic constitutional purpose of the copyright law.*

Obviously no one can foresee accurately and in detail the evolving patterns in the ways author’s works will reach the public 10, 20, or 50 years from now. Lacking that kind of

29. See H. COMM. ON THE JUDICIARY, 89TH CONG., COPYRIGHT LAW REVISION PART 6: SUPPLEMENTARY REPORT OF THE REGISTER OF COPYRIGHTS ON THE GENERAL REVISION OF U.S. COPYRIGHT LAW VIII (Comm. Print 1965) [hereinafter SUPPLEMENTARY REPORT].

foresight, the bill should, we believe, adopt a general approach aimed at providing compensation to the author for future as well as present uses of [the] work that materially affect the value of [the] copyright. . . . *A real danger to be guarded against is that of confining the scope of an author's rights on the basis of the present technology so that, as the years go by, [the] copyrights loses much of its value because of unforeseen technical advances.*

For these reasons, we believe that the author's rights should be stated in *broad terms*, and that *the specific limitations on them should not go any further than is shown to be necessary in the public interest. In our opinion it is generally true, as the authors and other copyright owners argue, that if an exclusive right exists under the statute a reasonable bargain for its use will be reached; copyright owners do not seek to price themselves out of a market. But if the right is denied by the statute, the result in many cases would simply be a free ride at the author's expense.*

We are entirely sympathetic with the aims of nonprofit users, such as teachers, librarians, and educational broadcasters, who seek to advance learning and culture by bringing the works of authors to students, scholars, and the general public. Their use of new devices for this purpose should be encouraged. It has already become clear, however, that the unrestrained use of photocopying, recording, and other devices for the reproduction of authors' works, going far beyond the recognized limits of "fair use," may severely curtail the copyright owner's market for copies of his work. Likewise, it is becoming increasingly apparent that the transmission of works by nonprofit broadcasting, linked computers, and other new media of communication, may soon be among the most important means of disseminating them, and will be capable of reaching vast audiences. Even when these new media are not operated for profit, they may be expected to displace the demand for authors' works by other users from whom copyright owners derive compensation. Reasonable adjustments between the legitimate interests of copyright owners and those of certain nonprofit users are no doubt necessary, but we believe the day is past when any particular use of works should be exempted for the sole reason that it is "not for profit."

As possible methods of solving the practical difficulties of clearance with respect to both commercial and noncommercial uses, various suggestions have been advanced for voluntary clearinghouses or for systems of compulsory licensing under the statute. All of these suggestions deserve consideration, but we are inclined to doubt the present need to impose a statutory licensing system upon the exercise of any of these rights. We believe that the work already in progress toward developing a clearinghouse to license photocopying offers the basis for a workable solution of that problem, and, if found necessary, could be expanded to cover other uses.³⁰

The drafters are notably direct and transparent regarding their approach in drafting the exclusive rights. As the italicized text makes clear, the drafters weighed competing arguments about how copyright law can best promote progress in the face of evolving technology and concluded that authors' rights should be interpreted in such a way as to ensure that unforeseen technological changes would not undermine the value of copyrighted works. Furthermore, the drafters directly confronted the need for limitations and the role of licensing in promoting progress. The drafters state that exclusive rights are intended to be read "in broad terms" and their belief that copyright owners and users would reach a reasonable bargain where there are gains from trade

30. *Id.* at 13–14 (emphasis added).

in most circumstances, and failure to protect rights adequately would result in free riding at the author's expense.

The next section of the *Supplementary Report* further describes the exclusive rights. After quoting § 106, the drafters explain the general scope of copyright protection and the interplay of the exclusive rights:

Copyright has often been called a bundle of rights, and the five clauses of section 106(a) represent a general statement of what that bundle would consist of under the bill. These rights are cumulative and to some extent overlapping: for example, the preparation of a derivative work would usually also involve its reproduction, and hence the reproduction of the basic work, in copies or phonorecords. The rights as stated may also be subdivided without limitation, and each of the subdivided rights may be owned and enforced separately, as explained further in chapter 3.

It is vital to an understanding of the bill to note that all of the exclusive rights specified in section 106 are "[s]ubject to sections 107 through 114," and to realize that all of these sections provide limitations, qualifications, or outright exceptions with respect to the copyright owner's exclusive rights. Section 106 is intended to mark out the perimeter of copyright in *broad terms*, and the remaining sections in the chapter are intended to define its scope in particular situations and for particular kinds of works.³¹

We see yet again the drafters' characterization of the exclusive rights as "broad," subject to § 107 through § 114.

The *Supplementary Report* then fleshes out each of the exclusive rights. It had this to say about the right to prepare derivative works:

It could be argued that, since the concept of "reproduction" is broad enough to include adaptations and recast versions of all kinds, there is no need to specify a separate right "to prepare derivative works based upon the copyrighted work." As indicated in the 1961 Report, however, this has long been looked upon as a separate exclusive right, and to omit any specific mention of it would be likely to cause uncertainty and misunderstanding. We have therefore included it as clause (2) of section 106(a).

Moreover, there is one area in which the right "to prepare derivative works" may be broader than the rights specified in clause (1). Those rights are limited to reproduction in copies and phonorecords, and it is possible for a "derivative work," based on a copyrighted work, to be prepared without being fixed in a copy or record; examples are ballets, pantomimes, and impromptu performances. It is true that a derivative work would not itself be protected by statutory copyright if it were not fixed in a "tangible medium of expression" as required by section 102 of the bill. Nevertheless, since there is no requirement under the definition in section 101 that a "derivative work" be fixed in tangible form, clause (2) of section 106(a) would make the preparation of "derivative works" an infringement whether or not any copies or phonorecords had been produced.

To come within section 106(a)(2) the "derivative work" must be "based upon the copyrighted work," and the definition in section 101 gives as examples of "derivative works": ". . . a translation, musical arrangement, dramatization, fictionalization, motion picture version, sound recording, art reproduction, abridgment, condensation, or any

31. *Id.* at 15–16 (emphasis added).

other form in which a work may be recast, transformed, or adapted." Hence, in order to violate clause (2), some copyrighted portion of the work must actually have been appropriated as a basis for the infringing work. It would normally not be infringement, for example, for a critic to write a detailed commentary on the work or for an artist to draw illustrations inspired by a textual description.

Close questions can arise as to whether the preparation of material such as *indexes*, tests, answers to tests, study guides, work sheets, etc., constitutes an infringement of the work to which they are related. In some cases the dependence on the copyrighted source may be so great as to constitute infringement, and in others the only things taken may be uncopyrightable elements such as ideas or isolated facts. We believe that the definition of "derivative work" is *broad* enough to cover those works that appropriately come within the concept, and that the application of the definition in borderline situations of this sort must be left to the courts.³²

The *Supplementary Report* thus reinforces the breadth of the right to prepare derivative works. Although the drafters removed "index" from the list of illustrative categories, the legislative history explains that there is no categorical rule: Courts have discretion to deal with borderline cases. There is clearly no intention to limit the scope of the right to the illustrative examples; quite the contrary. The final clause of the definition of "derivative works"—"or any other form in which a work may be recast, transformed, or adapted"³³—conveys the expansive scope of the derivative work right.

B. FAIR USE WAS NOT INTENDED TO BE A SPRAWLING, OPEN-ENDED, OR EYE OF THE BEHOLDER EXEMPTION

From its very beginning in the reform process, fair use proved to be a controversial subject. The 1964 Bill introduced a provision attempting to codify it for the first time, which contained the four factors today seen in the statute. The provision nevertheless sought to qualify the doctrine by limiting its application to "the extent reasonably necessary or incidental to a legitimate purpose," which it then illustrated with some examples.³⁴ Its drafters believed that this version "embodied . . . the doctrine of fair use in about the same manner as it has been developed in the court decisions."³⁵

Participants in the reform process again voiced a wide range of views, with some recommending against defining the doctrine in the statute,³⁶ some questioning the

32. *Id.* at 17–18 (emphasis added).

33. 17 U.S.C. § 101 (defining "derivative works").

34. H. COMM. ON THE JUDICIARY, 89TH CONG., COPYRIGHT LAW REVISION PART 5: 1964 REVISION BILL WITH DISCUSSIONS AND COMMENTS 5 (Comm. Print 1965).

35. *Id.* at 94 (Abe A. Goldman, Copyright Office).

36. *See id.* at 96 (Phillip Wattenberg, Music Publishers Association); *id.* at 100 (Harry R. Olsson, Jr., American Broadcasting Company) (contending that the fourth factor is not properly considered in fair use analysis); *id.* at 104 (Irwin Karp, Authors Guild).

scope of the illustrative list,³⁷ others critiquing the factors,³⁸ and others praising the Register's draft provision.³⁹ Comments submitted to the drafters reinforced the sharp division over to what extent to bring fair use into the reform legislation.⁴⁰ Although there were comments supporting and opposing the fair use provision, the majority of comments—many from textbook authors—opposed it.

Reflecting that division, the 1965 Bill reverted back to recognizing the fair use doctrine but without indicating its application or defining its scope, and simply provided that "[n]otwithstanding the provisions of section 106, the fair use of a copyrighted work is not an infringement of copyright."⁴¹ The *Supplementary Report* explained that the 1965 Bill's fair use language

elicited a large body of comments, most of them critical. Without reviewing the arguments in detail, it can be said in general that the author-publisher groups expressed fears that specific mention of uses such as "teaching, scholarship, or research" could be taken to imply that any use even remotely connected with these activities would be a "fair use." On the other side, serious objections were raised to the use of qualifying language such as "to the extent reasonably necessary or incidental to a legitimate purpose" and "the amount and substantiality of the portion used."

...

For reasons we have already discussed at some length, we do not favor sweeping, across-the-board exemptions from the author's exclusive rights unless an overriding public need can be conclusively demonstrated. There is hardly any public need today that is more urgent than education, but we are convinced that this need would be ill-served if educators, by making copies of the materials they need cut off a large part of the revenue to authors and publishers that induces the creation and publication of those materials. We believe that a statutory recognition of fair use would be sufficient to serve the reasonable needs of education with respect to the copying of short extracts from copyrighted works, and that the problem of obtaining clearances for copying larger portion or entire works could best be solved through a clearinghouse arrangement worked out between the educational groups and the author-publisher interests.

Since it appeared impossible to reach agreement on a general statement expressing the scope of the fair use doctrine, and since in any event the doctrine emerges from a body of

37. See *id.* at 101 (Max Lerner, practitioner) (calling for inclusion of parody among the illustrative examples); *id.* at 102–03 (Dr. Charles F. Gosnell, American Library Association) (suggesting that availability of works and nonprofit status be considered).

38. See *id.* at 100 (Harry R. Olsson, Jr., American Broadcasting Company) (contending that the fourth factor is not properly considered in fair use analysis); *id.* at 102–03 (Dr. Charles F. Gosnell, American Library Association) (suggesting that availability of works and nonprofit status be considered); *id.* at 105 (Harriett Pilpel, practitioner) (suggesting adding "in relation to the work in which it is used" to factor (3)).

39. See *id.* at 96–100 (Harry N. Rosenfield, Ad Hoc Committee on Copyright Revision); *id.* at 102 (John Schulman, practitioner); *id.* at 102–03 (Dr. Charles F. Gosnell, American Library Association).

40. See *id.* at 224, 237–38, 257–58, 262–63, 271–73, 281, 289, 290–92, 296–98, 313, 315–16, 320–21, 324–26, 329–330, 332–36, 342–45 (1964 Revision Bill Comments).

41. SUPPLEMENTARY REPORT, *supra* note 29, at 28.

judicial precedent and not from the statute, we decided with some regret to reduce the fair use section to its barest essentials.⁴²

At the House Judiciary Committee hearings on the 1965 Bill,⁴³ witnesses again diverged as to whether the statute should define fair use. Kenneth B. Keating, on behalf of book publishers, testified, "[w]e feel that on the question of the fair use problem it is sufficiently adequately dealt with because of the inability to reach an agreement on what possible definition could be made."⁴⁴ Rex Stout, of The Authors League, Alfred Wasserstrom, representing magazine publishers, and the Motion Picture Association of America similarly opposed efforts to define fair use by statute.⁴⁵

Education and library witnesses offered the opposite prescription. Harold E. Wigren, Chairman of the Ad Hoc Committee on Copyright Law Revision representing some thirty-four educational organizations and institutions, emphasized the need to consider whether the entity making a use is "for profit" and express consideration of "teaching, scholarship, or research."⁴⁶ His colleague and the Committee's counsel, Harry N. Rosenfield, specifically proposed that the fair use provision state the following:

Notwithstanding the provisions of section 106, the fair use of a copyrighted work to the extent reasonably necessary or incidental to a legitimate purpose such as criticism, comment, news reporting, teaching, scholarship, or research is not an infringement of copyright. Noncommercial educational use by a nonprofit educational institution or organization shall be presumed to be such 'fair use' unless specifically rebutted.⁴⁷

Mr. Rosenfield noted that the Copyright Office's special study on fair use states that "fair use is not a predictable area of law,"⁴⁸ and that the Office's Circular 20 ("Fair Use") advises that

[t]he line between "fair use" and infringement is unclear and not easily defined. There is no specific number of words, lines, or notes that can safely be taken without permission. . . . The safest course to follow . . . is to get permission first. . . . When it is impracticable to obtain permission, use of copyrighted material should be avoided unless it seems clear that the doctrine of "fair use" would apply to the situation. If there is any doubt or question, it is advisable to consult an attorney.⁴⁹

42. *Id.* at 27–28.

43. *Hearings Before Subcomm. No. 3, supra* note 27.

44. *Id.* at 64; *see also id.* at 70 (statement of Lee Deighton, Chairman of the Board, MacMillan Co., on Behalf of The American Textbook Publishers Institute) ("heartily endors[ing]" the 1965 Bill's treatment of fair use); *id.* at 1433–34, 1475 (statement of Mrs. Bella L. Linden, Representing the American Textbook Publishers Institute) (advocating copyright clearinghouses to address the problem).

45. *Id.* at 91 (statement of Rex Stout, President, Authors League of America); *id.* at 167 (statement of Alfred H. Wasserstrom, Magazine Publishers Association); *id.* at 1011 (statement of Adolph Schimel, Motion Picture Association of America, Inc.).

46. *Id.* at 323, 329, 331.

47. *Id.* at 346.

48. *Id.* at 352.

49. *Id.*

For that reason, Mr. Rosenfield commented that “[t]he best advice to the teacher then seems to be to get a ‘hot line’ to a lawyer every time he wants to use some teaching material.”⁵⁰ Other education witnesses pressed the point.⁵¹ Other educational and scholarly organization representatives raised similar concerns and pressed for articulation of the fair use doctrine in the statute.⁵²

Over the course of the next year, the opposing interests reached a compromise on a statutory definition of fair use.⁵³ The 1966 House Bill and the 1967 Senate Bill adopted and tweaked the 1964 Bill’s articulation of fair use. In the following three years, Congress made several adjustments to the fair use provision. It qualified “teaching” in the fair use preamble by adding “(including multiple copies for classroom use)” and inserting into the first fair use factor: “including whether such use is of a commercial nature or is for nonprofit educational purposes.”⁵⁴ The House Report on the enacted legislation reinforces the statutory text in various ways. It notes that “[t]he examples enumerated at page 24 of the Register’s 1961 Report, while by no means exhaustive, give some idea of the sort of activities the courts might regard as fair use under the circumstances.”⁵⁵ It then explains the commerciality language added to the first fair use factor:

The Committee has amended the first of the criteria to be considered “the purpose and character of the use”—to state explicitly that this factor includes a consideration of “whether such use is of a commercial nature or is for non-profit educational purposes.” This amendment is not intended to be interpreted as any sort of not-for-profit limitation on educational uses of copyrighted works. It is an express recognition that, as under the present law, the commercial or non-profit character of an activity, while not conclusive with respect to fair use, can and should be weighed along with other factors in fair use decisions.⁵⁶

The House Report then explains the “general intention” behind § 107:

[T]he endless variety of situations and combinations of circumstances that can [a]rise in particular cases precludes the formulation of exact rules in the statute. The bill endorses the purpose and general scope of the judicial doctrine of fair use, but *there is no disposition to freeze the doctrine in the statute, especially during a period of rapid technological change*. Beyond a very broad statutory explanation of what fair use is and some of the criteria applicable to it, the courts must be free to adapt the doctrine to particular situations on a case-by-case basis. *Section 107 is intended to restate the present judicial doctrine of fair use, not to change, narrow, or enlarge it in any way.*⁵⁷

50. *Id.*

51. *Id.*

52. *See id.* at 380–98, 422–26, 488–89, 1566–67; *see also id.* at 1114 (archivists).

53. *See* H.R. REP. NO. 89-2237, at 59 (1966) (accompanying H.R. 4347, 89th Cong. (1966)).

54. *See* H.R. REP. NO. 94-1476, at 5 (1976).

55. *Id.* at 65 (quoting the full list from REGISTER’S REPORT, *supra* note 7, at 24).

56. *Id.* at 66.

57. *Id.* (emphasis added).

Thus, the drafting of the fair use provision, which unfolded over nearly two decades, culminated close to where it began. The 1976 legislators channeled the relatively narrow examples that Register Abraham Kaminstein referenced in 1961, which were summarized in the preamble. Although Congress expressed the intention to perpetuate the doctrine's case-by-case and common law character and not to "freeze" its development, the main thrust of the provision was to restate the fair use doctrine without any intention in the text or the legislative history to alter the doctrine beyond ensuring that it could address unforeseen technological developments and address "particular situations on a case-by-case basis." Congress took great pains in the compromise to ensure that the doctrine would not be understood as a license to wipe away any of the exclusive rights that it was granting authors in "broad" terms.

II. MISAPPLYING CAMPBELL AND THE ROAD TO COURSE CORRECTION

In a 1990 article that has acquired significant notoriety, Judge Pierre Leval—then a Southern District of New York district judge—proposed a novel approach to thinking about fair use.⁵⁸ Relying on Justice Story's observations in *Folsom v. Marsh* and giving them a utilitarian twist, he argued that the fair use doctrine existed to encourage follow-on creativity, what had been previously described as "productive uses."⁵⁹ Examining the first fair use factor—the purpose and character of the secondary use—he observed:

I believe the answer . . . turns primarily on whether, and to what extent, the challenged use is *transformative*. The use must be productive and must employ the quoted material in a different manner or for a different purpose from the original. . . . If . . . the secondary use adds value to the original—if the quoted matter is used as raw material, transformed in the creation of new information, new aesthetics, new insights and understandings—this is the very type of activity that the fair use doctrine intends to protect for the enrichment of society.⁶⁰

In developing this account however, Judge Leval sounded an important cautionary note, one that ironically was about the interplay with derivative works, even though he overlooked the fact that the statutory definition of a derivative work incorporated the term "transformed."

The existence of any identifiable transformative objective does not, however, guarantee success in claiming fair use. . . . The creator of a derivative work based on the original creation of another may claim absolute entitlement because of the transformation. Nonetheless, extensive takings may impinge on creative incentives. And the secondary user's claim under the first factor is weakened to the extent that her takings exceed the asserted justification. The justification will likely be outweighed if the takings are excessive and other factors favor the copyright owner.⁶¹

58. Leval, *supra* note 3.

59. *Id.* at 1127.

60. *Id.* at 1111 (emphasis added).

61. *Id.* at 1111–12.

This observation foreshadows the problems that have bedeviled fair use analysis for over two decades. For in it we see Judge Leval indirectly acknowledging at the very outset that a claim to transformativeness was never to be seen as an annulment of the derivative work right, since Congress conferred that right to authors as part of the copyright statute's system to enhance creator incentives. Transformativeness was thus meant to be a shorthand term for assessing the productive nature of the use, when considered in light of all the fair use factors.

Barely a few years later, the Supreme Court examined the fair use doctrine in its seminal case of *Campbell v. Acuff-Rose Music, Inc.*⁶² Dealing with an alleged parody of a popular love ballad, the Court examined the extent to which the parodic quality of the secondary use was of importance to the first fair use factor. And here, it drew from Justice Story and Judge Leval to incorporate the concept of transformativeness into the doctrine:

The central purpose of this investigation is to see, in Justice Story's words, whether the new work merely "supersede[s] the objects" of the original creation . . . or instead adds something new, with a further purpose or different character, altering the first with new expression, meaning, or message; it asks, in other words, whether and to what extent the new work is "transformative." . . . Although such transformative use is not absolutely necessary for a finding of fair use . . . the goal of copyright, to promote science and the arts, is generally furthered by the creation of transformative works. Such works thus lie at the heart of the fair use doctrine's guarantee of breathing space within the confines of copyright . . . and the more transformative the new work, the less will be the significance of other factors, like commercialism, that may weigh against a finding of fair use.⁶³

As we have pointed out at length elsewhere, Justice Souter's opinion in *Campbell* did not just stop at the above-quoted observation.⁶⁴ Instead, it deftly wove Judge Leval's idea into the statutory factors, while acknowledging that the inquiry remained a heavily contextual one. Indeed, as evidence of this nuance, *Campbell* did not find the defendant's use to be a fair use even though it concluded that the parody at issue had an "obvious claim to transformative value."⁶⁵

Campbell thus went to great lengths to ensure that its adoption of the new "transformativeness" inquiry did not swallow up the scope of the derivative work right. Indeed, unlike Judge Leval's original article, Justice Souter's opinion for a unanimous Court acknowledged the independence of the derivative work right as a separate market for the author and insisted that fair use analysis pay close attention to the effect of the secondary use on that market.⁶⁶

Despite all of Justice Souter's carefully explained, nuanced framing in *Campbell*, some lower courts latched on to a few isolated observations from the Court's opinion, which they then took to represent its core holding on fair use. The principal such observation

62. 510 U.S. 569 (1994).

63. *Id.* at 579 (alteration in original) (citations omitted).

64. See Balganes & Menell, *supra* note 14, at 125.

65. *Campbell*, 510 U.S. at 579–80, 594.

66. *Id.* at 592–94.

was the Court's observation that a transformative use added "something new, with a further purpose or different character, altering the first with new expression, meaning, or message."⁶⁷ Treating this as a talismanic test, several courts came to operationalize *Campbell's* test as a mere inquiry into whether the defendant's use added something new, including a new meaning or message to the original.⁶⁸ A defendant could thus argue that its copying of the original work was transformative since it was done with the goal of adding some new subjective meaning to the original. And if the court saw that as objectively verifiable, it found that the first fair use factor favored the defendant regardless of the purpose of the use or its commerciality.⁶⁹

This reflected yet another flaw in the emerging lower court jurisprudence. Although *Campbell* overruled the *Sony* Court's holding that commercial uses were presumptively not fair uses, *Campbell* in no way removed weighing commerciality from the statutory balance. The statutory text and its relevance to the analysis of the first fair use factor remained in force. Nonetheless, many lower courts treated *Campbell* to mean that a finding of "new expression, meaning or message" alone resolved the first factor in favor of the secondary use.

Within a decade of the *Campbell* ruling, this oversimplified mode of analysis—based on a fundamental misreading of *Campbell*—had become commonplace. A prime example was the Second Circuit's decision in *Blanch v. Koons*, which involved an appropriation artist's cropping and alteration of a photograph in a new mosaic artwork.⁷⁰ Relying on *Campbell*, the defendant argued that his use was transformative and hence qualified as a fair use. The court bought the argument. And in a statement that typifies the oversimplification detailed above, observed:

The test for whether [the defendant's use] is "transformative," then, is whether it "merely supersedes the objects of the original creation, or instead adds something new, with a further purpose or different character, altering the first with new expression, meaning, or message" . . . [which] almost perfectly describes [defendant's work]: the use of a fashion photograph created for publication in a glossy American "lifestyles" magazine—with changes of its colors, the background against which it is portrayed, the medium, the size of the objects pictured, the objects' details and, crucially, their entirely different purpose and meaning—as part of a massive painting commissioned for exhibition in a German art-gallery space. We therefore conclude that the use in question was transformative.⁷¹

Blanch was unfortunately not a one-off. This oversimplification continued over the course of the next decade and reached an embarrassingly high point in the case of *Cariou v. Prince*.⁷² The case involved another appropriation artist who had copied photographs authored by the plaintiff. The defendant had made somewhat minor whimsical changes

67. *Id.* at 579.

68. *See, e.g.*, *Blanch v. Koons*, 467 F.3d 244, 251–52 (2d Cir. 2006); *Bill Graham Archives v. Dorling Kindersley Ltd.*, 448 F.3d 605, 608 (2d Cir. 2006); *Cariou v. Prince*, 714 F.3d 694, 705, 708 (2d Cir. 2013); *Seltzer v. Green Day, Inc.*, 725 F.3d 1170, 1176 (9th Cir. 2013).

69. *See, e.g.*, *Cariou*, 714 F.3d at 708.

70. *Blanch*, 467 F.3d at 248.

71. *Id.* at 253.

72. *Cariou*, 714 F.3d at 694.

to the photographs while combining them with other images with no obvious purpose in general or intention to target or comment on the appropriated photographs.⁷³ The court found an overwhelming majority of these uses to be transformative. Its analysis is telling of its approach:

[T]o qualify as a fair use, a new work generally must alter the original with “new expression, meaning, or message.” . . . Here, our observation of [defendant’s] artworks themselves convinces us of the transformative nature of all but five, which we discuss separately below. These twenty-five of [defendant’s] artworks manifest an entirely different aesthetic from [plaintiff’s copyrighted] photographs.⁷⁴

Noticeable here is not just the court’s further simplification and condensation of the *Campbell* test, but also its impressionistic assessment of the secondary use to conclude that it is transformative. Indeed, a good amount of academic scholarship analyzing invocations of the transformative use idea in fair use cases empirically found that in an overwhelming number of cases where courts found a use to be transformative, a finding of fair use invariably followed.⁷⁵ The rest of the fair use factors—which Justice Souter had taken pains to emphasize as crucial—were merely stamped through in the analysis.⁷⁶

If *Cariou* had one salutary effect though, it was in highlighting the inadequacy of the oversimplification that courts had come to rely on in the name of transformative use. Indeed, this was particularly stark in relation to the derivative work right, which the court had caricatured as part of its transformative use analysis and effectively rendered meaningless. Responding to the argument that an expansive transformative use finding rendered all unauthorized derivative works immune from infringement, the court in *Cariou* observed:

Our conclusion should not be taken to suggest, however, that any cosmetic changes to the photographs would necessarily constitute fair use. A secondary work may modify the original without being transformative. For instance, a derivative work that merely presents the same material but in a new form, such as a book of synopses of television shows, is not transformative. . . . In twenty-five of his artworks, [the defendant] has not presented the same material as [the plaintiff] in a different manner, but instead has “add[ed] something new” and presented images with a fundamentally different aesthetic.⁷⁷

The line between a transformative use and a derivative work was effectively obliterated. The pushback was immediate.

73. *Id.* at 700–01.

74. *Id.* at 706.

75. Neil Weinstock Netanel, *Making Sense of Fair Use*, 15 LEWIS & CLARK L. REV. 715, 740–42 (2011); Barton Beebe, *An Empirical Study of U.S. Copyright Fair Use Opinions, 1978–2005*, 156 U. PA. L. REV. 549, 605–06 (2008); Jiarui Liu, *An Empirical Study of Transformative Use in Copyright Law*, 22 STAN. TECH. L. REV. 163, 180 (2019).

76. Liu, *supra* note 75, at 204. *But see* Beebe, *supra* note 75, at 606 (noting that a finding of transformativeness was often paired with factors two and three disfavoring fair use, as “defendants are far more likely to make a transformative use of a creative rather than a factual work, and their transformative use is likely to involve a substantial taking of plaintiffs’ expression”).

77. *Cariou*, 714 F.3d at 708 (citations omitted).

The very next year, after a district judge in the Western District of Wisconsin relied upon *Cariou*, the Seventh Circuit took issue with *Cariou*'s collapsing of fair use into a transformativeness test. In rejecting this mode of analysis, Judge Easterbrook abandoned any semblance of inter-circuit comity:

We're skeptical of *Cariou*'s approach, because asking exclusively whether something is "transformative" not only replaces the list in § 107 but also could override 17 U.S.C. § 106(2), which protects derivative works. To say that a new use transforms the work is precisely to say that it is derivative and thus, one might suppose, protected under § 106(2). *Cariou* and its predecessors in the Second Circuit do not explain how every "transformative use" can be "fair use" without extinguishing the author's rights under § 106(2).⁷⁸

In an important sense, Judge Easterbrook's opinion in *Kienitz* hit the nail on its head, observing how the transformative use idea, when expansively understood as a sprawling basis for fair use, risked eviscerating the independent existence of the derivative work right. Notwithstanding the court's rejection of the *Cariou* framework, the court still found the defendant's use to be fair based on a thorough analysis of the fair use statutory factors. In light of this textual focus, *Kienitz* offered no guidance on the role of "transformativeness" in fair use analysis.

A few years later, the Ninth Circuit had occasion to revisit the transformative use idea as part of its own fair use jurisprudence. *Dr. Seuss Enterprises, L.P. v. ComicMix LLC* involved defendants' reliance on the plaintiff's well-known children's book *Oh, The Places You'll Go!* to produce their own version with a *Star Trek* theme, *Oh, The Places You'll Boldly Go!*⁷⁹ In so doing, the defendants had copied—with modification—significant parts of the plaintiff's artwork and story.⁸⁰ When sued for infringement, the defendants claimed fair use, relying on *Cariou*'s gloss on *Campbell* as reflected in a 2013 Ninth Circuit decision, *Seltzer v. Green Day, Inc.*⁸¹ They asserted that they added "new meaning" by bringing *Star Trek* to the plaintiff's work and thus brought "extensive new content."⁸² The district court accepted the contention, but the appellate court recognized that the fair use doctrine had gone off the rails, concluding that "the addition of new expression to an existing work is not a get-out-of-jail-free card that renders the use of the original transformative."⁸³ The defendants' purpose was found to be identical to the plaintiff's, amounting to a mere repackaging.

We co-authored an amicus brief in the case siding with the plaintiff.⁸⁴ Central to our brief was the argument that an expansive—and unbridled—understanding of

78. *Kienitz v. Scornie Nation LLC*, 766 F.3d 756, 785 (7th Cir. 2014).

79. *Dr. Seuss Enters., L.P. v. ComicMix LLC*, 983 F.3d 443, 449 (9th Cir. 2020).

80. *Id.* at 456.

81. *Seltzer v. Green Day, Inc.*, 725 F.3d 1170, 1176–78 (9th Cir. 2013).

82. Defendant-Appellees Answering Brief [Redacted] at 34–35, *ComicMix*, 983 F.3d 443 (No. 19-55348); Brief Amici Curiae of Professors Peter S. Menell, Shyamkrishna Balganes, and David Nimmer in Support of Petitioners, *ComicMix*, 983 F.3d 443 (No. 19-55348).

83. *ComicMix*, 983 F.3d at 458.

84. Brief Amici Curiae of Professors Peter S. Menell, Shyamkrishna Balganes, and David Nimmer in Support of Petitioners, *supra* note 82.

transformative use rendered the derivative work right meaningless.⁸⁵ Neither the defendants nor their amici acknowledged this potential conflict. Crediting the argument made in our brief, the court in *ComicMix* rejected an expansive understanding of transformative use, noting that the defendants failed to “address a crucial right for a copyright holder—the derivative works market, an area in which [plaintiff] engaged extensively for decades.”⁸⁶ It went on to observe:

As noted by one of the amici curiae, the unrestricted and widespread conduct of the sort *ComicMix* is engaged in could result in anyone being able to produce, without [plaintiff’s] permission, Oh the Places Yoda’ll Go!, Oh the Places You’ll Pokemon Go!, Oh the Places You’ll Yada Yada Yada!, and countless other mash-ups [i.e., all derivative works]. Thus, the unrestricted and widespread conduct of the sort engaged in by [defendants] could “create incentives to pirate intellectual property” and disincentivize the creation of illustrated books . . . [which] is contrary to the goal of copyright “[t]o promote the Progress of Science.”⁸⁷

ComicMix thus continued the course correction that the Seventh Circuit had begun in *Kienitz*. All the same, it sidestepped the broader challenge: rendering the transformative use idea workable in relation to the derivative work right. *Kienitz* had seen that as a fraught exercise and altogether abandoned the transformative use idea. *ComicMix* on the other hand acknowledged the need to keep the two separate, yet said surprisingly little about a test/approach to realize that goal. Thus, while the collision course had been averted, it was at best unpredictable in the absence of workable guardrails to keep the two ideas in balance. *Warhol* answered that call.

III. THE WARHOL BLUEPRINT TO RECONCILIATION

With this build up to the conflict between the derivative work right and the transformative use variant of fair use, we are ready to explicate how the Supreme Court in *Warhol* reconciled the tension. To reiterate again, our assessment is not that the Court’s opinion addressed all of the subtlety, nuance, and variety of possibilities with a fully fleshed out test. It is instead that the Court offered a workable blueprint for lower courts to balance the two, paying attention to their respective purposes within the copyright system.

The facts of *Warhol* are well-known, but a short version is worth recapitulating here. The dispute centered around renowned rock ‘n roll photographer Lynn Goldsmith’s 1981 studio portrait of the legendary musician Prince.⁸⁸ In 1984, *Vanity Fair* licensed that photograph for an artist reference, under which an artist was to be allowed to use it to make one artwork for use and publication in the magazine along with

85. *Id.* at 2.

86. *ComicMix*, 983 F.3d at 460.

87. *Id.* at 461 (citing and quoting Brief Amici Curiae of Professors Peter S. Menell, Shyamkrishna Balganes, and David Nimmer in Support of Petitioners, *supra* note 82, at 2).

88. *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 598 U.S. 508, 515 (2023).

attribution to Goldsmith.⁸⁹ Unbeknownst to Goldsmith, that artist was Andy Warhol, who produced sixteen variations based on the photograph. *Vanity Fair* published Warhol's *Purple Prince* image, duly crediting Goldsmith for the "source photograph."⁹⁰

After Prince's tragic passing in 2016, Condé Nast contacted the Andy Warhol Foundation (AWF) about the possibility of reusing the 1984 *Vanity Fair* image for a special edition magazine that would commemorate Prince. AWF informed Condé Nast about the full range of Prince images, and Condé Nast licensed the *Orange Prince* silk screen for its commemorative issue.⁹¹ Condé Nast paid AWF \$10,000 to feature *Orange Prince*, but did not license any rights from Goldsmith nor credit her in its publication.⁹² After Goldsmith notified AWF that she believed that *Orange Prince* infringed her copyright, AWF filed a declaratory relief action asserting that its use was transformative and hence a fair use.⁹³

Relying on *Cariou*, the district court agreed with AWF, finding Warhol's series of Prince works to be transformative. Judge Koeltl explained that

[t]he central purpose of this investigation is to determine "whether the new work merely supersede[s] the objects of the original creation or instead adds something new, with a further purpose or different character, altering the first with new expression, meaning, or message." *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 579 (1994). "The law imposes no requirement that a work comment on the original or its author in order to be considered transformative . . ." *Cariou v. Prince*, 714 F.3d [694,] 706 [(2d Cir. 2013)].⁹⁴

He concluded that "the first, third, and fourth fair use factors favor AWF, and the second factor is neutral. A holistic weighing of these factors points decidedly in favor of AWF."⁹⁵

On appeal in an opinion by Judge Lynch, the Second Circuit used this opportunity to confront the clear tension between the derivative work right and the fair use doctrine's transformativeness inquiry. This led the panel to reverse the lower court's determination. Central to its conclusion was that the lower court (and implicitly *Cariou*, of course) had sought to convert fair use into a "simple bright-line rule[]." ⁹⁶ While it did not expressly overrule *Cariou*, it noted the controversy that its approach had generated, describing it as the "high-water mark of our court's recognition of transformative works."⁹⁷ It further noted:

[A]s we have previously observed, [*Cariou*] has not been immune from criticism. . . . While we remain bound by *Cariou*, and have no occasion or desire to

89. *Id.*

90. *Id.*

91. *Id.* at 519–20.

92. *Id.* at 520.

93. *Id.* at 508.

94. *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 382 F. Supp. 3d 312, 325 (S.D.N.Y. 2019) (alteration in original).

95. *Id.* at 331.

96. *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 11 F.4th 26, 38 (2d Cir. 2021).

97. *Id.*

question its correctness on its own facts, our review of the decision below persuades us that some clarification is in order.⁹⁸

Unlike the Seventh Circuit in *Kienitz*, Judge Lynch was reluctant to jettison the idea of a use being "transformative," since it would have meant overruling a long line of circuit precedent. Judge Lynch therefore chose to address the balancing contextually by eliminating the simplistic reliance on "new meaning or message," which prior courts had adopted.⁹⁹ All the same, the court's opinion indirectly highlighted which way it perceived the balance to lie, through an error that it quickly corrected. In its initial opinion, the Second Circuit mistakenly observed that "there exists an entire class of secondary works that add 'new expression, meaning, or message' to their source material but are nonetheless specifically *excluded* from the scope of fair use: derivative works."¹⁰⁰ This statement is obviously incorrect, since the fair use doctrine is made expressly applicable to *all* of the statute's exclusive rights, including the derivative work right. A few months later, the court amended its opinion to note that "there exists an entire class of secondary works that add 'new expression, meaning, or message' to their source material . . . but may nonetheless fail to qualify as fair use: derivative works" thus replacing "excluded from" with "may nonetheless fail to qualify."¹⁰¹ Despite this change, the court's message was clear: *Transformative use could not swallow the derivative work right*.

When the Supreme Court granted certiorari to review the case, this aspect of the controversy was front and center, indeed unmistakably so, given how much of a role it had played in the Second Circuit's (initial and amended) opinions. It is therefore perplexing that some have contended that the Court did not address this question or purport to offer guidance on it.¹⁰² Detailing the background to the relevant doctrines (fair use and derivative works), Justice Sotomayor's opinion for the 7-2 majority set out the core issue that it was resolving:

A use that has a further purpose or different character is said to be "transformative." . . . As before, "transformativeness" is a matter of degree. . . . That is important because the word "transform," though not included in § 107, appears elsewhere in the Copyright Act. The statute defines derivative works, which the copyright owner has "the exclusive righ[t]" to prepare, § 106(2), to include "any other form in which a work may be recast, transformed, or adapted," § 101. In other words, the owner has a right to derivative transformations of her work. Such transformations may be substantial, like the adaptation of a book into a movie. To be sure, this right is "[s]ubject to" fair use. . . . The two are not mutually

98. *Id.*

99. *Id.* at 41.

100. *Andy Warhol Found. for Visual Arts, Inc. v. Goldsmith*, 992 F. 3d 99, 111 (2d Cir. 2021).

101. *Warhol Found. for the Visual Arts, Inc.*, 11 F.4th at 39 (citation omitted).

102. Pamela Samuelson, *Did the Solicitor General Hijack the Warhol v. Goldsmith Case?*, 47 COLUM. J.L. & ARTS 513, 517 (2024) (stating that "the Court said virtually nothing to clarify the distinction between transformative fair uses and infringing derivative works"). This is hard to square with the express language of the Court's opinion. *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 598 U.S. 508, 529, 536 n.11, 538, 541, 548, 550 (2023). Indeed, the majority opinion faulted the dissent for "offer[ing] no theory of the relationship between transformative uses of original works and derivatives works that transform originals," *id.* at 548, thereby reinforcing that its reasoning provided, just such a theory.

exclusive. But an overbroad concept of transformative use, one that includes any further purpose, or any different character, would narrow the copyright owner's exclusive right to create derivative works. To preserve that right, the degree of transformation required to make "transformative" use of an original must go beyond that required to qualify as a derivative.¹⁰³

Much of the majority opinion rectified the misunderstanding and oversimplification of *Campbell* that many lower courts—and the plaintiff in *Warhol*—sought to rely on. Justice Sotomayor could not have been clearer on this: Her opinion reiterated the need to recognize *Campbell's* "nuance" and complexity, and unambiguously jettisoned prior readings:

Campbell cannot be read to mean that [the first fair use factor] weighs in favor of any use that adds some new expression, meaning, or message. . . . Otherwise, "transformative use" would swallow the copyright owner's exclusive right to prepare derivative works. Many derivative works, including musical arrangements, film and stage adaptations, sequels, spinoffs, and others that "recast, transfor[m] or adap[t]" the original, § 101, add new expression, meaning or message, or provide new information, new aesthetics, new insights and understandings. That is an intractable problem for AWF's interpretation of transformative use.¹⁰⁴

Indeed, the fact that this clarification and reconciliation was central to the majority is further borne out by the majority's direct (and unusually trenchant) criticism of the dissenting opinion for its failure to address this very point, noting that "[t]he dissent . . . offers no theory of the relationship between transformative uses of original works and derivative works that transform originals" but simply adopts the position that "any use that is creative prevails under the first fair use factor."¹⁰⁵

The majority provided a "theory" for reconciling the relationship between the derivative work right and transformative uses that qualify as fair use, and quite a bit more. That theory had three elements: independent justification, distinct purpose, and the balance of commerciality.

A. INDEPENDENT JUSTIFICATION

The key to operationalizing the first fair use factor—"the purpose and character of the use, including whether such use is of a commercial nature or is for nonprofit educational purposes"—lies in examining the *justification* offered by the copier for the use. Here, justification means the reason offered by the copier for its use that "targets" the protected work. It asks, in other words: What was the reason for the copying of the protected work? This search for an independent justification embodies three interrelated aspects: (1) whether there is an independent rationale beyond convenience or free riding; (2) consideration of the necessity of targeting the work; and (3) assessment of whether the use was compelling.

103. *Andy Warhol Found. for the Visual Arts*, 598 U.S. at 529.

104. *Id.* at 541.

105. *Id.* at 548.

First, mere modifications or alterations made to the work are irrelevant as a justification, absent an independent reason for them. As made clear by the Court, a mere emphasis on changes and modifications to the protected work do not make a use transformative.¹⁰⁶ Such changes would instead fall squarely within the coverage of the derivative work right. As the majority put it:

The first fair use factor would not weigh in favor of a commercial remix of Prince's "Purple Rain" just because the remix added new expression or had a different aesthetic. A film or musical adaptation, like that of Alice Walker's *The Color Purple*, might win awards for its "significant creative contribution"; alter the meaning of a classic novel; and add "important new expression," such as images, performances, original music, and lyrics. . . . But that does not in itself dispense with the need for licensing [i.e., since it is a derivative work].¹⁰⁷

Second, the justification must account for why the *targeting* of the protected work was necessary. Thus, a justificatory purpose in itself would not suffice in the abstract, absent a reason connecting it to the protected work. For instance, a newspaper's copying of a protected photograph for a journalistic purpose would not amount to a justification absent a reason connecting that specific photograph to the story being told. This would differentiate, for instance, between a magazine's copying of a copyrighted photograph of a sportsperson in a general story about the sport and the same copying but in a story about a game in which that sportsperson recently played. The former would not justify the targeting, while the latter would.¹⁰⁸

Third, the mere identification of a justification is insufficient. It needs to be "compelling" and is thus a matter of degree and assessment. This requirement traces itself back to Judge Leval's original article formulating the "transformative" use idea. In that piece, he associated the entirety of the first fair use factor with "the question of justification" while insisting that "it is not sufficient simply to conclude whether or not justification exists. The question remains how powerful, or persuasive, is the justification, because the court must weigh the strength of the secondary user's justification against factors favoring the copyright owner."¹⁰⁹

Judge Leval's article provided guidance on each of these elements of justification. Describing a few of his early fair use decisions wherein biographers had taken "dazzling passages of the original writing because they made good reading, not because such quotation was vital to demonstrate an objective of the biographers," he noted that such "takings of protected expression [were] without sufficient transformative justification."¹¹⁰ The Court in *Campbell* adopted this limitation into its reasoning as

106. *Id.* at 541.

107. *Id.*

108. *Compare* *Monge v. Maya Mags., Inc.*, 688 F.3d 1164, 1175 (9th Cir. 2012) (observing that the photographs in its case "were not even necessary"), *with* *Núñez v. Caribbean Int'l News Corp.*, 235 F.3d 18, 24 (1st Cir. 2000).

109. Leval, *supra* note 3, at 1111.

110. *Id.* at 1112.

much as it did the transformativeness inquiry. It emphasized the centrality of justification through its discussion of the parody/satire distinction.

As *Campbell* explained, a parody seeks to comment on the works that it is parodying; a satire on the other hand seeks to offer comic relief on a broader or different topic such as “prevalent follies or vices” rather than specific works.¹¹¹ Accordingly, a “[p]arody needs to mimic an original to make its point” while “satire can stand on its own two feet.”¹¹² To Justice Souter in *Campbell*, this meant that a legitimate parodic purpose qualified as a justification on its own, whereas a satire “require[d] justification for the very act of borrowing.”¹¹³ Echoing the need for the justification to be compelling in light of the targeting, Justice Souter nevertheless emphasized that even parodies would on occasion require more justification than just their parodic purpose, such as “[i]f a parody whose wide dissemination in the market runs the risk of serving as a substitute for the original or licensed derivatives.”¹¹⁴ In those instances, the need for a justification would be stronger, which might be obtained by a deeper examination of the reasons for the targeting (i.e., the parody’s “critical relationship to the original”).¹¹⁵

Warhol reiterated each of these elements underlying the idea of a justification and quoted extensively from *Campbell* to make its point. To the majority, the absence of a justification in the factual record was crucial. It noted that the plaintiff “offers no independent justification, let alone a compelling one, for copying the photograph, other than to convey a new meaning or message,” and faulted the dissent for “disregard[ing]” the requirement altogether.¹¹⁶ As a rough guide to such justifications, *Warhol* also re-emphasized the observation in *Campbell* that courts could look to the preambular categories in the fair use provision, but reiterated that while they could provide guidance, no “presumption” was to attach to those categories, and the existence of a justification was nevertheless to be independently examined.¹¹⁷

B. DISTINCT PURPOSE

Related to, but nevertheless different from, the independent justification requirement is the need for the defendant’s allegedly fair use to have a purpose that is distinct from the purposes of the copyright owner in relation to the work. This requirement is more nuanced than that of independent justification and thus open to potential misunderstanding and manipulation, which necessitates further elaboration. Unlike with independent justification, the *Warhol* opinion added greater clarity to the distinct purpose requirement through its actual application rather than through general statements or rules.

111. *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 581 n.15 (1994).

112. *Id.* at 580–81.

113. *Id.* at 581.

114. *Id.* at 580 n.14.

115. *Id.*

116. *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 598 U.S.508, 547, 549 (2023).

117. Brief of Professors Peter S. Menell, Shyamkrishna Balganes, and Jane C. Ginsburg as *Amici Curiae* in Support of Respondents, *supra* note 19, at 15–16.

As a preliminary matter, the independent justification requirement focuses on the targeting of the protected work and thus examines the reasons for the defendant's copying of it (in part or whole). In its emphasis on copying, it primarily focuses on the creation of the derivative work through that process. The distinct purpose requirement on the other hand is broader and examines the purpose to which the defendant puts the work to use, recognizing that the appropriate unit of analysis for fair use is the defendant's "use" rather than just copying.¹¹⁸ Now while such use will indeed entail copying in most instances, it need not be so limited since the owner's exclusive rights extend beyond just the right of reproduction, and the fair use doctrine correspondingly protects against potential infringements of those non-reproduction rights as well.

The distinct purpose requirement therefore looks to the particular *use* being made by the copier of the protected work and compares it to the use that the copyright owner alleges to have been violated. The Court in *Warhol* devoted substantial attention to this requirement, which it found lacking in the plaintiff's (i.e., AWF's) use of the photograph. The rationale underlying the distinct purpose requirement—which the *Warhol* Court drew from *Campbell*—was the obvious substitutionary effect of a use that exhibited a purpose similar to that of the copyright owner's.¹¹⁹ This, to the Court, "undermines the goal of copyright" and would therefore weigh against fair use. The comparison of the purposes was however not to be a binary one—i.e., similar or not—but was instead to take place along a continuum, or as a "matter of degree."¹²⁰ And that degree was then to be balanced against the third variable in the analysis—commerciality—discussed further below.

Applying the distinct purpose requirement to the facts of the case, the *Warhol* Court made several noteworthy and instructive observations. First, it emphasized that its scrutiny of purpose was predicated on the contours of the infringement claim being asserted. Since Goldsmith was merely asserting that AWF's act of commercially licensing the unauthorized derivative was the infringement—and not the very works that *Warhol* produced—the Court limited its framing of purpose to that assertion.¹²¹ The purpose of the allegedly fair use was therefore "commercial licensing."¹²²

Second, the Court then examined whether that purpose was distinct from the ordinary purposes to which a similar work is put by a copyright owner, which it answered in the negative, finding that a commercial licensing of a photograph to produce a derivative was fairly "typical":¹²³

Goldsmith introduced "uncontroverted" evidence "that photographers generally license others to create stylized derivatives of their work in the vein of the Prince Series." . . . In fact, *Warhol* himself paid to license photographs for some of his artistic renditions. Such licenses, for photographs or derivatives of them, are how photographers like Goldsmith

118. 17 U.S.C. § 107(1).

119. *Andy Warhol Found. for the Visual Arts*, 598 U.S. at 528 (discussing "the problem of substitution—copyright's *bête noire*").

120. *Id.* at 532.

121. *Id.* at 511.

122. *Id.*

123. *Id.* at 534.

make a living. They provide an economic incentive to create original works, which is the goal of copyright.¹²⁴

The alleged use by AWF did not therefore evince a purpose that was distinct; instead, it was "substantially the same."¹²⁵

Third, the Court disallowed assertions of subjective purpose based on the copier's intention at the time of the borrowing.¹²⁶ Instead, it affirmed the Second Circuit's position that purpose was to be a purely objective assessment, and made looking into "what the user does with the original work"¹²⁷ the proper focus. The Court viewed the use as providing a portrait for a magazine commemorating Prince's life at the time of his passing. With this in mind, it disregarded AWF's assertions that the real purpose behind the use of the photograph was to offer critical commentary on Prince's celebrity status.¹²⁸ The majority's framing of the purpose in this manner has been criticized by some who argue that it generates significant line-drawing problems by allowing judges to frame the purpose at their chosen level of generality, which may prove to be inconsistent. Indeed, Justice Kagan's dissent focused in large part on this very issue, accusing the majority of narrowing the inquiry into purpose in the process and disregarding the nuances of the art world.¹²⁹ Yet, as Justice Gorsuch's concurring opinion also made clear, this approach to framing the copier's purpose in objective—and relatively general—terms is borne out in the terms of the statute and designed precisely to avoid judges becoming art critics who assess the credibility (and importance) of a secondary user's alleged subjective purpose behind the use.¹³⁰

In short then, the distinct purpose requirement necessitates isolating the allegedly fair use in specific terms and assessing its similarity to uses that are typical of a given category of works. That assessment is made with an eye toward the potential substitutability of the two (i.e., whether one might supersede the other and thus undermine the copyright owner's market). This last point, however, deserves some qualification. Merely because the comparison of purposes is done with an eye toward potential substitutability, it would be a mistake to collapse the inquiry into a simple assessment of market competition between the works measured using variables such as cross-elasticity of demand and the like. While substitutability is the rationale for the comparison of the purposes, such substitutability as an indicator of competition is not what makes the purposes distinct, identical, or similar. It would therefore be erroneous to limit the focus of the inquiry on the existence/absence of market competition between the uses, as some have suggested. An example illustrates the perils of this approach: A copyright owner might produce a protectable work but then choose to avoid publishing it, preferring to keep it private for any number of reasons. Now if a

124. *Id.* at 535 (citations omitted).

125. *Id.*

126. *Id.* at 545.

127. *Id.*

128. *Id.* at 512.

129. *Id.* at 558–60 (Kagan, J., dissenting).

130. *Id.* at 553–54 (Gorsuch, J., concurring).

secondary user comes along, makes copies of it, and then markets it to the public, the two works can hardly be said to be in market competition with one another since the copyright owner never had (or intended) a market for the work to begin with. All the same, it is equally undeniable that the defendant’s use is a substitute for the original in all senses of that term. To collapse substitutive effect into market competition would miss this reality and run contrary to the Court’s framing.

C. COMMERCIALITY

The final element of the *Warhol* reconciliation was one that it also drew from *Campbell*, noting how courts had missed that part of the analysis in the prior jurisprudence. This was the need to balance any justification or purpose behind the use offered by the fair use claimant against the commerciality of that use. Noting how the text of the fair use provision specifically mentioned the need to examine whether the use was of a “commercial nature,” Justice Sotomayor reiterated *Campbell*’s recognition that the commercial nature of a use, while “not dispositive” to the inquiry, was nevertheless “relevant” to it, needing it “to be weighed against the degree to which the use has a further purpose or different character.”¹³¹

Campbell had been very clear that the commerciality of the putative fair use was to be weighed against its claim of transformativeness—reflected in an independent justification or distinct purpose.¹³² Commerciality and transformativeness were thus to be seen on a sliding scale fulcrum. Justice Souter went to extraordinary lengths to reiterate this point, at one point even noting that a commercial parody had a heightened burden of justification. He thus noted:

The use, for example, of a copyrighted work to advertise a product, even in a parody, will be entitled to less indulgence under the first factor of the fair use enquiry than the sale of a parody for its own sake, let alone one performed a single time by students in school.¹³³

In the many years since *Campbell*, very few courts had paid sufficient attention to this sliding scale aspect, for fear that it would give commerciality a dispositive significance or that it would detract from the market analysis called for under the fourth fair use factor. Both these reasons ignored one important reality: Congress made a very specific decision to include language about a “commercial” purpose in the fair use provision. And in so doing, it was clear that commerciality “should be weighed along with other factors in fair use decisions.”¹³⁴

131. *Id.* at 510 (majority opinion).

132. *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 591 (1994).

133. *Id.* at 585; Brief of Professors Peter S. Menell, Shyamkrishna Balganesh, and Jane C. Ginsburg as *Amici Curiae* in Support of Respondents, *supra* note 19, at 18–20.

134. H.R. REP. NO. 94-1476, at 66 (1976).

It is somewhat perplexing that Justice Kagan's dissenting opinion wanted fair use to have nothing to do with commerciality, despite this language.¹³⁵ Characterizing the majority's approach pejoratively as a "commercialism-über-alles" view, she noted that Congress could not have intended to have commerciality play any role since its illustrative categories (news reporting, research, etc.) could themselves be commercial.¹³⁶ Yet, she made no mention of the statutory text that included commerciality, or of the legislative history making explicitly clear that this was a conscious inclusion that Congress closely considered in its final drafting of the first factor.

In the *Warhol* formulation then, commerciality is both highly relevant to the inquiry and operationalized by balancing the justification or distinct purpose against the extent of the commerciality, which too was a matter of degree. It thus bears an inverse relationship to the first two elements described previously. Applying it to the use at issue in the case, the Court concluded that the commercial nature of the activity—i.e., the licensing—heightened the burden on AWF's justification and purpose, which it failed beyond claiming that the work "convey[ed] a new meaning or message," which was "not enough."¹³⁷ Indeed, to make clear that its examination of commerciality was not dispositive, the majority even noted that its approach was consistent with its prior decision in *Google v. Oracle*, where the use was found to be transformative, embodying an independent justification as well as a distinct purpose despite the use as such being wholly commercial.¹³⁸

The majority opinion in *Warhol* could not have been clearer in purporting to offer a theory to reconcile the derivative work right with fair use as understood in *Campbell*. Instead of rejecting the idea of transformativeness, it instead integrated that element into an analysis that would serve copyright's overall goals. As it observed: "Fair use . . . strikes a balance between original works and secondary uses based in part on objective indicia of the use's purpose and character, including whether the use is commercial and, importantly, the reasons for copying."¹³⁹

At the risk of oversimplification, *Warhol's* reconciliation of transformativeness under the first fair use factor and the derivative work right can be understood as weighing the degree of transformativeness (focusing on the justification offered for that use as well as the distinctiveness of its purpose vis-à-vis the original) against the commerciality of the alleged use:

135. Harvard Law School, *The 2015 Scalia Lecture: A Dialogue with Justice Elena Kagan on the Reading of Statutes*, YOUTUBE (Nov. 25, 2015), <https://youtu.be/dpEtszFT0Tg> [<https://perma.cc/L65V-9AET>] (observing that "[w]e are all textualists now").

136. *Andy Warhol Found. for the Visual Arts*, 598 U.S. at 578 (Kagan, J., dissenting).

137. *Id.* at 546–47 (majority opinion).

138. *Id.* at 533 n.8.

139. *Id.* at 549–50.

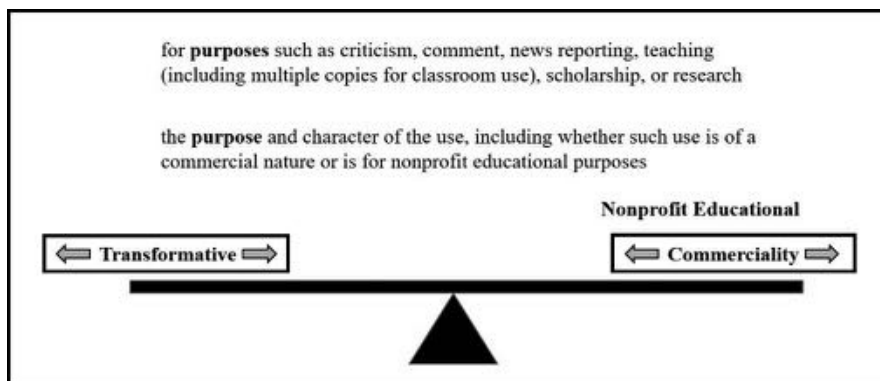


Figure 1

A few additional points are noteworthy about the Court's reconciliation. First, as should be apparent from the opinion, the Court was limiting its analysis to the first fair use factor and no more. Nowhere did the Court discuss the other factors, or indeed how the first factor would interact with those other elements—all of which are essential to a final fair use determination. Consequently, the reconciliation that the Court offered was internal to the first fair use factor's reliance on the notion of transformativeness with the understanding of the derivative work right. To miss that reality and think of *Warhol* as having weighed in on all of fair use ignores the opinion's nuance, a point that the concurring opinion took great pains to emphasize.

And second, a recurring—even if implicit—theme in Justice Sotomayor's majority opinion was the need for courts deciding fair use cases to be nuanced and contextual, and thus not shy away from making judgment calls or engaging in line-drawing based on the factual record. Much of the majority's critique of the prior (lower court) jurisprudence and the dissent revolved around their effort to simplify the complexity of the fair use analysis, including its first factor, into a simple bright-line test. And while such a simple test may enhance the guidance function of fair use, to the Court in *Warhol* it came at a significant cost, namely its undoing of the longstanding balance between creativity and copying that copyright law embodies. In a crucial sense, the opinion was therefore echoing an observation made by Judge Learned Hand about the need for courts in copyright cases to develop a level of comfort with judgments being scalar rather than binary, when he noted that courts always "have to decide how much, and while we are as aware as any one that the line, wherever it is drawn, will seem arbitrary, that is no excuse for not drawing it; it is a question such as courts must answer in nearly all cases."¹⁴⁰

140. *Nichols v. Universal Pictures Corp.*, 45 F.2d 119, 122 (2d Cir. 1930).

IV. TESTING THE WARHOL BLUEPRINT

Having parsed the *Warhol* opinion to isolate the elements of its reconciliation of the derivative work right and the fair use balance, this Part examines the working of that reconciliation beyond the facts of the *Warhol* case. It does so by looking back to two important recent appellate court decisions that precipitated the *Warhol* case: the Second Circuit's *Cariou v. Prince* decision and the Ninth Circuit's *Dr. Seuss Enterprises, L.P. v. ComicMix LLC* decision. As we show, the *Warhol* blueprint would have been straightforward to operationalize in both cases.

A. *CARIOU V. PRINCE*

In *Cariou*, the protected works at issue were Patrick Cariou's photographs of the Rastafarians who live in Jamaica.¹⁴¹ Cariou lived with his subjects for over six years, which allowed him to photograph them in various poses during different elements of their daily activities.¹⁴² He published them collectively in a book titled *Yes Rasta*.¹⁴³ The book earned Cariou meager royalties, and he never licensed or sold individual photographs from the book.¹⁴⁴ A few years after the book's publication, well-known appropriation artist Richard Prince incorporated dozens of Cariou's photographs into a series of large-scale paintings. Some of these works largely reproduced Cariou's photographs without much alteration in collages with other cropped photographs. Several of Prince's works cropped, added color to, added guitar images to, and painted "lozenges" over Cariou's pictures.¹⁴⁵

Cariou was in the middle of negotiating for an exhibition of his photographs with an art gallery when Prince launched his artwork at another gallery, the Gagosian. Upon hearing of Prince's show, the gallery planning to stage Cariou's exhibition cancelled, believing that Cariou's photographs were part of the Prince exhibition.¹⁴⁶ Cariou then commenced an action for copyright infringement against Prince, the Gagosian Gallery, and related defendants alleging violations of several of his exclusive rights in the photographs.¹⁴⁷ Prince asserted fair use, relying on the argument that his uses were transformative under the *Campbell* standard as further interpreted in *Blanch v. Koons* and other Second Circuit jurisprudence.¹⁴⁸

Prince made much of the fact that his appropriations had added new expression and new meaning to Cariou's original photographs. In the lower court, he offered testimony to demonstrate his "drastically different approach and aesthetic."¹⁴⁹ While

141. *Cariou v. Prince*, 714 F.3d 694, 699 (2d Cir. 2013).

142. *Id.*

143. *Id.*

144. *Id.*

145. *Id.*

146. *Id.* at 703–04.

147. *Id.* at 704.

148. *Id.*

149. *Id.* at 706.

the district court rejected these statements, emphasizing that Prince had no intention to comment on Cariou's work and was merely using the photographs as raw materials for his own project, the Second Circuit criticized the district court for insisting on justification for the use. The Second Circuit concluded that all Prince needed to show was that his works "give [the original] photographs a new expression, and employ new aesthetics with creative and communicative results distinct from [the originals]."¹⁵⁰ Under the *Warhol* test, this would have been approached differently.

Prince's mere addition of new expression, new meaning, or new aesthetic would be insufficient to result in a finding for him under the first fair use factor. Instead, the inquiry would need to begin, as the district court did, with an assessment of independent justification, which would ask whether there was a compelling reason for the secondary use to have targeted and copied the original. Besides describing his work as a form of artistic commentary—on general social themes—described as "hectic and provocative," Prince offered no justification for the copying beyond an allusion to commentary.¹⁵¹ Nothing in Prince's account explained why the Rastafari people were needed for his art, let alone why Cariou's photographs of them were chosen. Indeed, while the district court emphasized Prince's inability to account for the targeting, the Second Circuit thought otherwise, concluding that "[t]he law imposes no requirement that a work comment on the original or its author in order to be considered transformative," effectively jettisoning the targeting aspect.¹⁵² As noted earlier, such targeting is central to the search for a justification, which Prince would have failed.

Prince's actions would fare no better under the distinct purpose prong. His account of his purpose simply sought to differentiate between the informational function of the original photographs (i.e., the lives of the subjects) and his own attempted artistic commentary. A contrast to Prince's lack of justification is the *Warhol* Court's hypothetical of Warhol's Campbell soup artwork, which the Court suggested would have amounted to a compelling independent justification as a "commentary."¹⁵³ As the Court in *Warhol* noted: "It is the very nature of Campbell's copyrighted logo—well known to the public, designed to be reproduced, and a symbol of an everyday item for mass consumption—that enables the commentary."¹⁵⁴

Prince's art undoubtedly offered up a different purpose; yet it was *insufficiently* different. And this would have been especially true when the lack of an independent justification and the insufficiently different purpose were measured against Prince's commercial distribution of his artwork—several of which sold for "two million or more dollars."¹⁵⁵ The commerciality of the use would have overridden the lack of any justification and the minimally different purpose, to result in a finding that the first fair use factor favored Cariou rather than Prince.

150. *Id.* at 708.

151. *Id.* at 706.

152. *Id.*

153. *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 598 U.S. 508, 539–40 (2023).

154. *Id.* at 540.

155. *Cariou*, 714 F.3d at 709.

Cariou thus illustrates how each of the *Warhol* prongs would have been readily workable in its factual matrix and thus produced the opposite conclusion from where the Second Circuit ended up. Indeed, the irony is that elements of such a conclusion were found in the district court's nuanced opinion in the case, which the Second Circuit chastised.

B. *DR. SEUSS ENTERPRISES, L.P. v. COMICMIX LLC*

As previously noted, *ComicMix* involved a mashup of the plaintiff's well-known and popular children's book *Oh, the Places You'll Go!* with the *Star Trek* television series. The defendants combined characters and themes from *Star Trek* with the Dr. Seuss classic, which they planned to market under the name *Oh, the Places You'll Boldly Go!*¹⁵⁶ The defendants' work was "purposely crafted . . . so that the title, the story, and the illustrations 'evoke' [the original]."¹⁵⁷ While the defendants certainly added new expression and made modifications, they unquestionably relied extensively if not slavishly on the themes, artwork, and storyline of the original. The plaintiff commenced an action for copyright infringement, and the defendants relied on fair use to dispute the claim, arguing that their use was transformative under the logic of *Campbell*.¹⁵⁸

On these facts, the *Warhol* framework would have had no problem directing the court towards a clear finding that the use was not transformative, and would thus fail the first fair use factor. The defendants offered no independent justification for their targeting of the original. They initially sought to argue that the secondary use was a "parody."¹⁵⁹ On a closer examination—as directed by *Campbell*—the court found this to be untrue, since the secondary use sought to "evoke" rather than "ridicule" or "critique."¹⁶⁰ As a second effort, the defendants argued that they were critiquing "banal narcissism" seen in the original. Again, the court found this "post hoc rationalization" lacking.¹⁶¹

On neither theory were the defendants able to explain their reason for targeting the original other than the obvious explanation that they sought to partake in the popularity of the original. As the court observed, the original "was selected 'to get attention or to avoid the drudgery in working up something fresh,'" rather than for a transformative purpose.¹⁶² In the end, the defendants offered no more than the fact that they added new expression to the original, which under the *Warhol* framework would clearly fail the independent justification standard.

The defendants' use also lacked a distinct purpose. While they added new expression, their purpose was identical to the original: the commercial publication of a

156. *Dr. Seuss Enters., L.P. v. ComicMix LLC*, 983 F.3d 443, 449 (9th Cir. 2020).

157. *Id.*

158. *Id.* at 450.

159. *Id.* at 452.

160. *Id.* at 453.

161. *Id.*

162. *Id.* at 454 (quoting *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 580 (1994)).

fictional story. What minor difference in purpose there might be—for instance, in the precise audiences being targeted—would be insufficient to qualify as “distinct.” In conjunction with the lack of an independent justification, this absence of a distinct purpose would also have been unequivocally outweighed by the commerciality of the defendants’ enterprise. The defendants had very much intended to sell their book and associated merchandise, a goal that was impeded by the plaintiff’s assertion of its copyright. Such commercial use, if pursued, would have clearly outweighed any transformative force. The *Warhol* framework would have produced the same conclusion as that arrived at by the Ninth Circuit, namely, that “[t]he first factor weighs definitively against fair use.”¹⁶³

The application of the *Warhol* test to both these examples reveals that Justice Sotomayor’s opinion for the majority was not really breaking new ground in terms of the elements that courts need to assess in harmonizing the derivative work right and fair use. Instead, much of what *Warhol* emphasized was already part of the framework set out in *Campbell*, which courts routinely have access to in the factual record. It is just that pre-*Warhol*, they had paid insufficient attention to it, based on a misreading of *Campbell*. The *Warhol* reconciliation is thus not just analytically straightforward but it is also eminently workable.

V. CONCLUSION

The Court’s opinion in *Warhol* represents a watershed moment in the evolution of U.S. copyright law—systemic, methodological, and, most narrowly, doctrinal. This Article has sought to unpack the last of these, namely its path-marking reconciliation of the judge-made notion of transformativeness within the fair use doctrine and its relationship to the statutory derivative work right. As we have explained here, the Court’s framework for that reconciliation was nuanced and built on ideas and observations from *Campbell* that lower courts had largely overlooked.

It is all too easy to criticize the *Warhol* opinion’s attempted reconciliation as failing to offer a simple or bright-line rule to harmonize the two doctrines, or to note that it is too fact-specific to offer sufficient guidance. Such criticisms misapprehend copyright’s fundamental qualities. In the search for simplicity and certainty, these criticisms overlook the reality that it was precisely the persistence of an oversimplified bright-line rule based on a misreading of *Campbell* that prompted the Court’s intervention. And while simplicity may indeed be desirable in the abstract, it upends the complex balance between protection and access that has been the hallmark of the U.S. copyright system since its birth. Simplicity in the name of a sprawling “transformative use” defense was indeed an example of this.

If there is one clear message from *Warhol*, it is the repudiation of the simplistic transformativeness inquiry that came to dominate lower court application of the statutory framework. The Court has restored that framework while fleshing out a discrete set of first factor inquiries derived from *Campbell*, the statutory text, and the

163. *Id.* at 455.

jurisprudence on which Congress grounded the positive law: independent justification, distinct purpose, and the balance of commerciality. Fair use is messy: contextual, fact-intensive, and, above all else, requires reconciling statutory interpretation and equitable judgment. In an important sense, the *Warhol* blueprint merely reaffirms this reality and exhorts courts to not shy away from fully engaging the doctrine merely because of its messiness. Whether or not lower courts heed its advice, or instead continue to search for simplifying shortcuts, is something that only time will tell.

Exploring the Economic, Social, and Moral Justice Ramifications of the *Warhol* Decision

Peter S. Menell* & Lateef Mtima**

ABSTRACT

Beyond rectifying the interplay of the derivative work right and fair use, Justice Sotomayor's vigorous, direct, and, at times, combative parrying with the dissent in Andy Warhol Foundation for the Visual Arts, Inc. v. Goldsmith drove a dagger into the free culture movement's critique of copyright law. The resulting decision repudiates the movement's campaign to undermine the derivative work right through a simplistic transformativeness shortcut for applying the fair use doctrine.

As this Article explains, the Copyright Act's drafters enhanced the financial rewards to, economic power of, and control of copyrighted works by authors through the grant of a bundle of exclusive rights, including a broad exclusive right to prepare derivative works. The Act tempered those rights through limiting doctrines, express recognition and codification of the fair use doctrine, and a series of statutory limitations, exemptions, and compulsory licenses. The codification of fair use, however, was not intended to "change, narrow, or enlarge" the doctrine outside of its traditional bounds—criticism, commentary, news reporting, educational, and research uses—"in any way." The legislative history further noted courts' freedom "to adapt the doctrine to particular situations on a case-by-case basis," "especially during a period of rapid technological change." Congress saw licensing as a principal vehicle for supporting cumulative creativity and ensuring fair compensation to and control of derivative uses by authors.

Notwithstanding this foundation and the Supreme Court's faithful interpretation of the fair use doctrine in Campbell v. Acuff-Rose Music, Inc., the fair use doctrine veered off course as lower courts collapsed Campbell's nuanced framework into a simplistic transformativeness analysis. The collision of this approach with the derivative work right prompted the Supreme

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Court's intervention. The resulting Warhol decision reinforced the economic and social empowerment undergirding the 1976 Act. After tracing the emergence of the free culture movement and the devolution of the fair use doctrine, this Article explores the economic, social justice, and moral right dimensions of the copyright regime reflected in the Warhol decision.

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INTRODUCTION

Although the Copyright Act of 1976 was not characterized during its formation as a civil rights statute, its drafters approached this monumental task with the belief that empowering authors on an equal basis was the best way to promote progress of expressive creativity. Continuing the trend of prior copyright enactments, legislators accelerated the shift of ownership, compensation, and control away from publishers toward creators. The drafters enhanced the financial rewards, power, and control of authors by granting them an expanded bundle of exclusive rights, including a broad exclusive right to prepare derivative works.¹ The statute expanded copyright duration and ensured that the additional duration went to authors, not licensees. And the revamping of the work made for hire provision guarded against overbearing publishers by affording authors an inalienable right to terminate unremunerative transfers after thirty-five years. The legislators were not indifferent to the effects of expanded rights upon the public and follow-on creators. The 1976 Act balanced its exclusive rights through numerous limitations, exemptions, and compulsory licenses, including the perpetuation of the fair use doctrine.²

Over the past half century, copyright law's empowerment of authors has served as a potent force in the nation's struggle to promote civil rights and social justice.³ The content industries have served as influential platforms for telling the stories of under-represented people and securing greater compensation and economic power for authors and artists, including many under-represented voices. Competitive markets have brought talent to the fore and enabled many authors, musicians, filmmakers, actors, artists, and athletes⁴ from marginalized groups to achieve unprecedented economic success.⁵ This success has altered power structures across the creative industries,⁶ which in turn has brought new genres, art forms, and a broader range of

1. See *infra* Part I.A.; Shyamkrishna Balganeshe & Peter S. Menell, *Going "Beyond" Mere Transformation: Warhol and Reconciliation of the Derivative Work Right and Fair Use*, 47 COLUM. J. L. & ARTS 411 (2024).

2. See *infra* Part I.B.

3. See Peter S. Menell, *Property, Intellectual Property, and Social Justice: Mapping the Next Frontier*, 5 BRIGHAM-KANNER PROP. RTS. CONF. J. 147, 173–82 (2016); Lateef Mtima, *Copyright Social Utility and Social Justice Interdependence: A Paradigm for Intellectual Property Empowerment and Digital Entrepreneurship*, 112 W. VA. L. REV. 97, 141–47 (2009).

4. The professional sports industries are in many respects copyright industries. Broadcasting rights have catapulted the earnings of professional athletes to stratospheric levels. Furthermore, celebrity athletes can leverage on-field success through lucrative endorsement deals and other media opportunities, such as broadcasting commentators, acting, and other pursuits. See, e.g., Alexis Reese, *The World's Highest-Paid Athletes 2021: 33 Black Athletes Made the List*, BET (Aug. 31, 2021, 8:12 AM), <https://www.bet.com/article/sc8o35/these-black-athletes-are-the-world-s-highest-paid-in-2021> [<https://perma.cc/A9TT-AJ9X>] [<https://web.archive.org/web/20240628151946/https://www.bet.com/article/sc8o35/these-black-athletes-are-the-world-s-highest-paid-in-2021>].

5. See Justin Hughes & Robert P. Merges, *Copyright and Distributive Justice*, 92 NOTRE DAME L. REV. 513 (2016).

6. As one example, Dr. Dre's success with N.W.A. led to his running the Aftermath Entertainment label, which in turn brought Eminem, 50 Cent, Kendrick Lamar, and many other performing artists fame, fortune, and influence. See *Dr. Dre*, WIKIPEDIA, https://en.wikipedia.org/wiki/Dr._Dre

perspectives to the public. None of this is to say that the United States has achieved economic equality and social justice, but to point out that economic empowerment of authors has promoted these goals in tangible and important ways.

Notwithstanding these unprecedented achievements, most copyright scholars over the past several decades have overlooked the role of copyright's core statutory framework in advancing economic empowerment across society. As digital technology reshaped the creative and telecommunications industries, it expanded the ease with which follow-on creators could alter pre-existing works and disseminate them widely. A growing cadre, drawing loosely on First Amendment gloss and the Constitution's "promote progress" clause, and advocating a superficial reading of the Supreme Court's *Campbell* decision, pressed for a fundamental shift in fair use jurisprudence: that any alteration of a copyrighted work that could be characterized as "transformative" constituted fair use. About a decade after *Campbell*, the influential Second Circuit began to apply such an expansive view of fair use, effectively swallowing much of the right to prepare derivative works.⁷ Eventually, however, some judges came to question how far the doctrine had strayed from its statutory mooring.

The Supreme Court's *Warhol* decision brought the simmering clash of the right to prepare derivative works and the fair use doctrine to a head. Justice Sotomayor's 7-2 majority opinion reconciled the interplay of the right to prepare derivative works and the fair use doctrine and returned the fair use doctrine to its textual, purposive, and jurisprudential foundation.⁸ In so doing, the decision explicated the broader economic and social justice principles of the copyright regime.

As background for exploring these principles, Part I of this Article uncovers the Copyright Act's statutory framework and the drafting of the pertinent provisions. Part II traces the emergence of the free culture movement and its role in stoking the derivative work right/fair use controversy. Part III summarizes the background and key holdings of the Supreme Court's *Warhol* decision. Part IV then discusses the economic, social justice, and moral right dimensions of the copyright regime.

[<https://perma.cc/E3HG-KH3D>]

[https://web.archive.org/web/20240127030656/https://en.wikipedia.org/wiki/Dr._Dre] (last visited Feb. 24, 2024). As another example, Queen Latifah leveraged her breakthrough music success into a motion picture career, product endorsement empire, and cultural phenomena. See *Queen Latifah*, WIKIPEDIA, https://en.wikipedia.org/wiki/Queen_Latifah [<https://perma.cc/4YHN-LPSW>]

[https://web.archive.org/web/20240127030825/https://en.wikipedia.org/wiki/Queen_Latifah] (last visited Feb. 24, 2024). She is perhaps only outdone by television talk show host Oprah Winfrey, referred to as the "Queen of All Media." See *Oprah Winfrey*, WIKIPEDIA, https://en.wikipedia.org/wiki/Oprah_Winfrey [<https://perma.cc/9JQJ-H3AZ>]

[https://web.archive.org/web/20240127030919/https://en.wikipedia.org/wiki/Oprah_Winfrey] (last visited Feb. 24, 2024), or Beyoncé, also known as "Queen Bey." See *Beyoncé*, WIKIPEDIA, <https://en.wikipedia.org/wiki/Beyonc%C3%A9> [<https://perma.cc/U4AV-N6XS>]

[<https://web.archive.org/web/20240127040516/https://en.wikipedia.org/wiki/Beyonc%C3%A9>] (last visited Feb. 24, 2024). See generally Lateef Mtima, *Digital Tools and Copyright Clay: Restoring the Artist/Audience Symbiosis*, 38 WHITTIER L. REV. 104, 123–26 (2018).

7. See *infra* Part II.B.1.

8. See Balganeshe & Menell, *supra* note 1.

I. THE LEGISLATIVE BACKDROP

After multiple aborted efforts to update the 1909 Copyright Act in response to technological, industrial, and social change,⁹ Congress in 1955 authorized appropriations over the next three years for the Copyright Office to conduct comprehensive research to lay the groundwork for omnibus copyright reform. The Register of Copyrights produced a detailed report on a general revision of the copyright law by mid 1961¹⁰ and issued a “Preliminary Draft for Revised U.S. Copyright Law”¹¹ in advance of hearings set for 1963.¹² As with other ambitious legislative reform efforts, the process took more than a decade of wrangling after those initial hearings to reach passage. Yet many of the key provisions were hammered out and their rationale explained by the mid-1960s. Disagreements over how to handle the rapidly developing field of cable television delayed a final bill.¹³

The Copyright Office invited scholars, practitioners, and representatives from the various creative industries, author organizations, libraries, technology companies, and the public to participate in the drafting process, much of which (including the preparatory studies) were published contemporaneously. Consequently, scholars, judges, and the public have a broad window into how the legislation was crafted. This is especially useful in reconciling the interplay of the right to prepare derivative works and the fair use doctrine. At a macroscopic level, the Copyright Act of 1976 can be divided into two main features: the empowerment of authors and the various mechanisms for balancing the rights of follow-on creators and the public.

A. AUTHOR EMPOWERMENT AS A MEANS TO PROMOTE PROGRESS

The Register’s Report begins with a discussion of theories of copyright.¹⁴ It characterizes the “essential” “nature of copyright” as

the right of an author to control the reproduction of his intellectual creation. As long as he keeps his work in his sole possession, the author’s absolute control is a physical fact. When he discloses the work to others, however, he makes it possible for them to

9. See H. COMM. ON THE JUDICIARY, 87TH CONG., COPYRIGHT LAW REVISION, REPORT OF THE REGISTER OF COPYRIGHTS ON THE GENERAL REVISION OF THE U.S. COPYRIGHT LAW IX–X (Comm. Print 1961) [hereinafter REGISTER’S REPORT] (noting the emergence of radio and television and the development of motion pictures and sound recordings, and international developments).

10. See *id.* at 24–25.

11. See H. COMM. ON THE JUDICIARY, 88TH CONG., COPYRIGHT LAW REVISION PART 2, DISCUSSION AND COMMENTS ON REPORT OF THE REGISTER OF COPYRIGHTS ON THE GENERAL REVISION OF THE U.S. COPYRIGHT LAW (Comm. Print 1963).

12. H. COMM. ON THE JUDICIARY, 88TH CONG., COPYRIGHT LAW REVISION PART 3, PRELIMINARY DRAFT FOR REVISED U.S. COPYRIGHT LAW AND DISCUSSIONS AND COMMENTS ON THE DRAFT (Comm. Print 1964).

13. See H.R. REP. NO. 94-1476, at 48 (1976) (recounting the long gestation of the Copyright Act of 1976).

14. REGISTER’S REPORT, *supra* note 9, at 3–6.

reproduce it. Copyright is a legal device to give him the right to control its reproduction after it has been disclosed.¹⁵

The Report makes clear that “[c]opyright does not preclude others from using the ideas or information revealed by the author’s work.”¹⁶ It notes copyright’s property, personal property, and monopoly character, qualifying that copyrighted works compete against each other and highlighting the risks that can arise from pooling of copyrighted works.¹⁷

The Report then discusses the purposes of copyright, noting its constitutional basis “To Promote Progress” and its “ultimate purpose” “to foster the growth of learning and culture for the public welfare.”¹⁸ The Report states that “the grant of exclusive rights to authors for a limited time is a means to that end.”¹⁹ It quotes from legislative history of the 1909 Act, noting that

The Constitution does not establish copyrights, but provides that Congress shall have the power to grant such rights if it thinks best. Not primarily for the benefit of the author, but primarily for the benefit of the public, such rights are given. Not that any particular class of citizens, however worthy, may benefit, but because the policy is believed to be for the benefit of the great body of people, in that it will stimulate writing and invention to give some bonus to authors and inventors.

In enacting a copyright law Congress must consider . . . two questions: First, how much will the legislation stimulate the producer and so benefit the public, and, second, how much will the monopoly granted be detrimental to the public? The granting of such exclusive rights, under the proper terms and conditions, confers a benefit upon the public that outweighs the evils of the temporary monopoly.²⁰

The Report explains that “[a]lthough the primary purpose of the copyright law is to foster the creation and dissemination of intellectual works for the public welfare, it also has an important secondary purpose: To give authors the reward due them for their contribution to society.”²¹ The Report explains that

[t]hese two purposes are closely related. Many authors could not devote themselves to creative work without the prospect of remuneration. By giving authors a means of securing the economic reward afforded by the market, copyright stimulates their creation and dissemination of intellectual works. Similarly, copyright protection enables publishers and other distributors to invest their resources in bringing those works to the public.²²

15. *Id.* at 3; *see also* Mtima, *supra* note 6, at 110–13.

16. REGISTER’S REPORT, *supra* note 9, at 3.

17. *See id.* at 3–5.

18. *Id.* at 5.

19. *Id.*

20. *Id.* at 5 (quoting H.R. REP. NO. 2222 (1909) (relating to the Copyright Act of 1909)).

21. *Id.* at 5.

22. *Id.* at 6.

The Report notes that the interests of authors and the public will often coincide, with both groups benefiting from widespread dissemination of authors' works, but that transaction costs often get in the way. In these circumstances, copyright law imposes limitations on the author's rights, including various exemptions, compulsory licenses, the fair use doctrine, durational limits, and formalities.²³ The Register concludes this discussion by emphasizing the role of the author's reward in developing the modern copyright regime:

While some limitations and conditions on copyright are essential in the public interest, they should not be so burdensome and strict as to deprive authors of their just reward. Authors wishing copyright protection should be able to secure it readily and simply. And their rights should be broad enough to give them a fair share of the revenue to be derived from the market for their works.²⁴

As noted by Register Abraham L. Kaminstein five years in to the revision process, the 1961 Register's Report's substantive recommendations generated "fervent opposition to some its major recommendations,"²⁵ particularly relating to the duration of copyright.²⁶ After extensive hearings and consideration of comments, many of the disagreements were resolved, leading to the 1964 Bill introduced in Congress.²⁷ After a further set of revisions, the Copyright Office produced the comprehensive *Supplementary Report of the Register of Copyrights on the General Revision of the U.S. Copyright Law: 1965 Revision Bill*²⁸ setting forth the drafters' rationale for the revised text. This report is especially important in understanding the modern act because the ultimate 1976 Act tracks many of the key provisions of the 1965 Bill verbatim or with only minimal change. The major impediment to passage of the 1965 Bill was disagreement over how the Act should address Community Antenna Television (CATV), what is now known as cable television. Due to this delay, the final House Report, although very helpful in understanding the modern act, is far more removed in time and focus from many of the core copyright law provisions which did not change between 1965 and 1976 and the rationale underlying these provisions.

In the preface to the *Supplementary Report*, Register Kaminstein explained how the consultation, study, and drafting process led the Copyright Office to favor stronger author rights:

I realize, more clearly now than I did in 1961, that the revolution in communications has bought with it a serious challenge to the author's copyright. This challenge comes not only from the ever-growing commercial interests who wish to use the author's works for private gain. An equally serious attack has come from people with a sincere interest in the

23. *See id.*

24. *Id.*

25. H. COMM. ON THE JUDICIARY, 89TH CONG., COPYRIGHT LAW REVISION PART 6, SUPPLEMENTARY REPORT OF THE REGISTER OF COPYRIGHTS ON THE GENERAL REVISION OF THE U.S. COPYRIGHT LAW IX (Comm. Print 1965) [hereinafter SUPPLEMENTARY REPORT].

26. *See id.* at X.

27. *See id.* at XI–XII.

28. *See id.*

public welfare who fully recognize (in the words of Sir Arthur Bliss) “that the real heart of civilization, the letters, the music, the arts, the drama, the educational material, owes its existence to the author”; ironically, in seeking to make the author’s works widely available by freeing them from copyright restrictions, they fail to realize that they are whittling away the very thing that nurtures authorship in the first place. An accommodation among conflicting demands must be worked out, true enough, but not by denying the fundamental constitutional directive: to encourage cultural progress by securing the author’s exclusive rights to him for a limited time.²⁹

Recognizing the dawning of “an era when copyrighted materials are being disseminated instantaneously throughout the globe,” Register Kaminstein noted the “injustice of this situation to authors” of differing copyright standards and the importance of bridging Berne Convention and Universal Copyright Convention nations.³⁰

Register Kaminstein’s concern for robust author’s rights is evident in the text of § 106 enumerating those rights and the definitions, particularly relating to derivative works.³¹ These provisions track the 1976 Act nearly verbatim.³² The *Supplementary Report* explains the rationale for robust author’s rights:

It is hard to predict which provisions of the bill will ultimately be most significant in the development of the copyright law, but on the basis of our discussions there is no question as to which group of sections is most important to the interests immediately affected. The nine sections setting forth the scope and limitations on the exclusive rights of copyright owners represent a whole series of direct points of conflict between authors and their successors on the one side, and users, both commercial and noncommercial, on the other. Moreover, of the many problems dealt with in the bill, those covered by the exclusive rights sections are most affected by advancing technology in all fields of communications, including a number of future developments that can only be speculated about. It is not surprising, therefore, that these sections proved extremely controversial and difficult to draft.

In a narrow view, all of the author’s exclusive rights translate into money: whether he should be paid for a particular use or whether it should be free. But it would be a serious mistake to think of these issues solely in terms of who has to pay and how much. The basic legislative problem is to insure that the copyright law provides the necessary monetary incentive to write, produce, publish, and disseminate creative works, while at the same time guarding against the danger that these works will not be disseminated and used as fully as they should because of copyright restrictions. The problem of balancing existing interests is delicate enough, but the bill must do something even more difficult. It must try to foresee and take account of changes in the forms of use and the relative importance

29. *See id.* at XV.

30. *See id.*

31. *See* H.R. 4347, 89th Cong. § 101 (1965) (“A ‘derivative work’ is a work based upon one or more preexisting works, such as a translation, musical arrangement, dramatization, fictionalization, motion picture version, sound recording, art reproduction, abridgment, condensation, or any other form in which a work may be recast, transformed, or adapted. A work consisting of editorial revisions, annotations, elaborations, or other modifications which, as a whole, represent an original work of authorship, is a ‘derivative work.’”).

32. *Compare id.* § 106 (1965), with 17 U.S.C. § 106 (1976).

of the competing interests in the years to come, and it must attempt to balance them fairly in a way that carries out the basic constitutional purpose of the copyright law.

Obviously no one can foresee accurately and in detail the evolving patterns in the ways author's works will reach the public 10, 20, or 50 years from now. Lacking that kind of foresight, the bill should, we believe, adopt a general approach aimed at providing compensation to the author for future as well as present uses of his work that materially affect the value of his copyright. As shown by the jukebox exemption in the present law, a particular use which may seem to have little or no economic impact on the author's rights today can assume tremendous importance in times to come. A real danger to be guarded against is that of confining the scope of an author's rights on the basis of the present technology so that, as the years go by, his copyright loses much of its value because of unforeseen technical advances.

For these reasons, we believe that the author's rights should be stated in the statute in broad terms, and that the specific limitations on them should not go any further than is shown to be necessary in the public interest.³³

The Act's empowerment of authors can also be seen in its channeling of additional duration to authors as opposed to publishers and other licensees³⁴ and the revamping of the work made for hire provision to afford authors an inalienable right to terminate unremunerative transfers after thirty-five years.³⁵

B. BALANCING AUTHOR'S RIGHTS, CUMULATIVE CREATIVITY, AND FREEDOM OF EXPRESSION

Beyond author empowerment, the drafters of the 1976 Act were concerned with the public interest in gaining access to copyrighted works and balancing copyright protection with freedom of follow-on creators to use ideas and exercise freedom of expression. The Constitution's Intellectual Property Clause³⁶ afforded Congress substantial leeway in how to design copyright law. After sketching a framework for analyzing the trade-offs in designing copyright law, this section discusses how the Copyright Act drafters exercised that discretion and guided courts in applying the fair use doctrine.

1. An Analytic Framework

There are multiple ways of promoting expressive creativity through copyright protection. At one end of the spectrum, strong intellectual property rights can serve as robust motivation for creators and investors to pursue creative projects. Yet the strength of such rights can hamper cumulative creativity to the extent that follow-on creators bear costs of negotiating permission to build upon protected works. Various

33. See H. COMM. ON THE JUDICIARY, *supra* note 25, at 13–14.

34. See 17 U.S.C. §§ 203(c)(3), 304(d)(2).

35. See 17 U.S.C. § 203(a)(3).

36. U.S. CONST. art. I, § 8, cl. 8.

limiting doctrines, exemptions, fair use, and compulsory licenses—such as, for example, the cover license³⁷—can alleviate the potential impediments to follow-on creativity, but rules authorizing re-use and re-purposing can themselves be murky, adding to the costs associated with cumulative creativity. Insurance and other risk-spreading devices can also alleviate some of the exposure. At the other end of spectrum, the absence of intellectual property rights or only very weak rights can fuel a wide range of follow-on projects, but can diminish the motivation and funding to pursue ambitious pioneering works.

The efficacy of different approaches depends significantly on transaction costs and licensing.³⁸ Where transaction costs are low, strong rights are more likely to produce the greatest bounty: substantial investment in foundational creative projects along with robust cumulative creativity. Where transaction costs are substantial, strong rights can choke off follow-on works, as well as interfere with educational and research uses of copyrighted works.

Furthermore, in view of copyright law's freedom to build on the *ideas* of others—as reflected in the idea-expression dichotomy—a robust right to prepare derivative works motivates creators to pursue more original and less derivative projects. Professor Joseph Fishman offers the example of a young George Lucas who sought, but was denied permission, to create a remake of *Flash Gordon*.³⁹ Rebuffed, but undaunted, Lucas pursued a far more ambitious project. Drawing on ideas from *Flash Gordon*, the original *Star Trek* television series, other science fiction films, Japanese Samurai films, westerns, and John Campbell's *The Hero with a Thousand Faces*,⁴⁰ Lucas created *Star Wars*, one of the most iconic films (and film series). Other examples of stymied creators who went on to pursue great works abound,⁴¹ as are examples of documentary filmmakers, mashup artists, and other creators who are blocked or chilled in their use of prior works.⁴² Whether and how expressive freedom or copyright constraint affect creative

37. See 17 U.S.C. § 115.

38. Peter S. Menell & Suzanne Scotchmer, *Intellectual Property Law*, in 2 HANDBOOK OF LAW AND ECONOMICS 1473, 1499–1505 (A. Mitchell Polinsky & Steven Shavell eds., 2007); Wendy J. Gordon, *Fair Use as Market Failure: A Structural and Economic Analysis of the Betamax Case and Its Predecessors*, 82 COLUM. L. REV. 1600, 1608, 1613, 1618, 1628–29 (1982).

39. See Joseph P. Fishman, *Creating Around Copyright*, 128 HARV. L. REV. 1333, 1336 (2015); J.W. RINZLER, *THE MAKING OF STAR WARS* 4 (2007).

40. See *Star Wars Sources and Analogues*, WIKIPEDIA, https://en.wikipedia.org/wiki/Star_Wars_sources_and_analogues [https://perma.cc/2SFR-LN97] [https://web.archive.org/web/20240122194934/https://en.wikipedia.org/wiki/Star_Wars_sources_and_analogues] (last visited Feb. 24, 2024).

41. See Fishman, *supra* note 39, at 1336–37 (noting that Donkey Kong and Super Mario resulted from a copyright owner's refusal to license Popeye, among other examples).

42. See PATRICIA AUFDERHEIDE & PETER JASZI, *CTR. FOR SOC. MEDIA, UNTOLD STORIES: CREATIVE CONSEQUENCES OF THE RIGHTS CLEARANCE CULTURE FOR DOCUMENTARY FILMMAKERS* 7–29 (2004), https://cmsimpact.org/resource/untold_stories/#:~:text=in%20your%20browser,-,Executive%20Summary,of%20independent%2C%20professional%20documentary%20filmmakers [https://perma.cc/SL2P-5R93] [https://web.archive.org/web/20240122235135/https://cmsimpact.org/resource/untold_stories/]; LAWRENCE LESSIG, *FREE CULTURE* 105–06, 181–82 (2004); Nancy Ramsey, *The Hidden Cost of Documentaries*, N.Y. TIMES (Oct. 16, 2005), <http://www.nytimes.com/2005/10/16/movies/16rams.html>

progress is both an empirical question and a judgment call about what are the most valuable forms of creativity and the distribution of economic value. It is also influenced by the First Amendment's protection of freedom of expression.

2. How the Copyright Act Drafters Balanced the Competing Interests

The *Supplementary Report* directly addresses the trade-off between strong author's rights and limitations to facilitate access and follow-on creativity. As noted above, the drafters explained that "the author's rights should be stated in the statute in broad terms, and that the specific limitations on them should not go any further than is shown to be necessary in the public interest."⁴³ Following that direct statement about how the statute balanced this trade-off, the drafters further explained that they were confident that transaction costs would not stand in the way of effective bargaining:

In our opinion it is generally true, as the authors and other copyright owners argue, that if an exclusive right exists under the statute a reasonable bargain for its use will be reached; copyright owners do not seek to price themselves out of a market. But if the right is denied by the statute, the result in many cases would simply be a free ride at the author's expense.

We are entirely sympathetic with the aims of nonprofit users, such as teachers, librarians, and educational broadcasters, who seek to advance learning and culture by bringing the works of authors to students, scholars, and the general public. Their use of new devices for this purpose should be encouraged. It has already become clear, however, that the unrestrained use of photocopying, recording, and other devices for the reproduction of authors' works, going far beyond the recognized limits of "fair use," may severely curtail the copyright owner's market for copies of his work. Likewise, it is becoming increasingly apparent that the transmission of works by nonprofit broadcasting, linked computers, and other new media of communication, may soon be among the most important means of disseminating them, and will be capable of reaching vast audiences. Even when these new media are not operated for profit, they may be expected to displace the demand for authors' works by other users from whom copyright owners derive compensation. Reasonable adjustments between the legitimate interests of copyright owners and those of certain nonprofit users are no doubt necessary, but we believe the day is past when any particular use of works should be exempted for the sole reason that it is "not for profit."

As possible methods of solving the practical difficulties of clearance with respect to both commercial and noncommercial uses, various suggestions have been advanced for voluntary clearinghouses or for systems of compulsory licensing under the statute. All of these suggestions deserve consideration, but we are inclined to doubt the present need to impose a statutory licensing system upon the exercise of any of these rights. We believe that the work already in progress toward developing a clearinghouse to license

[<https://perma.cc/3H35-3TWU>]

[<https://web.archive.org/web/20240123000155/https://www.nytimes.com/2005/10/16/movies/the-hidden-cost-of-documentaries.html>] (discussing the film *Tarnation*); KEMBREW MCLEOD & PETER DICOLA, CREATIVE LICENSE: THE LAW AND CULTURE OF DIGITAL SAMPLING 165–66, 203–05 (2011) (detailing the high transaction costs associated with clearing music samples).

43. See SUPPLEMENTARY REPORT, *supra* note 25, at 14.

photocopying offers the basis for a workable solution of that problem, and, if found necessary, could be expanded to cover other uses.⁴⁴

Thus, the drafters considered strong rights to be a vital engine for driving expressive creativity, believed that transaction costs of licensing would be manageable, and opposed “free riding” on the work of others. While these are debatable propositions, they nonetheless bear directly on the interpretation of the Copyright Act.

3. The Fair Use Doctrine

The drafting of the fair use provision also bears critically on the balancing of author’s rights, dissemination of copyrighted works, and the freedom of follow-on creators. The Copyright Office identified the fair use doctrine as one of the key areas for study in advance of the drafting process.⁴⁵ Alan Latman’s study on fair use (hereinafter “*Fair Use Study*”) began by noting how the courts had “grappled with the problem of fair use without the aid of any specific statutory guide.”⁴⁶ It then summarized the jurisprudence, identifying eight principal contexts in which courts had recognized fair use: (1) incidental use; (2) review and criticism; (3) parody and burlesque; (4) scholarly works and compilations; (5) personal or private use; (6) news; (7) use in litigation; and (8) use for nonprofit or governmental purpose.⁴⁷ It then explored fair use criteria, acknowledging “widespread agreement” that “it is not easy to decide what is and what is not a fair use.”⁴⁸ Nonetheless, drawing on Justice Joseph Story’s oft-quoted criteria in *Folsom v. Marsh*,⁴⁹ contemporary decisions, copyright scholarship, draft bills, foreign legislation, and international conventions, the *Fair Use Study* offered some general guideposts.⁵⁰ It concluded with options for the legislative drafters, ranging from merely recognizing the fair use doctrine and leaving its definition to the courts to specifying general criteria. The appendix to the *Study* contained comments by leading scholars and practitioners split on which path to follow.

In its initial proposal, the Register of Copyrights channeled the *Fair Use Study*’s synthesis of the fair use doctrine, noting the principal examples and synthesizing four key factors that courts consider:

(1) the purpose of the use, (2) the nature of the copyrighted work, (3) the amount and substantiality of the materials used in relation to the copyrighted work as a whole, and (4)

44. *Id.*

45. See S. COMM ON THE JUDICIARY, 86TH CONG., COPYRIGHT LAW REVISION, STUDIES PREPARED FOR THE SUBCOMMITTEE ON PATENTS, TRADEMARKS, AND COPYRIGHTS, STUDIES 14–16, at v (Comm. Print 1960).

46. ALAN LATMAN, STUDY NO. 14: FAIR USE OF COPYRIGHTED WORKS (1958), reprinted in S. COMM ON THE JUDICIARY, 86TH CONG., COPYRIGHT LAW REVISION, STUDIES PREPARED FOR THE SUBCOMMITTEE ON PATENTS, TRADEMARKS, AND COPYRIGHTS, STUDIES 14–16, at 1, 5 (Comm. Print 1960) [hereinafter FAIR USE STUDY].

47. See *id.* at 8–14.

48. See *id.* at 14 (quoting Saul Cohen, *Fair Use in the Law of Copyright*, 6 ASCAP COPYRIGHT L. SYMP. 43, 52 (1955)).

49. 9 F. Cas. 342, 348 (C.C.D. Mass 1841) (No. 4,901).

50. See FAIR USE STUDY, *supra* note 46, at 15–32.

the effect of the use on the copyright owner's potential market for his work. These criteria are interrelated and their relative significance may vary, but the fourth one—the competitive character of the use—is often the most decisive.⁵¹

The Register recommended that “[t]he statute should include a provision affirming and indicating the scope of the principle that fair use does not infringe the copyright owner's rights.”⁵²

After further consideration, the next iteration proposed much of the now familiar four-factor test, but without the preambular list of categories.⁵³ Section 7 therein contained an elaborate provision which would have permitted libraries to make a single photocopy of one article from a copyrighted work.⁵⁴

The photocopying provision drew substantial opposition, leading the drafters to drop it and add a qualification to the fair use preamble in the 1964 Bill stating that “the fair use of a copyrighted work to the extent reasonably necessary or incidental to a legitimate purpose such as criticism, comment, news reporting, teaching, scholarship, or research is not an infringement of copyright.”⁵⁵ This provision also generated substantial opposition, leading the drafters of the 1965 Bill to propose merely stating: “Notwithstanding the provisions of section 106, the fair use of a copyrighted work is not an infringement of copyright.”⁵⁶ The *Supplementary Report* noted that

we do not favor sweeping, across-the-board exemptions from the author's exclusive rights unless an overriding public need can be conclusively demonstrated. There is hardly any public need today that is more urgent than education, but we are convinced that this need would be ill-served if educators, by making copies of the materials they need cut off a large part of the revenue to authors and publishers that induces the creation and publication of those materials.⁵⁷

A year later, following compromise among publishers and educational and library groups, the drafters reintroduced the multi-factor formulation along with the preamble.⁵⁸ This language carried forward to the 1976 Act with a few adjustments. The final provision qualified the preamble “teaching” category by adding “(including multiple copies for classroom use)” and inserting into the first fair use factor: “including whether such use is of a commercial nature or is for nonprofit educational purposes.”⁵⁹

The *House Report* on the enacted legislation reinforces the statutory text in various ways. It notes that “[t]he examples enumerated at page 24 of the Register's 1961 Report, while by no means exhaustive, give some idea of the sort of activities the courts might

51. REGISTER'S REPORT, *supra* note 9, at 24–25.

52. *Id.* at 25.

53. See H. COMM. ON THE JUDICIARY, 88TH CONG., *supra* note 12, at 6.

54. See *id.*

55. See SUPPLEMENTARY REPORT, *supra* note 25, at 27.

56. See *id.* at 28.

57. *Id.* at 27–28.

58. See H.R. 4347, 89th Cong. (1966).

59. See H.R. REP. NO. 94-1476, at 5 (1976).

regard as fair use under the circumstances.”⁶⁰ It then explains the commerciality language added to the first fair use factor:

The Committee has amended the first of the criteria to be considered—“the purpose and character of the use”—to state explicitly that this factor includes a consideration of “whether such use is of a commercial nature or is for non-profit educational purposes.” This amendment is not intended to be interpreted as any sort of not-for-profit limitation on educational uses of copyrighted works. It is an express recognition that, as under the present law, the commercial or non-profit character of an activity, while not conclusive with respect to fair use, can and should be weighed along with other factors in fair use decisions.⁶¹

The *House Report* then explains the “general intention” behind § 107:

[T]he endless variety of situations and combinations of circumstances that can [a]rise in particular cases precludes the formulation of exact rules in the statute. The bill endorses the purpose and general scope of the judicial doctrine of fair use, but there is no disposition to freeze the doctrine in the statute, especially during a period of rapid technological change. Beyond a very broad statutory explanation of what fair use is and some of the criteria applicable to it, the courts must be free to adapt the doctrine to particular situations on a case-by-case basis. Section 107 is intended to restate the present judicial doctrine of fair use, not to change, narrow, or enlarge it in any way.⁶²

Thus, the drafting of the fair use provision culminated close to where it began. The final legislation channeled the relatively narrow examples that Register Abraham Kaminstein referenced in 1961, which were summarized in the preamble. Although Congress expressed the intention to perpetuate the doctrine’s case-by-case and common law character and not to “freeze” its development, the main thrust of the provision was to restate the fair use doctrine without any intention to alter the doctrine beyond ensuring that it could address unforeseen technological developments and address “particular situations on a case-by-case basis.”

II. THE DERIVATIVE WORK RIGHT-FAIR USE COLLISION

Beginning in the mid-1990s, a cadre of First Amendment and copyright scholars embarked on a multi-institutional campaign to “liberate” the public and follow-on creators from the burden of copyright law’s derivative work right. As a statutory reform effort, these proposals were innovative, insightful, and controversial, well worthy of serious legislative consideration and debate. The project, however, soon morphed into a movement to persuade judges to rewrite key elements of the Copyright Act through constitutional and doctrinal interpretation. This section traces that movement and its apparent impact on the fair use doctrine, which ultimately culminated in *Andy Warhol*

60. *Id.* at 65 (quoting the full list from REGISTER’S REPORT, *supra* note 9).

61. *Id.* at 66.

62. *Id.*

Foundation for the Visual Arts, Inc. v. Goldsmith.⁶³ We examine that decision in Part III and its economic, social, and moral justice aspects in Part IV.

A. THE FREE CULTURE MOVEMENT

Prior to the late 1960s, the interplay of copyright protection and the First Amendment attracted relatively little scholarly attention.⁶⁴ A couple of notable cases in the late 1960s, however, aroused interest in the role of free expression in copyright jurisprudence. In one, the reclusive mogul Howard Hughes sought to block a biographer from reporting on his life by acquiring the rights to a series of journal articles about him.⁶⁵ While emphasizing that copyright law's idea-expression dichotomy helps to ensure that copyright law does not trench on First Amendment values by ensuring that ideas cannot be encumbered, Professor Melville Nimmer nonetheless criticized the Second Circuit's decision overturning a preliminary injunction on the ground that the defendant had copied substantial expression verbatim and not merely facts and ideas.⁶⁶ Professor Nimmer noted the importance of the fair use doctrine in *Time, Inc. v. Bernard Geis Associates*,⁶⁷ where the court denied a copyright claim against the publisher of a book about the assassination of President Kennedy which included still images from the copyright owner's film of the event—the only video account of this tragic, publicly important event.⁶⁸

Interest in the interplay of the First Amendment and copyright protection waned in the 1980s as interest turned to the copyright protection for computer software and the challenges posed by interoperability of computer systems.⁶⁹ This scholarship greatly aided the courts in ensuring that copyright did not extend to the functionality of digital

63. 598 U.S. 508 (2023).

64. In a 1945 article, Professor Zechariah Chafee addressed free speech concerns, although not expressly through a First Amendment lens. See Zechariah Chafee, Jr., *Reflections on the Law of Copyright: I*, 45 COLUM. L. REV. 503, 506 (1945).

65. See *Rosemont Enters. v. Random House, Inc.*, 366 F.2d 303 (2d Cir. 1966).

66. See Melville B. Nimmer, *Does Copyright Abridge the First Amendment Guarantees of Free Speech and Press?*, 17 UCLA L. REV. 1180, 1201–02 (1970) (inaugural Brace Lecture); see also Paul Goldstein, *Copyright and the First Amendment*, 70 COLUM. L. REV. 983, 1011–13, 1057 (1970) (commenting on the fair use aspect of the opinion).

67. See Nimmer, *supra* note 66, at 1198 (discussing *Time Inc. v. Bernard Geis Assocs.*, 293 F. Supp. 130, 144–46 (S.D.N.Y. 1968)). Interestingly, the court in *Time, Inc.* considered the draft fair use provision from the 1967 Bill in rendering its decision.

68. The book in question criticized the Warren Commission, the government report about the assassination which relied heavily on that film in its analysis. See *Time Inc.*, 293 F. Supp., at 134; Nimmer, *supra* note 66, at 1200–01; see also Robert C. Denicola, *Copyright and Free Speech: Constitutional Limitations on the Protection of Expression*, 67 CAL. L. REV. 283 (1979); Harry N. Rosenfield, *The Constitutional Dimension of "Fair Use" in Copyright Law*, 50 NOTRE DAME L. REV. 790 (1975).

69. See LaST Frontier Conference Report on Copyright Protection of Computer Software, 30 JURIMETRICS J. 15 (1989); Peter S. Menell, *An Analysis of the Scope of Copyright Protection for Application Programs*, 41 STAN. L. REV. 1045 (1989); Peter S. Menell, *Tailoring Legal Protection for Computer Software*, 39 STAN. L. REV. 1329 (1987); Pamela Samuelson, *CONTU Revisited: The Case Against Copyright Protection for Computer Programs in Machine-Readable Form*, 1984 DUKE L.J. 663 (1984).

machines.⁷⁰ It also opened up a new branch of fair use jurisprudence: reverse engineering to determine uncopyrightable features of computer software.⁷¹ The free software movement,⁷² which traces back to Richard Stallman's GNU Project to promote the freedom to share and modify computer software in 1983,⁷³ fed into the emergence of the "copyleft" movement.⁷⁴

Dovetailing with these developments, the Digital Future Coalition (DFC) formed to advocate "prosperous information commerce" and "a robust shared culture."⁷⁵ Convened by copyright scholar Professor Peter Jaszi, the DFC's membership comprised educators, computer and telecommunications industry associations, libraries, artists, software and hardware producers, archivists, and scientists.⁷⁶ The DFC initially focused on participating in deliberations over adapting copyright legislation to address the digital revolution. Professor Pamela Samuelson, an early contributor to the software copyright literature,⁷⁷ entered the political fray over what would become the Digital Millennium Copyright Act of 1998.⁷⁸

Out of and from beyond the DFC community emerged a range of scholars advocating for greater freedom to access, use, and adapt copyrighted works.⁷⁹ Many of

70. See *Lotus Dev. Corp. v. Borland Int'l, Inc.*, 49 F.3d 807 (1st Cir. 1995), *aff'd* by an equally divided Court, 516 U.S. 233 (1996); *Comput. Assocs. Int'l v. Altai, Inc.*, 982 F.2d 693 (2d Cir. 1992).

71. See *Sega Enters. Ltd. v. Accolade, Inc.*, 977 F.2d 1510 (9th Cir. 1992).

72. See *Free Software Movement*, WIKIPEDIA, https://en.wikipedia.org/wiki/Free_software_movement [<https://perma.cc/H63W-MHC9>] [https://web.archive.org/web/20240127190905/https://en.wikipedia.org/wiki/Free_software_movement] (last visited Feb. 24, 2024); see also *Open-Source-Software Movement*, WIKIPEDIA, https://en.wikipedia.org/wiki/Open-source-software_movement [<https://perma.cc/A449-9HQE>] [https://web.archive.org/web/20240127193433/https://en.wikipedia.org/wiki/Open-source-software_movement] (last visited Feb. 24, 2024) (describing an offshoot of the Free Software Movement with a less restrictive sharing philosophy).

73. See *GNU Project*, WIKIPEDIA, https://en.wikipedia.org/wiki/GNU_Project [<https://perma.cc/P872-JSM2>] [https://web.archive.org/web/20240127193938/https://en.wikipedia.org/wiki/GNU_Project] (last visited Feb. 24, 2024).

74. See *Copyleft*, WIKIPEDIA, <https://en.wikipedia.org/wiki/Copyleft> [<https://perma.cc/JH3U-H4FU>] [<https://web.archive.org/web/20240127194242/https://en.wikipedia.org/wiki/Copyleft>] (last visited Feb. 24, 2024).

75. See Letter from Peter Jaszi, Digital Future Coalition to the U.S. Copyright Office et al. (n.d.), <https://www.copyright.gov/reports/studies/dmca/comments/Init009.pdf> [<https://perma.cc/F4R5-C8L4>] [<https://web.archive.org/web/20240127200251/https://www.copyright.gov/reports/studies/dmca/comments/Init009.pdf>].

76. See *id.*; *Digital Future Coalition*, WIKIPEDIA, https://en.wikipedia.org/wiki/Digital_Future_Coalition [<https://perma.cc/X9HZ-LVEU>] [https://web.archive.org/web/20240127204742/https://en.wikipedia.org/wiki/Digital_Future_Coalition] (last visited Feb. 24, 2024).

77. See Samuelson, *supra* note 69.

78. Digital Millennium Copyright Act, Pub. L. 105-304, 112 Stat. 2860; see Pamela Samuelson, *The Copyright Grab*, WIRED (Jan. 1, 1996), <https://www.wired.com/1996/01/white-paper/> [<https://web.archive.org/web/20240127205530/https://www.wired.com/1996/01/white-paper/>].

79. See Yochai Benkler, *Free as the Air To Common Use: First Amendment Constraints on Enclosure of the Public Domain*, 74 N.Y.U. L. REV. 354, 386-400 (1999); Rebecca Tushnet, *Legal Fictions: Copyright, Fan Fiction, and a New Common Law*, 17 LOY. L.A. ENT. L.J. 651, 664-78 (1997); Neil Weinstock Netanel, *Copyright and a*

these scholars came to question the very notion of creativity based on what Professor James Boyle characterized as the “romantic authorship” myth.⁸⁰ Illustrating Boyle’s point, Professor Jessica Litman in 1990 began an article with a provocative quotation: “Artists have been deluding themselves, for centuries, with the notion that they create. In fact they do nothing of the sort.”⁸¹

Out of the blue, Professor Lawrence Lessig, known at the time more for his constitutional law scholarship,⁸² burst onto the copyright scene in the late 1990s.⁸³ With unusual flair (for a law professor anyway), he mounted a constitutional challenge to the Copyright Term Extension Act of 1998 (CTEA),⁸⁴ a statute extending the term of copyright protection by twenty years. Industry and author groups pitched the legislation as harmonizing U.S. copyright law with protection in much of the rest of the world. Professor Lessig, along with many copyright scholars and economists, saw the legislation as a needless extension that deprived the public of access to copyrighted works that had already enjoyed very long duration, did not meaningfully increase incentives to create, and interfered with cumulative creativity.⁸⁵

Democratic Civil Society, 106 YALE L.J. 283, 301-05 (1996); Brief of *Amici Curiae* Concerned Law Professors Robert C. Berry et al. in Support of Petitioners, *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569 (1994) (No. 92-1292) (advocating a First Amendment defense for parody).

80. See JAMES BOYLE, SHAMANS, SOFTWARE, & SPLEENS: LAW AND THE CONSTRUCTION OF THE INFORMATION SOCIETY (1997); ROSEMARY J. COOMBE, THE CULTURAL LIFE OF INTELLECTUAL PROPERTIES: AUTHORSHIP, APPROPRIATION, AND THE LAW 219-20, 283, 378 n.52, 379 n.56 (1998); RONALD V. BETTIG, COPYRIGHTING CULTURE: THE POLITICAL ECONOMY OF INTELLECTUAL PROPERTY 33-68 (1996) (tracing the ownership and control of culture and information to corporate interests); Peter Jaszi, *On the Author Effect: Contemporary Copyright and Collective Creativity*, in THE CONSTRUCTION OF AUTHORSHIP: TEXTUAL APPROPRIATION IN LAW AND LITERATURE 29, 29-30 (Martha Woodmansee & Peter Jaszi eds. 1994) (quoting Michel Foucault, *What Is an Author?*, in TEXTUAL STRATEGIES: PERSPECTIVES IN POST-STRUCTURAL CRITICISM 141, 141 (Josue V. Harari ed., 1979)) (discussing Michel Foucault’s questioning of the emergence of “authorship” as a “privileged moment of individualization in the history of ideas”). *But see* Mark A. Lemley, *Romantic Authorship and the Rhetoric of Property*, 75 TEX. L. REV. 873, 877-85 (1997) (book review) (questioning Boyle’s critique of copyright law as mired in an eighteenth century mythical view of authors creating “original” works from whole cloth”).

81. Jessica Litman, *The Public Domain*, 39 EMORY L.J. 965, 965 (1990) (quoting Spider Robinson, *Melancholy Elephants*, in MELANCHOLY ELEPHANTS 1, 16 (1985)). Professor Boyle would go on to deepen this line of thinking. See James Boyle, *The Second Enclosure Movement and the Construction of the Public Domain*, L. & CONTEMP. PROBS., Winter-Spring 2003, at 33; JAMES BOYLE, THE PUBLIC DOMAIN: ENCLOSING THE COMMONS OF THE MIND (2008). He would also become an advocate, co-founding Duke Law School’s Center for the Study of the Public Domain in 2002. See *About Us*, CTR. FOR THE STUDY OF THE PUB. DOMAIN, <https://web.law.duke.edu/cspd/about/> [<https://perma.cc/XY88-XX3M>] [<https://web.archive.org/web/20240225053849/https://web.law.duke.edu/cspd/about/>] (last visited Feb. 25, 2024).

82. See Lawrence Lessig, *Copyright’s First Amendment*, 48 UCLA L. REV. 1057, 1058 (2001).

83. See LAWRENCE LESSIG, CODE: AND OTHER LAWS OF CYBERSPACE (1999).

84. Sonny Bono Copyright Term Extension Act, Pub. L. 105-298, 112 Stat. 2827 (1998).

85. See Dennis S. Karjala, *Judicial Review of Copyright Term Extension Legislation*, 36 LOY. L.A. L. REV. 199 (2002); see also Brief of George A. Akerlof et al. as *Amici Curiae* in Support of Petitioners at 12, *Eldred v. Ashcroft*, 537 U.S. 186 (2003) (No. 01-618). *But see* Stan J. Liebowitz & Stephen Margolis, *Seventeen Famous Economists Weigh in on Copyright: The Role of Theory, Empirics, and Network Effects*, 18 HARV. J.L. & TECH. 435 (2005) (offering a counterpoint the *Eldred* Economists’ Brief); William M. Landes & Richard A. Posner, *Indefinitely Renewable Copyright*, 70 U. CHI. L. REV. 471, 484-88 (2003) (suggesting that “congestion externalities” could diminish the value of a popular work that is in the public domain).

Professor Lessig launched not just a lawsuit on behalf of Eric Eldred, a public domain works publisher,⁸⁶ but a politically-styled campaign to “liberate Mickey Mouse,” the beloved Disney character nearing the end of his seventy-five year copyright term.⁸⁷ Around this time, the copyright world was abuzz with the meteoric rise of Napster, a powerful file-sharing technology.⁸⁸ To the youth of America, accustomed to shelling out eighteen dollars for a CD, and the free culture movement, this was a godsend. To the record industry, which had just fought a difficult battle to pass the DMCA, it was doomsday.

As these controversies were unfolding, Professor Lessig opened an innovative flank in the free culture movement.⁸⁹ With the emergence of user-generated content and the websites hosting such works in jeopardy, he launched the Creative Commons Project to enable and encourage creators to disavow copyright limitations, in whole or in part, on their works.⁹⁰ Drawing on the open source software movement, Creative Commons’s standardized licensing platform and tagging tools reduced the transaction costs for creators to pre-license their works on the terms that they preferred and for downstream users to find, share, and build on them. This innovative *copyleft* model proved successful,⁹¹ although traditional *copyright* protection continues to dominate mainstream content markets.

86. See Amy Harmon, *Debate To Intensify on Copyright Extension Law*, N.Y. TIMES (Oct. 7, 2002), <https://www.nytimes.com/2002/10/07/business/debate-to-intensify-on-copyright-extension-law.html> [https://perma.cc/LTS3-XQW6] [https://web.archive.org/web/20240225055156/https://www.nytimes.com/2002/10/07/business/debate-to-intensify-on-copyright-extension-law.html]; Carl S. Kaplan, *Online Publisher Challenges Copyright Law*, N.Y. TIMES (Jan. 15, 1999), <https://archive.nytimes.com/www.nytimes.com/library/tech/99/01/cyber/cyberlaw/15law.html> [https://perma.cc/4TWS-AKAD] [https://web.archive.org/web/20240225055604/https://archive.nytimes.com/www.nytimes.com/library/tech/99/01/cyber/cyberlaw/15law.html].

87. *Free Mickey Mouse*, ECONOMIST (Oct. 10, 2002), <https://www.economist.com/business/2002/10/10/free-mickey-mouse> [https://perma.cc/RN8H-B6YG] [https://web.archive.org/web/20240225060031/https://www.economist.com/business/2002/10/10/free-mickey-mouse]; Michael Connor, *Free the Mouse!*, AUSTIN CHRON. (Mar. 8, 2002), <https://www.austinchronicle.com/screens/2002-03-08/84942/> [https://perma.cc/4CT3-V7TY] [https://web.archive.org/web/20240120234910/https://www.austinchronicle.com/screens/2002-03-08/84942/].

88. See *Napster*, WIKIPEDIA, <https://en.wikipedia.org/wiki/Napster> [https://perma.cc/25QN-TTQK] [https://web.archive.org/web/20240307172416/https://en.wikipedia.org/wiki/Napster] (last visited Mar. 7, 2024).

89. *A History of Creative Commons*, CREATIVE COMMONS, <https://creativecommons.org/timeline/> [https://perma.cc/NCK6-BT5J] [https://web.archive.org/web/20240225145738/https://creativecommons.org/timeline/] (last visited Feb. 4, 2024) (noting that the organization was founded in 2001 and went live in 2002).

90. *Creative Commons*, WIKIPEDIA, https://en.wikipedia.org/wiki/Creative_Commons [https://perma.cc/BQ6X-WYFB] (last visited Feb. 4, 2024).

91. Based on some early surveys of Creative Commons licenses, many users decline to pre-authorize commercial uses. See Zachary Katz, *Pitfalls of Open Licensing: An Analysis of Creative Commons Licensing*, 46 IDEA 391, 411–12 (2006) (reporting February 2005 data finding that nearly all licenses (ninety-five percent) require attribution, seventy-four percent of licenses prohibit commercial use (NC), and thirty-two percent prohibit derivative works (ND)). This suggests that some and possibly many Creative Commons licensees

Professor Lessig's effort to overturn the CTEA, however, did not prove successful. In 2003, the Supreme Court ruled decisively against the constitutional attack.⁹² Justice Ginsburg's 7-2 majority opinion rejected the argument that the legislation violated the Intellectual Property Clause's "limited times" provision, steering clear of addressing the wisdom of Congress's policy judgment. Furthermore, the decision narrowed the First Amendment's independent role in regulating copyright protection, observing that "[t]he First Amendment securely protects the freedom to make—or decline to make—one's own speech; it bears less heavily when speakers assert the right to make other people's speeches. To the extent such assertions raise First Amendment concerns, copyright's built-in free speech safeguards are generally adequate to address them."⁹³ The Court was referring principally to the fair use doctrine, noting in an earlier passage that "the 'fair use' defense allows the public to use not only facts and ideas contained in a copyrighted work, but also expression itself in certain circumstances. . . . The fair use defense affords considerable 'latitude for scholarship and comment,' and even for parody."⁹⁴

The effort to immunize file-sharing platforms from indirect liability also faltered. In many ways, this controversy was far more significant for the creative ecosystem than the battle over extending copyright duration. Unlike the CTEA challenge, which for the most part affected works that have long since lost their salience, file-sharing went to the beating heart of the content industries: authors' ability to enforce their rights effectively during the first seconds following dissemination. A unanimous Supreme Court held that the file-sharing services could be (and were) liable for inducing massive copyright infringement.⁹⁵ Although the decision did not disturb the staple article of commerce safe harbor, it fueled the development of and licensing to subscription services, generating tremendous investment in new content and seamless, competitively priced streaming platforms.⁹⁶

use this model for promotional purposes. We are not aware of more recent systematic surveys of Creative Commons licensing.

92. *Eldred v. Ashcroft*, 537 U.S. 186 (2003); see David McGowan, *Why the First Amendment Cannot Dictate Copyright Policy*, 65 U. PITT. L. REV. 281 (2004).

93. *Eldred*, 537 U.S. at 221.

94. *Id.* at 219–20.

95. *MGM Studios, Inc. v. Grokster, Ltd.*, 545 U.S. 913 (2005). The decision did not, however, block peer-to-peer technology in general. The Court sustained the availability of the *Sony* staple article of commerce doctrine while holding that the defendants induced infringement. *Id.* at 933–40.

96. In the medium of audio streaming, see Anne Steele, *Spotify Dominates Audio Streaming, but Where Are the Profits?*, WALL ST. J. (Jan. 18, 2024), <https://www.wsj.com/business/media/spotify-streaming-music-podcasts-audiobooks-3e88180d> [<https://web.archive.org/web/20240225151817/https://www.wsj.com/business/media/spotify-streaming-music-podcasts-audiobooks-3e88180d>] (reporting that Spotify has a thirty percent market share of audio streaming, approximately 600 million users, and is adding millions of new subscribers a month); Marie Charlotte Götting, *Spotify's Revenue Worldwide from 2013 To 2022*, STATISTA (Sept. 26, 2023), <https://www.statista.com/statistics/813713/spotify-revenue/> [<https://perma.cc/U9HA-R6Y8>] [<https://web.archive.org/web/20240123221250/https://www.statista.com/statistics/813713/spotify-revenue/>] (reporting revenue growth from €746 million in 2013 to €11,727 million in 2022). A substantial share of that revenue (approximately seventy-five percent) goes to copyright owners, recording artists, and composers. See Marie Charlotte Götting, *Share of Spotify's Cost of Revenue from 2011 To 2022*, STATISTA (Feb. 5,

Professor Lessig and other scholars continued to press for liberalization of the copyright system.⁹⁷ Professor Jaszi, in collaboration with Professor Patricia Aufderheide, a communication studies scholar, embarked on a project to, in their words, “reclaim fair use” and make it more accessible to documentary filmmakers and other creators.⁹⁸ Professor Lessig took a more combative approach, assailing “fair use [as] the right to hire a lawyer.”⁹⁹ In 2007, Professor Rebecca Tushnet and other “fan fiction” enthusiasts co-founded the Organization for Transformative Works “to serve the interests of fans by providing access to and preserving the history of fanworks and

2024), <https://www.statista.com/statistics/370618/spotify-cost-of-goods-sold-share/> [https://perma.cc/RJY9-MF6E]

[https://web.archive.org/web/20240307172907/https://www.statista.com/statistics/370618/spotify-cost-of-goods-sold-share/]. In the medium of video streaming, see Julia Stoll, *Number of Netflix Paid Subscribers Worldwide from 1st Quarter 2013 To 4th Quarter 2023*, STATISTA (Jan. 31, 2024), <https://www.statista.com/statistics/250934/quarterly-number-of-netflix-streaming-subscribers-worldwide/> [https://perma.cc/2PM6-LL2R]

[https://web.archive.org/web/20240222013824/https://www.statista.com/statistics/250934/quarterly-number-of-netflix-streaming-subscribers-worldwide/] (reporting subscriber growth from thirty-four million subscribers in the first quarter of 2013 to nearly 250 million subscribers in the third quarter of 2023); *Netflix's Annual Revenue from 2002 To 2023*, STATISTA (Jan. 30, 2024), <https://www.statista.com/statistics/272545/annual-revenue-of-netflix/> [https://perma.cc/MMT4-3CSQ] [https://web.archive.org/web/20240225153853/https://www.statista.com/statistics/272545/annual-revenue-of-netflix/] (reporting revenue growth from \$682 million in 2005 to \$31,615 million in 2022). A substantial portion of that revenue goes to audio-visual production and licensing. See Elliot Deubel, *What Is the Revenue Model Filmmakers and Studios Receive from Netflix Instant Streaming?*, JAMBOX (May 8, 2023), <https://blog.jambox.io/what-is-the-revenue-model-filmmakers-and-studios-receive-from-netflix-instant-streaming/> [https://perma.cc/DKX3-CQS]

[https://web.archive.org/web/20240307173631/https://blog.jambox.io/what-is-the-revenue-model-filmmakers-and-studios-receive-from-netflix-instant-streaming/].

97. See LAWRENCE LESSIG, *REMIX: MAKING ART AND COMMERCE THRIVE IN THE HYBRID ECONOMY* (2008); LAWRENCE LESSIG, *FREE CULTURE: HOW BIG MEDIA USES TECHNOLOGY AND THE LAW TO LOCK DOWN CULTURE AND CONTROL CREATIVITY* (2004) [hereinafter LESSIG, *FREE CULTURE*]; Rebecca Tushnet, *Copy This Essay: How Fair Use Doctrine Harms Free Speech and How Copying Serves It*, 114 *YALE L.J.* 535 (2004).

98. See PATRICIA AUFDERHEIDE & PETER JASZI, *RECLAIMING FAIR USE: HOW TO PUT BALANCE BACK IN COPYRIGHT* x-xiv (2011); PATRICIA AUFDERHEIDE & PETER JASZI, *RECLAIMING FAIR USE: HOW TO PUT BALANCE BACK IN COPYRIGHT* (2d ed. 2018) [hereinafter RECLAIMING FAIR USE, 2d ed.]. Michael Donaldson, a Hollywood entertainment lawyer, focused his practice on this type of work. See MICHAEL C. DONALDSON ET AL., *CLEARANCE & COPYRIGHT: EVERYTHING YOU NEED TO KNOW FOR FILM, TELEVISION, AND OTHER CREATIVE CONTENT* (5th ed. 2023) (the first edition appeared in 1995).

99. See LESSIG, *FREE CULTURE*, *supra* note 97, at 187; Stephen Manes, *Let's Have Less of Lessig*, *FORBES* (Apr. 2, 2004), https://www.forbes.com/2004/04/02/cz_sm_0402manes.html [https://perma.cc/CV42-7Q5Y]

[https://web.archive.org/web/20240225162054/https://www.forbes.com/2004/04/02/cz_sm_0402manes.html]. At a 2006 conference, he said: “I hate fair use. I hate it because it distracts us from free use.” RECLAIMING FAIR USE, 2d ed., *supra* note 98, at 66.

fan culture in its myriad forms.”¹⁰⁰ Its website states: “We believe that fanworks are transformative and that transformative works are legitimate.”¹⁰¹

These scholars viewed the Supreme Court’s *Campbell* decision—with its incorporation of “transformativeness” into the fair use balance—as the vehicle to liberate follow-on creativity from copyright restrictions.¹⁰² Their analysis, however, collapsed Justice Souter’s carefully constructed and nuanced framing of the fair use doctrine into a simplistic transformativeness inquiry.¹⁰³ What was peculiar about much of the scholarly work—especially Professor Lessig’s, Professor Jaszi’s, and Professor Tushnet’s—was the absence of any engagement with the Copyright Act’s text (the definition of derivative works and the fair use preamble and factors) or legislative history.¹⁰⁴ This was surprising in view of the explosion of interest in statutory

100. *Welcome, Org. for Transformative Works*, <https://www.transformativeworks.org/> [<https://perma.cc/LT59-8PRW>] [<https://web.archive.org/web/20240225162338/https://www.transformativeworks.org/>] (last visited Feb. 4, 2024); *Organization for Transformative Works*, WIKIPEDIA, https://en.wikipedia.org/wiki/Organization_for_Transformative_Works [<https://perma.cc/DB59-GJKV>] [https://web.archive.org/web/20240123225845/https://en.wikipedia.org/wiki/Organization_for_Transformative_Works] (last visited Feb. 4, 2024).

101. *Welcome*, *supra* note 100.

102. See Tushnet, *supra* note 97, at 544–45 (stating that “[t]he derivative works right is difficult to reconcile with a transformation-friendly fair use” and “thus threatens to give copyright owners power to control interesting, creative, and culturally significant reuses of their works”).

103. See Shyamkrishna Balganeshe & Peter S. Menell, *Misreading Campbell: Lessons for Warhol*, 72 DUKE L.J. ONLINE 113 (2023).

104. Professor Jessica Litman, who had earlier written about the legislative history of the Copyright Act, was a notable exception, although she declined to weigh in presumably because it conflicted with her normative views on copyright law. In her critique of the Copyright Act of 1976 for succumbing to “negotiated” solutions to impasses, Professor Litman forthrightly acknowledged that the drafters enacted broad rights and narrow exceptions. See JESSICA LITMAN, *DIGITAL COPYRIGHT* 54–58 (2001); Jessica D. Litman, *Copyright, Compromise, and Legislative History*, 72 CORNELL L. REV. 857, 875–77, 886 (1987) (noting the Act’s “expansively defined rights and rigid exemptions” and discussing the hammering out of the fair use compromise). In a 2013 article that purported to analyze the full legislative history of the derivative work provision, Professor Pamela Samuelson contended that “[t]here is . . . no credible evidence that Congress intended to create a vast and open-ended expansion of derivative work rights by inserting [the clause ‘or any other form in which a work may be recast, transformed, or adapted’ at the end of the definition].” See Pamela Samuelson, *The Quest for a Sound Conception of Copyright’s Derivative Work Right*, 101 GEO. L.J. 1505, 1562 (2013). Although her analysis references the 1965 *Supplementary Report*—which directly and contemporaneously addresses the intent behind the exclusive rights—at several points in her analysis, see *id.* at 1512 n.35, 1527 n.103, 1540 n.171, Professor Samuelson makes no mention of the parts of that report that characterize the exclusive rights as “broad” and the limitations narrow. See SUPPLEMENTARY REPORT, *supra* note 25, at 13–14. Moreover, the specific text that she contends is narrow is anything but: “or any other form in which a work may be recast, transformed, or adapted” (emphasis added). One of the “cardinal” canons of statutory interpretation would not exclude such clear language as mere surplusage. See *Nat’l Ass’n of Mfrs. v. Dep’t of Def.*, 583 U.S. 109, 128–29 (2018) (“As this Court has noted time and time again, the Court is ‘obliged to give effect, if possible, to every word Congress used.’”) (quoting *Reiter v. Sonotone Corp.*, 442 U.S. 330, 339 (1979)); see also *Tex. Educ. Agency v. U.S. Dep’t of Educ.*, 908 F.3d 127, 133 (5th Cir. 2018) (describing the canon as a “cardinal principle of statutory construction”) (quoting *Bennett v. Spear*, 520 U.S. 154, 173 (1997)).

interpretation in the courts and the broader scholarly community over the previous two decades.¹⁰⁵ The following section traces the jurisprudential detour that unfolded.

B. THE JURISPRUDENTIAL FAIR USE DETOUR

About a decade after the *Campbell* decision, the fair use doctrine took a significant turn in the Second Circuit, collapsing the analysis into a focus on transformativeness. Even as these cases began to influence other courts, Judge Frank Easterbrook's opinion in *Kienitz v. Sconnie Nation LLC*¹⁰⁶ and Judge Margaret McKeown's opinion in *Dr. Seuss Enterprises, L.P. v. ComicMix LLC*¹⁰⁷ questioned the shift.

105. See Gregory S. Crespi, *The Influence of a Decade of Statutory Interpretation Scholarship on Judicial Rulings: An Empirical Analysis*, 53 SMU L. REV. 9 (2000) (cataloging 132 statutory interpretation articles published between 1988 and 1997, many of which were cited by the courts); Cass R. Sunstein, *Interpreting Statutes in the Regulatory State*, 103 HARV. L. REV. 405 (1989) (cited twenty-one times); Antonin Scalia, *The Rule of Law as a Law of Rules*, 56 U. CHI. L. REV. 1175 (1989) (sixteen cites); Stephen Breyer, *On the Uses of Legislative History in Interpreting Statutes*, 65 S. CAL. L. REV. 845 (1992) (ten cites); William N. Eskridge, Jr. & Philip P. Frickey, *Statutory Interpretation as Practical Reasoning*, 42 STAN. L. REV. 321 (1990) (ten cites) (highlighting the three dominant modes of statutory interpretation: intentionalism, purposivism, and textualism).

106. 766 F.3d 756 (7th Cir. 2014).

107. 983 F.3d 443 (9th Cir. 2020).

1. The Second Circuit Detour

a. Blanch v. Koons

This case pitted fashion photographer Andrea Blanch against noted and notorious¹⁰⁸ appropriation artist Jeffrey Koons.¹⁰⁹ In *Niagara*, Koons cropped a portion of Blanch's photograph (*Silk Sandals*), described by District Judge Louis Stanton as showing

the lower part of a woman's bare legs (below the knee) crossed at the ankles, resting on the knee of a man apparently seated in an airplane cabin. She is wearing Gucci sandals with an ornately jeweled strap. One of the sandals dangles saucily from her toes. . . . The photograph as a whole conveyed a sense of sleek elegance, with faintly erotic undertones, and was designed to illustrate the metal-flecked polish on the model's toenails, as part of Allure[magazine's] six-page article about metallic makeup.¹¹⁰

As depicted in Figure 1, Koons cropped the model's legs, feet, and sandals as a component of a painting which dangles four pairs of women's legs and feet as a faux waterfall into a basin of confections: a massive chocolate-fudge brownie a la mode, glazed donuts, and apple Danish pastries. Koons asserted that his work "transformed" a

collage of common images found in popular culture—advertisements, retail displays, and beauty and fashion magazines—. . . into an entirely new artistic work by altering the context, orientation, scale, and material of the original images, and by combining and

108. See Charles Kessler, *Jeff Koons: The Artist Critics Hate To Love—Part 1*, LEFT BANK ART BLOG (Aug. 9, 2014), <http://leftbankartblog.blogspot.com/2014/08/jeff-koons-artist-critics-hate-to-love.html> [<https://perma.cc/VH6P-X7WF>] [<https://web.archive.org/web/20240225171229/http://leftbankartblog.blogspot.com/2014/08/jeff-koons-artist-critics-hate-to-love.html>] (quoting art critic Jerry Saltz, *Taking in Jeff Koons, Creator and Destroyer of Worlds*, VULTURE (June 25, 2014), <https://www.vulture.com/2014/06/jeff-koons-creator-and-destroyer-of-worlds.html>) [<https://perma.cc/8EKB-SUTW>] [<https://web.archive.org/web/20240225171614/https://www.vulture.com/2014/06/jeff-koons-creator-and-destroyer-of-worlds.html>], on Koons's 1994 to 2007 works: "huge, shiny baubles for billionaires. . . . the readymade crossed with greed, money, creepy beauty . . . and the ugliness of our culture") and Roberta Smith, *Shapes of an Extroverted Life*, N.Y. TIMES (June 26, 2014), <https://www.nytimes.com/2014/06/27/arts/design/jeff-koons-a-retrospective-opens-at-the-whitney.html> [<https://web.archive.org/web/20240225171931/https://www.nytimes.com/2014/06/27/arts/design/jeff-koons-a-retrospective-opens-at-the-whitney.html>], commenting that the works in Koons's 2014 Whitney Museum retrospective "unavoidably reek of Gilded Age excess, art star hubris and the ever-widening inequality gap that threatens this country". This was not Koons's first encounter with a copyright infringement allegation. Three of his sculptures from his 1998 *Banality* series, see *Banality (sculpture series)*, WIKIPEDIA, [https://en.wikipedia.org/wiki/Banality_\(sculpture_series\)](https://en.wikipedia.org/wiki/Banality_(sculpture_series)) [<https://perma.cc/7YXD-PKH7>] [https://web.archive.org/web/20240225172505/https://en.wikipedia.org/wiki/Banality_%28sculpture_series%29] (last visited Feb. 25, 2024), were found to be infringements. See *Rogers v. Koons*, 960 F.2d 301 (2d Cir. 1992); *Campbell v. Koons*, No. 91 Civ. 6055(RO), 1993 WL 97381 (S.D.N.Y. Apr. 1, 1993); *United Feature Syndicate, Inc. v. Koons*, 817 F. Supp. 370 (S.D.N.Y. 1993). Koons's fair use defense failed in each of those cases.

109. In a prior case involving a sculptural work commissioned by Koons based on a photograph (*String of Puppies*), the Second Circuit ruled that the secondary work did not qualify as a fair use. See *Rogers*, 960 F.2d at 308–12 (2d Cir. 1992).

110. *Blanch v. Koons*, 396 F. Supp. 2d 476, 478–79 (S.D.N.Y. 2005).

layering the images over sublime landscapes in a large scale oil painting that comments on and celebrates society's appetites and indulgences, as reflected in and encouraged by a ubiquitous barrage of advertising and promotional images of food, entertainment, fashion and beauty.¹¹¹



Figure 1: Andrea Blanch, *Silk Sandals* (left); Jeff Koons, *Niagara* (2000) (right)

Niagara was one of seven paintings in Koons's *Easyfun-Ethereal* series, for which Deutsche Bank paid Koons \$2 million.¹¹² Sotheby's reportedly appraised *Niagara* at \$1 million in 2004.¹¹³ *Allure* paid Blanch \$750 to use *Silk Sandals*.¹¹⁴

Judge Stanton granted Koons's motion for summary judgment on his fair use defense. On the first fair use factor, Judge Stanton ruled that "Koons' use of the legs is transformational."¹¹⁵ The court's analysis placed particular emphasis on Koons's statement that

certain physical features of the legs of that model represented for me a particular type of woman frequently presented in advertising. In this photograph, I saw legs and especially elongated toes that were glossy, smooth, expertly manicured, and dressed in very expensive and not particularly practical sandals. . . . For *Niagara*, I removed these anonymous legs from the context of the photograph, and totally inverted their orientation. I then added these legs to other contrasting images of legs . . . and along with ice cream, donuts and pastries, floated them playfully and "ethereally" above a liberating landscape of grass, a waterfall and sky. In so doing, I transformed the meaning of these legs (as they appeared in the photograph) into the overall message and meaning of my painting. I thus suggest how commercial images like these intersect in our consumer

111. *Id.* at 479 (quoting Koons's affidavit).

112. *See* *Blanch v. Koons*, 467 F.3d 244, 248 (2d Cir. 2006).

113. *See id.*

114. *See id.* at 249.

115. *Blanch*, 396 F. Supp. 2d at 480.

culture and simultaneously promote appetites, like sex, and confine other desires, like playfulness.

And I did not even strictly copy the legs. I completely inverted their orientation, painting them to surreally dangle or float over the other elements of the painting. I also changed the coloring and added a heel to one of the feet (a heel that had been completely obscured in the photograph by the man's leg).¹¹⁶

Koons noted that he “select[ed] the legs in the photograph (rather than simply painting a model's legs himself) because of their iconic representation as presented to the public in ubiquitous media,” and that it was important to him to “present real things that are actually in our mass consciousness.”¹¹⁷

Judge Stanton found that “[n]o original creative or imaginative aspect of Blanch's photograph was included in Koons' painting.”¹¹⁸ Drawing on Judge Leval's seminal fair use article,¹¹⁹ Judge Stanton concluded that “[t]he painting's use did not ‘supercede’ or duplicate the objective of the original, but uses it as raw material in a novel context to create new information, new aesthetics, and new insights.”¹²⁰ He concluded, notwithstanding Koons's commercial purpose, that the first fair use factor favored the defendant.

Judge Stanton found that the second factor—the nature of the copyrighted work—favored Koons on the ground that *Silk Sandals* was published and the photograph of the crossed legs (and disregarding the sandals) is “banal rather than creative.”¹²¹ He found that the third factor—the amount and substantiality of the portion used in relation to the copyrighted work as whole—favored neither party, noting that “the quality of copyright protection for the crossed legs . . . [w]ithout the Gucci sandals (in which Blanch has no copyright interest) . . . is not sufficiently original to deserve much copyright protection.”¹²² Judge Stanton concluded that the fourth factor—the effect of the use upon the potential market for or value of the copyrighted work—favors the defendant because “Niagara’ is not a substitute for Blanch's photograph, and is in no way competitive with the it [sic].”¹²³

On appeal, Judge Robert Sack, who cut his teeth as a First Amendment lawyer prior to his judicial appointment,¹²⁴ began his discussion characterizing the fair use doctrine

116. *Id.* at 480–81 (omissions in original).

117. *Id.* at 481.

118. *Id.*

119. *Id.* at 480 (citing Pierre N. Leval, *Toward a Fair Use Standard*, 103 HARV. L. REV. 1105, 1111 (1990)) (“[I]f the quoted matter is used as raw material, transformed in the creation of new information, new aesthetics, new insights and understandings—this is the very type of activity that the fair use doctrine intends to protect for the enrichment of society.”).

120. *Id.* at 481.

121. *Id.* at 482.

122. *Id.*

123. *Id.*

124. See Caryn E. Neumann, *Robert Sack*, FREE SPEECH CTR. AT MIDDLE TENN. STATE U. (Sept. 19, 2023), <https://firstamendment.mtsu.edu/article/robert-sack/> [<https://perma.cc/9TNK-JG22>] [<https://web.archive.org/web/20240123233610/https://firstamendment.mtsu.edu/article/robert-sack/>]; see also ROBERT D. SACK, *SACK ON DEFAMATION: LIBEL, SLANDER, AND RELATED PROBLEMS* (2017).

as mediating “the inevitable tension between the property rights it establishes in creative works” and “the ability of authors, artists, and the rest of us to express them—or ourselves by reference to the works of others.”¹²⁵ His analysis emphasized that secondary works that “add[] something new, with a further purpose or different character, altering the first with new expression, meaning, or message . . . lie at the heart of the fair use doctrine’s guarantee of breathing space.”¹²⁶ In so doing, the court continued the process of boiling fair use down to a simplistic transformativeness inquiry. It also characterized the first fair use factor as “[t]he heart of the fair use inquiry,”¹²⁷ overlooking the Supreme Court’s statement that the fourth factor is “the single most important element of fair use,”¹²⁸ and the Copyright Act drafters’ description of the fourth factor as “often the most decisive.”¹²⁹

In finding *Niagara* to be transformative, the court credited Koons’s assertion that he was “using Blanch’s image as fodder for his commentary on the social and aesthetic consequences of mass media. His stated objective is thus not to repackage Blanch’s ‘Silk Sandals,’ but to employ it ‘in the creation of new information, new aesthetics, new insights and understandings.’”¹³⁰ The court gave short shrift to the substantial commercial value of *Niagara*, emphasizing its substantial transformativeness and the benefits to the public from exhibition. On the issue of justification, the court credited Koons’s assertion that “[a]lthough the legs in the Allure Magazine photograph . . . might seem prosaic, I considered them to be necessary for inclusion in my painting rather than legs I might have photographed myself. The ubiquity of the photograph is central to my message. . . . By using an existing image, I also ensure a certain authenticity or veracity that enhances my commentary.”¹³¹ The court concluded that the first fair use factor “strongly favors” Koons.¹³²

Although questioning the lower court’s finding that the second factor favored Koons because Blanch’s photograph was banal, Judge Sack nonetheless downplayed its importance because Koons used Blanch’s work in a transformative way,¹³³ triggering a transformativeness domino effect. The third and fourth factors similarly fell in Koons’s direction.¹³⁴

Foreshadowing the risks inherent in the majority opinion, Judge Robert Katzmann noted in his concurrence that appropriation art “inherently raises difficult questions about the proper scope of copyright protection and the fair-use doctrine.”¹³⁵ He

125. *Blanch v. Koons*, 467 F.3d 244, 250 (2d Cir. 2006).

126. *Id.* at 251 (emphasis in original) (quoting *On Davis v. The Gap, Inc.*, 246 F.3d 152, 174 (2d Cir. 2001)).

127. *Id.* at 251.

128. *See Harper & Row Publishers, Inc. v. Nation Enters.*, 471 U.S. 539, 566 (1985).

129. REGISTER’S REPORT, *supra* note 9, at 25.

130. *Blanch*, 467 F.3d at 253 (citing *Castle Rock Ent., Inc. v. Carol Publ’g Grp., Inc.*, 150 F.3d 132, 142 (2d Cir. 1998)).

131. *Id.* at 255.

132. *See id.* at 256.

133. *Id.* at 257.

134. *See id.* at 257–58.

135. *Id.* at 263.

emphasized that “the fair-use inquiry is a fact-specific one that is ‘not to be simplified with bright-line rules,’”¹³⁶ just as the majority’s simplistic transformativeness domino effect had done.

b. Cariou v. Prince

Several years after *Blanch v. Koons*, *Cariou v. Prince* pitted Patrick Cariou, a professional photographer/ethnographic researcher whose work focuses on communities at the edge of society,¹³⁷ against Richard Prince, a well-known appropriation artist. Over the course of six years, Cariou spent substantial time with Rastafarians in Jamaica gaining their trust, which enabled him to take a series of photographs which were published in a 2000 book, *Yes, Rasta*.¹³⁸ Prince cropped dozens of Cariou’s candid portraits and landscape photographs in creating the *Canal Zone* series; twenty-eight of the twenty-nine paintings included images from *Yes, Rasta*.¹³⁹ These works prominently displayed substantial portions of Cariou’s photographs, in some cases along with other cropped photographs.¹⁴⁰ Some of Prince’s works superimposed oval “lozenges” over facial features, others superimposed guitars, and others altered the colors of Cariou’s photographs and made other changes.¹⁴¹

Figure 2 shows Prince’s *Canal Zone* (2007), which incorporates thirty-one of Cariou’s photographs. Figure 3 shows Prince’s *Graduation*, which reproduces and augments one of Cariou’s photographs. Figure 4 shows Prince’s *Tales of Brave Ulysses*, which crops and repeats the same Cariou photograph and adds cropped images of female nudes (some with lozenges). Figure 5 shows Prince’s *Back to the Garden*, which crops and augments one of Cariou’s photograph (with lozenges) and adds two cropped female nude photographs (with lozenges). Figure 6 shows Prince’s *Charlie Company*, which crops the same Cariou photograph in a double pane with a different female nude image (with lozenges). Prince’s canvases are wall-sized, typically four feet or more in width and height.

136. *Id.* (quoting *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 577 (1994)).

137. *See Patrick Cariou: Works 1985–2005* (2022), <https://www.amazon.com/Patrick-Cariou-Works-1985-2005/dp/8862087772> [https://perma.cc/SRB9-2B8J] [https://web.archive.org/web/20240124002525/https://www.amazon.com/Patrick-Cariou-Works-1985-2005/dp/8862087772].

138. *See Cariou v. Prince*, 784 F. Supp. 2d 337, 343 (S.D.N.Y. 2011).

139. *See id.* at 343–44.

140. *See id.*

141. *See Cariou v. Prince*, 714 F.3d 694, 700–01 (2d Cir. 2013).



Figure 2: Richard Prince, *Canal Zone* (2007), 48" x 82¾"



Figure 3: Patrick Cariou, *Yes, Rasta* (p. 118) (left); Richard Prince, *Graduation*, 72¾" x 52½" (right)



Figure 4: Patrick Cariou, *Yes, Rasta* (p. 118) (left); Richard Prince, *Tales of Brave Ulysses*, 80" x 120¼" (right)



Figure 5: Patrick Cariou, *Yes, Rasta* (p. 53–54) (left); Richard Prince, *Back to the Garden*, 80" x 120" (right)



Figure 6: Patrick Cariou, *Yes, Rasta* (p. 53–54) (left); Richard Prince, *Charlie Company*, 131" x 120" (right)

After publication of *Yes, Rasta*, gallery owner Celeste Celle expressed interest in an exhibition featuring Cariou's photographs.¹⁴² Celle planned to exhibit between thirty and forty of the photos, with multiple prints of each to be sold at prices ranging from \$3,000.00 to \$20,000.00, depending on size. She also planned to have *Yes, Rasta* reprinted for a book signing to be held during the show. When Celle became aware of the *Canal Zone* exhibition at the Gagosian Gallery, however, she cancelled the show because she did not want to seem to be capitalizing on Prince's success and notoriety and because she did not want to exhibit work which had been "done already" at another gallery.¹⁴³

Cariou sued Richard Prince and related defendants¹⁴⁴ (hereinafter "Prince") for copyright infringement. Prince asserted a fair use defense. Both parties filed for summary judgment. Judge Deborah A. Batts, in the Southern District of New York, ruled for Cariou with regard to all of Prince's works at issue.

In framing the analysis of the first fair use factor, Judge Batts noted, relying on *Campbell*, that "the purpose and character of the use,' may be guided by the examples given in the preamble to § 107, looking to whether the use is for criticism, or comment, or news reporting, and the like."¹⁴⁵ She rejected Prince's assertion that use of copyrighted materials as "raw ingredients" in the creation of new works is per se fair

142. *Cariou*, 784 F. Supp. 2d at 344.

143. *Id.*

144. Cariou also sued the Gagosian Gallery (which exhibited Prince's works and published and sold an exhibition catalog), Lawrence Gagosian (the gallery owner), and Rizzoli International Publications (which produced the catalog). *See id.* at 343.

145. *Cariou*, 784 F.Supp. 2d at 348 (quoting *Campbell*, 510 U.S. at 578–79).

use, noting that “the Court is aware of no precedent holding that such use is fair absent *transformative comment* on the original.”¹⁴⁶ She also took note of one of the earlier appropriation art cases involving Jeffrey Koons: “If an infringement of copyrightable expression could be justified as fair use solely on the basis of the infringer’s claim to a higher or different artistic use . . . there would be no practicable boundary to the fair use defense.”¹⁴⁷

Judge Batts based her conclusion that Prince’s works did not make transformative use of Cariou’s photographs on Prince’s deposition testimony that he “ha[d] no interest in the original meaning of the photographs he uses . . . he doesn’t ‘really have a message’ he attempts to communicate when making art,” and he “did not intend to comment on any aspects of the original works or on the broader culture.”¹⁴⁸ Based on the lack of transformative use in conjunction with the commerciality of the use (Gagosian sold eight of the *Canal Zone* paintings for a total of \$10,480,000, sixty percent of which went to Prince and forty percent of which went to the Gagosian Gallery; and exhibition catalog sales brought in \$6,874), Judge Batts concluded that the first factor weighed against fair use.¹⁴⁹

The remaining factors also weighed against fair use. On the second factor, the court found Cariou’s photographs to be “highly original and creative.”¹⁵⁰ Regarding the third factor, the court found that Prince appropriated the central figures portrayed in the photographs, which went to the heart of the works.¹⁵¹ On the fourth factor, Judge Matts emphasized the cancellation of Cariou’s exhibition as evidence of adverse effects on both the actual and potential markets for Cariou’s photographs.¹⁵²

On Prince’s appeal, the Second Circuit panel dispensed with the justification inquiry and expanded transformativeness to greater importance.¹⁵³ Judge Barrington Parker began the analysis by taking issue with Judge Matts’s search for a justification for the act of copying.¹⁵⁴ In the appellate court’s view, “alter[ing] the original with ‘new expression, meaning, or message’” suffices to establish that a use is transformative.¹⁵⁵ Based on this simplification of *Campbell’s* framework, the court concluded that twenty-five of Prince’s thirty works—including *Tales of Brave Ulysses* (Figure 4) and *Back to the Garden* (Figure 5)—are transformative. In the court’s view, these works “have a

146. *Id.* (emphasis added).

147. *Id.* (omission in original) (quoting *Rogers v. Koons*, 960 F.2d 301, 310 (2d Cir. 1992)).

148. *Id.* at 349 (citations omitted).

149. *See id.* at 350.

150. *See id.* at 352.

151. *See id.*

152. *See id.* at 353.

153. *See Cariou v. Prince*, 714 F.3d 694 (2d Cir. 2013).

154. *See id.* at 706 (rejecting the district court’s “requirement that, to qualify for a fair use defense, a secondary use must ‘comment on, relate to the historical context of, or critically refer back to the original works’” (quoting *Cariou*, 784 F.Supp. 2d at 284)). *But see* H.R. REP. NO. 94-1476, at 65–66 (1976) (noting that “[t]he examples enumerated at page 24 of the Register’s 1961 Report, while by no means exhaustive, give some idea of the sort of activities the courts might regard as fair use under the circumstances,” and explaining that “Section 107 is intended to restate the present judicial doctrine of fair use, not to change, narrow, or enlarge it in any way”).

155. *Cariou*, 714 F.3d at 706 (quoting *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 579 (1994)).

different character, give Cariou's photographs a new expression, and employ new aesthetics with creative and communicative results distinct from Cariou's."¹⁵⁶

As in *Blanch*, this finding triggered a domino effect across the fair use factors. While recognizing the commerciality of Prince's works, the court downplayed its significance "due to the transformative nature of the work[s]."¹⁵⁷ With regard to the second factor, the court recognized that Cariou's photographs were creative, but again discounted the importance of this factor in light of the transformativeness of the secondary uses.¹⁵⁸ Similarly, the court also discounted the third factor based on the transformativeness of Prince's works.¹⁵⁹

As regards the fourth factor, the court rejected Judge Batts's concern with Cariou's loss of revenue resulting from the cancellation of a showing of his work at Celle's gallery.¹⁶⁰ The appellate court wrote off the cancellation of Cariou's exhibition at Celle's gallery on the ground that Celle mistakenly believed that Cariou had collaborated with Prince on the Gagosian exhibition.¹⁶¹

As regards other effects on the actual or potential markets for Cariou's photographs, Judge Parker focused the inquiry on "whether the secondary use *usurps* the market of the original work," not "damage to Cariou's derivative market."¹⁶² Furthermore, the court noted that "[t]he more transformative the secondary use, the less likelihood that the secondary use substitutes for the original," even though "the fair use, being transformative, might well harm, or even destroy, the market for the original."¹⁶³ Based on this framing, the court concluded that "[a]lthough certain of Prince's artworks contain significant portions of certain of Cariou's photographs, neither Prince nor the *Canal Zone* show usurped the market for those photographs. Prince's audience is very different from Cariou's, and there is no evidence that Prince's work ever touched—much less usurped—either the primary or derivative market for Cariou's work."¹⁶⁴ As support for this point, Judge Parker explained that:

Prince's work appeals to an entirely different sort of collector than Cariou's. Certain of the *Canal Zone* artworks have sold for two million or more dollars. The invitation list for a dinner that Gagosian hosted in conjunction with the opening of the *Canal Zone* show included a number of the wealthy and famous such as the musicians Jay-Z and Beyonce Knowles, artists Damien Hirst and Jeff Koons, professional football player Tom Brady, model Gisele Bundchen, *Vanity Fair* editor Graydon Carter, *Vogue* editor Anna Wintour, authors Jonathan Franzen and Candace Bushnell, and actors Robert DeNiro, Angelina

156. *Id.* at 708.

157. *Id.*

158. *See id.* at 709–10.

159. *See id.* at 710–11.

160. *See id.* at 708.

161. *See id.* at 703–04, 709.

162. *Id.* (quoting *Blanch v. Koons*, 467 F.3d 244, 258 (2d Cir. 2006)).

163. *Id.* at 709 (quoting *Castle Rock Ent., Inc. v. Carol Publ'g Grp., Inc.*, 150 F.3d 132, 145 (2d Cir. 1998)).

164. *Id.*

Jolie, and Brad Pitt. Prince sold eight artworks for a total of \$10,480,000, and exchanged seven others for works by painter Larry Rivers and by sculptor Richard Serra.¹⁶⁵

This opinion collapsed the fair use analysis into a transformativeness test without any need for justifying the copying. “[A]lter[ing] the original with ‘new expression, meaning, or message’” does not only establish transformativeness; it essentially resolves the fair use question.¹⁶⁶ The court found that five of the paintings—*Canal Zone* (2007) (Figure 2), *Canal Zone* (2008) (similar in character to *Canal Zone* (2007)), *Graduation* (Figure 3), *Meditation* (similar to *Graduation*), and *Charlie Company* (Figure 6)—were not fair use as a matter of law due to the “relatively minimal alterations,” but might nonetheless be fair use.¹⁶⁷ The court remanded consideration of these works for determination by the trial court.¹⁶⁸

Senior Judge J. Clifford Wallace from the Ninth Circuit, sitting by designation, concurred with much of the majority opinion, including the determination that the district court incorrectly imposed a requirement that Prince’s works comment on Cariou’s photographs, but he dissented from the appellate court’s resolution of the matter on summary judgment.¹⁶⁹ He “fail[ed] to see how the majority in its appellate role can ‘confidently’ draw a distinction between the twenty-five works that it has identified as constituting fair use and the five works that do not readily lend themselves to a fair use determination.”¹⁷⁰

We note our bewilderment at how *Back to the Garden* (Figure 5) and *Charlie’s Company* (Figure 6) could be treated differently. This shows not only how *Cariou* collapsed the fair use framework into a simplistic test, but also its arbitrariness.

165. *Id.*

166. *Id.* at 706 (quoting *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 579 (1994)) (citing *Blanch*, 467 F.3d at 253 (“[O]riginal must be employed in the creation of new information, new aesthetics, new insights and understandings” (internal quotation marks omitted))).

167. *Id.* at 710–11.

168. *Id.* at 711.

169. *See id.* at 712–13.

170. *Id.* at 713.

As the following chart from Neil Weinstock Netanel, reproduced from his article *Making Sense of Fair Use*, illustrates,¹⁷¹ the transformativeness inquiry came to dominate the outcome of fair use determinations:

The Transformative Use Doctrine in Unreversed District Court Preliminary Injunctions, Bench Trials, and Crossed Motions for Summary Judgment			
	1995–2000	2001–2005	2006–2010
(1) Considers Transformativeness	70.45%	77.27%	95.83%
(2) Finds that use is transformative	22.72%	31.81%	50.00%
(3) Defendant wins when court considers transformativeness	32.14%	47.06%	60.87%
(4) Defendant wins when court finds that use is transformative	88.89%	100%	100%
(5) Overall defendant wins	22.73%	40.91%	58.33%

2. Toward Restoration of the Fair Use Doctrine

As the fair use doctrine veered dangerously close to swallowing the right to prepare derivative works, Seventh and Ninth Circuit panels questioned the reframing of fair use as a transformative inquiry. These cases set the stage for the *Warhol* showdown.

a. *Kienitz v. Scionnie Nation*

Photographer Michael Kienitz sued Scionnie Nation, a University of Wisconsin student group, for copyright infringement based on its copying of Kienitz's portrait of Madison's Mayor Paul Soglin to create and sell t-shirts poking fun at the mayor for shutting down an annual block party.¹⁷² The altered photograph—which crops Mayor Soglin's face in a monochromatic photo-negative style, places it against a black background, shades it lime green, and superimposes “Sorry for Partying” in contrasting color lettering—aimed to take Mayor Soglin to task for having participated in the

171. Neil Weinstock Netanel, *Making Sense of Fair Use*, 15 LEWIS & CLARK L. REV. 715, 755 (2011); see also Jiarui Liu, *An Empirical Study of Transformative Use in Copyright Law*, 22 STAN. TECH. L. REV. 163, 167 n.19 (2019).

172. *Kienitz v. Scionnie Nation LLC*, 965 F. Supp. 2d 1042, 1044 (W.D. Wis. 2013).

annual block party during his college days and opposing the party decades later as a public official.¹⁷³

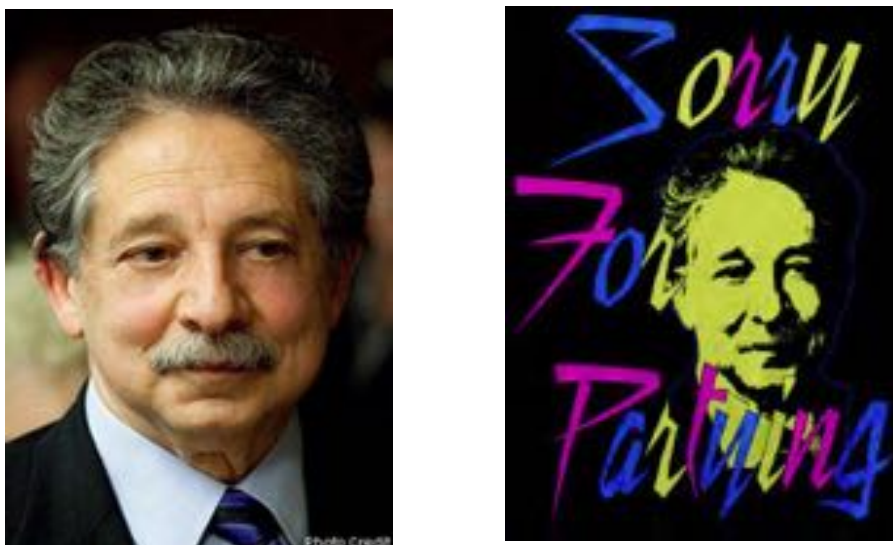


Figure 7: © Michael Kienitz (left); Scconnie Nation alteration (right)

Scconnie Nation moved for summary judgment on fair use grounds, emphasizing the transformative nature of the use.¹⁷⁴ Magistrate Judge Stephen Crocker relied significantly upon the recent Second Circuit *Cariou* decision to find the use transformative and grant summary judgment for Scconnie Nation.¹⁷⁵ While acknowledging that the shirts had a modest commercial nature, the decision emphasized the altered appearance of the Kienitz photograph and the purpose of ridiculing Mayor Soglin.¹⁷⁶

On appeal, Kienitz questioned whether “transformative use” was the correct standard for analyzing fair use.¹⁷⁷ Writing for the Seventh Circuit panel,¹⁷⁸ Judge Frank Easterbrook agreed:

The Copyright Act sets out four non-exclusive factors for a court to consider. 17 U.S.C. § 107. The district court and the parties have debated whether the t-shirts are a “transformative use” of the photo—and, if so, just how “transformative” the use must be. That’s not one of the statutory factors, though the Supreme Court mentioned it in

173. See *id.* at 1046–47.

174. See *id.* at 1044.

175. See *id.* at 1049–52.

176. See *id.*

177. See Appellant’s Opening Brief and Short Appendix, *Kienitz*, 965 F.Supp.2d (No. 12-CV-464-SLC), 2013 WL 6069366, at *10–17.

178. *Kienitz v. Scconnie Nation LLC*, 766 F.3d 756, 757–58 (7th Cir. 2014).

Campbell v. Acuff-Rose Music, Inc., 510 U.S. 569, 579 (1994) . . . The Second Circuit has run with the suggestion and concluded that “transformative use” is enough to bring a modified copy within the scope of § 107. See, e.g., *Cariou v. Prince*, 714 F.3d 694, 706 (2d Cir. 2013). Cariou applied this to an example of “appropriation art,” in which some of the supposed value comes from the very fact that the work was created by someone else.

We’re skeptical of *Cariou’s* approach, because asking exclusively whether something is “transformative” not only replaces the list in § 107 but also could override 17 U.S.C. § 106(2), which protects derivative works. To say that a new use transforms the work is precisely to say that it is derivative and thus, one might suppose, protected under § 106(2). *Cariou* and its predecessors in the Second Circuit do no[t] explain how every “transformative use” can be “fair use” without extinguishing the author’s rights under § 106(2).

We think it best to stick with the statutory list, of which the most important usually is the fourth (market effect). We have asked whether the contested use is a complement to the protected work (allowed) rather than a substitute for it (prohibited).¹⁷⁹

Applying the statutory framework, Judge Easterbrook emphasized that Scannie Nation had removed much of the expression reflected in the original photograph, the political commentary associated with the use, and the lack of economic loss for a photograph that was posted for viewing and downloading without cost on the mayor’s website. He commented, however, that “the fair use privilege . . . is not designed to protect lazy appropriators,” but rather “to facilitate a class of uses that would not be possible if users always had to negotiate with copyright proprietors.”¹⁸⁰ Nonetheless, Judge Easterbrook affirmed the lower court’s grant of summary judgment based on the removal of much of the photograph’s expression.¹⁸¹

b. *Dr. Seuss Enterprises, L.P. v. ComicMix LLC*

The “transformativeness” reconceptualization of the fair use doctrine emboldened secondary creators to push the transformativeness trend past the breaking point. *Dr. Seuss Enterprises, L.P. v. ComicMix LLC*¹⁸² illustrates a particularly mercenary effort.

The case involves Dr. Seuss’s perennial best-seller, *Oh, the Places You’ll Go!* (hereinafter “*Go!*”), which tells a hopeful story about the journey of a young person leaving home to discover the world in Seussian illustrations and rhyming prose.¹⁸³ It reached number one on the *New York Times* “Best-Selling Fiction Hardcover” list when it was first published in 1990 and rises high on the best-seller list every spring as the

179. *Id.* at 758–59.

180. *Id.* at 759 (further noting that “[m]any copyright owners would block all parodies”).

181. *See id.*

182. *Dr. Seuss Enters., L.P. v. ComicMix LLC*, 372 F. Supp. 3d 1101, 1106–07 (S.D. Cal. 2019), *rev’d in part*, 983 F.3d 443 (9th Cir. 2020).

183. *See* *Oh, the Places You’ll Go!*, WIKIPEDIA, https://en.wikipedia.org/wiki/Oh,_the_Places_You%27ll_Go! [<https://perma.cc/2LTU-T4YV>] [https://web.archive.org/web/20240202043935/https://en.wikipedia.org/wiki/Oh,_the_Places_You%27ll_Go!] (last visited Feb. 1, 2024).

high school and college graduation season approaches.¹⁸⁴ Although Theodor S. Geisel (pen-named Dr. Seuss), author and illustrator of the Dr. Seuss books, passed away shortly after its publication, Dr. Seuss Enterprises (DSE), which holds the rights to his books, has long pursued a robust business of reissuing the book in special editions and new formats and licensing other authors and illustrators to prepare related and derivative works.¹⁸⁵ DSE ensures that these books continue the quality of the original Dr. Seuss books. DSE also licenses Dr. Seuss works, including *Go!*, for development of films, television, stage productions, theme parks, and museum exhibitions.¹⁸⁶

The defendants in this case—David Gerrold, Ty Templeton, Glenn Hauman, and ComicMix, the limited liability company that they established (collectively referred to as “ComicMix”)—were looking to develop a business venture that would take advantage of their skill sets.¹⁸⁷ Gerrold, a science fiction screenwriter and novelist, had written episodes for the original *Star Trek* television series, including the celebrated episode “The Trouble with Tribbles,” as well as some of the early 1970s animated series and *Star Trek: The Next Generation*.¹⁸⁸ Hauman had experience as a publisher, author, illustrator, and comic book colorist, including work on the *Star Trek* franchise.¹⁸⁹

In May 2016, Gerrold suggested to Hauman creating a *Star Trek* primer if they could get a license from the copyright owner, Paramount Pictures.¹⁹⁰ His idea was to combine *Star Trek* themes with beloved children’s books, such as *Pat the Bunny*, *Fun with Dick & Jane*, *Goodnight Moon*, and *The Very Hungry Caterpillar*, before finally settling on *Go!* They enlisted Templeton, a skilled comic book illustrator,¹⁹¹ on the project a month later, telling him that “this would be Seuss-style [(*Star Trek: The Original Series*)] backgrounds,” and that “we’re going to want the cover and at least a background art piece for promotions, as well as be able to use the cover for posters, mugs, and all the

184. See *id.*; *Dr. Seuss Book Graduation Gift Tradition*, MAMA CHEAPS, <https://www.mamacheaps.com/every-year-have-your-childs-teachers-sign-the-book-oh-the-places-youll-go-by-dr-seuss-give-it-as-a-high-school-graduation-gift/> [https://perma.cc/A23L-UZZU] [https://web.archive.org/web/20240202045558/https://www.mamacheaps.com/every-year-have-your-childs-teachers-sign-the-book-oh-the-places-youll-go-by-dr-seuss-give-it-as-a-high-school-graduation-gift/] (last visited Feb. 1, 2024).

185. See *ComicMix*, 372 F. Supp. 3d 1101, 1106–07 (S.D. Cal. 2019).

186. See *id.* at 1106–07.

187. See *id.* at 1107–10.

188. See *David Gerrold*, WIKIPEDIA, https://en.wikipedia.org/wiki/David_Gerrold [https://perma.cc/3RMS-SA44] [https://web.archive.org/web/20240202053428/https://en.wikipedia.org/wiki/David_Gerrold] (last visited Feb. 1, 2024).

189. See *Glenn Hauman*, WIKIPEDIA, https://en.wikipedia.org/wiki/Glenn_Hauman [https://perma.cc/SWF4-4TBS] [https://web.archive.org/web/20240202055015/https://en.wikipedia.org/wiki/Glenn_Hauman] (last visited Feb. 1, 2024).

190. *ComicMix*, 372 F. Supp. 3d at 1107.

191. See *Ty Templeton*, WIKIPEDIA, https://en.wikipedia.org/wiki/Ty_Templeton [https://perma.cc/WN7B-R4ZA] [https://web.archive.org/web/20240202060721/https://en.wikipedia.org/wiki/Ty_Templeton] (last visited Feb. 1, 2024).

merchandise that will push this thing over the top.”¹⁹² Templeton responded “Holy CRAP that’s a cool idea. The title is like printing money. I’m totally in.”¹⁹³

Thinking that their project would qualify as a transformative fair use as a parody, they proceeded to create *Oh, the Places You’ll Boldly Go!* (hereinafter “*Boldly*”) to parallel and evoke the structure and appearance of *Go!*. Templeton “painstakingly” attempted to make his illustrations “nearly identical” to *Go!*, admitting that he “slavishly” copied.¹⁹⁴ To raise money for the project, ComicMix launched a Kickerstarter campaign, in which they warned the public that

While we firmly believe that our parody, created with love and affection, fully falls within the boundary of fair use, there may be some people who believe that this might be in violation of their intellectual property rights. And we may have to spend time and money proving it to people in black robes. And we may even lose that.¹⁹⁵

As Figures 9 through 12 show, ComicMix produced very similar artwork to *Go!* and *The Sneetches and Other Stories*. Figure 8 contains the covers, which are less similar, but reveal indicia of copying.

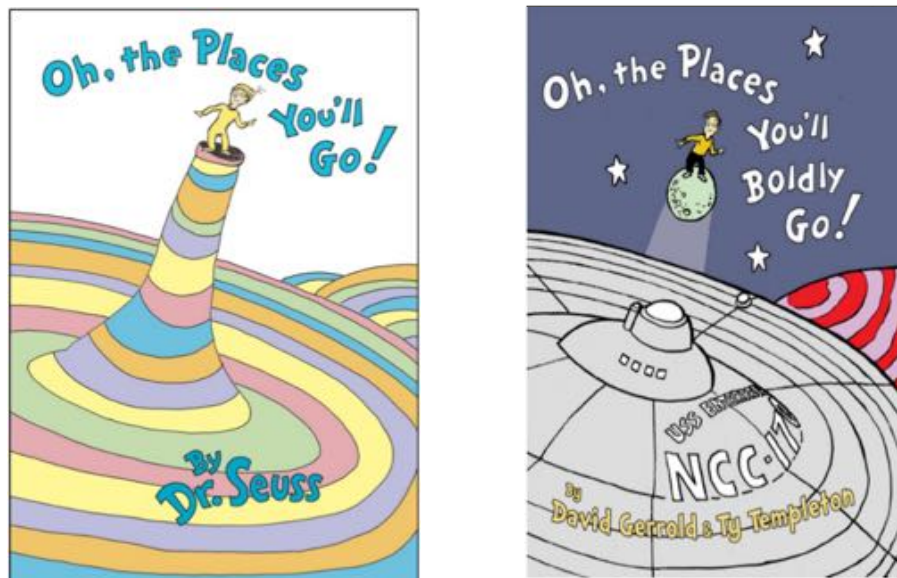


Figure 8: Dr. Seuss, *Oh, the Places You'll Go!* book cover (left); David Gerrold & Ty Templeton, *Oh the Places You'll Boldly Go!* book cover (right)

192. *ComicMix*, 372 F. Supp. 3d at 1107.

193. *Id.* at 1108.

194. *Id.* at 1108.

195. *Id.* at 1109.



Figure 9: Dr. Seuss, *Oh, the Places You'll Go!* (left); David Gerrold & Ty Templeton, *Oh the Places You'll Boldly Go!* (right)



Figure 10: Dr. Seuss, *Oh, the Places You'll Go!* (left); David Gerrold & Ty Templeton, *Oh, the Places You'll Boldly Go!* (right)

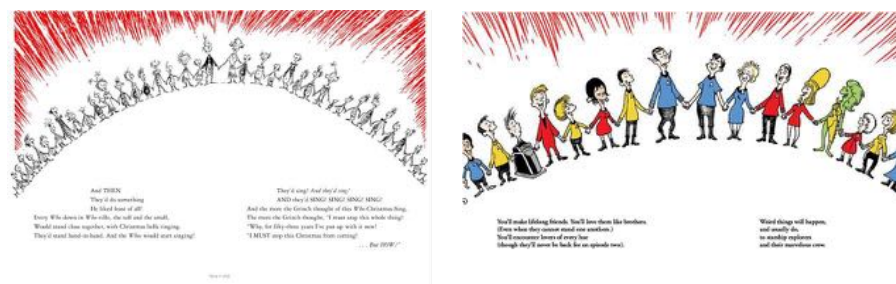


Figure 11: Dr. Seuss, *Oh, the Places You'll Go!* (left); David Gerrold & Ty Templeton, *Oh, the Places You'll Boldly Go!* (right)

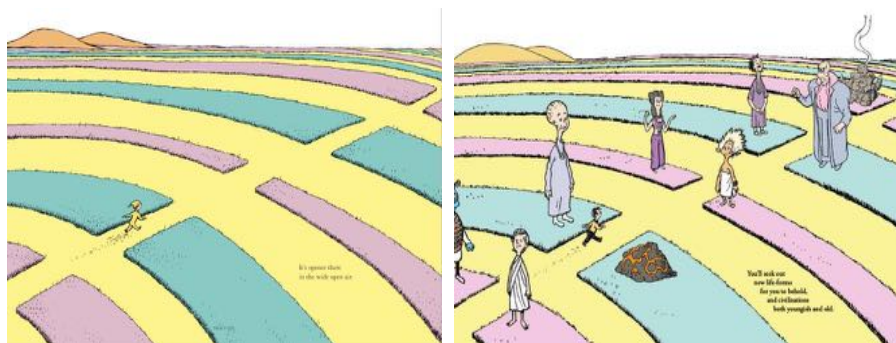


Figure 12: Dr. Seuss, *Oh, the Places You'll Go!* (left); David Gerrold & Ty Templeton, *Oh, the Places You'll Boldly Go!* (right)

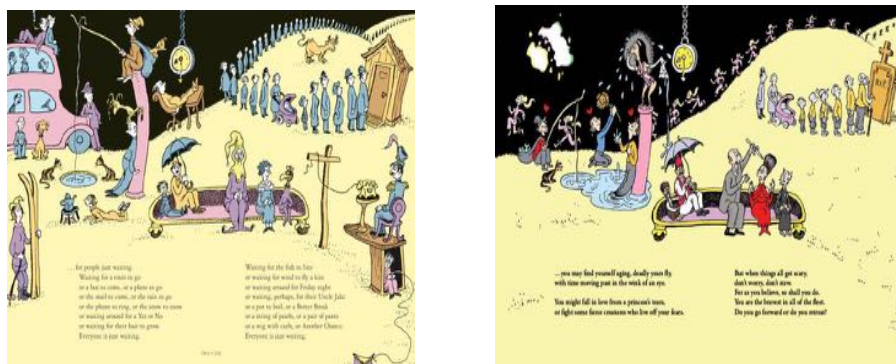


Figure 13: Dr. Seuss, *Oh, the Places You'll Go!* (left); David Gerrold & Ty Templeton, *Oh, the Places You'll Boldly Go!* (right)



Figure 14: Dr. Seuss, *Sneetches and Other Stories* (left); David Gerrold & Ty Templeton, *Oh, the Places You'll Boldly Go!* (right)



Figure 15: Dr. Seuss, *Sneetches and Other Stories* (left); David Gerrold & Ty Templeton, *Oh, the Places You'll Boldly Go!* (right)

Upon learning of the project, DSE brought a copyright infringement suit. ComicMix sought to dismiss the lawsuit on fair use grounds, leading to cross-motions for summary judgment. Applying the simplified transformativeness inquiry reflected in *Cariou*,¹⁹⁶ District Judge Janis Sammartino in the Southern District of California granted ComicMix's motion based on her findings that *Boldly* was "highly transformative" and unlikely to substantially harm the market for *Go!*¹⁹⁷ The court's opinion effectively held that "mashups" are inherently "highly transformative" for purposes of fair use analysis, used the same transformativeness finding to downplay the other factors, and shifted to the copyright owner the burden of proving market harm for the fourth factor.

DSE appealed. Recognizing the head-on collision of the derivative work right and fair use reflected in this case, one of us co-authored an amicus brief calling attention to the problem.¹⁹⁸ Judge Margaret McKeown, writing for the panel, shared our concern.¹⁹⁹ Her opinion began by hoisting ComicMix on its own petard, noting that "[t]he creators thought their *Star Trek* primer would be 'pretty well protected by parody,' but acknowledged that 'people in black robes' may disagree. Indeed, we do."²⁰⁰

The Ninth Circuit held that all of the statutory fair use factors "decisively weigh against ComicMix."²⁰¹ Drawing on *Campbell's* nuanced discussion of the first fair use factor, Judge McKeown rejected ComicMix's parody justification, puncturing its assertion that *Boldly* critiques or comments on *Go!*, critiques "banal narcissism" in *Go!*, or is otherwise transformative.²⁰² She noted that *Boldly* does not ridicule *Go!* or other Dr. Seuss works, and that mimicking Dr. Seuss's style does not amount to parody,

196. In *Seltzer v. Green Day, Inc.*, 725 F.3d 1170, 1177–78 (9th Cir. 2013), a Ninth Circuit panel adopted *Cariou's* and *Blanch's* simplified analysis of fair use.

197. *ComicMix*, 372 F. Supp. 3d at 1115, 1120, 1122–26.

198. See Brief Amici Curiae of Professors Peter S. Menell, Shyamkrishna Balganes, and David Nimmer in Support of Petitioners, *Dr. Seuss Enters., L.P. v. ComicMix LLC*, 983 F.3d 443 (9th Cir. 2020) (No. 19-55348), 2019 WL 3947891 (Aug. 12, 2019).

199. See *ComicMix*, 983 F.3d.

200. *Id.* at 448.

201. *Id.* at 451.

202. See *id.* at 452–53.

criticism, or commentary.²⁰³ Rather, according to the court, *Boldly* parallels *Go!*'s purpose, and in conjunction with its commercial nature, tips the first fair use factor "definitively against fair use."²⁰⁴ *ComicMix* did not fare better on the other factors. According to the court, *Go!* is highly creative. *Boldly* copied slavishly. And on the fourth factor, on which *ComicMix* (and not DSE) bears the burden of proof, *Boldly* directly targeted *Go!*'s graduation market and would curtail *Go!*'s potential market for derivative works.²⁰⁵

Acknowledging the argument made in the amicus brief, the court rejected an expansive understanding of transformative use, noting that *ComicMix* failed to "address a crucial right for a copyright holder—the derivative works market, an area in which Seuss engaged extensively for decades."²⁰⁶ It went on to observe:

As noted by one of the amici curiae, the unrestricted and widespread conduct of the sort *ComicMix* is engaged in could result in anyone being able to produce, without [plaintiff's] permission, *Oh the Places Yoda'll Go!*, *Oh the Places You'll Pokemon Go!*, *Oh the Places You'll Yada Yada Yada!*, and countless other mash-ups. Thus, the unrestricted and widespread conduct of the sort engaged in by [defendant] could "create incentives to pirate intellectual property" and disincentivize the creation of illustrated books . . . [which] is contrary to the goal of copyright "[t]o promote the Progress of Science." U.S. Const. art I, § 8, cl. 8.²⁰⁷

III. ANDY WARHOL FOUNDATION FOR THE VISUAL ARTS, INC. v. GOLDSMITH

The simmering battle over the interplay of the right to prepare derivative works and the fair use doctrine came to a head in the *Warhol* litigation.²⁰⁸ A panel of the influential Second Circuit, which played a large role in provoking the collision between the derivative work right and the fair use doctrine, sought to unwind the confusion that the circuit's jurisprudence had wrought.²⁰⁹

In contrast to *Blanch*, *Cariou*, and *ComicMix*, the secondary works in question, or at least one of them, were produced pursuant to an artist reference, a form of license to an image or object.²¹⁰ The controversy arose decades later when other works based on the licensed work became known and one was used without authorization.²¹¹ Rather than agreeing to a share of the revenue from licensing that work (and belated attribution), however, the Andy Warhol Foundation for the Visual Arts (AWF), the owner of the secondary works, fired off a declaratory relief action asserting that the

203. See *id.* at 453.

204. See *id.* at 455.

205. See *id.* at 458–61.

206. *Id.* at 460 (citing 17 U.S.C. § 106(2)).

207. *Id.* at 461 (citing Brief Amici Curiae of Professors Peter S. Menell, Shyamkrishna Balganes, and David Nimmer in Support of Petitioners, *supra* note 198, at 2).

208. See *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 598 U.S. 508, 515–25 (2023) (setting forth the factual background and procedural history).

209. See *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 11 F.4th 26, 38–39 (2d Cir. 2021).

210. See *Andy Warhol Found. for the Visual Arts, Inc.*, 598 U.S. at 515.

211. See *id.* at 522.

works qualified for fair use pursuant to the permissive transformativeness jurisprudence.²¹²

The story begins in the early 1980s, when Prince Rogers Nelson, better known as Prince, broke onto the music scene.²¹³ *Newsweek* magazine hired Lynn Goldsmith, who had by that time become an accomplished photographer of rock ‘n roll stars, to photograph Prince.²¹⁴ She took a series of photographs of Prince in concert and portraits in her New York City studio.²¹⁵ She retained copyrights. *Newsweek* published one of the concert photographs for an article entitled “The Naughty Prince of Rock” in 1981.²¹⁶

In 1984, by which time Prince had achieved superstardom following the release of his *Purple Rain* album, his most iconic record,²¹⁷ *Vanity Fair* licensed one of the studio portraits (Figure 16) as an artist reference for an illustration to be prepared for the magazine.²¹⁸ The license agreement provided that the illustration was “to be published in *Vanity Fair* November 1984 issue. It can appear one time full page and one time under one quarter page. No other usage right granted.”²¹⁹ Goldsmith was to receive \$400 and a source credit.²²⁰

212. See *id.* Warhol died in 1987, leaving his copyrights and remaining works to AWF.

213. See *id.*

214. See *id.* at 516.

215. See *id.*

216. See *id.*

217. See *Prince (musician)*, WIKIPEDIA, [https://en.wikipedia.org/wiki/Prince_\(musician\)](https://en.wikipedia.org/wiki/Prince_(musician)) [https://perma.cc/8K6M-5C6W]

[https://web.archive.org/web/20240202061304/https://en.wikipedia.org/wiki/Prince_%28musician%29] (last visited Feb. 1, 2024); *Purple Rain (album)*, WIKIPEDIA, [https://en.wikipedia.org/wiki/Purple_Rain_\(album\)](https://en.wikipedia.org/wiki/Purple_Rain_(album)) [https://perma.cc/F6Z4-56Q8]

[https://web.archive.org/web/20240202061507/https://en.wikipedia.org/wiki/Purple_Rain_%28album%29] (last visited Feb. 1, 2024).

218. See *Andy Warhol Found. for the Visual Arts, Inc.*, 598 U.S. at 517.

219. *Id.*

220. See *id.*



Figure 16

Vanity Fair hired renowned pop artist Andy Warhol to create the illustration for a feature story and provided him with Goldsmith's portrait.²²¹ Warhol produced the illustration, which appeared, along with a credit to Goldsmith, in the November 1984 issue of *Vanity Fair*. Figure 17 shows the Warhol illustration ("*Purple Prince*") next to the feature article "Purple Fame."

221. See *id.* at 517–18.



Figure 17

Unbeknownst to Goldsmith, Warhol produced fifteen other works based on Goldsmith’s photograph.²²² Figure 18 shows the full series.

222. See *id.* at 518.



Figure 18

Following Prince's untimely death in April 2016, Condé Nast, *Vanity Fair's* owner, reached out to AWF about reusing *Purple Prince* in a special edition magazine commemorating Prince.²²³ Upon learning of the additional prints, Condé Nast licensed *Orange Prince* (Figure 19) for the commemorative issue, "The Genius of Prince."²²⁴ It paid AWF \$10,000 for the license.²²⁵ Condé Nast did not obtain a license from Goldsmith, nor provide her payment or attribution.²²⁶



Figure 19

Upon seeing *Orange Prince* for the first time on Condé Nast's special edition cover, Goldsmith notified AWF that she believed that the image infringed copyright in her

223. *See id.* at 519.

224. *See id.* at 519–20.

225. *See id.* at 520.

226. "Twelve of the Prince Series works have since been auctioned or sold throughout the world, and AWF has given the remaining four to the Andy Warhol Museum in Pittsburgh, Pennsylvania." *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 382 F. Supp. 3d 312, 320 (S.D.N.Y. 2019).

photograph.²²⁷ AWF filed a declaratory relief action asserting noninfringement or, in the alternative, fair use for all sixteen works. Goldsmith counterclaimed for copyright infringement.²²⁸

The case came before Southern District of New York District Judge John Koeltl.²²⁹ Applying established Second Circuit law—notably *Cariou*'s simplified transformativeness framework²³⁰—he had little difficulty determining that *Orange Prince* and the fifteen other secondary works were fair use. In Judge Koeltl's view, the sixteen works “may reasonably be perceived to be transformative of the Goldsmith Prince Photograph” under *Cariou*'s interpretation of *Campbell*.²³¹ He noted in particular that unlike Goldsmith's photograph, which shows Prince to be vulnerable and uncomfortable, Warhol's bold images present Prince as “an iconic, larger-than-life figure,” consistent with other Warhol representations of celebrities ranging from Marilyn Monroe to Mao.²³² In his view, this transformative quality—“different character,” “new expression,” and “new aesthetics”—tipped the first fair use factor “strongly in AWF's favor,” notwithstanding their commercial nature (most of the works were sold and *Orange Prince* was licensed to Condé Nast).²³³ Furthermore, the transformative nature of the works tipped the third and fourth fair use factors in AWF's favor. Judge Koeltl considered the second factor to be neutral, leading to the conclusion that fair use “points decidedly” in AWF's favor.²³⁴

On appeal, the panel used this opportunity to “clarify” the Second Circuit's fair use jurisprudence in light of the criticism that had emerged.²³⁵ Writing for the majority, Judge Gerald Lynch pulled back from the district court's broad reading of *Cariou* (and other cases) that a secondary work is transformative as a matter of law “[i]f looking at the works side-by-side, the secondary work has a different character, a new expression, and employs new aesthetics with [distinct] creative and communicative results.”²³⁶ After pointing out that even the five works that *Cariou* declined to rule fair use as a matter of law offered a “new aesthetic,” such as the placement of lozenges over the facial features in *Graduation* (Figure 3), Judge Lynch noted that the definition of “derivative works” encompasses “transformed” works.²³⁷ The court concluded that for appropriation art works such as the *Prince Series*, “where a secondary work does not obviously comment on or relate back to the original or use the original for a purpose other than that for which it was created, the bare assertion of a ‘higher or different

227. See *Andy Warhol Found. for the Visual Arts, Inc.*, 598 U.S. at 522.

228. See *id.*

229. See *id.*

230. See *Andy Warhol Found. for the Visual Arts, Inc.*, 382 F. Supp. 3d at 325–26.

231. *Id.* at 326.

232. See *id.*

233. *Id.* at 326.

234. *Id.* at 327.

235. See *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 11 F.4th 26, 38 (2d Cir. 2021).

236. *Id.* (alterations in original) (quoting *Andy Warhol Found. for the Visual Arts, Inc.*, 382 F. Supp. 3d at 325–26).

237. See *id.* at 39.

artistic use,' is insufficient to render a work transformative."²³⁸ In place of the district court's standard, Judge Lynch raised the transformativeness bar to require "a 'fundamentally different and new' artistic purpose and character, such that the secondary work stands apart from the 'raw material' used to create it."²³⁹

Based on that clarification, the court concluded that the *Prince Series* was not transformative: "As in the case of such paradigmatically derivative works, there can be no meaningful dispute that the overarching purpose and function of the two works at issue here is identical, not merely in the broad sense that they are created as works of visual art, but also in the narrow but essential sense that they are portraits of the same person."²⁴⁰ In the appellate panel's view, "the Prince Series retains the essential elements of the Goldsmith Photograph without significantly adding to or altering those elements."²⁴¹ The court further noted that "it is entirely irrelevant to this analysis that 'each Prince Series work is immediately recognizable as a "Warhol.'"²⁴² While noting that the *Prince Series*, while commercial, serves a public interest in exhibition, the court concluded that the first fair use factor does not significantly favor fair use.²⁴³

The panel determined that the other factors also incline against fair use.²⁴⁴ The court disagreed with AWF's contention that "[d]enying fair-use protection to works like Warhol's will chill the creation of art that employs pre-existing imagery to convey a distinct message," explaining that concerns about public access to the works are better addressed at the remedy stage.²⁴⁵

Nothing in this opinion stifles the creation of art that may reasonably be perceived as conveying a new meaning or message, and embodying a new purpose, separate from its source material. AWF also lists the possible consequences that it contends will flow if we deny fair use in this case. As discussed *supra*, however, those consequences would be significant to a district court primarily when assessing appropriate equitable relief for a copyright violation. And here, Goldsmith expressly disclaims seeking some of the most extreme remedies available to copyright owners. *See* 17 U.S.C. 503(b). Moreover, what encroaches on Goldsmith's market is AWF's commercial licensing of the Prince Series, not Warhol's original creation. Thus, art that is not turned into a commercial replica of its source material, and that otherwise occupies a separate primary market, has significantly more "breathing space" than the commercial licensing of the Prince Series. *Campbell*, 510 U.S. at 579.²⁴⁶

The Second Circuit's resolution of the *Warhol* controversy reinforced the right to prepare derivative works and moved fair use back toward its statutory and traditional jurisprudential contours. This begged the question of why the Supreme Court granted

238. *Id.* at 41 (quoting *Rogers v. Koon*, 960 F.2d 301, 310 (2d Cir. 1992)).

239. *Id.* at 42 (quoting *Cariou v. Prince*, 714 F.3d 694, 706 (2d Cir. 2013)).

240. *Id.* (citation omitted).

241. *Id.* at 43.

242. *Id.* (quoting *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 382 F. Supp. 3d 312, 326 (S.D.N.Y. 2019)) (rejecting the lower court's emphasis on this consideration).

243. *See id.* at 45.

244. *See id.* at 45–51.

245. *Id.* at 50.

246. *Id.* at 50–51.

review of the Second Circuit's handling of the first fair use factor.²⁴⁷ We independently prepared amicus briefs articulating a return to the statutory mooring.²⁴⁸

Writing for a 7-2 majority, Justice Sotomayor directly confronted the tension between the derivative work right and the fair use transformativeness jurisprudence, explaining that

the [copyright] owner has a right to derivative transformations of her work. Such transformations may be substantial, like the adaptation of a book into a movie. To be sure, this right is “[s]ubject to” fair use. . . . The two are not mutually exclusive. But an overbroad concept of transformative use, one that includes any further purpose, or any different character, would narrow the copyright owner's exclusive right to create derivative works. To preserve that right, the degree of transformation required to make “transformative” use of an original must go beyond that required to qualify as a derivative [work].²⁴⁹

Much of the majority opinion focuses on explicating *Campbell's* nuanced incorporation of transformativeness into the analysis of the “purpose and character” of the use. Reinforcing the Second Circuit's logic, the Court observed that because “[m]ost copying has some further purpose” and “[m]any secondary works add something new,” it cannot be the case that such acts constitute a transformative use.²⁵⁰ Quoting the Second Circuit, Justice Sotomayor noted that the § 107 preamble “examples are easily understood,” as they contemplate the use of an original work to “serv[e] a manifestly different purpose from the [work] itself.”²⁵¹ “Criticism of a work, for instance, ordinarily does not supersede the objects of, or supplant, the work. Rather, it uses the work to serve a distinct end.”²⁵²

The Court harmonized the derivative work right and transformative uses that qualify as fair use by requiring a secondary user to: (1) provide an independent justification for its use of a copyrighted work; (2) explain a distinct objective purpose for the use that is different from the copyright owner's purposes; and (3) establish that the transformativeness of the use outweighs the commerciality of that use.²⁵³

247. AWF limited its petition to “[w]hether a work of art is ‘transformative’ when it conveys a different meaning or message from its source material (as this Court, the Ninth Circuit, and other courts of appeals have held), or whether a court is forbidden from considering the meaning of the accused work where it ‘recognizably deriv[es] from’ its source material (as the Second Circuit has held).” Petition for a Writ of Certiorari at i, *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 598 U.S. 508 (2023) (No. 21-869).

248. See Brief of *Amici Curiae* Institute for Intellectual Property and Social Justice and Intellectual-Property Professors in Support of Respondents, *Andy Warhol Found. for the Visual Arts, Inc.*, 598 U.S. 508 (No. 21-869); Brief of Professors Peter S. Menell, Shyamkrishna Balganes, and Jane C. Ginsburg as *Amici Curiae* in Support of Respondents, *Andy Warhol Foundation for the Visual Arts, Inc.*, 598 U.S. 508 (No. 21-869).

249. *Andy Warhol Found. for the Visual Arts, Inc.*, 598 U.S. at 529 (alteration in original).

250. See *id.*; see also *id.* at 541 (“*Campbell* cannot be read to mean that § 107(1) weighs in favor of any use that adds some new expression, meaning, or message. Otherwise, ‘transformative use’ would swallow the copyright owner's exclusive right to prepare derivative works.”)

251. *Id.* at 528 (quoting *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 11 F.4th 26 (2d Cir. 2021)).

252. *Id.*

253. See Balganes & Menell, *supra* note 1, at Part III.

Applying these considerations to AWF's licensing of *Orange Prince* to Condé Nast, the Court determined that Goldsmith's original photograph and AWF's use served "substantially the same purpose."²⁵⁴ Both could serve as cover art for a magazine commemorating Prince's life. Therefore, AWF's use "supersede[d] the objects' . . . i.e., shared the objectives, of Goldsmith's photograph, even if the two were not perfect substitutes."²⁵⁵ To illustrate the point, the Court called attention to a range of covers commemorating Prince's life (Figure 20), noting that "[a]ll of them used a copyrighted photograph in service of that object. And all of them (except Condé Nast) credited the photographer."²⁵⁶ The Court determined, based on the absence of targeting Goldsmith's photograph²⁵⁷ and the commerciality of AWF's use—a \$10,000 license fee—that the first fair use factor did not support fair use.

254. *Andy Warhol Found. for the Visual Arts, Inc.*, 598 U.S. at 536–38.

255. *Id.* at 536 (citation omitted).

256. *Id.* at 521.

257. *Id.* at 544–45 (noting that while "the subjective intent of the user (or the subjective interpretation of a court) determine the purpose of the use . . . the meaning of a secondary work, as reasonably can be perceived, should be considered to the extent necessary to determine whether the purpose of the use is distinct from the original, for instance, because the use comments on, criticizes, or provides otherwise unavailable information about the original").



Figure 20

The Court cautioned against a rule that would allow any user to “make modest alterations to the original, sell it to an outlet to accompany a story about the subject, and claim transformative use.”²⁵⁸ It also reinforced that commentaries that have no critical bearing on a work are at *Campbell’s* “lowest ebb,” and that their “claim to fairness in borrowing’ . . . ‘diminishes accordingly (if it does not vanish).’”²⁵⁹

Justice Kagan’s dissenting opinion channeled the free culture movement’s core precepts, emphasizing the reliance of all creators on those who came before²⁶⁰ and the need for a permissive transformativeness to promote progress.²⁶¹ In response, Justice Sotomayor countered that licensing payments induce original works in the first place

258. *Id.* at 546.

259. *Id.* at 546–47 (quoting *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 580 (1994)).

260. *See id.* at 568.

261. *See id.* at 593.

and that the Copyright Act's numerous escape valves provide "ample space for artists and other creators to use existing materials to make valuable new works."²⁶²

IV. RAMIFICATIONS OF THE WARHOL DECISION FOR ECONOMIC, SOCIAL, AND MORAL JUSTICE, FREEDOM OF EXPRESSION, AND CUMULATIVE CREATIVITY

Justice Sotomayor's opening lines to the Court's watershed opinion foreshadowed a journey into copyright's soul:

This copyright case involves not one, but two artists. The first, Andy Warhol, is well known. His images of products like Campbell's soup cans and of celebrities like Marilyn Monroe appear in museums around the world. Warhol's contribution to contemporary art is undeniable.

The second, Lynn Goldsmith, is less well known. But she too was a trailblazer. Goldsmith began a career in rock-and-roll photography when there were few women in the genre. Her award-winning concert and portrait images, however, shot to the top. Goldsmith's work appeared in *Life*, *Time*, *Rolling Stone*, and *People* magazines, not to mention the National Portrait Gallery and the Museum of Modern Art. She captured some of the 20th century's greatest rock stars: Bob Dylan, Mick Jagger, Patti Smith, Bruce Springsteen, and, as relevant here, Prince.²⁶³

Justice Sotomayor's vigorous, direct, and, at times, combative parrying with the dissent drove a dagger into the free culture movement's critique of copyright law.²⁶⁴ The resulting decision repudiates the movement's campaign to undermine the derivative work right through a simplistic transformativeness shortcut for applying the fair use doctrine.

Thus, beyond clarifying the interplay of the derivative work right and fair use, Justice Sotomayor's majority opinion in *Warhol* addresses the economic, social, and moral justice principles underlying the Copyright Act as well as the safety valves serving First Amendment values and promoting cumulative creativity.

A. ECONOMIC AND SOCIAL JUSTICE

Justice Sotomayor's majority opinion substantiates what we have been referring to as the author empowerment conception of the modern copyright regime. Her decision reaffirms the text, core framework, and empirical assumptions underlying the modern Copyright Act: that "the author's rights should be stated in the statute in broad terms,

262. *Id.* at 549–50.

263. *Id.* at 515.

264. The tone of Justice Sotomayor's opinion was no doubt influenced by Justice Kagan's dissent, which was condescending and snarky in places. *See, e.g., id.* at 560 n.2 (suggesting that the majority opinion is "self-refuting" for responding thoroughly to the dissent's lengthy arguments); *Id.* at 559, 572–92 (offering a "refresher course" on art history); *Id.* at 574 (contending that the majority did not "actually look[] at the images" at issue).

and that the specific limitations on them should not go any further than is shown to be necessary in the public interest.”²⁶⁵ Congress could well have chosen to open up the fair use doctrine when it reformed the Copyright Act. Yet as we traced in Part II.B.3 and elsewhere,²⁶⁶ the drafters of the modern Copyright Act considered the options for promoting progress and chose the author empowerment path. Throughout the opinion, Justice Sotomayor focuses attention on the statutory text and reinforces its evident logic.

Copyright law’s broad protections have enabled many authors, musicians, filmmakers, actors, artists, and athletes from marginalized groups to achieve unprecedented economic success.²⁶⁷ This success has altered power structures across the creative industries, which in turn has brought new genres, art forms, and a broader range of perspectives to the public. These structural changes and elevation of historically underrepresented creators and performers have had far-reaching consequences, including beneficial impacts upon civil rights.

Free culture scholars worry, however, that protection for derivative works locks down cumulative creativity, silences less powerful and younger voices, and stifles social engagement. Yet even as Professor Lessig attacked content companies’ “ferocious assault” on freedom of expression, his own account revealed a vibrant and creative emerging digital ecosystem.²⁶⁸

There is no doubt that copyright law has stood in the way of those who would like to create their own *Star Wars* and *Harry Potter* sequels and merchandise. Absent permission or critical perspectives, these follow-on creators risk demand letters if they commercialize their work. And even if they are commenting on or otherwise parodying those works, they might, as Alice Randall experienced, encounter copyright litigation.²⁶⁹

But what we have seen in the more than two decades since Web 2.0 emerged is a much more permissive ecosystem that has supported a wide range of follow-on creative and cultural activities. The software industry has implemented various forms of open licenses that re-engineered copyright’s defaults through *ex ante* license.²⁷⁰ Hollywood has substantially embraced fan engagement with their works and generally does not

265. See H. COMM. ON THE JUDICIARY, *supra* note 25, at 14.

266. See Balganesch & Menell, *supra* note 1, at Part I.B; Brief of Professors Peter S. Menell, Shyamkrishna Balganesch, and Jane C. Ginsburg as *Amici Curiae* in Support of Respondents, *supra* note 248, at 6–13.

267. See Hughes & Merges, *supra* note 5.

268. See Julia D. Mahoney, *Lawrence Lessig’s Dystopian Vision*, 90 VA. L. REV. 2305, 2307–09 (2004) (reviewing LESSIG, *FREE CULTURE*, *supra* note 97) (commenting that Lessig’s *FREE CULTURE* “actually portrays a world that should elicit cautious optimism rather than fear of impending catastrophe,” noting that “[b]y Lessig’s own account, the expansion of the Internet has resulted in” many examples that dispel his assertion “that American culture is in grave peril”).

269. See *SunTrust Bank v. Houghton Mifflin Co.*, 268 F.3d 1257 (11th Cir. 2001); David D. Kirkpatrick, Mitchell Estate Settles ‘Gone with the Wind’ Suit, N.Y. TIMES (May 10, 2002), <https://www.nytimes.com/2002/05/10/business/mitchell-estate-settles-gone-with-the-wind-suit.html> [<https://perma.cc/A962-NAVM>] [<https://web.archive.org/web/20240226014712/https://www.nytimes.com/2002/05/10/business/mitchell-estate-settles-gone-with-the-wind-suit.html>].

270. See STEVEN WEBER, *THE SUCCESS OF OPEN SOURCE* (2005).

object to non-commercial fan activities.²⁷¹ We do not see enforcement actions against most fan scripts and other creative efforts that populate the internet. YouTube's Content ID system provides a broad ecosystem for user-generated content, while affording copyright owners tools for taking down and monetizing uses.²⁷² Social media websites are filled with memes and images that implicate copyrighted works. And Creative Commons has established a parallel universe in which creators offer works with pre-authorized licenses. The growing availability of insurance and codes of best practices for documentary films and a growing number of areas have also facilitated cumulative creativity.²⁷³ Thus, reports of the stifling of user generated content have been greatly exaggerated.

Perhaps what is most remarkable is how few uses wind up being pursued in light of the millions of new and follow-on works being created and distributed each day. But it is those disputes that make their way up the federal court system that serve as the bellwethers for the freedom to create. These controversies steer copyright owners and follow-on creators in their pursuits and bring us to the question of whether the *Warhol* decision, even beyond its correctness as a matter of copyright law, offends principles of economic and social justice.

We stand firmly behind the correctness of the decision on those grounds. We believe as a general proposition that affording authors a robust derivative work right, subject to copyright law's limiting doctrines and a fair use escape valve, provides a good balance between pioneering and follow-on creativity while affording freedom of expression and access for public interests.

Within that framework, however, remains the specific economic and social justice inquiry of whether the follow-on use was fair. We struggle to see why these follow-on creators should be privileged to use the works of Andrea Blanch, Patrick Cariou, or Lynn Goldsmith without permission. In all of these cases, the follow-on creators were essentially using the fair use doctrine as a means to obtain free raw material for their commercial gain without any targeted commentary. They are exceptionally well-off creators catering to an even more well-off clientele. Deutsche Bank was bankrolling Koons. *Vanity Fair* commissioned Warhol, and he leveraged that commission into a series of sixteen works. And Richard Prince had a long-standing relationship with the

271. See Tim Wu, *Tolerated Use*, 31 COLUM. J.L. & ARTS 617 (2008).

272. *Content ID*, WIKIPEDIA, https://en.wikipedia.org/wiki/Content_ID [<https://perma.cc/LDX3-66DD>] [https://web.archive.org/web/20240226014939/https://en.wikipedia.org/wiki/Content_ID] (last visited Feb. 25, 2024).

273. See RECLAIMING FAIR USE, 2d ed., *supra* note 98, at 119–77, 188–98.

Gagosian Gallery,²⁷⁴ one of the hottest appropriation art galleries.²⁷⁵ These cases reek of redistribution from less well-off creators to support the ultra-wealthy.²⁷⁶

But is it ethical to overlook this redistribution for the “expressive benefits” that would flow? Or more precisely, do we think that affording Koons, Prince, and Warhol free access to others’ photographs is necessary for such expression? In Warhol’s case, the answer is clearly no. *Vanity Fair* had already cleared the rights for Warhol to prepare an illustration to accompany its feature story. The question is whether Warhol, or AWF, should be required to negotiate with Goldsmith over rights to use the other fifteen works (or to make further use of *Purple Prince*). We fail to see how this is asking too much of Warhol or AWF. Moreover, there were certainly other Prince photographs that he could have used for his silkscreens. The incremental “expressive benefits,” if any, for allowing Warhol free raw material at the expense of other creators and copyright’s legislative framework are dubious.

As regards Jeffrey Koons, Andrea Blanch might have been amenable to working out licensing arrangements at a mutually agreeable price. And if not, there are other sources of stock and other photographs that could have served comparably well for Koons’s work.

With respect to Richard Prince, we are less sure that Patrick Cariou, as an ethnographic researcher who devoted years to building a trusting relationship with his subjects, would have been amenable to having his photographs presented in Cariou’s style. Moreover, we are skeptical that Jamaican Rastafarian photographs of that quality could have been found elsewhere. That said, we are not sure that society was better off with Prince’s appropriation. Cariou’s work might well have found other outlets and interest had Prince not interfered with Cariou’s ability to exhibit his work. Moreover, since Prince was not commenting on Cariou’s work, it is not clear what society lost given that Prince likely could have found other photography to pursue his artistic vision. Furthermore, affording Prince free use of Cariou’s photographs without clear purpose other than commercial gain could well chill ethnographic photographers from pursuing projects such as Cariou’s.

As the foregoing has highlighted, the role of licensing has long been a source of deep division in copyright scholarship discourse. The free culture movement considers any

274. See *Exhibitions/Richard Prince*, GAGOSIAN, <https://gagosian.com/exhibitions/archive/artist/richard-prince/> [<https://perma.cc/U9KQ-MKTS>] [<https://web.archive.org/web/20240202231737/https://gagosian.com/exhibitions/archive/artist/richard-prince/>] (last visited Feb. 2, 2024) (listing over fifty exhibitions of Prince’s work dating back to 2002).

275. See *Gagosian Gallery*, WIKIPEDIA, https://en.wikipedia.org/wiki/Gagosian_Gallery [<https://perma.cc/YNR8-TMYD>] [https://web.archive.org/web/20240202231908/https://en.wikipedia.org/wiki/Gagosian_Gallery] (last visited Feb. 2, 2024) (describing the enormous scale of Gagosian’s operations).

276. AWF’s use of a declaratory judgment action in response to Goldsmith’s demand illustrates another problematic power dynamic. Well-heeled secondary creators have the resources to intimidate original creators into forgoing their rights and pressure poorer parties to settle claims at a steep discount. Ironically, such power dynamics also affect the way marginalized creators produce original works. Fearful of infringement litigation, legitimate or otherwise, they tend to license preexisting works prophylactically or self-censor and restrict their own creative output.

need to obtain permission to adapt or repurpose a copyrighted work to be a grave interference with freedom of expression and progress. As Part I explained, Congress viewed licensing as a critical part of copyright's creative engine and did not believe that transaction costs would unduly chill follow-on creativity. When works of authorship combine the talents of multiple artists, paying for permission to use an underlying work or sharing the revenue that results from the license rewards all of the contributors to the follow-on works. This promotes both economic efficiency and distributive justice. While not always seamless, free, or without the occasional need for legal assistance, copyright and alternative institutions have generated a vast ecosystem of access and use.

We believe that the fair use doctrine, as reflected in *Warhol*, perpetuates a significant role for licensing of uses that cannot meet the justification, "go beyond," and multi-factor inquiries.²⁷⁷ Although this reinforced test might hamper some follow-on works, particularly of a commercial nature, we do not expect that there will be substantial changes in the creative community. Pursuing copyright enforcement is a costly activity and many follow-on uses, including much fan fiction, will continue to be tolerated. Where a major, well-heeled artist appropriates the work(s) of others, there will be greater risk, but that can be mitigated through licensing and possibly insurance. Furthermore, as Professor Xiyin Tang has observed,²⁷⁸ the artistic community already implements norms that align with the *Warhol* decision. Artists recognize the injustice of unauthorized use and take steps to avoid violating fairness norms.

Which brings us to the role of "fairness" in fair use. The Copyright Act's multi-factor test was specifically designed to incorporate fairness considerations, which is why courts consider commerciality, amount of use, and effects upon the potential market. As the Act's drafters noted, free riding is not indicative of fairness, and licensing provides a mechanism for distributing the value and credit associated with cumulative creativity. Compensation is a fundamental aspect of fairness. This seems fairly obvious to us, but perhaps bears stating in view of the antipathy toward compensation reflected in much of the free culture literature. The drafters of the copyright statute considered compensation and licensing to be vital features of the copyright regime and economic justice.²⁷⁹

Fair use, as well as the *eBay* remedies doctrine, are mechanisms for dealing with circumstances in which recognized (categories enumerated in the § 107 preamble) or emergent social interests could be compromised by copyright owners blocking access and use. By contrast, opening up fair use to any transformation would create tremendous subjectivity, confusion, and injustice.

277. These elements of *Warhol's* first fair use factor are explained in Balganesch & Menell, *supra* note 1.

278. See Xiyin Tang, *Art After Warhol*, 71 UCLA L. REV. (forthcoming 2024).

279. See *supra* Part I.

B. MORAL JUSTICE

Although Congress did not formally add moral rights provisions to the Copyright Act until 1990,²⁸⁰ the derivative work right has long served as a form of moral right protection by empowering authors to demand attribution and use limitations on licenses to prepare derivative works.²⁸¹ This power, of course, does not extend to fair use of copyrighted works. But as the *Warhol* makes clear, the derivative work right is alive and well.

The backstory to the *Warhol* decision illustrates the importance of attribution for photographers. As Justice Sotomayor notes, Lynn Goldsmith worked hard to build her reputation, enabling her to establish herself at a young age as a leading rock photographer in an era “when women on the scene were largely dismissed as groupies.”²⁸² By her mid-30s, she had chronicled the lives and tours of Bruce Springsteen, Michael Jackson, Bob Dylan, Patti Smith, and the Rolling Stones.²⁸³ Her work appeared throughout the music press and on album covers.²⁸⁴ Building her reputation, *which required attribution*, kept her at the top of the game. In this fast moving industry, she continued to hustle, and when Prince Rogers Nelson emerged on the scene, she “convinced” *Newsweek* to hire her to photograph him on stage and in studio.²⁸⁵ Their publication of her photograph established her as a source for high quality photography of this up-and-coming recording and performance artist.

Lynn Goldsmith requested and obtained attribution for the use of her Prince studio portrait, as is common. She received attribution in a fair bargain for the use of her source photograph for the 1984 *Vanity Fair* feature article about Prince, “Purple Fame.” But decades later, AWF and Condé Nast did not think to credit her source photograph for the cover art for the Prince commemorative issue. This illustrates how the derivative work right promotes not just economic justice, but also moral interests. And the two go hand in hand, vindicating the original author’s moral rights by controlling the content and labeling of derivative works. Attribution is key to building many creators’ reputation, opportunities, and success.

This attribution right can be especially valuable and important to authors and artists who have been discriminated against or otherwise marginalized. Such creatives can be

280. See Judicial Improvements Act of 1990, Pub. L. No. 101-650, 104 Stat. 5089 (1990) (including the Visual Rights Act of 1990, title VI, § 603(a), 104 Stat. 5128, which added 17 U.S.C. § 106A, establishing rights of attribution and integrity for works of visual art); see also *Moral Rights in Our Copyright Laws: Hearing on S. 1198 and S. 1253 Before the Subcomm. on Patents, Copyrights and Trademarks of the Comm. on the Judiciary*, 101st Cong. (1989).

281. Cf. 3 MELVILLE B. NIMMER & DAVID NIMMER, NIMMER ON COPYRIGHT § 8D.02[C] (2023) (observing that “the exclusive right ‘to prepare derivative works’ could be conceptualized as an author’s integrity right”).

282. *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 598 U.S. 508, 516 (2023).

283. See *id.*

284. See *Lynn Goldsmith*, WIKIPEDIA, https://en.wikipedia.org/wiki/Lynn_Goldsmith [<https://perma.cc/E88L-YQXX>] [https://web.archive.org/web/20240202232312/https://en.wikipedia.org/wiki/Lynn_Goldsmith] (last visited Feb. 25, 2024).

285. *Andy Warhol Found. for the Visual Arts, Inc.*, 598 U.S. at 516.

cultivated through non-traditional art forms and genres, with much of their creative talent manifest in their ability to translate, adapt, and otherwise render their native creative arts accessible to mainstream audiences. When well-known and other mainstream artists appropriate their work without attribution, society applauds the unprecedented “originality” of the follow-on artist, while the underlying, marginalized creators languish in obscurity and impecuniosity.

This is what occurred in *Cariou v. Prince*.²⁸⁶ After the gallery owner who planned to exhibit Cariou’s photographs and reprint his book for signings became aware of Prince’s appropriation art exhibition featuring Cariou’s work, she cancelled the show because she did not want to seem to be capitalizing on Prince’s success and notoriety and did not want to exhibit work which had been “done already’ at another gallery.”²⁸⁷

Marginalized artists can offer new perspectives toward traditional art forms. Here too, appropriation without attribution denies them recognition and financial reward, while the mainstream, appropriating artists enjoy commercial success and artistic acclaim, and in some cases, the rejuvenation of fading careers.²⁸⁸

Attribution enables marginalized and lesser known creators to gain attention, respect, and reputational clout that can propel their careers. At the very least, it protects them from the indignity of misappropriation, and provides them with encouragement to continue their artistic labors and the knowledge that there is an audience for their work, even if that audience consists solely of other artists who appreciate their artistic achievements.

Both the *Blanch* and *Cariou* decisions illustrate the harm from the trampling of the derivative work right. Although Andrea Blanch and Patrick Cariou had not become household names, they were professional photographers looking to support themselves through photography. They had each achieved a modicum of success and no doubt would have been receptive to offers to sell and license their works. Unfortunately, however, copyright’s fair use doctrine veered off the rails at key points in their career, emboldening well-heeled appropriation artists to treat their photographs as free raw material for million dollar projects. As a result, they were left with nothing to show but humiliating court decisions and large legal bills.

In teaching these cases, we have asked ourselves and our students: Would we or they feel comfortable appropriating other people’s art without payment or attribution to make seven-figure follow-on works that do not target or comment on the particular appropriated works except, perhaps, as some sort of general reflection on the general culture? The answer for us is “no.” We recognize, of course, the need for breathing space for artists and others in expressing their views.

286. See *supra* text accompanying notes 142 and 143.

287. See *Cariou v. Prince*, 784 F. Supp. 2d 337, 344 (S.D.N.Y. 2011).

288. See Robert Brauneis, *Copyright, Music, and Race: The Case of Mirror Cover Recordings*, in *THE CAMBRIDGE HANDBOOK OF INTELLECTUAL PROPERTY AND SOCIAL JUSTICE* 183 (Steven D. Jamar & Lateef Mtima eds., 2024); Trevor Reed, *Fair Use as Cultural Appropriation*, 109 CAL. L. REV. 1373, 1385–90 (2021); Toni Lester, *Blurred Lines - Where Copyright Ends and Cultural Appropriation Begins - The Case of Robin Thicke versus Bridgeport Music and the Estate of Marvin Gaye*, 36 HASTINGS COMM. & ENT. L.J. 217 (2014); K. J. Greene, *Copyright, Culture & Black Music: A Legacy of Unequal Protection*, 21 HASTINGS COMM. & ENT. L.J. 339 (1998).

C. FREEDOM OF EXPRESSION AND ESCAPE VALVES

As Justice Sotomayor noted in response to the dissent's alarm that withholding the fair use privilege from *Orange Prince*—"a Warhol" after all²⁸⁹—would stifle creativity, the Copyright Act contains a broad array of limiting doctrines and escape valves to accommodate free expression and promote cumulative creativity. She specifically noted the idea-expression dichotomy, the unprotectability of facts, the requirement of originality, the legal standard for actionable copying (including the filtration of unprotectable elements), durational limits, and, especially, the fair use doctrine.²⁹⁰ We would also note the various other statutory limitations and compulsory licenses, including the cover license, and Judge Lynch's recognition of the role of remedies in balancing the public interests.²⁹¹ As noted in the 1965 *Supplementary Report*, Congress sought to implement a law that could stand the test of time, and it has adapted to and weathered various social and technological disruptions.

We have no doubt that the copyright law should be reformed to better accommodate both free expression and cumulative creativity. Doing so in the heat of the explosive emergence of Web 2.0, however, would have been unwise. As those advances disrupted traditional music, film, publishing, and software markets, the free culture movement was quick and correct to question the ability of the existing copyright system and institutions to support a robust and free creative ecosystem. But their doomsday predictions of runaway copyright litigation and stifling of creativity were open to question, especially when the former problem was promoted by free culture advocates.²⁹² Furthermore, their reform proposals—such as immunizing file-sharing services,²⁹³ "voluntary" licensing (tip jars) for file-sharing,²⁹⁴ broad spectrum

289. See *id.* at 558, 592 (Kagan, J., dissenting) (suggesting that Warhol is "the very embodiment of transformative copying").

290. See *id.* at 550 (majority opinion).

291. See quotation accompanying note 246.

292. Both the Electronic Frontier Foundation's lead copyright counsel and Professor Mark Lemley, who was counsel for Grokster, suggested that record companies ought to sue file-sharers—mostly high school and college students—rather than file-sharing services. See Peter S. Menell, *This American Copyright Life: Reflections on Re-Equilibrating Copyright for the Internet Age*, 61 J. COPYRIGHT SOC'Y U.S.A. 235, 256–59 (2014) (reporting Fred von Lohmann's public statements: calling attention to the "strangely" "empty category" of lawsuits against end-users; commenting that content owners "are hunting the wrong target"; observing that suing end-users would not be "such a radical statement" in view of the fact that going after the pirates has "always been the rule" in the copyright field; and stating that "a few targeted suits would certainly clarify the message"); Mark A. Lemley & R. Anthony Reese, *Reducing Digital Copyright Infringement Without Restricting Innovation*, 56 STAN L. REV. 1345, 1390–93 (2004).

293. See Lemley & Reese, *supra* note 292, at 1379–90.

294. See *Making P2P Pay Artists*, ELEC. FRONTIER FOUND., <https://www.eff.org/pages/making-p2p-pay-artists> [<https://perma.cc/V2Q2-W936>] [<https://web.archive.org/web/20240202232417/https://www.eff.org/pages/making-p2p-pay-artists>] (last visited Feb. 2, 2024).

compulsory licensing regimes,²⁹⁵ and vast expansion of fair use—were premature and questionable.

At the time that the free culture movement burst onto the scene, internet technology was evolving rapidly, and the empirical basis for making dramatic changes was thin. These scholars thought that making the world safe for file-sharing was the way to go. But as the aftermath of the Supreme Court's *Grokster* decision makes plain, peer-to-peer file-sharing was not the answer to society's prayers. By helping to stanch internet piracy, *Grokster* accelerated the path toward subscription services such as Spotify and Netflix that have proven remarkably successful for creators, consumers, and technology companies. Reforming copyright law during the turmoil of the Web 2.0 revolution was unrealistic and would likely have missed the mark. We needed to see how society and technology would adapt.

We do not doubt that the copyright system should be updated. After all, we are now half a century past when the drafters of the "modern" Act worried about designing the law to last "10, 20, or 50 years from [then]."²⁹⁶ Now that *Warhol* has restored the fair use doctrine, the time is ripe to pursue balanced legislative/democratic solutions for improving free expression and cumulative creativity.

A good place to start would be in the documentary film field. These works have tremendous educational and research value to society. They are also often produced by non-profit organizations. And even though these purposes are within both the § 107 preamble and the first factor balance, many documentary makers are often pressured by distributors to clear the rights to use historical photographs and audiovisual works. They further face the problem of dealing with orphan works.²⁹⁷ Congress can facilitate the production of these works by crafting exemptions, limitations of remedies, and other reforms to reduce the risks faced by documentary film makers.

More generally, Congress should consider a range of adjustments to the Copyright Act to reduce the transaction costs associated with licensing copyrighted works. These include establishing pre-clearance institutions,²⁹⁸ discouraging fair use hold-outs,²⁹⁹

295. See WILLIAM W. FISHER III, PROMISES TO KEEP: TECHNOLOGY, LAW, AND THE FUTURE OF ENTERTAINMENT 199–258 (2004); Neil Weinstock Netanel, *Impose a Noncommercial Use Levy To Allow Free Peer-To-Peer File Sharing*, 17 HARV. J.L. & TECH. 1 (2003).

296. See quotation accompanying note 33.

297. See Menell, *supra* note 292, at 334–36; see Joshua O. Mausner, *Copyright Orphan Works: A Multi-Pronged Solution To Solve a Harmful Market Inefficiency*, 12 J. TECH. L. & POL'Y 395, 398 (2007); Orphan Works Act of 2006, H.R. 5439, 109th Cong. (2d Sess. 2006) (limiting remedies against users who "performed and documented a reasonably diligent search in good faith to locate the owner of the infringed copyright"); cf. U.S. COPYRIGHT OFF., REPORT ON ORPHAN WORKS 95–112 (2006), <http://www.copyright.gov/orphan/orphan-report.pdf> [<https://perma.cc/9ER6-7ZYJ>] [<https://web.archive.org/web/20240208222653/https://www.copyright.gov/orphan/orphan-report.pdf>].

298. See Peter S. Menell, *Economic Analysis of Copyright Notice: Tracing and Scope in the Digital Age*, 96 B.U. L. REV. 967, 1013–142 (2016); Michael W. Carroll, *Fixing Fair Use*, 85 N.C. L. REV. 1087, 1123–27 (2007); David Nimmer, *A Modest Proposal To Streamline Fair Use Determinations*, 24 CARDOZO ARTS & ENT. L.J. 11, 12 (2006) (proposing a panel of "Fair Use Arbiters" appointed by the Register of Copyrights).

299. Peter S. Menell & Ben Depoorter, *Using Fee Shifting To Promote Fair Use and Fair Licensing*, 102 CAL. L. REV. 53 (2014).

tailoring compulsory licensing regimes (such as for mashups),³⁰⁰ and, most importantly, reforming and recalibrating remedies.³⁰¹

V. CONCLUSION

The free culture movement is built on a deep and fundamental skepticism of copyright: questioning whether any creative work can be original and opposing nearly any restraints on follow-on creativity. While it is tautological that authors are influenced by exposure to prior works, the gulf between that truism and the conclusion that copyright protection should be narrow and alteration or repurposing should be privileged is quite wide. What is not debatable is that the drafters of the Copyright Act rejected that precept of the free culture movement. To the contrary, the drafters empowered authors with broad exclusive rights and viewed licensing in conjunction with a limited fair use privilege as the best approach for promoting creativity, access, and cumulative creativity.

Even if judges accepted the free culture movement's perspective, they would lack the authority to override the legislative will as reflected in positive law. The Copyright Act's legislative text and intent do not support the evisceration of the derivative work right or an open-ended and subjective fair use doctrine. And for the reasons we have articulated, there is good reason to question such an approach within a social justice framework.

The Supreme Court's restoration of the statutory text, legislative intent, and economic logic undergirding the right to prepare derivative works has important ramifications for social justice and authors' control of their works. Time will tell whether the *Warhol* decision will promote or chill cumulative creativity,³⁰² but we do not expect the decision to cause the sky to fall. The utilitarian character of the "promote progress" clause does not require copyright protection to end whenever a follow-on creator "transforms" the work of others, at least in the view of the Copyright Act drafters. As the cases explored herein illustrate, a secondary user can nearly always find literary or art critics who can attest to a transformative alteration or purpose.³⁰³

300. See Peter S. Menell, *Adapting Copyright for the Mashup Generation*, 164 U. PA. L. REV. 441 (2016).

301. See Menell, *supra* note 292, at 302–36.

302. Similar predictions by copyright critics have not come to pass. See, e.g., Robert Hof, *Ten Years of Chilled Innovation*, BUS. WEEK (June 29, 2005), https://web.archive.org/web/20110306102756/http://www.businessweek.com/technology/content/jun2005/tc20050629_2928_tc057.htm (interviewing Lawrence Lessig after the *Grokster* decision). The *Grokster* decision fueled the streaming marketplace, producing an explosion of licensing that vastly expanded access to creative works, rewarded artists, and protected consumer privacy. Moreover, the resulting decline of peer-to-peer services greatly reduced the proliferation of malware. See John Borland, "Spyware" Piggybacks on Napster Rivals, CNET (Jan. 29, 2002), <https://www.cnet.com/tech/services-and-software/spyware-piggybacks-on-napster-rivals/> [<https://perma.cc/RX2P-SDHW>] [<https://web.archive.org/web/20240226025450/https://www.cnet.com/tech/services-and-software/spyware-piggybacks-on-napster-rivals/>].

303. See 4 WILLIAM F. PATRY, PATRY ON COPYRIGHT § 10:35:31 (2022) (commenting on AWF's art expert's credibility: "Such hyperbole may wow gullible undergraduates taking a class on Pop Art, but it has no place in federal court as a way to decide whether fair use exists or not").

Furthermore, the Copyright Act and jurisprudence have substantial safety valves in place to support valuable cumulative creativity. It is clear, however, that *Warhol* will encourage secondary creators to think more carefully about licensing of raw material. It might also point them toward less derivative and more innovative projects.

We are hopeful that the *Warhol* decision will promote various dimensions of progress and enhance social justice through its bolstering of authors' rights, and that escape valves will continue to promote free expression and cumulative creativity. Requiring future artists who seek to use the work of prior creators as raw material for non-critical uses—e.g., not as commentary, criticism, or parody—to negotiate the terms of appropriation with copyright owners, especially for commercial uses, serves the purposes that the drafters of the Copyright Act sought to advance. Moreover, the Copyright Act's numerous safety valves provide substantial leeway for secondary users. Furthermore, Congress can enhance the efficacy of the copyright law by enacting further adjustments, such as the ones we have discussed, to support fair and efficient cumulative creativity.

Did the Solicitor General Hijack the *Warhol v. Goldsmith* Case?

Pamela Samuelson*

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INTRODUCTION

Hijack may be an apt description of the effect that the Office of the Solicitor General (“OSG”) had on the *Andy Warhol Foundation for the Visual Arts, Inc. v. Goldsmith* case when it filed an amicus curiae brief with the Supreme Court in support of Lynn Goldsmith’s claim that the Andy Warhol Foundation for the Visual Arts (“AWF”) had made an unfair use of her photograph of the rock star Prince.¹ From Goldsmith’s first contact with AWF in 2016 informing it of her claim of infringement until she filed her merits brief with the Court in 2022, she had consistently claimed that Andy Warhol’s 1984 creation of a series of sixteen prints and drawings of Prince (known as the *Prince Series*) infringed copyright in her 1981 photograph of the musician.² For six long years, AWF and Goldsmith disputed whether Warhol’s creation of the works was fair use or infringement. OSG’s amicus curiae brief did not engage with that dispute, but asserted that the only question before the Court was whether AWF’s 2016 license of one of the *Prince Series* (known as the *Orange Prince*) to Condé Nast for the cover of a commemorative issue was a transformative fair use, which OSG opined it was not.³

While OSG was certainly correct in asserting that Goldsmith wanted compensation for AWF’s 2016 grant of a license to make and distribute copies of the *Orange Prince* for the cover of Condé Nast’s special issue, that was not Goldsmith’s only claim. In fact, it was not even her main claim.⁴ Yet, OSG’s brief reframed and significantly narrowed the question presented to the Court, and interpreted the trial and appellate court rulings as though both courts had ruled only on the fairness of the 2016 license when both courts had, in fact, focused their analyses almost entirely on the 1984 creation of the Warhol works.⁵

OSG’s narrowing of the case came as a surprise to AWF, which had consistently and squarely focused on the fairness of Warhol’s 1984 creation of the *Prince Series*. Moreover, many other amicus curiae briefs filed with the Court in *Warhol* assumed, as had AWF, that the fair use issue before the Court was whether Warhol’s 1984 creation

1. Brief for the United States as Amicus Curiae Supporting Respondents, *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 598 U.S. 508 (2023) (No. 21-869) [hereinafter OSG Brief]. I am not the first to criticize the Office of the Solicitor General (“OSG”) for its sometimes undue influence with the Court. See, e.g., Tejas N. Narechania, *Defective Patent Deference*, 95 WASH. L. REV. 869, 870 (2020); Darcy Covert & Annie J. Wang, *The Loudest Voice at the Supreme Court: The Solicitor General’s Dominance of Amicus Oral Argument*, 74 VAND. L. REV. 681, 684 (2021).

2. See *infra* Part I.

3. OSG Brief, *supra* note 1, at 11, 14. But see Peter J. Karol, *What’s the Use? The Structural Flaw Undermining Warhol v. Goldsmith*, J. COPYRIGHT SOC’Y (forthcoming 2024) (manuscript at 1) [https://papers.ssrn.com/sol3/papers.cfm?abstract_id=4663576] [<https://perma.cc/26SG-MQ5S>] [https://web.archive.org/web/20240309013543/https://papers.ssrn.com/sol3/papers.cfm?abstract_id=4663576] (writing that “commercial licensing is neither a copyright use, nor an act of infringement”).

4. See *infra* Part III.D.

5. Both lower courts ruled on the fairness of Warhol’s 1984 creation of the works at issue. See *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 382 F. Supp. 3d 312, 331 (S.D.N.Y. 2019), *rev’d*, 11 F.4th 26, 32 (2d Cir. 2021), *aff’d*, 598 U.S. 508 (2023). But see OSG Brief, *supra* note 1, at 10–11 (stating that the only issue before the Court is the 2016 license).

of the *Prince Series* was fair use or infringement. Neither the litigants nor their amici had adequate opportunities to fully brief responses to the novel theory of fair use put forward by OSG at the merits stage of the case—that even if Warhol’s original creation of the *Prince Series* was lawful, each subsequent use of those works must be justified as a fair use. OSG’s considerable influence in the case was especially troubling given that the U.S. government did not have a meaningful federal interest at stake in the litigation.⁶

Strangely enough, the Supreme Court acceded to OSG’s reframing of the question presented in the *Warhol* case, even though it had granted certiorari to address AWF’s question about the creation issue. The Court’s decision did not question OSG’s interpretation of the lower courts’ rulings.⁷ So why did OSG reframe the *Warhol* case in this way, and why did the Court acquiesce in it?

Another good question is why Justice Sotomayor’s opinion for the Court buried the lede. It consigned to a footnote the most important statement in the entire decision: that Goldsmith had “abandoned all claims to relief other than her claim as to the 2016 Condé Nast license and her request for prospective relief as to similar commercial licensing.”⁸ Relying on this abandonment, the Court declared that it would express no opinion about Warhol’s “creation, display, or sale of any of the original Prince Series works.”⁹ The Court thereby avoided addressing the many divergent views expressed in AWF’s briefs and many amicus briefs (except OSG’s) as to whether Warhol’s 1984 creations were transformative fair uses or infringing derivative works.

But why would Goldsmith decide to abandon her larger claims, and why is that abandonment important to an accurate understanding of the *Warhol* ruling? This Article suggests some answers to these questions and explains why it matters that the case was resolved in this way.

The truest thing that can be said about the *Warhol* opinion is that the Court held that AWF’s commercial licensing of the *Orange Prince* to Condé Nast in 2016 was not a transformative fair use of that image because it had the same purpose (or at least an overlapping purpose) as Goldsmith’s photograph.¹⁰ Both were images of the musician

6. OSG’s brief stated the United States had a federal interest in the case but not of a sort that affected federal agency operations. OSG Brief, *supra* note 1, at 1–2. Historically, OSG construed federal interests quite narrowly. See, e.g., Michael E. Solimine, *The Solicitor General Unbound: Amicus Curiae Activism and Deference in the Supreme Court*, 45 ARIZ. ST. L.J. 1183, 1199–1201 (2013) (critiquing OSG’s relaxed conception of “federal interest” over time). In the past, OSG did not generally file amicus briefs in private litigant cases unless the outcome of the Court’s decision would impact federal law enforcement or the administration of a federal agency. See *id.* at 1197–98.

7. See *infra* text accompanying notes 113–15, 176.

8. *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 598 U.S. 508, 534 n.9 (2023) (citing Brief for Respondents 3, 17–18; Transcript of Oral Argument 80–82). But see *infra* note 168 (suggesting that the Court may have overinterpreted Goldsmith’s “abandonment” of those claims).

9. *Andy Warhol Found. for the Visual Arts, Inc.*, 598 U.S. at 534. As Professor Karol has pointed out, granting a license, whether commercial or not, does not trigger any of the exclusive rights of copyright. Karol, *supra* note 3, at 1–3.

10. *Andy Warhol Found. for the Visual Arts, Inc.*, 598 U.S. at 537–38. For an excellent commentary on the *Warhol* decision, see Tyler Ochoa, *U.S. Supreme Court Vindicates Photographer, but Destabilizes Fair Use*,

that could be marketed to magazines to accompany stories about him. That is the holding of the case. Everything else the Court said in *Warhol* is dicta. Contrary to the hopes of AWF and many amici, whether they supported AWF's or Goldsmith's position, the Court said virtually nothing to clarify the distinction between transformative fair uses and infringing derivative works.¹¹

Part I discusses the origins and evolution of the copyright dispute between AWF and Goldsmith and reviews the trial and appellate court decisions on AWF's summary judgment motion on the fair use issue. Part II suggests that OSG may have hijacked the *Warhol* case and suggests why it might have done so, as well as why Goldsmith might have acquiesced in this. Part III discusses a largely invisible issue in the *Warhol* case: § 103(a) of the Copyright Act of 1976 (1976 Act), which would have nullified AWF's copyrights in the *Prince Series* if courts ruled that those works infringed Goldsmith's derivative work rights. Part IV considers the implications of the Court's decision for fair use analyses going forward and for AWF's claim of copyright in the *Prince Series*. Part V considers how the Court could have resolved the *Warhol* case in alternative ways. Part VI concludes.

I. ORIGINS AND EVOLUTION OF THE DISPUTE BETWEEN AWF AND GOLDSMITH

The facts of *Warhol v. Goldsmith* are relatively straightforward. In 1984, *Vanity Fair* decided to publish an article about the rock musician Prince's rise to fame. It contacted Lynn Goldsmith's licensing agency in search of a photograph of Prince and obtained a license for one that Goldsmith took in 1981.¹² The license was for a one-time-use of the photograph as an artist reference for a \$400 fee and required that *Vanity Fair* credit Goldsmith for the source material.¹³ *Vanity Fair* then commissioned Andy Warhol to prepare visual art to accompany the article about Prince and supplied him with the Goldsmith photograph.¹⁴ Warhol made two drawings based on the photograph and fourteen colorful images, probably so that *Vanity Fair* would have some options about

TECH. & MKTG. L. BLOG (June 20, 2023), <https://blog.ericgoldman.org/archives/2023/06/u-s-supreme-court-vindicates-photographer-but-destabilizes-fair-use-andy-warhol-foundation-v-goldsmith-guest-blog-post.htm> [https://perma.cc/T95P-U6WF] [https://web.archive.org/save/https://blog.ericgoldman.org/archives/2023/06/u-s-supreme-court-vindicates-photographer-but-destabilizes-fair-use-andy-warhol-foundation-v-goldsmith-guest-blog-post.htm].

11. The title of the Columbia Law School symposium on *Warhol* suggests that the Court's decision interpreted the derivative work right, but the Court rarely mentioned that right except to suggest that overbroad interpretations of fair use would undermine it. *Andy Warhol Found. for the Visual Arts, Inc.*, 598 U.S. at 529, 541.

12. *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 382 F. Supp. 3d 312, 318 (S.D.N.Y. 2019). For a discussion of the term "artist reference," see Jessica Silbey & Eva E. Subotnik, *What the Warhol Court Got Wrong: Use as an Artist Reference and the Derivative Work Doctrine*, 47 COLUM. J.L. & ARTS 353 (2024).

13. *Andy Warhol Found. for the Visual Arts, Inc.*, 598 U.S. at 517.

14. *Andy Warhol Found. for the Visual Arts, Inc.*, 382 F. Supp. 3d at 318. There is no evidence in the record that Warhol knew of the terms of the license between *Vanity Fair* and Goldsmith's agent.

which image would be the best fit for its story.¹⁵ *Vanity Fair* published one of the colorful Warhol images of Prince (known as the *Purple Prince*) adjacent to an article entitled “Purple Fame” in 1984.¹⁶ It credited Goldsmith as a source, as the license between Goldsmith’s agent and *Vanity Fair* required.¹⁷

Many years later, after the tragic death of Prince in 2016, Condé Nast (parent company of *Vanity Fair*) decided to publish a special issue about the rock star and contacted AWF about reusing the 1984 print for that issue.¹⁸ When Condé Nast discovered that Warhol had made additional prints based on Goldsmith’s photo, it decided to license a different one (known as the *Orange Prince*) for the front cover of the special issue and paid AWF \$10,000.¹⁹ Condé Nast apparently did not contact Goldsmith about getting her permission for using that Warhol work for the special issue, nor did it credit her as a source in the commemorative issue.²⁰

When Goldsmith saw the Condé Nast special issue on Prince, she noticed that the *Orange Prince* on the front cover was very similar to one of her photographs from 1981.²¹ She contacted AWF to assert her claim that this image infringed her copyright.²² She further asserted that AWF had no copyright interest in any Warhol work that was based on her photograph and demanded a substantial sum from AWF as compensation for the infringement.²³ In anticipation of litigation against AWF, she registered her claim of copyright in the photograph with the Copyright Office.²⁴

So far as we know, Goldsmith never made a claim against Condé Nast even though it, not AWF, had made, sold, and distributed thousands of copies of that special issue throughout the United States.²⁵ Goldsmith could also have charged Condé Nast with

15. *Id.* at 319. A one-time-use license would not necessarily mean that only one work of art could be created. As Goldsmith later suggested, Warhol may have created all sixteen works to give *Vanity Fair* a choice about which one to accompany the article. *See infra* text accompanying note 167; *see also* Ochoa, *supra* note 10 (surmising Warhol created the sixteen works to give *Vanity Fair* some choices).

16. *Andy Warhol Found. for the Visual Arts, Inc.*, 598 U.S. at 518.

17. *Id.*

18. *Id.* at 519.

19. *Id.* at 519–20. The license gave Condé Nast a three-month exclusive license for use of that image. *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 11 F.4th 26, 35 (2d Cir. 2021).

20. *Andy Warhol Found. for the Visual Arts, Inc.*, 11 F.4th at 35. This suggests that Condé Nast, which has considerable experience licensing in-copyright images for its magazines, thought that Warhol’s images were not encumbered by Goldsmith’s photograph.

21. *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 382 F. Supp. 3d 312, 321 (S.D.N.Y. 2019). Goldsmith initially thought the *Orange Prince* was based on a different photograph than the one eventually in litigation. *Id.*

22. *Id.*

23. During oral argument to the Supreme Court, AWF’s counsel said her monetary demand was in the seven figures and she “also demanded the copyright.” *See* Transcript of Oral Argument at 7, *Andy Warhol Found. for the Visual Arts, Inc.*, 598 U.S. 508 (No. 21–869) [hereinafter Supreme Court Oral Argument].

24. *Andy Warhol Found. for the Visual Arts, Inc.*, 382 F. Supp. 3d at 321.

25. If Goldsmith had sued Condé Nast for the unauthorized reproductions and distributions of copies to the public of the *Orange Prince*, she might have recovered both actual damages and disgorgement of profits attributable to the infringement. 17 U.S.C. § 504. She was not eligible for awards of statutory damages or attorney fees because she did not register her claim of copyright until after the alleged infringement commenced. 17 U.S.C. § 412. Surprisingly, none of the *Warhol* opinions commented on the missing claim

breach of the agreement between her agent and *Vanity Fair* which had granted it only a one-time-use license and required it to identify Goldsmith as the source. But so far as we know, she did not complain to Condé Nast either about copyright infringement or breach of contract.

Confident that Warhol's use of the photograph was non-infringing, AWF sued Goldsmith asking the court to declare that the sixteen works in the *Prince Series* were not substantially similar to Goldsmith's photograph,²⁶ or alternatively, that Warhol had made fair use of the photograph.²⁷ Goldsmith counterclaimed, charging AWF with copyright infringement and asking the court to declare that AWF could not claim copyright in the *Prince Series* works.²⁸

AWF's confidence in its fair use theory was due in no small part to the Supreme Court's landmark 1994 decision *Campbell v. Acuff-Rose Music, Inc.*²⁹ The Court ruled that Campbell's creation of a rap parody version of a popular Roy Orbison song could be fair use because of its transformative purpose, that is, because Campbell had "add[ed] something new, with a further purpose or different character, altering it with new expression, meaning or message."³⁰ The Court explained that the fair use doctrine leaves "breathing space" for future generations of creations that build on the expression in pre-existing works in keeping with the constitutional purposes of copyright.³¹ *Campbell* recognized that with transformative uses of a first author's expression, the commercial nature of the use is less significant in the fair use analysis because it is less likely than non-transformative uses to harm the first author's markets.³² The Court's *Google LLC v. Oracle America, Inc.* ruling in 2021 reaffirmed the significance of transformative fair uses and *Campbell's* definition of that term.³³ For the most part, courts have construed the transformative purpose concept quite broadly.³⁴

against Condé Nast. See Ochoa, *supra* note 10 (noting that Goldsmith did not sue Condé Nast); see also *infra* note 28 and accompanying text (describing Goldsmith's amended answer and counterclaim).

26. Complaint at 2, 29, *Andy Warhol Found. for the Visual Arts*, 382 F. Supp. 3d 312 (No. 1:17-cv-02532-JGK) [hereinafter AWF Complaint]. The complaint also asserted that Goldsmith's potential copyright claims were barred by the statute of limitations and laches. *Id.* ¶¶ 70–82.

27. *Id.* ¶¶ 67–69.

28. Amended Answer of Defendants, Amended Counterclaim of Lynn Goldsmith for Copyright Infringement and Jury Demand at 1, 26, *Andy Warhol Found. for the Visual Arts*, 382 F. Supp. 3d 312 (No. 1:17-cv-02532-JGK) [hereinafter Amended Answer and Counterclaim]. Goldsmith sought a finding from the court that AWF had no copyright in any of the *Prince Series* works. *Id.* at 27.

29. *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 579 (1994). The Court endorsed the concept of transformative purposes set forth in Judge Pierre Leval's law review article on fair use. See Pierre N. Leval, *Toward a Fair Use Standard*, 103 HARV. L. REV. 1105 (1990). The *Campbell* decision cited to Leval's article more than a dozen times.

30. *Campbell*, 510 U.S. at 579. The Court assessed Campbell's fair use defense under all four fair use factors. What was novel about the Court's holding was the first factor's emphasis on the significance of transformative purposes.

31. *Id.*

32. *Id.* at 579, 591.

33. *Google LLC v. Oracle Am., Inc.*, 593 U.S. 1, 29 (2021).

34. See, e.g., Clark D. Asay et al., *Is Transformative Use Eating the World?*, 61 B.C. L. REV. 905, 962 (2020). Some courts have adopted broader interpretations of *Campbell* than others. Compare, e.g., *Cariou v. Prince*,

A. THE TRIAL COURT RULED IN FAVOR OF AWF'S FAIR USE DEFENSE

After a hearing on the litigants' cross-motions for summary judgment,³⁵ the trial court granted AWF's motion on the fair use issue and denied Goldsmith's motion.³⁶ The court addressed all four fair use factors: (1) the purpose and character of the challenged use; (2) the nature of the copyrighted work; (3) the amount and substantiality of the taking; and (4) the effect of the use on the potential market for or value of the copyrighted work.³⁷

Concerning the purpose of the use factor, the court indicated that the most important consideration was whether Warhol's use of Goldsmith's photograph was transformative.³⁸ It concluded that all sixteen works in the *Prince Series* were transformative because, in keeping with *Campbell*, they had a different meaning and conveyed a different message than Goldsmith's photograph.³⁹ The court pointed to numerous differences between the depictions of Prince in the Warhol works and depictions in Goldsmith's photograph.⁴⁰ Goldsmith's photograph had emphasized crisp details of Prince's bone structure, but these aspects of his face were, the court thought, "softened in several of the Prince Series works and outlined or shaded in the others."⁴¹ Warhol depicted Prince "as a flat, two-dimensional figure," in contrast to "the detailed, three-dimensional being in Goldsmith's photograph."⁴² In addition, Warhol's *Prince Series* works "contain loud, unnatural colors, in stark contrast with the black-and-white

714 F.3d 694 (2d Cir. 2013) (concluding use of Cariou's photographs in twenty-five of thirty works by artist Richard Prince was transformative), *with* Kienitz v. Sconnie Nation LLC, 766 F.3d 756 (7th Cir. 2014) (affirming that use of photo on a t-shirt was fair because there was no market harm and little of the photo's expression was used, but criticizing *Cariou* for overbroad emphasis on transformativeness), *and* Dr. Seuss Enters., L.P. v. ComicMix LLC, 983 F.3d 443 (9th Cir. 2020) (holding illustrated book combining aspects of Dr. Seuss book and *Star Trek* TV series not transformative despite alterations in content, theme, and meaning).

35. See The Andy Warhol Foundation for the Visual Arts, Inc.'s Reply Memorandum of Law in Further Support of Its Motion for Summary Judgment, Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith, 382 F. Supp. 3d 312 (S.D.N.Y. 2019) (No. 1:17-cv-02532-JGK) [hereinafter AWF SJ Memo]; Memorandum of Law in Support of Motion by Defendants and Counterclaim Plaintiff Lynn Goldsmith and Lynn Goldsmith, Ltd. for Summary Judgment Pursuant to Rule 56, *Andy Warhol Found. for the Visual Arts, Inc.*, 382 F. Supp. 3d 312 (No. 1:17-cv-02532-JGK) [hereinafter Goldsmith SJ Memo].

36. *Andy Warhol Found. for the Visual Arts, Inc.*, 382 F. Supp. 3d at 324, 331. Although AWF also moved for summary judgment on the no-substantial-similarity issue, the trial court did not address it, saying this was unnecessary in view of its fair use ruling. *Id.* at 324. *But see* Sandra M. Aistars, *Copyright's Lost Art of Substantial Similarity*, 26 VAND. J. ENT. & TECH. L. 109 (2023) (criticizing courts for failing to consider whether two works are substantially similar before addressing fair use defenses). AWF's complaint identified numerous differences between expressiveness of the Warhol *Prince Series* works and Goldsmith's photograph. AWF Complaint, *supra* note 26, ¶¶ 25–27.

37. 17 U.S.C. § 107.

38. *Andy Warhol Found. for the Visual Arts, Inc.*, 382 F. Supp. 3d at 325.

39. *Id.* at 326.

40. *Id.* (identifying, e.g., Warhol's focus on Prince's face and some of his neckline and removal of his torso).

41. *Id.*

42. *Id.*

original photograph.”⁴³ The court regarded Warhol’s alterations as having “result[ed] in an aesthetic and character different from the original.”⁴⁴ It concluded that Warhol had transformed Prince “from a vulnerable, uncomfortable person to an iconic, larger-than-life figure,” such that “the humanity Prince embodies in Goldsmith’s photograph is gone.”⁴⁵ The court gave little weight to the commerciality of the Warhol works because they were transformative and because of the public benefit of such art.⁴⁶ The purpose factor thus favored AWF’s fair use defense.

The court regarded the nature of the work factor as neutral. Although Goldsmith’s photograph was creative and unpublished, which ordinarily would weigh against fair use, the court thought that a counterbalancing consideration was that Goldsmith’s agent had licensed use of the photograph as an artist reference, under which Warhol created the series of Prince portraits.⁴⁷

In assessing the amount and substantiality of the taking, the court disagreed with Goldsmith’s argument that the Prince Series had appropriated the “essence” of her photograph. It found that “Warhol [had] removed nearly all of the photograph’s protectible elements in creating the Prince Series.”⁴⁸ It noted that neither the subject of the photograph, nor his pose, was protectable by copyright law.⁴⁹ The court regarded this factor as tipping in favor of AWF’s claim.

As for market effects, the court concluded that the *Prince Series* had not supplanted market demand for Goldsmith’s photograph because Warhol’s works operated in a very different market than the market for her photograph.⁵⁰ It questioned whether potential licensees for Warhol’s and Goldsmith’s depictions of Prince, such as magazine illustrations or music album covers, would regard the *Prince Series*, “consisting of stylized works manifesting a uniquely Warhol aesthetic,” as a substitute for Goldsmith’s “intimate and realistic photograph of Prince.”⁵¹ Besides, Goldsmith had chosen not to license that photograph to anyone except *Vanity Fair*.⁵² Consequently, the court regarded the market effects factor as weighing in favor of Warhol’s fair use claim.

B. THE SECOND CIRCUIT REVERSED THE FAIR USE RULING

Goldsmith’s appeal met with success in the Second Circuit. Judge Lynch’s opinion ruled that Warhol’s use of the Goldsmith photograph was not transformative because the *Prince Series* had the same purpose as Goldsmith’s in being visual art depicting Prince

43. *Id.*

44. *Id.*

45. *Id.*

46. *Id.* at 325.

47. *Id.* at 327.

48. *Id.* at 330.

49. *Id.* at 329–30.

50. *Id.* at 330.

51. *Id.* at 330–31.

52. *Id.* at 330.

that was available for commercial licensing to magazines.⁵³ It rejected the new meaning or message rationale of the trial court's contrary finding, saying that judges are ill-suited to make judgments about the meaning or message of artistic works.⁵⁴ Nor should judges consider the artist's intent or the views of art critics in deciding whether a secondary work was transformative.⁵⁵ In its view, judges should instead look at the plaintiff's and defendant's works side-by-side and "examine whether the secondary work's use of its source material is in service of a 'fundamentally different and new' artistic purpose and character, such that the secondary work stands apart from the 'raw material' used to create it."⁵⁶

Judge Lynch regarded Warhol's *Prince Series* as "retain[ing] the essential element of its source material" and observed that Goldsmith's photograph "remains the recognizable foundation upon which the Prince Series is built."⁵⁷ The opinion failed to consider that the similarities were due to *Vanity Fair* having commissioned Warhol to make visual art based on her photograph under its artist reference arrangement with Goldsmith's agent. At a high level of generality, it found that the Goldsmith photograph and the *Prince Series* "share the same overarching purpose (*i.e.*, to serve as works of visual art)."⁵⁸ While not holding that Warhol's Prince works were infringing derivatives,⁵⁹ the court suggested that they were closer to that category than to other transformative uses that courts had found to be fair.⁶⁰

The Second Circuit decision regarded the commerciality of Warhol's use of the photograph as weighing against fair use. Warhol was not entitled to make use of Goldsmith's work, the court noted, without paying her the customary price.⁶¹ Yet, the court expressed its willingness to take account of public interests in access to Warhol's art and in AWF's mission to advance the visual arts when considering equitable remedies for AWF's unfair use of the photograph.⁶²

After concluding Warhol's use of the photograph was non-transformative and commercial, the court found that the purpose factor weighed against fair use.

As for the nature of the work factor, the Second Circuit agreed with the trial court that Goldsmith's photograph was creative and unpublished, considerations that weighed against fair use.⁶³ Unlike the trial court, it gave no weight to the artist

53. *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 11 F.4th 26, 40–42 (2d Cir. 2021). *But see* *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 579 (1994) (directing courts to consider whether a secondary work had a new meaning or message compared to the first work).

54. *Andy Warhol Found. for the Visual Arts, Inc.*, 11 F.4th at 41.

55. *Id.*

56. *Id.* at 42 (quoting *Cariou v. Prince*, 714 F.3d 694, 706 (2d Cir. 2013)).

57. *Id.* at 43.

58. *Id.* at 40, 42.

59. *Id.* at 43.

60. *Id.*

61. *Id.* at 44–45.

62. *Id.*

63. *Id.* at 45.

reference arrangement under which Warhol had permission to make visual art based on Goldsmith's photograph.⁶⁴

The court stated that Warhol had "borrow[ed] significantly from the Goldsmith Photograph, both quantitatively and qualitatively."⁶⁵ His works were "instantly recognizable as depictions or images of the Goldsmith Photograph itself."⁶⁶ In this respect, the court once again ignored Warhol's entitlement to make visual art based on the Goldsmith photograph under the artist reference arrangement. The court seemed to view Warhol's use of the photograph as though Warhol had seen Goldsmith's photograph in a magazine and copied it expecting that his celebrity status as an artist would excuse the infringement.

The court went on at length about the similarities between the photograph and the *Prince Series* works:

The Prince Series retains the essential elements of its source material, and Warhol's modifications serve chiefly to magnify some elements of that material and minimize others. While the cumulative effect of those alterations may change the Goldsmith Photograph in ways that give a different impression of its subject, the Goldsmith Photograph remains the recognizable foundation upon which the Prince Series is built.⁶⁷

Thus, the court concluded, the amount factor also cut against fair use.

While the appellate court agreed with AWF that Goldsmith's photograph and Warhol's art works "occupy distinct markets,"⁶⁸ it concluded that "the Prince Series works pose cognizable harm to Goldsmith's market to license the Goldsmith Photograph to publications for editorial purposes and to other artists to create derivative works based on the Goldsmith Photograph and similar works."⁶⁹ The court noted the existence of a market "to license photographs of musicians, such as the Goldsmith Photograph, to serve as the basis of a stylized derivative image" and speculated that "permitting this use would effectively destroy that broader market, as, if artists 'could use such images for free, there would be little or no reason to pay for

64. *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 382 F. Supp. 3d 312, 327 (S.D.N.Y. 2019). The Second Circuit mentioned the artist reference arrangement in its recitation of the facts, *Andy Warhol Found. for the Visual Arts, Inc.*, 11 F.4th at 34, but ignored it when analyzing the fair use defense.

65. *Andy Warhol Found. for the Visual Arts, Inc.*, 11 F.4th at 47.

66. *Id.* Although the trial court did not consider whether the *Prince Series* works were substantially similar to the Goldsmith photograph, *Andy Warhol Found. for the Visual Arts, Inc.*, 382 F. Supp. 3d at 324, the Second Circuit decided to address this issue anyway and concluded that Warhol's works were substantially similar to the photograph as a matter of law. *Andy Warhol Found. for the Visual Arts, Inc.*, 11 F.4th at 52–54. *But see* Brief of *Amici Curiae* Law Professors in Support of Appellees and Affirmance, *Andy Warhol Found. for the Visual Arts, Inc.*, 11 F.4th 26 (No. 19-2420-cv) (arguing that the *Prince Series* works are not substantially similar in expression to the Goldsmith photograph).

67. *Andy Warhol Found. for the Visual Arts, Inc.*, 11 F.4th at 43.

68. *Id.* at 48.

69. *Id.* at 51.

[them].”⁷⁰ Hence, the court concluded that the Warhol works had made unfair use of Goldsmith’s photograph.⁷¹

Judge Jacobs’s concurrence suggested that the court’s ruling against AWF’s fair use defense should not be understood to encumber AWF’s copyrights, saying (erroneously) that “Goldsmith does not claim that the original works infringe and expresses no intention to encumber them; the opinion of the Court necessarily does not decide that issue.”⁷² Nor did Judge Jacobs believe that the court had “consider[ed], let alone decide[d], whether the infringement here encumbers the original Prince Series works that are in the hands of collectors or museums, or, in general, whether original works of art that borrow from protected material are likely to infringe.”⁷³ He regarded Goldsmith as only seeking compensation for AWF’s commercial licensing of the *Orange Prince* and indicated that the Second Circuit would have to reconsider its ruling if Goldsmith was claiming the Warhol works were illegal.⁷⁴

C. AWF PETITIONED FOR CERTIORARI

Because the Second Circuit’s *Warhol* decision repudiated the “new meaning or message” criterion for assessing the transformativeness of a secondary work, which the Court had endorsed not only in *Campbell* but also in its very recent *Google v. Oracle* decision,⁷⁵ AWF petitioned for a writ of certiorari asserting that the Second Circuit’s interpretation of transformativeness was contrary to the Court’s rulings and also conflicted with other appellate court rulings.⁷⁶

AWF’s lawyers probably expected that a reversal on the transformation subfactor would require the Second Circuit to revisit its assessment of the other fair use factors. When a secondary work has been found transformative, courts in the post-*Campbell* cases have generally given less weight to commerciality, the nature of the work, the amount taken, and potential market harms, just as the trial court did in *Warhol*.⁷⁷ This

70. *Id.* at 50 (alteration in original) (citations omitted). *But see* Karol, *supra* note 3, at 19–25 (explaining why commercial licensing of a copyrighted work is not of itself an infringement of copyright). Karol notes that it is “incoherent to ask whether AWF made a fair use of Goldsmith’s work. It made no use of the work at all, in the statutory meaning of that term.” *Id.* at 3.

71. *Andy Warhol Found. for the Visual Arts, Inc.*, 11 F.4th at 51.

72. *Id.* at 55 (Jacobs, J., concurring). *But see* Amended Answer and Counterclaim, *supra* note 28, at 26 (asking for a declaration that AWF owned no copyrights in the *Prince Series*). It was as if Judge Jacobs had not read Judge Lynch’s fair use analysis which heavily concentrated on Warhol’s creation of the *Prince Series*.

73. *Id.* at 54.

74. *Id.* at 55. Judge Jacobs was mistaken about what Goldsmith was claiming.

75. *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 579 (1994); *Google LLC v. Oracle Am., Inc.*, 593 U.S. 1, 29 (2021).

76. Petition for a Writ of Certiorari at 17, *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 598 U.S. 508 (2023) (No. 21-869) [hereinafter Cert Petition].

77. *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 382 F. Supp. 3d 312, 325, 327, 330 (S.D.N.Y. 2019).

expectation was thwarted when the Court affirmed the Second Circuit's ruling after holding that AWF's 2016 grant of a license was non-transformative.⁷⁸

II. HOW OSG REFRAMED THE WARHOL CASE

It is not uncommon for OSG or the Justices to adjust the question presented on which the Court granted cert as the case proceeds through the Court's review process.⁷⁹ Sometimes the Justices accept or even encourage litigants to adjust the question presented.⁸⁰ Yet, other times the Justices express annoyance when the parties or OSG reframe the issues before the Court.⁸¹ In most cases, OSG's reframing of the question presented simply sharpens the key issue for the Justices without radically changing the nature of the case and eliding the litigants' true disputes.⁸² In the *Warhol* case, however, OSG's reframing of the question presented dramatically changed the nature of the case. Moreover, OSG interpreted the lower courts' rulings to fit with its reshaping of the issue before the Court, omitting elements that did not fit its new narrative on the case.

78. *Andy Warhol Found. for the Visual Arts, Inc.*, 598 U.S. at 551. The Court noted that AWF had not asked it to review the Second Circuit's ruling on other fair use factors, so it affirmed that court's unfair use ruling, *id.*, without indicating that its ruling on the transformativeness issue was much narrower than the Second Circuit's ruling on that same issue.

79. See, e.g., Patricia A. Millett, "We're Your Government and We're Here To Help": Obtaining Amicus Support from the Federal Government in Supreme Court Cases, 10 J. APP. PRAC. & PROCESS 209, 226–27 (2009); Bert I. Huang, *A Court of Two Minds*, 122 COLUM. L. REV. 90, 92–93 (2022).

80. See, e.g., Jodi Kantor & Adam Liptak, *Behind the Scenes at the Dismantling of Roe v. Wade*, N.Y. TIMES (Dec. 15, 2023), <https://www.nytimes.com/2023/12/15/us/supreme-court-dobbs-roe-abortion.html> [<https://web.archive.org/web/20240203005823/https://www.nytimes.com/2023/12/15/us/supreme-court-dobbs-roe-abortion.html>]; Adam Liptak, *Does the Supreme Court's Cherry Picking Inject Politics into Judging?*, N.Y. TIMES (Oct. 9, 2023), <https://www.nytimes.com/2023/10/09/us/supreme-court-cases.html> [<https://web.archive.org/web/20240203005318/https://www.nytimes.com/2023/10/09/us/supreme-court-cases.html>].

81. See, e.g., *Unicolors, Inc. v. H&M Hennes & Mauritz, L.P.*, 595 U.S. 178, 189 (2022) (Thomas, J., dissenting) ("I would not reward Unicolors for its legerdemain [in changing the question presented], and because no other court had, before today, ever addressed whether § 411(b)(1)(A) requires 'actual knowledge,' I would dismiss the writ of certiorari as improvidently granted."); *Star Athletica L.L.C. v. Varsity Brands, Inc.*, 580 U.S. 405, 413 (2017) (criticizing OSG's position for making legal arguments about separability of utility and artistry in useful article copyright cases that "were not raised below and that are not advanced in this Court by any party").

82. In *Star Athletica*, for instance, the petitioner and respondent agreed that the question presented concerned the appropriate test for deciding when the design of a useful article is protectable under § 101 of the Copyright Act. OSG reframed the question as whether two-dimensional decorations for the surface of a garment, if sufficiently original, qualify for copyright protection. Brief for the United States as Amicus Curiae Supporting Respondents at 1, *Star Athletica, L.L.C.*, 580 U.S. 405 (No. 15-866). OSG's question was narrower than the litigants' but not in a manner that changed the nature of the issue in litigation.

A. OSG DRAMATICALLY ALTERED THE QUESTION PRESENTED TO THE COURT

The specific question on which the Court granted AWF's petition was:

Whether a work of art is “transformative” when it conveys a different meaning or message from its source material (as this Court, the Ninth Circuit, and other courts of appeals have held), or whether a court is forbidden from considering the meaning of the accused work where it “recognizably deriv[es] from” its source material (as the Second Circuit has held).⁸³

Although this framing of the question did not directly indicate that more than one work was at issue or that Warhol's creation of a series of works was at issue, the petition left no doubt that AWF was urging the Court to hold that the fourteen prints and two drawings Warhol created under the commission from *Vanity Fair* were transformative. It stated unequivocally that “[a]t issue in this case is the legality of Andy Warhol's Prince Series—a set of portraits that transformed a preexisting photograph of the musician Prince into a series of iconic works commenting on celebrity and consumerism.”⁸⁴ AWF challenged the Second Circuit's conclusions that the 1984 creation of the *Prince Series* works was non-transformative, and that courts could not consider what meaning or message secondary works might reasonably be perceived to have.⁸⁵ AWF's merits brief repeated the question presented in exactly the same words as the petition.⁸⁶

Goldsmith's brief opposing certiorari likewise focused on the legality of the 1984 creation of the sixteen Warhol works. It identified the question as “whether the Second Circuit correctly held that Warhol's silkscreens of Prince did not constitute a transformative use, where Warhol's silkscreens shared the same purpose as Goldsmith's copyrighted photograph and retained essential artistic elements of Goldsmith's photograph.”⁸⁷ The brief defended the Second Circuit's ruling that the *Prince Series* had a non-transformative purpose.⁸⁸ It focused heavily on Warhol's uses of Goldsmith's photograph when creating the sixteen images in the *Prince Series*, for example, stating:

Goldsmith's photograph was the basis for the entire Prince Series. All of the Warhol works thus unsurprisingly carried forward essential features of her original composition. Warhol kept the same angle of Prince's gaze. He reproduced the shadows ringing Prince's eyes and darkening his chin. Warhol replicated the same dark bangs partially obscuring Prince's right eye. Warhol even copied the light and shadow on Prince's lips, which owe

83. Cert Petition, *supra* note 76, at 1 (alteration in original).

84. *Id.* at 2 (alteration in original).

85. *Id.* at 17.

86. Brief for Petitioner at i, *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 598 U.S. 508 (2023) (No. 21-869) [hereinafter Brief for Petitioner].

87. Brief in Opposition at I, *Andy Warhol Found. for the Visual Arts, Inc.*, 598 U.S. 508 (No. 21-869) [hereinafter Goldsmith Opposition Brief] (making a plural reference to Warhol's “silkscreens”).

88. *Id.* at 17.

their pattern to the gloss that Goldsmith asked Prince to apply. Even the reflections from Goldsmith's photographer's umbrellas in Prince's eyes remain visible in Warhol's series.⁸⁹

By the time Goldsmith filed her merits brief, however, she decided to drop her initial statement of the question presented and instead adopted AWF's statement of that question.⁹⁰ Her merits brief concentrated on defending the Second Circuit's ruling, challenging AWF's assertions about the significance of new meanings and messages for the transformative subfactor, and arguing that Warhol's use of Goldsmith's photograph was non-transformative because it was not necessary for his creative purposes in depicting Prince.⁹¹

OSG's amicus brief statement of the question presented was, however, starkly different from both AWF's and Goldsmith's: "[w]hether petitioner established that its licensing of the silkscreen image was a 'transformative' use, and that Section 107(1) therefore weighs in petitioner's favor, simply by showing that the image can reasonably be perceived to convey a meaning or message different from that of respondent's original photograph."⁹²

OSG's formulation of the question presented implied that the case involved only one work, namely, *Orange Prince*, and only one license of that work, namely, that which AWF granted in 2016 for Condé Nast's use of *Orange Prince* on the cover of its magazine. OSG's amicus brief repeatedly assured the Court that the 1984 creation of the Warhol works was not before it.⁹³ But this was, in fact, the first time that the 2016 license as the sole issue in the *Warhol* case had been so narrowly drawn.

B. OSG OMITTED REFERENCES TO SOME OF GOLDSMITH'S CLAIMS AND THE LOWER COURTS' RULINGS

OSG's amicus brief in support of Goldsmith failed to acknowledge that Goldsmith's counterclaim had sought a judgment that all sixteen Warhol works in the *Prince Series* infringed her rights. Her counterclaim allegations characterized the *Prince Series* as infringing derivative works, referred to the *Purple Prince* as "the Infringing Image," and, saying that it and the *Orange Prince* were the "same work," opined that none of the Warhol works had altered the fundamentals of her photograph; Goldsmith asserted in Paragraph 6 of her prayer for relief that she was entitled to "permanent injunctive relief, enjoining [AWF] from further reproducing, modifying, preparing derivative works from, selling, offering to sell, publishing or displaying the Infringing Image and any

89. *Id.* at 9 (citations omitted).

90. Brief for Respondents at I, *Andy Warhol Found. for the Visual Arts, Inc.*, 598 U.S. 508 (No. 21-869) [hereinafter Goldsmith Merits Brief]. Goldsmith's merits brief did not repudiate her claims that Warhol's creation of the *Prince Series* works was unfair or that AWF held no copyright in the *Prince Series* works; she concentrated instead on shoring up the Second Circuit's conclusion about the unfairness of the 2016 license and proposed a new standard for assessing fair uses.

91. *Id.* at 20–21. Goldsmith's merits brief raised this necessity argument for the first time.

92. OSG Brief, *supra* note 1, at I.

93. *Id.* at 10–11, 14, 32.

other Warhol-created works that are substantially similar to the Goldsmith Photo or Infringing Image.⁹⁴ Paragraph 8 sought a “Finding” that AWF “cannot assert copyright protection in the Infringing Image, and any other Warhol-created works that are substantially similar to the Goldsmith Photo or Infringing Image, because they are unauthorized derivative works.”⁹⁵ She moved for summary judgment on her claims that all sixteen works infringed her copyright in that photograph,⁹⁶ a motion that the trial court denied.⁹⁷

OSG’s brief, by contrast, stated that the district court had “described the allegedly infringing behavior as petitioner’s ‘more recent licensing of the Prince Series works—namely, the 2016 license to Condé Nast.’”⁹⁸ However, the district court repeatedly stated that the litigation was about the legality of Warhol’s 1984 creation of the sixteen works constituting the *Prince Series*.⁹⁹ That court relied heavily on the different meaning and message that the Warhol works conveyed as compared with Goldsmith’s photograph in support of its conclusion that the *Prince Series* works were transformative creations.¹⁰⁰ The transformativeness of Warhol’s use of the photograph to create the *Prince Series* was the single most important factor in the trial court’s judgment, for it mitigated other considerations such as the commerciality of Warhol’s creative purpose and the unpublished nature of the photograph.¹⁰¹

According to OSG’s brief, the Second Circuit “identified the relevant use as petitioner’s ‘commercial licensing of the Prince Series, not Warhol’s original creation’ of that Series.”¹⁰² However, OSG did not acknowledge that the Second Circuit reversed the trial court’s ruling that Warhol’s 1984 creation of the *Prince Series* was fair use, and held that the 1984 creations were unfair uses of Goldsmith’s photograph.¹⁰³ The Second

94. Amended Answer and Counterclaim, *supra* note 28, at 4–5, 8, 10–11, 23, 26–27. AWF’s complaint stated that Goldsmith had told it that the *Prince Series* were infringing derivative works. It quoted from a Facebook posting wherein Goldsmith complained that artists too often made their works based on photographs without paying for rights to do so. AWF Complaint, *supra* note 26, at 2, 24–25. Goldsmith was seemingly more upset by Warhol’s works based on her photograph, notwithstanding the license authorizing use of the photograph, than by Condé Nast’s use of the *Orange Prince* on the cover of the special issue.

95. Amended Answer and Counterclaim, *supra* note 28, at 27.

96. Goldsmith SJ Memo, *supra* note 35, at 20–27.

97. *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 382 F. Supp. 3d 312, 331 (S.D.N.Y. 2019).

98. OSG Brief, *supra* note 1, at 14 (quoting *Andy Warhol Found. for the Visual Arts, Inc.*, 382 F. Supp. 3d at 324).

99. *Andy Warhol Found. for the Visual Arts, Inc.*, 382 F. Supp. 3d at 316, 322, 324–31. The trial court suggested, but did not hold, that Goldsmith’s claims about the 1984 creation may have been outside the Copyright Act’s statute of limitations. *Id.* at 324, 324 n.4 (“Goldsmith does not contend that the ‘discovery rule’ set out in *Psihoyos [v. John Wiley & Sons, Inc.]*, 748 F.3d 120 (2d Cir. 2014)), saves this claim [regarding Warhol’s creation of the *Prince series*].”). By granting the Foundation’s summary judgment motions, the trial court’s actual holding was that “the Prince Series works are protected by fair use.” *Id.* at 331.

100. *Id.* at 326.

101. *Id.* at 325–27.

102. OSG Brief, *supra* note 1, at 14 (quoting *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 11 F.4th 26, 51 (2d Cir. 2021)).

103. *Andy Warhol Found. for the Visual Arts, Inc.*, 11 F.4th at 54.

Circuit discussed Warhol's process of creating the *Prince Series*.¹⁰⁴ It accepted the trial court's conclusion that Goldsmith may have intended to portray Prince as a vulnerable person and Warhol to strip him of his humanity, but the Second Circuit opined that transformativeness cannot depend on the intent of the artist nor of impressions of critics.¹⁰⁵ The Second Circuit identified some respects in which Warhol removed elements of Goldsmith's photograph in the *Prince Series* and embellished others, concluding that the sixteen works retained the essential elements of the Goldsmith photograph which was why it regarded Warhol's use as non-transformative.¹⁰⁶ It regarded the purpose of the *Prince Series* as "identical" to the purpose of the Goldsmith photograph.¹⁰⁷

While the Second Circuit gave considerable attention to the 2016 license when discussing the market effects factor,¹⁰⁸ its analysis of the transformativeness issue for purposes of the first factor focused on rejecting AWF's argument that Warhol's *Prince Series* was transformative when the works were created.¹⁰⁹ The conclusion that Warhol's 1984 creation of the *Prince Series* was unfair did, of course, have implications for the fairness of the 2016 license, but that was a byproduct of the Second Circuit's ruling that all sixteen works in the series were not fair uses. OSG's characterization of the Second Circuit's ruling as having focused only on the 2016 license was not quite accurate.¹¹⁰

OSG offered only a very brief explanation of its position that the "creation of the Prince Series is not at issue" when suggesting toward the end of its amicus brief that "Warhol may have created the other Prince Series images for his own edification or as part of his artistic process for creating the licensed 1984 Vanity Fair illustration," blaming the "undeveloped record" for some ambiguity about the status of Warhol's works at the time of creation.¹¹¹ Yet, nothing in the trial court or Second Circuit

104. *Id.* at 35.

105. *Id.* at 41.

106. *Id.* at 43.

107. *Id.* at 42, 42 n.5 ("[T]he Goldsmith Photograph and the Prince Series were both created for artistic purposes.").

108. *Id.* at 48–51.

109. *Id.* at 41.

110. To be fair, Judge Jacobs's muddled concurrence is closer to OSG's interpretation of what was at stake in *Warhol* than to Judge Lynch's. Only one line in the Lynch opinion is consistent with OSG's interpretation: "[W]hat encroaches on Goldsmith's market is AWF's commercial licensing of the Prince Series, not Warhol's original creation." *Id.* at 51; *cf. id.* at 54–55 (Jacobs, J., concurring). However, this statement by Judge Lynch pertained only to the market effects factor; Judge Lynch's discussion of the other three factors were focused on Warhol's creation of the *Prince Series*. The Second Circuit reversed the trial court's entire fair use ruling, not just as to the 2016 license.

111. OSG Brief, *supra* note 1, at 32. In my conversation with Suzanne Wilson, General Counsel of the Copyright Office, on January 4, 2024, Ms. Wilson stated that she believed that nothing but the 2016 license was before either the trial or appellate court. She construed the trial court as having decided that Goldsmith's pursuit of the 1984 creation claims was barred by the statute of limitations. However, the trial court stated that its holding was that "the Prince Series works are protected by fair use." *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 382 F. Supp. 3d 312, 331 (S.D.N.Y. 2019). The Second Circuit overturned that ruling, *Andy Warhol Found for the Visual Arts, Inc.*, 11 F.4th at 51, not just a ruling that the 2016 license was

opinions indicated that they found the record about Warhol's creation to be inadequate to make a judgment about whether those creations were fairly or unfairly made.¹¹²

The Supreme Court acquiesced in OSG's reframing of the question presented, agreeing that only AWF's "commercial licensing of Orange Prince to Condé Nast is alleged to be infringing."¹¹³ Having concluded that Goldsmith had "abandoned all claims" of infringement except as to the 2016 license,¹¹⁴ the Court decided it was unnecessary to consider the fairness (or not) of the 1984 creations.¹¹⁵

Yet, from the time Lynn Goldsmith first notified AWF about her claim that the *Orange Prince* infringed her copyright in 2016 up until August 8, 2022, when her merits brief was filed, Goldsmith's legal claim had consistently been that Warhol's creation of the sixteen works constituting the *Prince Series* infringed her copyright.¹¹⁶ Goldsmith's abandonment of the creation claims, as the Court understood the case, happened sometime between February 4, 2022, when Goldsmith filed her brief opposing the grant of certiorari, and August 8, 2022, when she filed her merits brief. So why did she abandon those claims? Did OSG's decision to concentrate its brief on the 2016 license affect her decision to abandon them? Or did Goldsmith decide to abandon her larger claims and OSG just followed her lead on this?¹¹⁷

unfair. Moreover, neither AWF's nor Goldsmith's appeal briefs to the Second Circuit mentioned the statute of limitations; they focused only on the fair use issue. Nor did any of the Second Circuit *Warhol* opinions mention AWF's statute of limitations defense. Nor did OSG's amicus brief. The Court's decision makes no reference to the statute of limitations as an explanation for not addressing the 1984 creation issue.

112. The Second Circuit noted only that "the specific means that Warhol used to create the images is unknown," but both lower courts relied on expert testimony about Warhol's usual practice when assessing AWF's fair use claim. See *Andy Warhol Found. for the Visual Arts, Inc.*, 11 F.4th at 35; *Andy Warhol Found. for the Visual Arts, Inc.*, 382 F. Supp. 3d at 319.

113. *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 598 U.S. 508, 534 (2023). Professor Karol has identified a structural flaw in the *Warhol* decision, pointing out that the grant of a license, whether commercial or not, does not infringe any of copyright's exclusive rights, for which a fair use defense would be needed. A license merely gives the licensee permission to use protected works. Karol, *supra* note 3, at 1–3. Karol is correct that Justice Sotomayor cited that phrase eight times without identifying any exclusive right that AWF might have infringed. The Court picked up the "commercial licensing" focus of the case from OSG's amicus brief in which that phrase appeared thirteen times.

114. *Andy Warhol Found. for the Visual Arts, Inc.*, 598 U.S. at 534 n.9.

115. *Id.* Justices Kagan and Sotomayor disagreed about whether the 1984 creation issue was before the Court. Their opinions were talking past each other.

116. See, e.g., Amended Answer and Counterclaim, *supra* note 28, at 26–27; Goldsmith SJ Memo, *supra* note 35, at 20; Goldsmith Opposition Brief, *supra* note 87, at 11, 17.

117. Goldsmith's brief was filed one week before OSG's amicus brief, so some might wonder whether OSG was following her lead in focusing its amicus brief only on the 2016 license. This seems very unlikely for several reasons. First, OSG met with lawyers for the litigants in early May 2022 and had by then already begun considering its stance. Second, OSG had by early August spent months developing and refining its argument. It is very unlikely that OSG would be able within a week's window to change its analysis to align with arguments that only the 2016 license was at issue. Third, Goldsmith's merits brief was somewhat equivocal about whether she had given up her claims that Warhol's creation of the works was illegal. See *infra* text accompanying notes 160–64.

III. A MISSING ISSUE IN THE WARHOL DECISIONS: IMPLICATIONS OF § 103(A) FOR AWF'S COPYRIGHTS

OSG's decision to focus its amicus brief analysis on the 2016 license had one significant advantage for AWF. It avoided the need to discuss the implications of a ruling in favor of Goldsmith's derivative work claims that might have voided AWF's copyrights in the entire *Prince Series*. If Goldsmith could persuade courts that Warhol's uses of her photograph when making the 1984 *Prince Series* were not only unfair¹¹⁸ but also infringements of her derivative work right¹¹⁹—an issue on which the Second Circuit did not rule¹²⁰—she would likely also prevail on her most dramatic claim: that AWF could not claim a copyright interest in the sixteen Warhol works depicting Prince.¹²¹ This Part explains why a derivative work ruling would nullify AWF's copyrights under 17 U.S.C. § 103(a). It also considers some strategic reasons why AWF and Goldsmith might have wanted to avoid the § 103(a) issue. Finally, it speculates about why Goldsmith may have decided to limit her claims to the 2016 license in her merits argument to the Court.

A. NULLIFICATION OF COPYRIGHTS UNDER § 103(A)

Under 17 U.S.C. § 103(a) and case law interpreting it, the copyrights that AWF claims in the *Prince Series* could be invalidated automatically by operation of law if a court found the Warhol works to be infringing derivative works.¹²² These works have seemingly enjoyed copyright for roughly forty years, and AWF had licensed many uses

118. See *infra* Part IV.C discussing possible implications of Goldsmith's abandonment of her larger claims for her ability to argue the 1984 creations were unfair on remand to the lower courts.

119. Goldsmith's claim that AWF owns no copyright in the sixteen works in the *Prince Series* must posit that Warhol was entitled, by virtue of the artist reference license, only to make the *Purple Prince*—i.e., the art piece that *Vanity Fair* was entitled to publish, subject to crediting Goldsmith for the source photograph. Prior to filing her merits brief with the Court, Goldsmith apparently argued that Warhol had no entitlement, nor did AWF, to make any other use of that print, let alone to make use of any additional images based on her photograph.

120. *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 11 F.4th 26, 43–44 (2d Cir. 2021). The Second Circuit suggested that the *Prince Series* was closer to being an infringement of this right than a fair use, but it did not so rule. *Id.* at 52. On remand, the trial court might have revisited AWF's statute of limitations defense to Goldsmith's claims that the 1984 creations were infringements. Hence, the Second Circuit's reversal of the fair use ruling would not automatically mean that the trial court would have to find the 1984 creations to be infringing derivative works.

121. See *supra* text accompanying note 28 (Goldsmith's request for a declaration that AWF cannot claim copyright in any of the *Prince Series* works).

122. Because Warhol created the *Prince Series* under a commission from *Vanity Fair* in keeping with the artist reference license from Goldsmith's agent, the Second Circuit should perhaps have concluded that at least one of those works (and maybe more than one if Warhol created the series to give *Vanity Fair* a choice about which image to use next to the Prince article) was an authorized derivative work. In this event, AWF's copyright in that image (or those images) would not be subject to § 103(a) nullification.

of the *Prince Series* works since acquiring the copyrights after Warhol's demise.¹²³ Before her change of position in her merits brief to the Court, Goldsmith's victory in the *Warhol* litigation would have meant that those very valuable copyrights would suddenly cease to exist.¹²⁴

Copyright nullification would seem a logical consequence of applying the text of § 103(a) to cases such as *Warhol*. It provides, in pertinent part, that copyright protection "for a work employing pre-existing material in which copyright subsists does not extend to any part of the work in which such material has been used unlawfully."¹²⁵ The Patry copyright treatise observes that this provision "contemplate[s] the denial of protection to noninfringing material when it is included with infringing material as a penalty for the infringement."¹²⁶

A case illustrating the nullifying character of § 103(a) is *Anderson v. Stallone*.¹²⁷ Anderson developed a screen treatment for a sequel to Stallone's *Rocky* movies featuring the fictional boxer in a match with a Russian contender. He pitched MGM officials to acquire rights in this treatment so they could make a movie based on it. After MGM released *Rocky IV*, which allegedly borrowed heavily from this treatment, Anderson sued Stallone and MGM for copyright infringement. Anderson argued that § 103(a) should be construed to give him derivative work copyrights in his original

123. See *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 382 F. Supp. 3d 312, 320 (S.D.N.Y. 2019).

124. In his concurrence, Judge Jacobs opined that the court was ruling not on the legality of the originals but only on the commercial licensing. *Andy Warhol Found. for the Visual Arts, Inc.*, 11 F.4th at 54–55 (Jacobs, J., concurring). By contrast, Judge Lynch's opinion for the panel was focused on the unfairness of the entire *Prince Series*. See *supra* Part I.B.

125. 17 U.S.C. § 103(a). The Second Circuit has somewhat limited the scope of § 103(a)'s nullification, saying that it applies only when infringing elements "tend[] to pervade the entire work" at issue. See, e.g., *Eden Toys, Inc. v. Florelee Undergarment Co.*, 697 F.2d 27, 34 n.6 (2d Cir. 1982) (citations omitted). This "pervade the entire work" standard has been influential in some subsequent cases and with some treatise authors. See, e.g., *Hiller, L.L.C. v. Success Grp. Int'l Learning All., LLC*, 976 F.3d 620, 622 (6th Cir. 2020) (upholding jury instruction on the "pervade" standard for § 103(a) invalidation and recognizing that jury could have found derivative work was copyrightable despite some copying from the plaintiff's work); *Wolf v. Travolta*, 167 F. Supp. 3d 1077, 1091 (C.D. Cal. 2016) (reasonable jury could be persuaded that copied material did not pervade the defendant's work); see also 1 MELVILLE B. NIMMER & DAVID NIMMER, NIMMER ON COPYRIGHT § 3.06 (2023). But see WILLIAM F. PATRY, PATRY ON COPYRIGHT § 3:59 (2023) (disagreeing with *Eden Toys* on this issue). Given the tone and substance of the Second Circuit's opinion holding that the Warhol works were substantially similar as a matter of law to the Goldsmith photograph, *Andy Warhol Found. for the Visual Arts, Inc.*, 11 F.4th at 52–54, it is unlikely that that court could be persuaded that Goldsmith's photograph did not "pervade" the Warhol works. See, e.g., *id.* at 54 (Warhol "produced the Prince Series works by copying the Goldsmith Photograph itself—i.e., Goldsmith's particular expression of that idea.").

126. PATRY, *supra* note 125, § 3:59; see also PAUL GOLDSTEIN, GOLDSTEIN ON COPYRIGHT § 2.16 (3d ed., 2024-2 Supplement). The result of § 103(a) nullifications when infringing and non-infringing parts are commingled "is particularly harsh for the motion picture producer whose use of the underlying story may have been unintentional, and whose independent contributions will typically represent the great proportion of the derivative work's value." GOLDSTEIN, *supra*.

127. No. 87-0592 WDKGX, 1989 WL 206431 (C.D. Cal. Apr. 25, 1989); see RESTATEMENT OF THE L., COPYRIGHT § 3, cmt.(g) (AM. L. INST., Tentative Draft No. 4, 2023) (discussing § 103(a) and giving examples of some uses of pre-existing works that would not enjoy copyright protection and some uses that would retain copyrights).

contributions that Stallone and MGM allegedly incorporated into the movie. The court rejected Anderson's interpretation of § 103(a). It held that he was an infringer because he had "bodily appropriated" the *Rocky* movie characters and "lifted lock, stock and barrel from the prior Rocky movies."¹²⁸ Because Anderson's treatment was an unauthorized derivative work, the court held that he was ineligible for a copyright under § 103(a).¹²⁹

Given the stakes in the *Warhol* litigation for AWF's ability to claim rights in the *Prince Series*, it is curious—or perhaps even astonishing—that § 103(a) was not mentioned, even in passing, in any of the *Warhol* opinions. All six judicial opinions addressing AWF's fair use defense—one at the trial court level, two in the Second Circuit, and three at the Supreme Court—are utterly silent about § 103(a) and its implications for the *Warhol* copyrights.

The explanation for these omissions is simple. Neither AWF's nor Goldsmith's summary judgment briefs mentioned that provision. And none of Goldsmith's five appeal briefs (three to the Second Circuit and two to the Supreme Court) cited that section. AWF's initial brief to the Second Circuit also was silent about § 103(a).

The first brief to discuss the implications of § 103(a) for *Warhol*'s copyrights was AWF's petition asking the Second Circuit panel to rehear its fair use ruling.¹³⁰ The rehearing petition focused largely on the inconsistency of that court's ruling with the Supreme Court's recently issued *Google v. Oracle* decision.¹³¹ But the rehearing petition also asserted that the Second Circuit panel's narrow interpretation of transformative purposes "threatens to render *unlawful* large swaths of contemporary art that incorporates and reframes copyrighted material to convey a new and different message—effectively outlawing a genre widely viewed as 'one of the great artistic innovations of the modern era.'"¹³² The *Warhol* decision had implications, in other words, not just for the sixteen *Warhol* works depicting Prince but for the entire field

128. *Anderson*, 1989 WL 206431, at *8.

129. *Id.*; see also *Pickett v. Prince*, 207 F.3d 402, 406–07 (7th Cir. 2000) (rejecting an infringement claim for defendant's copying of plaintiff's guitar design in the shape of the copyrighted symbol representing Prince's name because plaintiff's infringing derivative was not entitled to copyright under § 103(a)); *Polychron v. Bezos*, No. 2:23-cv-02831-SVW-E, 2023 WL 6192743, at *8 (C.D. Cal. Aug. 14, 2023) (following *Anderson*, finding author of unauthorized sequel series of books not entitled to any copyright protection and dismissing claim against original creators); *Sobhani v. @Radical.Media, Inc.*, 257 F. Supp. 2d 1234 (C.D. Cal. 2003) (rejecting an infringement claim based on the copying of numerous elements of plaintiff's commercial spoof of a motion picture because plaintiff had infringed rights in that movie and held no copyright under § 103(a)).

130. Petition for Panel Rehearing and Rehearing En Banc at 18, *Andy Warhol Found. for the Visual Arts, Inc.*, 11 F.4th 26 (No. 19-2420-cv) [hereinafter Rehearing Petition].

131. *Id.* at 2. This brief was filed by a different set of lawyers than those who represented AWF at the trial court and Second Circuit.

132. *Id.* at 17 (quoting Blake Gopnik, *Warhol a Lame Copier? The Judges Who Said So Are Sadly Mistaken*, N.Y. TIMES (Sept. 24, 2021), <https://www.nytimes.com/2021/04/05/arts/design/warhol-copyright-appeals-court.html> [https://perma.cc/5FNJ-PY8K] [<https://web.archive.org/save/https://www.nytimes.com/2021/04/05/arts/design/warhol-copyright-appeals-court.html>]).

of appropriation art as well as for centuries of visual art whose creators had long built upon images from previous works.¹³³

AWF's rehearing petition observed that the panel's ruling would mean that "[a]rtists like Warhol [would] lose all copyright protection" and also that "licensing fees for their new works [could] be reaped only by the copyright owner of the source material (even when the second artist's contributions underpin all licensing demand)."¹³⁴ In other words, Goldsmith would be able, as Stallone had allegedly done with Anderson's screen treatment, to commercially exploit Warhol's *Prince Series* because AWF would no longer have any enforceable rights in those works. AWF regarded the value of the *Prince Series* works as overwhelmingly due to Warhol's contributions rather than to the artistry in Goldsmith's photograph. After all, Goldsmith had not exploited the copyright in that photograph (except for the 1984 license her agent granted to *Vanity Fair*) at all in the years thereafter.¹³⁵

The rehearing petition added that nullification of AWF's copyrights would also have significant implications for the rights of museums and galleries who owned copies of the Warhol prints. Because § 109(a)'s grant of rights to resell, lend, or otherwise distribute owned copies applies only to "lawfully made" copies, museums, galleries, and collectors that owned copies of the Warhol works would no longer be entitled sell, lend, or otherwise distribute them.¹³⁶ Even worse, museums and galleries would no longer be able to lawfully display those copies publicly because § 109(c) limits the exclusive right to control public displays to "lawfully made" copies.¹³⁷

Finally, the rehearing petition pointed out that if courts ruled that the Warhol *Prince Series* infringed Goldsmith's photograph, Goldsmith could, under 17 U.S.C. § 502, ask the court for an injunction forbidding AWF to make any further uses of the Warhol images and for an order to impound and destroy the infringing copies under § 503, as well as ask for an award of damages and disgorgement of past profits under § 504.¹³⁸ AWF obviously hoped to persuade the court that much more was at stake in the case than the panel had initially realized.

133. See Corrected Brief of the Robert Rauschenberg Foundation et al. as Amici Curiae in Support of Appellee's Petition for Panel Rehearing and Rehearing En Banc, *Andy Warhol Found. for the Visual Arts, Inc.*, 11 F.4th 26 (No. 19-2420-cv).

134. Rehearing Petition, *supra* note 130, at 18. It added: "Countless seminal works of contemporary art would be imperiled to suffer the same fate as the Prince Series." *Id.* AWF predicted that the Second Circuit's ruling would also have a chilling effect on future creation of artistic works. *Id.*

135. *Andy Warhol Found for the Visual Arts, Inc. v. Goldsmith*, 382 F. Supp. 3d 312, 322 (S.D.N.Y. 2019). As Goldsmith explained it, her intention is to "edition" her works at later dates in hopes of rising value. See Goldsmith SJ Memo, *supra* note 35, at 17.

136. 17 U.S.C. § 109(a); Rehearing Petition, *supra* note 130, at 18.

137. 17 U.S.C. § 109(c); Rehearing Petition, *supra* note 130, at 17.

138. Rehearing Petition, *supra* note 130, at 18. AWF's petition for certiorari and merits brief also mentioned the potential implications of § 103(a) for Warhol's copyrights, but did not emphasize the point in its cert petition as much as in the rehearing petition. See Cert Petition, *supra* note 76, at 35; Brief for Petitioner, *supra* note 86, at 54–56.

During oral argument before the Second Circuit, Goldsmith's lawyer disclaimed any intention to seek these extreme remedies and asserted that all she wanted was some compensation from AWF.¹³⁹ The Second Circuit was reassured by these statements.¹⁴⁰ The panel opinion dismissed as "not particularly relevant" AWF's concerns about the implications of its rulings for museums' and galleries' ability to display the Warhol images they owned.¹⁴¹ It defensively denied that it was outlawing a particular field of art.¹⁴²

The concurring opinion recognized that it was "very easy for opinions in this area (however expertly crafted) to have undirected [sic] ramifications."¹⁴³ Judge Jacobs asserted that the court was not "consider[ing], let alone decid[ing], whether the infringement here encumbers the original Prince Series works that are in the hands of collectors or museums."¹⁴⁴ He declared that "Goldsmith does not claim that the original works infringe and expresses no intention to encumber them,"¹⁴⁵ a claim which was not even close to being true.¹⁴⁶ As he understood the case, all Goldsmith wanted was some compensation for AWF's licensing.¹⁴⁷

Goldsmith's reassurances notwithstanding, the Second Circuit panel simply did not understand how § 103(a) was likely to play out in a case such as *Warhol*. If Warhol's uses of Goldsmith's photograph went beyond what fair use allows, and if those uses infringed Goldsmith's right to prepare derivative works, that would almost certainly result in AWF's copyrights in the *Prince Series* being rendered null and void.¹⁴⁸

B. STRATEGIC REASONS FOR AVOIDING DISCUSSION OF § 103(A)

Goldsmith likely had some strategic reasons for not mentioning the prospect of automatic nullification of copyrights under § 103(a) if a court found that Warhol and AWF infringed her derivative work right. For one thing, Goldsmith wanted her

139. Oral Argument at 7:54, *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 11 F.4th 26 (2d Cir. 2021) (No. 19-2420-cv), <https://www.courtlistener.com/audio/71561/the-andy-warhol-foundation-v-goldsmith/> [https://perma.cc/JY74-X23] [<https://web.archive.org/save/https://www.courtlistener.com/audio/71561/the-andy-warhol-foundation-v-goldsmith/>]. Goldsmith's counsel made similar statements during Supreme Court Oral Argument, *supra* note 23, at 80–82.

140. *Andy Warhol Found. for the Visual Arts, Inc.*, 11 F.4th at 45 & n.8, 50–51 (noting that Goldsmith was not seeking an injunction or destruction).

141. *Id.* at 49.

142. *Id.* at 52.

143. *Id.* at 54 (Jacobs, J., concurring).

144. *Id.*

145. *Id.* at 55.

146. See Corrected Brief of Appellants Lynn Goldsmith and Lynn Goldsmith, Ltd. at 21–25, *Andy Warhol Found. for Visual Arts, Inc.*, 11 F.4th 26 (No. 19-2420-cv) (arguing that creation of the *Prince Series* was unfair and infringed her derivative work rights).

147. *Andy Warhol Found. for the Visual Arts, Inc.*, 11 F.4th at 54 (Jacobs, J., concurring).

148. The Court in *Campbell* observed that it may sometimes be in the public interest not to issue an injunction if a second comer's use is beyond what fair use allows. *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 578 n.10 (1994).

request for relief to seem relatively modest (i.e., just her fair share of licensing revenues from magazines such as those owned by Condé Nast). Second, she may implicitly have counted on the court to perceive as inequitable that she was paid only \$400 in 1984 for the artist reference use of the photograph when AWF got \$10,000 for licensing Condé Nast's use of the *Orange Prince* which was based on her photograph. If the court perceived her counterclaim to be in pursuit of control over AWF's copyrights, this might have changed the court's perception of the equities as between AWF and Goldsmith. Third, she may have recognized that § 103(a) would automatically kick in if she could defeat AWF's fair use defense and prevail on her counterclaim.

Goldsmith would not need to ask the court for an injunction to commercially exploit copies of the Warhol *Prince Series*, including making derivative works of them, if § 103(a) applied. This was because AWF could not sue her for infringement as it would no longer have any exclusive rights in those works. Stealth mode might get Goldsmith everything she demanded in her counterclaim's prayer for relief.

AWF likely had a different set of strategic reasons for not mentioning § 103(a) prior to the Second Circuit rehearing petition. Because the trial court's ruling was consistent with the liberal interpretations given to fair use in cases such as *Cariou v. Prince*,¹⁴⁹ AWF was confident—in retrospect, overconfident—that the Second Circuit would affirm. AWF had also attracted amicus briefs in support of affirmance from some appropriation artists, the Rauschenberg Foundation, and some law professors.¹⁵⁰ Given that Goldsmith was downplaying the remedy she was seeking, AWF may have thought it was risky to point out that a ruling against its fair use defense might have much more dire consequences than an award of some compensation to Goldsmith.

OSG may have had yet another set of reasons for not mentioning § 103(a) in its brief. Because Warhol was long dead, it was not possible to resolve the ambiguity about the circumstances under which Warhol created those sixteen works. Hence, it made sense for OSG to surmise in its amicus brief that the works may have been created under the artist reference license or as fair uses. Perhaps it was just a coincidence that OSG's focus on the 2016 license opened up the possibility of achieving a compromise about

149. *Cariou v. Prince*, 714 F.3d 694, 712 (2d Cir. 2013) (holding Prince's use of Cariou's photographs to achieve a different aesthetic effect to be fair use as to twenty-five of the thirty images). An important distinction between the *Warhol* and *Cariou* cases is that Warhol obtained Goldsmith's photograph as an artist reference after having been commissioned to create visual art based on it, whereas the artist Richard Prince obtained copies of Patrick Cariou's photographs from a compilation in a book. AWF seemingly made a strategic decision not to emphasize *Vanity Fair's* commission to Warhol to create visual art based on Goldsmith's photograph or that *Vanity Fair* gave Warhol the photograph as an artist reference. In retrospect, this may have been a mistake.

150. Brief of the Robert Rauschenberg Foundation as *Amicus Curiae* in Support of Appellee, Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith, 11 F.4th 26 (2d Cir. 2021) (No. 19-2420-cv); Brief for *Amici Curiae* Latipa (née Michelle Dizon) and Viêt Lê, in Support of Appellee The Andy Warhol Foundation for the Visual Arts, Inc., *Andy Warhol Found. for the Visual Arts, Inc.*, 11 F.4th 26 (No. 19-2420-cv); Brief of *Amici Curiae* Law Professors in Support of Appellees and Affirmance, *Andy Warhol Found. for the Visual Arts, Inc.*, 11 F.4th 26 (No. 19-2420-cv).

Goldsmith's infringement claim.¹⁵¹ A ruling in her favor only on that license would potentially appease both opposing camps—not just the petitioner and the respondent, but also the many amici who supported AWF, Goldsmith, or neither party, many of whom held conflicting views about the boundaries separating transformative fair uses and infringing derivative works.¹⁵² A focus on the 2016 license would also provide the government with an opportunity to offer its view on how the Court should interpret transformativeness in fair use cases.

By suggesting that Warhol's creation of these works may have been fair use or covered by the license,¹⁵³ OSG avoided the need to address the implications of § 103(a). AWF's copyrights in the *Prince Series* could then remain intact, and the Court would not have to brand Warhol as an infringer. Appropriation art would likely live to see another day, and a potential deluge of litigation against appropriation artists could be averted.

A decision that focused only on the 2016 license would also mean that Goldsmith would not enjoy a windfall by, in effect, appropriating the remaining commercial value of the Warhol *Prince Series* copyrights. Moreover, it precluded Goldsmith from seeking an award of damages and profits disgorgement going back to 1984.¹⁵⁴ In addition, it avoided subsequent threats or litigation against galleries and museums for displaying works in the *Prince Series*.¹⁵⁵

151. See, e.g., Paul R. Gugliuzza & Pyry P. Koivula, *Stepping Out of the Solicitor General's Shadow: The Federal Circuit and the Supreme Court in a New Era of Patent Law*, 64 B.C. L. REV. 459, 495–552 (2023) (discussing OSG's flexibility in shaping key issues for the Court in its amicus briefs).

152. Many of the Warhol Supreme Court amici briefs (except OSG's) focused on the 1984 creation issue in keeping with the trial and appellate court decisions in the case.

153. OSG Brief, *supra* note 1, at 32.

154. Goldsmith argued at the trial court level that she did not discover Warhol's infringement until 2016 when she saw the *Orange Prince* on the cover of the Condé Nast special issue and was therefore entitled to sue AWF based on Warhol's 1984 infringement. See Goldsmith SJ Memo, *supra* note 35, at 20, 46. Whether on remand Goldsmith could potentially recover damages and profits back to 1984 may depend on how the Supreme Court resolves a circuit split about whether copyright owners can claim monetary relief going back to the first acts of infringement or if they are limited to recovery for only three years of infringement prior to filing. Compare *Nealy v. Warner Chappell Music, Inc.*, 60 F.4th 1325 (11th Cir. 2023) (no time limit on damage recovery), *cert. granted*, 2023 WL 6319656 (Sept. 29, 2023) (No. 22-1078), with *Sohm v. Scholastic, Inc.*, 959 F.3d 39, 52 (2d Cir. 2020) (recovery limited to three years prior to filing). For a discussion of the potential implications of this circuit split for Goldsmith, see Ochoa, *supra* note 10. The Court limited the *Nealy* case to the question of whether, under the discovery accrual rule, a copyright plaintiff can recover damages that allegedly occurred more than three years before the filing of a lawsuit.

155. Before the Second Circuit and Supreme Court, Goldsmith may have said that she did not intend to sue these institutions or individuals or assert entitlement to extreme remedies, but she or her heirs might later change their minds. See Eva E. Subotnik, *Artistic Control After Death*, 92 WASH. L. REV. 253, 309–10 (2017) (describing how heirs affect subsequent uses of copyright assets). Goldsmith could also have sold her copyright in that photograph to a third party who then might sue these institutions or individuals or whoever tried to sell one of the *Prince Series* prints at auction. Oddly enough, the value of those prints has risen significantly since the Supreme Court's decision in Goldsmith's favor. See Tori Latham, *The Supreme Court's Ruling on Andy Warhol's 'Prince' Prints May Have Increased Their Value by 40 Times*, ROBB REP. (June 12, 2023), <https://robbreport.com/lifestyle/news/andy-warhol-prince-supreme-court-1234854770/> [https://perma.cc/8FPS-BAUT]

Yet, this would also mean that Goldsmith would not leave the litigation with AWF empty-handed. OSG and the Second Circuit perceived Goldsmith to be entitled to some compensation from AWF because of the commercial nature of the transaction with Condé Nast. Even if the initial creation of the *Orange Prince* might have been fair, however, this did not necessarily mean that AWF's license to Condé Nast was also fair. If the Court upheld Goldsmith's claim as to the 2016 license, Goldsmith and her amici would be satisfied, even if neither OSG nor the Court endorsed their views that Warhol's 1984 creations were infringing derivative works.

C. OSG MEETS WITH COUNSEL

OSG makes a regular practice of meeting with counsel for the petitioners and respondents in Supreme Court cases to give them the opportunity to make their best arguments for their clients and against their opponents' arguments.¹⁵⁶ During those meetings, OSG may indicate the position that OSG intends to take on the merits.¹⁵⁷ In the *Warhol* case, OSG may have made it clear to AWF's and Goldsmith's counsel that it regarded the only issue before the Court was whether the 2016 license was transformative.¹⁵⁸

Goldsmith's lawyers may have hoped to persuade OSG that Warhol's creation of the *Prince Series* infringed her derivative work right, for this had been her core argument in the brief opposing certiorari and in her earlier briefs in the *Warhol* case.¹⁵⁹ However, if OSG signaled that only the 2016 license was at issue, Goldsmith may have been

[<https://web.archive.org/web/20240127054649/https://robbreport.com/lifestyle/news/andy-warhol-prince-supreme-court-1234854770/>].

156. See, e.g., Millet, *supra* note 79, at 217, 227. Such meetings are likely to also include representatives of interested offices and agencies, "especially those charged with administering and implementing the law or regulation in question." *Id.* at 218; see also STEPHEN M. SHAPIRO ET AL., SUPREME COURT PRACTICE § 6.41 (11th ed. 2019) (referencing former Solicitor General Paul Clement describing meetings with parties' counsel along with government departments and agencies).

157. See Millet, *supra* note 79, at 227 ("A meeting [with OSG] will also allow counsel to develop her own briefing strategy based on insights gained from those discussions and, in particular, will allow formulation of her brief in a way that either takes advantage of any support provided by the Solicitor General's position or mitigates the harm inflicted by it.").

158. Email from Andrew Gass, counsel for the Andy Warhol Foundation for the Visual Arts, Inc., to Pamela Samuelson (Nov. 25, 2023) (on file with author). The meeting was held via Zoom on May 4, 2022. Email from Andrew Gass to Pamela Samuelson (Jan. 7, 2024) (on file with author). AWF's counsel sent a follow-up letter to OSG to explain why it continued to regard the 1984 creation of the *Prince Series* works as a live issue before the Court. Email from Andrew Gass to Pamela Samuelson (Dec. 26, 2023) (on file with author). Goldsmith's counsel declined a request to confirm that OSG told them that only the 2016 license was at issue in their meeting with OSG.

159. Goldsmith Opposition Brief, *supra* note 87, at 8–9, 11 (statement of facts); *id.* at 17 (asserting that the Second Circuit ruled correctly). If Goldsmith had succeeded in getting a ruling that the 1984 *Prince Series* works were infringing derivatives, that would potentially have been worth hundreds of thousands of dollars (or possibly more). Monetary compensation limited to a share of the 2016 license revenues would have been much more modest.

persuaded to give up her larger claim of infringement based on Warhol's creation of the *Prince Series*.

That said, Goldsmith risked losing the whole case if OSG was prepared to suggest to the Court that Andy Warhol's uses of the photograph in 1984 might have been fair use or covered by the license. A smaller win would still be a win, even if she lost the opportunity to get substantial damages for past infringements and effective control over the commercial value of the Warhol *Prince Series*.

D. MERITS ARGUMENTS TO THE COURT

Goldsmith's merits brief and oral argument did not clearly signal to the Court that she was no longer contending that the 1984 creation of the *Prince Series* had infringed her rights. The brief principally argued for a recalibration of fair use under which a second comer's use would be deemed transformative "only if that use must necessarily copy from the original without 'supersed[ing] the use of the original work, and substitut[ing] . . . for it.'"¹⁶⁰ Under this standard, fair use would be available only for new uses that copy from original works "out of necessity" to achieve "some distinct creative end."¹⁶¹ Limiting fair use to necessity-copying cases would, Goldsmith argued, further the purposes of copyright to protect creators from second comers that usurp their markets.¹⁶² Because Warhol did not need to copy Goldsmith's photograph to make new visual art, his creation of the *Prince Series* was not transformative under this necessity standard.¹⁶³ Goldsmith's brief also criticized AWF's emphasis on the "new meaning or message" standard because it implicitly posited that imposing Warhol's unique style on any work would make it transformative.¹⁶⁴ These aspects of Goldsmith's arguments intimated that the 1984 creation issue was still live in her conception of the case.

Most of AWF's reply brief sought to refute Goldsmith's argument for a fair use necessity standard. It pointed to inconsistencies of this novel theory with the Court's precedents and argued that she had waived this theory by not raising it in the lower courts.¹⁶⁵ Because Goldsmith principally focused on its necessity standard for judging fair uses, AWF did not perceive Goldsmith's merits brief to be solely focused on the 2016 license and aligned with OSG's alternative use-by-use standard.

As for OSG's amicus brief, AWF criticized it for not addressing the question presented and disagreed with its use-by-use approach to assessing transformativeness,

160. Goldsmith Merits Brief, *supra* note 90, at 24 (alterations and omissions in original) (internal citations omitted); see also *id.* at 20–21, 23–35 (discussing a standard that would limit fair use to necessity-copying cases).

161. *Id.* at 21.

162. *Id.*

163. *Id.*

164. *Id.* at 23.

165. Reply Brief for Petitioner at 10–17, *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 598 U.S. 508 (2023) (No. 21-869).

saying it “cannot be reconciled with this Court’s cases or the underlying purposes of copyright law” because it ignored the contents of secondary works.¹⁶⁶

AWF’s reply brief did not respond to that part of Goldsmith’s merits brief that characterized the origins of the *Prince Series* creation as “obscure” and speculated that Warhol might have created those works “so *Vanity Fair* could pick the image it liked best—in which case the Prince Series might have been ‘lawfully made’ under *Vanity Fair*’s license.”¹⁶⁷ In this respect, she conformed her argument to OSG’s likely position, which improved her chances of winning before the Court.¹⁶⁸

During oral argument, AWF sought to draw the Court’s attention to the implications of the Second Circuit’s ruling in Goldsmith’s favor, asserting that it “would strip protection not just from the Prince Series but from countless works of modern and contemporary art” and would make it illegal “for artists, museums, and galleries and collectors to display, sell, profit from, and maybe even possess” such works.¹⁶⁹ Goldsmith’s oral argument, by contrast, focused on the unfairness of the 2016 license and why AWF’s theory about transformativeness would “drive a giant hole through a derivative work [right].”¹⁷⁰

Unlike its amicus brief, OSG’s oral argument did not mention the possibility that the 1984 creations might have been fair use or covered by the license. It asserted instead that the 2016 licensed use was not transformative and was unfair because the *Orange Prince* had the same commercial purpose as Goldsmith’s photograph and competed in the same market for licensing images of Prince to magazines for stories about the rock musician.¹⁷¹

OSG agreed with a key point from the Second Circuit’s decision that AWF’s commercial licensing of Warhol’s *Orange Prince* to magazines was non-transformative because it had the same purpose and competed in the same market as Goldsmith’s photograph.¹⁷² And the Supreme Court agreed with this analysis.

166. *Id.* at 18.

167. Goldsmith Merits Brief, *supra* note 90, at 37.

168. Goldsmith’s merits brief also stated that the sole use of her work identified in the counterclaim was the 2016 license. It also asserted she was not seeking to enjoin displays of the *Prince Series*, and that there was a three-year statute of limitations in copyright cases. *Id.* at 17–18. The Court cited these statements as the basis of its conclusion that she had abandoned the larger claims. *Andy Warhol Found. for the Visual Arts, Inc.*, 598 U.S. at 534 n.9. AWF’s reply brief might have made much more of these seeming concessions than it actually did.

169. Supreme Court Oral Argument, *supra* note 23, at 4–5. However, merely possessing an infringing derivative work does not infringe. *See, e.g.*, *Societe Civile Succession Richard Guino v. Int’l Found. for Anticancer Drug Discovery*, 460 F. Supp. 2d 1105, 1106 (D. Ariz. 2006). AWF also expressed concern about a chilling effect on the creation of new art, which would harm up-and-coming as well as established artists. Supreme Court Oral Argument, *supra* note 23, at 5. AWF did not mention § 103(a) explicitly.

170. Supreme Court Oral Argument, *supra* note 23, at 70, 80–81.

171. *Id.* at 86–115.

172. In particular, OSG agreed with the Second Circuit about the significance of the *Orange Prince* having the same purpose as Goldsmith’s work in the commercial licensing market. OSG Brief, *supra* note 1, at 17–18.

E. THE JUSTICES DISAGREED ABOUT OSG'S REFRAMING OF THE WARHOL CASE

Did the Justices and their exceptionally well-qualified law clerks agree with OSG's assertion that the lower courts' *Warhol* decisions had only addressed the fairness of the 2016 license to Condé Nast? Did they believe those courts had said nothing whatever about the fairness—or not—of the 1984 creation of the *Prince Series*, as OSG's amicus brief intimated?

They must have realized that AWF's petition and merits briefs, as well as its briefs to the lower courts, were entirely focused on the fairness of Warhol's creation of the *Prince Series*.¹⁷³ Moreover, the necessity standard argument in Goldsmith's merits brief suggested she had not entirely given up that claim.¹⁷⁴ During oral argument, AWF reiterated points made earlier in its Second Circuit rehearing petition about the significant implications of § 103(a) if Goldsmith prevailed not only for Warhol's copyrights but also for museums, galleries, and collectors who owned copies of those works, as well as for the field of contemporary art writ large.¹⁷⁵ Did the Justices realize the potential nullifying effect of § 103(a), or did they just choose to ignore it when ruling on the merits?

Justice Sotomayor's opinion for the Court avoided dealing with the § 103(a) issue by acceding to OSG's narrowing of the question presented and characterizing Goldsmith as having abandoned her larger claims. The majority could then declare that the Court took no position about the lawfulness of the 1984 creation of the *Prince Series*.¹⁷⁶

Some part of the battle between the majority and dissenting opinions was over the transformative purpose of the 1984 creation and the non-transformativeness of the 2016 license issue. This is apparent from Justice Sotomayor's criticism of Justice Kagan for "focus[ing] on a case that is not before the Court" because Justice Kagan had insisted that the issue before the Court was whether Warhol had transformative purposes and made transformative uses of Goldsmith's photograph when creating the *Prince Series*. Justice Kagan regarded AWF's fair use claim as sound because of the transformations.¹⁷⁷ The dissent recognized that the 1984 creation issue was what had been hotly disputed in the lower courts and about which AWF had sought Supreme Court review. Yet, Justice Sotomayor accused Justice Kagan of engaging in a "sleight of hand" by assuming that the purpose factor analysis should be the same for all uses of secondary works.¹⁷⁸

173. See *supra* text accompanying notes 27, 84–86. In a footnote, Justice Sotomayor acknowledged that AWF had sought a declaration of non-infringement as to the *Prince Series*. *Andy Warhol Found. for the Visual Arts, Inc.*, 598 U.S. at 534 n.9

174. See *supra* notes 90–91 and accompanying text.

175. See Brief for Petitioner, *supra* note 86, at 54–56; Supreme Court Oral Argument, *supra* note 23, at 4–5; *supra* text accompanying notes 131–37.

176. *Andy Warhol Found. for the Visual Arts, Inc.*, 598 U.S. at 534. Perhaps tellingly, during oral argument Justice Sotomayor continually steered AWF's counsel away from discussing Warhol's creation of the *Prince Series* works to focus on AWF's 2016 licensing. See Supreme Court Oral Argument, *supra* note 23, at 6–11.

177. *Andy Warhol Found. for the Visual Arts, Inc.*, 598 U.S. at 534 n.10; *id.* at 568–74 (Kagan, J., dissenting).

178. *Id.* at 534 n.10 (majority opinion).

She did not acknowledge that OSG's argument about judging fair uses on a use-by-use basis was novel and had not been fully briefed by the parties or their amici, or that OSG's case law support for the proposition was remarkably thin. She also charged Justice Kagan with having asserted a "false equivalence between AWF's commercial licensing and Warhol's original creation."¹⁷⁹ Justice Sotomayor thought this caused Justice Kagan to make a "series of misstatements and exaggerations" about the implications of the Court's ruling, among them apparently the assertion that upholding Goldsmith's claim would likely have harmful consequences for contemporary art.¹⁸⁰

Justice Kagan criticized the majority for having philistine conceptions of contemporary art.¹⁸¹ Perhaps she should instead have criticized the majority about its failure to address the issue actually before the Court, the lower court rulings, and Goldsmith's longstanding claims. That would have done more to limit the potential precedential potency of Justice Sotomayor's *Warhol* opinion than criticizing her fellow Justices for not appreciating Warhol's art.

Perhaps Justice Sotomayor—and the Justices who voted with her—decided that the *Warhol* case provided an opportunity to respond to numerous criticisms of fair use in the post-*Campbell* transformativeness case law if the Court focused only on the 2016 license issue.¹⁸²

IV. IMPLICATIONS OF THE WARHOL DECISION FOR THE FUTURE OF FAIR USE

The *Warhol* decision delivered at least five messages about how courts should assess fair use defenses in future fair use cases. One is that a secondary work's new meaning or message may be relevant to whether that work was transformative but will not be dispositive. A second is that it matters whether a secondary work has the same or a

179. *Id.* The bitter and highly personalized criticisms in Justice Sotomayor's and Justice Kagan's opinions were unseemly. Both Justices should have put these first drafts in a drawer and written new ones after they cooled down.

180. *Id.* at 593 (Kagan, J., dissenting). *But see* Amy Adler, *The Supreme Court's Warhol Decision Just Changed the Future of Art*, ART IN AM. (May 26, 2023), <https://www.artnews.com/art-in-america/columns/supreme-court-andy-warhol-decision-appropriation-artists-impact-1234669718/> [https://perma.cc/EC99-QHXN] [https://web.archive.org/web/20240222212009/https://www.artnews.com/art-in-america/columns/supreme-court-andy-warhol-decision-appropriation-artists-impact-1234669718/] (expressing similar concerns as Justice Kagan's dissent); Richard Meyer, *The Supreme Court Is Wrong About Andy Warhol*, N.Y. TIMES (June 5, 2023), <https://www.nytimes.com/2023/06/05/opinion/supreme-court-andy-warhol.html> [https://perma.cc/EDN4-YVRA] [https://web.archive.org/web/20240222212621/https://www.nytimes.com/2023/06/05/opinion/supreme-court-andy-warhol.html] (same).

181. *See Andy Warhol Found. for the Visual Arts, Inc.*, 598 U.S. at 583–92.

182. Some have perceived a trend of broader interpretations of transformativeness in recent fair use cases, perhaps typified by the trial court's ruling in *Warhol*. *See Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 382 F. Supp. 3d 312, 324–31 (S.D.N.Y. 2019); *see also* Asay et al., *supra* note 34, at 962 (highlighting broad interpretations of transformative purposes in the post-*Campbell* case law).

different purpose as the underlying work whose expression it borrows. Fair use may be less likely if the two works have the same purpose and more likely if they have different purposes. A third is that courts should weigh the commerciality of secondary works in fair use assessments, for the risk of competitive substitution is higher when secondary works have commercial purposes. A fourth is that authors of secondary works should offer justifications for their uses of expression from another author's works. A fifth is that fair uses should be judged on a use-by-use basis. That is, the fact that a second author's first use of another author's work was fair does not mean that their second or third use of that first work's expression will necessarily be fair use.¹⁸³

Drawing upon these criteria, the Court decided that AWF's grant of a license in 2016 was not transformative. This resolved one important issue in the *Warhol* case. But the Court did not address another important issue: whether AWF has valid copyrights in the *Prince Series* works. If Goldsmith has abandoned her larger claims against AWF, does that mean she now accepts that AWF does own valid copyrights, even if those copyrights are to some degree encumbered by Goldsmith's copyright?

A. FIVE MESSAGES ABOUT FAIR USE IN WARHOL

One unmistakable message conveyed in *Warhol* concerns the criteria for judging "transformative" purposes in fair use cases. The Court had first articulated a definition of this term in *Campbell* and reiterated it in *Google* as "add[ing] something new, with a further purpose or different character, altering the first with new expression, meaning, or message."¹⁸⁴ *Warhol* dropped that last clause in the Court's restatement of that term's definition.¹⁸⁵ From now on, new expressions, meanings, or messages may, the Court said, be relevant to whether a secondary use has a different purpose than the original and hence is transformative, but will not be dispositive.¹⁸⁶

Second, *Warhol* gave much more attention than *Campbell* to whether the secondary work had the same or a different purpose than the first work.¹⁸⁷ *Warhol* suggests that having the same purpose as a first work makes the second author's work less likely to

183. But for OSG's narrowing of the issue in *Warhol*, the Court would have had to decide whether Warhol's 1984 creation of the *Prince Series* was or was not transformative. This would surely have presented a closer question for the Court.

184. *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 579 (1994) (emphasis added); *Google LLC v. Oracle Am., Inc.*, 593 U.S. 1, 29 (2021).

185. *Andy Warhol Found. for the Visual Arts, Inc.*, 598 U.S. at 525–26. Justice Kagan's dissent discussed the significance of the omitted phrase. *Id.* at 558, 570–72 (Kagan, J., dissenting).

186. *Id.* at 525–26 (majority opinion). Under the Second Circuit's decision, by contrast, judges were expressly forbidden to give any consideration to the newness of the secondary work's expression, meaning, or message. *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 11 F.4th 26, 41–42 (2d Cir. 2021). It is worth noting that the majority opinion includes multiple copies of Goldsmith's photograph, various works in Warhol's *Prince Series*, and other depictions of Prince, *Andy Warhol Found. for the Visual Arts, Inc.*, 598 U.S. at 516–23, without articulating its justification for making these multiple copies.

187. *Id.* at 527–29. In this respect, it was consistent with the Second Circuit decision, although the Court did not say that the second work must have a "distinct artistic purpose" as the Second Circuit did. *Andy Warhol Found. for the Visual Arts, Inc.*, 11 F.4th at 41.

be transformative because the risk of market substitution is greater when the second work has the same purpose.¹⁸⁸ Having the same purpose is also of concern if that use was commercial.¹⁸⁹ Yet, if a secondary work has a different purpose than the first work, as in many post-*Campbell* cases, it is more likely to be deemed transformative.¹⁹⁰ The Court also reiterated that transformativeness is a matter of degree and must be weighed carefully in relation to other factors.¹⁹¹

Third, *Warhol* suggests that the commerciality (or lack thereof) of the second work should have greater significance when courts assess the purpose and character of the challenged use.¹⁹² However, there is no reason to think that *Warhol* has reinstated the presumption of unfairness that the Court first endorsed in *Sony* and then repudiated in *Campbell*, at least as applied to transformative works.¹⁹³ Rather, *Warhol* seems to have raised the significance of commercial purposes but only in light of the Court's concerns about secondary works supplanting demand for the original.¹⁹⁴

Fourth, *Warhol* made explicit that an important consideration in fair use cases is the second comer's articulation of a justification for their use of expression from the first work.¹⁹⁵ The Court drew the justification concept from Judge Leval's discussion of fair use in *Authors Guild v. Google Inc.*¹⁹⁶ The Court explained that 2 Live Crew's use of parts

188. *Andy Warhol Found. for the Visual Arts, Inc.*, 598 U.S. at 527–28, 532–33.

189. *Id.* at 532–33.

190. *See, e.g.*, *Am. Soc'y for Testing & Materials v. Public.Resource.Org.*, 82 F.4th 1262, 1267–68 (D.C. Cir. 2023) (following *Warhol* and determining that defendant's distinct purpose in republishing industry standards developed by plaintiff organizations was transformative); *Cramer v. Netflix, Inc.*, 3:22-cv-131, 2023 WL 6130030, at *7 (W.D. Pa. Sept. 18, 2023) (following *Warhol* and focusing on the actual use rather than on an artist's stated or perceived intent to find defendant's use of tattoo image different from plaintiff's original purpose).

191. *Am. Soc'y for Testing & Materials*, 82 F.4th at 1276–77. The Second Circuit *Warhol* decision, by contrast, treated transformativeness as an all-or-nothing consideration. *See* Brief of Authors Alliance as *Amicus Curiae* in Support of Petitioner at 13–15, *Andy Warhol Found. for Visual Arts, Inc.*, 598 U.S. 508 (No. 21-869) [hereinafter Authors Alliance Brief].

192. *Andy Warhol Found. for the Visual Arts, Inc.*, 598 U.S. at 530–32, 536–38; *see, e.g.*, *Campbell v. Gannett Co.*, No. 4:21-00557-CV-RK, 2023 WL 5250959, at *5 (W.D. Mo. Aug. 15, 2023) (relying on *Warhol* and emphasizing commercial nature of defendants' use of photo); *Oracle Int'l Corp. v. Rimini St., Inc.*, No. 2:14-cv-01699, 2023 WL 4706127, at *75 (D. Nev. July 24, 2023) (applying *Warhol* to find defendant's copying of software was for the same, and commercial, purpose as plaintiff), *appeal filed* (9th Cir. July 27, 2023). But in a recent fair use case involving artificial intelligence and machine learning, the district court declined to “overread” *Warhol* and instead looked to the Court's decision in *Google*, which it said placed “much more weight on transformation than commercialism.” *Thomson Reuters Enter. Ctr. GmbH v. Ross Intel. Inc.*, No. 1:20-cv-613-SB, 2023 WL 6210901, at *7 (D. Del. Sept. 25, 2023); *see also* *Apple Inc. v. Corellium, Inc.*, No. 21-12835, 2023 U.S. App. LEXIS 22252 (11th Cir. Aug. 23, 2023) (*per curiam*) (denying Apple's petition for rehearing and en banc review based on *Warhol*: “*Warhol* does not change our conclusion as to the first fair use factor that Corellium's product . . . was moderately transformative, and the opinion does not alter our balance of the four factors that they weigh in favor of fair use”).

193. *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 583–85 (1994) (discussing *Sony Corp. of Am. v. Universal City Studios, Inc.*, 464 U.S. 417 (1984)).

194. *Andy Warhol Found. for the Visual Arts, Inc.*, 598 U.S. at 534 n.9 (anticipating issuance of an injunction that would cover “similar commercial licensing” to the Condé Nast license).

195. *Id.* at 531–33.

196. *Id.* (citing *Authors Guild v. Google Inc.*, 804 F.3d 202, 214 (2d Cir. 2015)).

of the Orbison song in *Campbell* had been justified because that song was a parody of Orbison's song (in which Acuff-Rose owned copyright),¹⁹⁷ which meant it was a critical comment on the original.¹⁹⁸ The Court was not persuaded that AWF had offered an adequate justification for its 2016 commercial license of the *Orange Prince* to Condé Nast.¹⁹⁹

Fifth, *Warhol* agreed with OSG that fair use must be assessed on a use-by-use basis.²⁰⁰ Under this conception, each commercial license AWF grants of a *Prince Series* work to a magazine, whether to illustrate a story about the musical artist or as a cover image, must be separately justified as a fair use, even if the 1984 *Warhol* works had been lawfully made. OSG's support for this proposition and analysis was remarkably thin.²⁰¹ The Court cryptically endorsed this proposition without citation to OSG's brief or discussion of the cases on which OSG relied.²⁰²

In OSG's view, AWF's copyrights in the *Prince Series* works, even assuming those works were lawfully made, were encumbered by the copyright in Goldsmith's photograph, at least for types of uses for which her photograph was a possible market substitute.²⁰³ OSG's brief speculated that AWF might be entitled to grant other commercial licenses for uses of the *Orange Prince*, as long as those uses would not accompany stories about Prince. AWF might, for example, grant a magazine the right to use that image to illustrate *Warhol's* silkscreen techniques, as Goldsmith's photograph would be "ill-suited" for such a use.²⁰⁴ Justice Gorsuch's concurring opinion

197. *Id.* (citing *Campbell*, 510 U.S. at 580–81); *id.* at 533 n.8 (discussing Google's justification for reimplementing interfaces to allow "different programs to speak to each other" and for programmers "to use their acquired skills" (quoting *Google LLC v. Oracle Am., Inc.*, 593 U.S. 1, 31)); *see also* Facility Guidelines Inst., Inc. v. UpCodes, Inc., No. 4:22-cv-01308-AGF, 2023 WL 4026185, at *9 (E.D. Mo. June 15, 2023) (finding significant defendant's justification "to provide the public with free access to enacted law").

198. *Andy Warhol Found. for the Visual Arts, Inc.*, 598 U.S. at 541–43 (discussing *Campbell*). Criticism and comment are two statutorily favored purposes in § 107. In process is a separate article to be entitled *Justifications for Fair Uses*.

199. *Id.*

200. OSG Brief, *supra* note 1, at 13–14. The *Warhol* opinion did not cite to the OSG brief on this point.

201. The only case law support OSG offered for the use-by-use approach were dicta from two prior Supreme Court decisions. It cited dicta from *Sony* to the effect that even if time-shift copying of television programs was fair use, selling copies of the time-shift copies to someone might not be. OSG Brief, *supra* note 1, at 19 (citing *Sony Corp. of Am. v. Universal City Studios, Inc.*, 464 U.S. 417, 446, 451 (1994)). It also cited dicta in *Campbell* in which the Court suggested that parodying a popular song for advertising purposes might present a different fair use question than 2 Live Crew's recording. *Id.* at 19 (citing *Campbell*, 510 U.S. at 585). The Court should have asked the parties to fully brief this issue.

202. *Andy Warhol Found. for the Visual Arts, Inc.*, 598 U.S. at 533 (citing *Campbell*, 510 U.S. at 585, and *Sony Corp. of Am.*, 464 U.S. at 449–51). In a recent post-*Warhol* case involving a tattoo design based on plaintiff's photograph, the court granted cross-motions for reconsideration and, following *Warhol*, altered its first factor fair use analysis to focus on the purpose of the tattoo's use rather than its aesthetic character. In addition, the court looked at the tattoo creation and each social media post depicting the tattoo as separate uses. *Sedlik v. Drachenberg*, No. CV 21-1102, 2023 WL 6787447, at *3–4 (C.D. Cal. Oct. 10, 2023).

203. OSG Brief, *supra* note 1, at 16.

204. *Id.* at 33–34.

expressed a similar view.²⁰⁵ The majority opinion suggested in a footnote that the purpose factor might be analyzed differently if AWF was using the images “solely for teaching purposes.”²⁰⁶

B. SOME QUESTIONS ABOUT JUDGING FAIRNESS ON A USE-BY-USE BASIS

Before *Warhol*, many copyright professionals might have assumed that once a secondary use was declared fair use, that work could enjoy the full benefits of copyright, including the right to commercially license it. There is Second Circuit precedent supporting that conclusion.

In *Keeling v. Hars*, the plaintiff was a dramatist who created a parody play based on a movie, *Point Break*, and contracted with a theater company for two months of performances.²⁰⁷ After consulting with a lawyer, Hars, the theater’s owner, decided that she did not need Keeling’s permission to perform the parodic play because the unauthorized use of the movie’s expression meant that under 17 U.S.C. § 103(a), Keeling did not have a valid copyright in it.²⁰⁸ Hars then proceeded to publicly perform this play for four years.²⁰⁹ A jury found that Keeling had made fair use of material from the movie and that Hars had infringed Keeling’s copyright.²¹⁰

Hars appealed to the Second Circuit arguing that because fair use is an affirmative defense, not a positive right, Keeling did not own a valid copyright in her play.²¹¹ The Second Circuit rejected Hars’s argument and ruled in favor of Keeling. Because Keeling’s creation of this parody was fair use and the play had sufficient originality to qualify for copyright, the court affirmed the ruling in Keeling’s favor.²¹² The Second Circuit did not say anything about Keeling’s copyright being encumbered by the movie copyright; yet, the purpose of the movie and the play was arguably the same as popular entertainments, and both uses were commercial. The *Keeling* decision suggests that fair use works may not be as encumbered as OSG’s amicus brief asserted.

OSG’s innovative compromise, which requires a use-by-use assessment of fair uses, may have prevented one set of unfortunate consequences (that is, the nullification of AWF’s copyrights). However, it opened up a new can of worms with which courts will have to grapple in coming years.

Consider how OSG’s theory would affect secondary uses in other well-known fair use cases. Suppose 2 Live Crew wanted to perform the *Big Hairy Woman*, its rap parody

205. *Andy Warhol Found. for the Visual Arts, Inc.*, 598 U.S. at 557–58 (Gorsuch, J., concurring) (suggesting that displaying the Warhol works in nonprofit museums and licensing them for use in a book about twentieth century art might be lawful because these uses would not compete with Goldsmith’s photograph).

206. *Id.* at 534 n.10.

207. *Keeling v. Hars*, 809 F.3d 43, 45 (2d Cir. 2015).

208. *Id.*

209. *Id.*

210. *Id.* at 47.

211. *Id.* at 49.

212. *Id.* at 50–51, 54.

song, at a concert or to release a new version of it on a subsequent album. Would Acuff-Rose be able to sue Campbell for infringement and this time maybe win? The initial rap parody might have been fair use, but would every subsequent commercial use of the 2 Live Crew song be lawful?

Consider also the aftermath of the *SunTrust Bank v. Houghton Mifflin Co.* decision.²¹³ Alice Randall might want to authorize a motion picture version of *The Wind Done Gone* or a translation of her novel in German. Would she have to ask the Mitchell estate for permission?²¹⁴ What if the estate declined to give such permission? After the *Cariou v. Prince* ruling,²¹⁵ Richard Prince might want to sell posters of his reworkings of Cariou's photographs. Would Cariou now have a claim against Prince as to the works the Second Circuit found to be fair uses? Most copyright professionals might have assumed, until *Warhol*, that these tertiary uses would be lawful, but now we cannot be so sure.²¹⁶

Although the Court characterized its ruling as a "narrow" one,²¹⁷ plaintiffs' lawyers will try to wring as much breadth out of the Court's dicta as they can,²¹⁸ and defense lawyers will look to limiting language wherever they can find it.²¹⁹ It will be years before we know definitively how broadly or narrowly lower courts will interpret *Warhol*.²²⁰

213. *SunTrust Bank v. Houghton Mifflin Co.*, 268 F.3d 1257 (11th Cir. 2001) (vacating injunction to stay publication of Randall's book, a critical comment on GONE WITH THE WIND).

214. Randall reached a settlement with the Mitchell estate under which she retained the right to authorize a motion picture version of her novel. Barnini Chakraborty, *The Suit Done Settled*, CBS NEWS (May 10, 2002), <https://www.cbsnews.com/news/the-suit-done-settled/> [<https://perma.cc/3PSL-P2YY>] [<https://web.archive.org/web/20240126181023/https://www.cbsnews.com/news/the-suit-done-settled/>].

215. *Cariou v. Prince*, 714 F.3d 694, 698–99 (2d Cir. 2013) (ruling that twenty-five of thirty artworks created by Prince were fair uses of Cariou's photographs).

216. See, e.g., Mark A. Lemley & Rebecca Tushnet, *First Amendment Neglect in Supreme Court Intellectual Property Cases* (Jan. 11, 2024) (unpublished manuscript), https://papers.ssrn.com/sol3/papers.cfm?abstract_id=4691950 [<https://perma.cc/7LHK-UHJF>] [https://web.archive.org/web/20240317002908/https://papers.ssrn.com/sol3/papers.cfm?abstract_id=4691950] (criticizing the use-by-use fair use theory adopted in *Warhol*).

217. See *Andy Warhol Found. for the Visual Arts, Inc.*, 598 U.S. 508, 534 n.9.

218. Some scholars will do so as well. See, e.g., Shyamkrishna Balganesh & Peter S. Menell, *Going "Beyond" Mere Transformation: Warhol and Reconciliation of the Derivative Work Right and Fair Use*, 47 COLUM. J.L. & ARTS 411 (2024).

219. A number of scholars consider the *Warhol* ruling to be quite narrow. See, e.g., Michael W. Carroll & Peter Jaszi, *The Triumph of Three Big Ideas in Fair Use Jurisprudence*, 99 TUL. L. REV. (forthcoming 2024); Ochoa, *supra* note 10; see also Karen Shatzkin & Dale Cohen, *PICTURE THIS: Applying the Fair Use Doctrine To Documentary Films After Google/Oracle and Warhol*, 30 UCLA ENT. L. REV. 1 (2023) (predicting documentary filmmakers' reliance on fair use should typically satisfy fair use); Michael D. Murray, *Copyright Transformative Fair Use After Andy Warhol Foundation v. Goldsmith*, 24 WAKE FOREST J. BUS. & INTELL. PROP. L. 21 (2024) (characterizing *Warhol* as a narrow clarification of transformative fair uses).

220. The *Warhol* decision has been criticized by numerous commentators. See, e.g., Lemley & Tushnet, *supra* note 216 (describing growing tension between recent IP cases like *Warhol* and the First Amendment); Ochoa, *supra* note 10 (critiquing *Warhol's* legal reasoning while not necessarily disagreeing with the outcome); Caroline Osborne & Stephen Wolfson, *Andy Warhol Foundation for the Visual Arts, Inc. v. Goldsmith, A Narrow Ruling or a Transformational Decision? An Essay*, 84 OHIO ST. L.J. ONLINE 1 (2023) (criticizing *Warhol's* fair use analysis for conflating factors one and four and favoring copyright owners). As for artistic community responses, see, e.g., Adler, *supra* note 180 (stating that *Warhol* destabilizes accepted art

C. WHAT IS THE STATUS OF AWF'S COPYRIGHTS ON REMAND?

The Supreme Court majority understood Goldsmith to have abandoned her claim that Warhol's creation of the *Prince Series* infringed her photograph copyright.²²¹ Insofar as this is an accurate representation of Goldsmith's refined position, the Second Circuit should recognize that its analysis of the 1984 creation issue was erroneous and should be rescinded. It should also recognize that the Court did not find much of that analysis persuasive.²²² The Second Circuit should ask AWF and Goldsmith to file a new round of briefs to advise it about how to refine its analysis to conform it to the Court's opinion on the considerably narrower issue concerning the 2016 license.²²³ Otherwise, the Second Circuit should remand the case to the trial court so that it can hold a hearing and receive briefing about how the Court's ruling affects AWF's copyrights and what issues remain for the trial court to resolve.

If Goldsmith has truly abandoned her claim that the 1984 creation of the *Prince Series* was unlawful, the court should rule that AWF's copyrights are valid. Goldsmith's abandonment of her larger claims would seem to mean that she no longer opposes AWF's motion for summary judgment on the fairness of the initial creation of the *Prince Series*.²²⁴

Perhaps Goldsmith will make a new motion for summary judgment focused only on the 2016 license. This would give the parties an opportunity to brief whether that license was an infringement or whether AWF has other defenses as to that license.²²⁵

and legal norms and also degrades Andy Warhol as an artist); Meyer, *supra* note 180 (explaining how the Court misapprehends Warhol's art). *But see* Xiyin Tang, *Art After Warhol*, 71 UCLA L. REV. (forthcoming 2024) (presenting empirical study based on interviews describing extralegal artist community norms and practices using others' art).

221. *Andy Warhol Found. for the Visual Arts, Inc.*, 598 U.S. at 534 n.9.

222. Notably, the Court did not endorse the multitude of the Second Circuit's similarity metrics. *See* *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 11 F.4th 26, 42–43, 47 (2d Cir. 2021) (stating, for example, that the *Prince Series* was "recognizably" similar to the photograph, the *Prince Series* retains "the essence" of the photograph, and the photograph is the "foundation" upon which the series was based). It also did not endorse the "overarching purpose and function" language in the Second Circuit's opinion. *Id.* at 42; *see* Authors Alliance Brief, *supra* note 191, at 22–31 (No. 21-869) (critical of Second Circuit's analysis of the fair use issue in *Warhol*).

223. As this Article was going to press, the *Warhol* litigants agreed on a settlement, with AWF paying Goldsmith \$10,250 with respect to its 2016 Condé Nast license plus approximately \$11,000 in taxable costs, and Goldsmith acknowledging that the statute of limitations barred any claims as to the creation of the *Prince Series*. Final Judgment, *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, No. 17-cv-02532-JGK (S.D.N.Y. Mar. 18, 2024).

224. AWF SJ Memo, *supra* note 35.

225. Professor Karol has persuasively argued that AWF's grant of the 2016 license did not constitute a direct infringement of any of Goldsmith's exclusive rights. Karol, *supra* note 3, at 19–25. The record does not indicate that AWF made or distributed a copy of the *Orange Prince* for the cover of the special issue. *Id.* at 4, 39. None of the court decisions in the *Warhol* case speak of AWF's infringement except as to the commercial license. As Karol explains, § 106 does make authorizing infringement as a basis for liability, but courts have understood that as supporting imposition of indirect liability not direct liability for infringement. *Id.* at 25–26. If AWF did not make or distribute copies of the *Orange Prince* but only licensed Condé Nast to use that print for the cover of the magazine, it was not a direct infringer of Goldsmith's copyright. Goldsmith would

In due time, assuming the trial court decides infringement did occur, it could issue a narrow injunction giving Goldsmith an entitlement to credit and to share in any further commercial exploitations of the *Prince Series* that might compete with her photograph, as the Court suggested.²²⁶

It remains to be seen whether on remand, Goldsmith will try to walk back from her statements in her merits brief to the Court and during oral argument that persuaded the Court that she had abandoned her larger claims.²²⁷ Her merits brief suggested that all sixteen works may have been created under the license,²²⁸ but she did not actually admit that they were. Her merits brief also mentioned the three-year statute of limitations, but she did not directly say that her claims based on the 1984 creation were time-barred.²²⁹ She may want to claim that the only thing she had waived was her entitlement to request certain remedies. Yet because of § 103(a), she would not need an injunction if it ruled that the Warhol works were infringing derivative works because AWF's loss of copyright would happen automatically. Moreover, Goldsmith's merits brief challenged AWF's interpretation of the derivative work right at some length, which suggests that this claim was still live in her judgment, notwithstanding some statements suggesting otherwise.²³⁰ On remand, courts should regard with skepticism any effort to walk back on the statements Goldsmith made to the Court that led the Justices to believe she had given up her larger claims.

V. WHAT SHOULD THE COURT HAVE DONE IN WARHOL?

The Supreme Court took the *Warhol* case to review two lower courts' rulings on the transformativeness (or not) of the 1984 creations of the *Prince Series*. That was the main issue about which AWF and Goldsmith had been in heated disagreement since 2017.²³¹ After reflecting on OSG's amicus brief and Goldsmith's apparently revised position, a majority of the Court changed their minds about what issue was pending before them.

At that point, they had three options: One was to dismiss the writ of certiorari for having been improvidently granted because Goldsmith had abandoned her argument about the issue on which they granted certiorari.²³² Second, the Justices could have

need to reframe its claim against AWF charging it with contributory infringement. This claim would require proof that Condé Nast was a direct infringer and that AWF knowingly made a material contribution to that infringement. AWF's state of ignorance about the risk of infringement when issuing the 2016 license might provide it with a defense to a contributory infringement claim.

226. *Andy Warhol Found. for the Visual Arts, Inc.*, 598 U.S. at 534 n.9.

227. Estoppel and waiver principles may be available to preclude Goldsmith from walking back her earlier statements. See NIMMER & NIMMER, *supra* note 125, §§ 12.07, 13.07 (discussing the applicability of various types of estoppel doctrine in copyright litigation).

228. Goldsmith Merits Brief, *supra* note 90, at 37.

229. *Id.* at 18.

230. *Id.* at 37, 47–50 (extensively discussing derivative work rights).

231. See AWF Complaint, *supra* note 26; Amended Answer and Counterclaim, *supra* note 28; Cert Petition, *supra* note 76; Brief for Petitioner, *supra* note 86; Goldsmith Opposition Brief, *supra* note 87.

232. See SHAPIRO ET AL., *supra* note 156, at § 6.25; see also *Unicolors, Inc. v. H&M Hennes & Mauritz, L.P.*, 595 U.S. 178, 189 (2022) (Thomas, J., dissenting) (advocating dismissing the writ of certiorari as

decided to rehear the case after receiving a new round of briefs focused on the much narrower fair use issue about the 2016 license.²³³ This would have been a sensible option, given that none of the parties, nor the amici, had fully briefed that issue. Third, the Justices could go ahead and decide the narrower issue based on the record before them.

While I am unpersuaded by the Court's analysis of the fair use issues in *Warhol*, Section A explains how the Court might have ruled in Goldsmith's favor on the 2016 license, while agreeing with AWF about the transformativeness of the 1984 creations. Section B explains why I think the Court should have ruled in AWF's favor because Warhol created the *Prince Series* under an artist reference arrangement. Both sections are written as though they are opinions of the Court.

A. AN ALTERNATIVE RATIONALE FOR RULING IN FAVOR OF GOLDSMITH

Insofar as the Second Circuit ruled that Andy Warhol made non-transformative uses of Lynn Goldsmith's photograph of Prince when creating the *Prince Series* in 1984, we vacate its ruling and remand for further proceedings consistent with our ruling today. We agree with AWF that Warhol's *Prince Series* conveys a different meaning and message than Goldsmith's photograph. Hence, we conclude that Warhol's purpose and use of that photograph was, consistent with our prior fair use rulings, transformative. Transformativeness is, however, always a matter of degree and must be considered in relation to the other fair use factors. We agree with the Second Circuit that the trial court gave too much weight to the transformative character of the *Prince Series*. Furthermore, we disagree with AWF's contention that the transformative nature of Warhol's use of the photograph in 1984 is dispositive of the fair use issue as to the 2016 license.

Warhol's initial creation of the *Prince Series* may have been lawful because, as Goldsmith's merits brief conjectured, Warhol created the *Prince Series* under an agreement with *Vanity Fair* that had obtained an artist reference license from Goldsmith's agent or alternatively, because they were fair uses, as OSG's brief suggested. We surmise that Warhol likely created the sixteen works so that *Vanity Fair* would have some choices about which image would best illustrate the story it was planning to publish about Prince's rise to fame. In our view, this means that AWF owns valid copyrights in the *Prince Series*.²³⁴ It also means that the originals of those works

improvidently granted because Unicors relied on a different argument in its merits briefing). Professor Karol suggests the Court should have dismissed the *Warhol* cert as improvidently granted since commercial licensing, as such, does not infringe any exclusive right of copyright law. Karol, *supra* note 3, at 29.

233. The Court has sometimes asked the litigants to undertake a new round of briefing and rescheduled oral argument, as it did in *Sony*. *Sony Corp. of Am. v. Universal City Studios, Inc.*, 464 U.S. 417, 421 (1984).

234. Upon closely reading Goldsmith's merits brief, we are unconvinced that she has fully abandoned her claims as to the 1984 creation of the *Prince Series*. Hence, we address the transformativeness of Warhol's creation of the works, as AWF requested, and conclude that Warhol had a transformative purpose when creating the *Prince Series*.

now in the hands of museums, galleries, and collectors were “lawfully made” under U.S. copyright law. Hence, those originals are entitled to the benefits of the first sale limitations on copyright’s exclusive distribution and display rights as embodied in § 109 (a) and (c).

Yet, the lawfulness of the original creation of the *Prince Series* does not mean that there is no merit in Goldsmith’s copyright claim based on the 2016 license. The owner of copyright in a lawfully created derivative work may be constrained in its exploitation of a derivative when the work on which it was based is still in copyright.²³⁵ In most cases, the scope of authorization to exploit a derivative work will depend on the contract between the copyright owner of the first work and the creator of the authorized derivative. In *Warhol*, no contract existed between Goldsmith or her agent and Warhol so we cannot use that mechanism to decide to what extent Warhol or AWF was authorized to exploit the *Prince Series*. We must decide the case instead based on default rules of copyright law.

The copyright in a lawfully created derivative work gives its author exclusive rights only in the original expression it contributed to the derivative work.²³⁶ That author acquires no rights in expression from the underlying work(s) on which the derivatives were based unless a contract confers such rights. Insofar as the Second Circuit ruled that expressive elements in Goldsmith’s photograph are embodied in the *Orange Prince*, AWF’s exploitation of that image is subject to (and therefore partly encumbered by) the copyright in Goldsmith’s photograph.²³⁷

We believe that encumbrance is quite limited. AWF should be free to license the *Prince Series* works for uses that do not compete in the marketplace with Goldsmith’s photograph. For example, AWF would be free to grant a license to the author of a book about Warhol’s print-making techniques. However, if it wants to license one of Warhol’s images of Prince to a magazine such as those owned by Condé Nast to illustrate stories about the musician, it should have to share licensing revenues with Goldsmith. In 2016 AWF may not have known of Goldsmith’s existence, but its ownership of copyright in the *Prince Series* was nonetheless encumbered by her copyright in the photograph on which the *Orange Prince* was based. Hence, Goldsmith is entitled to some compensation for AWF’s 2016 license to Condé Nast and to an injunction requiring AWF to share revenues with Goldsmith for any future licensing

235. See, e.g., *Schrock v. Learning Curve Int’l, Inc.*, 586 F.3d 513, 524 (7th Cir. 2009) (explaining that “because the owner of a copyrighted work has the exclusive right to control the preparation of derivative works, the owner could limit the derivative-work author’s intellectual-property rights in the contract, license, or agreement that authorized the production of the derivative work”).

236. 17 U.S.C. § 103(b).

237. See *Ochoa*, *supra* note 10 (agreeing that the Court reached a “just and defensible” outcome, but criticizing it for going further than was necessary, “leaving the fair use doctrine unmoored in stormy seas and even more susceptible to the whims and caprice of individual judges”).

of the Warhol *Prince Series* works that compete in the same market as Goldsmith's photograph.²³⁸

B. HOW THE COURT COULD HAVE RULED IN AWF'S FAVOR

Insofar as the Second Circuit ruled that Andy Warhol made non-transformative uses of Lynn Goldsmith's photograph of Prince when creating the *Prince Series* in 1984, we vacate its ruling and remand for further proceedings consistent with our ruling today. We agree with AWF that Warhol's *Prince Series* conveys a different meaning and message than Goldsmith's photograph. Hence, we conclude that Warhol's purpose and use of that photograph was, consistent with our prior fair use rulings, transformative. Transformativeness is always a matter of degree and must be considered in relation to the other fair use factors. We agree with the Second Circuit that the trial court gave too much weight to the transformative nature of the *Prince Series*.

The most plausible basis for ruling that Warhol's initial creation of the *Prince Series* was lawful was, as Goldsmith's merits brief conjectured, that Warhol created the *Prince Series* under an agreement with *Vanity Fair* who had obtained an artist reference license from Goldsmith's agent. We surmise Warhol likely made the sixteen works so that the magazine would have some choices about which image would best illustrate the story it was planning to publish about Prince's rise to fame. In our view, this means that AWF owns valid copyrights in the Warhol works in that series and that originals of those works now in the hands of museums, galleries, and collectors were "lawfully made" under U.S. copyright and hence entitled to the benefits of the first sale limitations on copyright's exclusive distribution and display rights as embodied in § 109 (a) and (c).

Because no contractual relationship existed between Goldsmith or her agent and Warhol or AWF, we cannot look to contractual language to decide the scope of authorization Warhol or AWF had to exploit the *Prince Series*. We think that both the trial court and the Second Circuit gave insufficient attention to Warhol's receipt of the Goldsmith photograph from *Vanity Fair*, a photograph that Goldsmith's agent had licensed the magazine to use as an artist reference. *Vanity Fair* commissioned Warhol to make one or more transformative works of art so the magazine could use it to illustrate the story about Prince's rise to fame. It was reasonable for Warhol to believe that the works he created were fully his to own and to exploit, as works created pursuant to artist reference arrangements generally are.²³⁹ *Vanity Fair* might have been bound by the license restrictions to which it agreed, but Warhol was not a party to that license and could therefore not be bound by it.

238. Professor Ochoa would have wanted the court to also consider whether Goldsmith is entitled to an injunction requiring AWF to give credit to Goldsmith whenever AWF licenses use of a work in the *Prince Series*. *Id.*

239. See Silbey & Subotnik, *supra* note 12 (discussing artist references).

It is a fundamental principle of contract law that contracts bind only the parties who enter into them.²⁴⁰ As Professor Mark Gergen has observed, privity rules “that prevent a contract from protruding negatively upon a nonparty serve a partitioning function. Because of these rules, when an actor engages in a transaction that is part of a chain or web of contracts, she need not worry about a contract to which she is not a party subjecting her to a contractual obligation.”²⁴¹ Gergen goes on to explain:

A pair of rules in contract law limit the legal effect of a contract to the parties to the contract. The first rule is that a contract cannot bind a nonparty or “destroy rights of a nonparty.” There is no exception to this rule in contract law: other bodies of law must be used to get around it. Property law makes it possible to use a covenant to bind a nonparty. A nonparty may also be liable for tortious interference with contract. And a nonparty may be required to respect a contractual restriction on the use of property by the doctrine of equitable notice.

The second rule is that a nonparty acquires no rights under a contract. Modern contract law does make exceptions to this rule though the common law took some time to come around to this position. Modern contract law allows parties to a contract to bestow a contract right on a nonparty by assignment or as a third-party beneficiary.²⁴²

Under the privity doctrine, Warhol cannot be bound by any contract restriction to which *Vanity Fair* agreed insofar as he was not a party to the contract with Goldsmith’s agent.

Under some circumstances, courts have held that a third party can be bound by restrictions agreed to by contracting parties when that outsider knew about restrictions that limited uses of a resource and the outsider obtained the resource with knowledge of the restrictions.²⁴³ But there is no evidence that Warhol, let alone AWF, knew of any restriction upon his use of the photograph that would implicate his rights in the works he created for *Vanity Fair*.

What Warhol knew was that he was given the Goldsmith photo as an artist reference and that he was commissioned to create art for *Vanity Fair*. (That AWF now knows of the restriction is irrelevant. For the restriction to bind based on notice, Warhol must have had notice of the restriction at the time he created the prints.²⁴⁴)

240. The rest of this subsection incorporates excerpts from a blog post discussing OSG’s reframing of the question presented in *Warhol*. See Pamela Samuelson & Mark P. Gergen, *What’s Wrong and What’s Missing in the SG’s Amicus Brief in Andy Warhol Foundation v. Goldsmith?*, VOLOKH CONSPIRACY (Sept. 6, 2022), <https://reason.com/volokh/2022/09/06/whats-wrong-and-whats-missing-in-the-sgs-amicus-brief-in-andy-warhol-foundation-v-goldsmith/> [https://perma.cc/7YP9-VKZY] [https://web.archive.org/web/20240126234511/https://reason.com/volokh/2022/09/06/whats-wrong-and-whats-missing-in-the-sgs-amicus-brief-in-andy-warhol-foundation-v-goldsmith/].

241. Mark P. Gergen, *Privity*, in THE OXFORD HANDBOOK OF THE NEW PRIVATE LAW 481 (Gold et al. eds., 2021).

242. *Id.* at 482 (citations omitted).

243. See *id.* at 485; see also Mark P. Gergen, *Privity’s Shadow: Exculpatory Terms in Extended Forms of Private Ordering*, 43 FLA. ST. U. L. REV. 1, 48–55 (2015) (discussing doctrine of equitable notice).

244. See Gergen, *supra* note 241, at 490 & n.28.

Had Warhol agreed with *Vanity Fair* not to commercialize the *Prince Series* works without getting permission from Goldsmith's agent, that would have bound him. The issue would then be whether Goldsmith was a third-party beneficiary to this agreement. But there is no evidence of such an agreement.

OSG's brief did not delve into the significance of the license as it affects the Warhol copyrights. Like the Second Circuit, OSG seemed to think that AWF could make some uses of the *Prince Series*, maybe even commercial ones, as long as they do not interfere with Goldsmith's markets. But it will be very difficult for courts to decide which kinds of commercialization of the Warhol works are off limits and which are not.

This is the first case of which we are aware in which copyrights are thought to exist but are encumbered as to some uses, despite the absence of an agreement to restrict an artist's uses of his copyrighted work. OSG and Goldsmith proposed a narrow encumbrance, but we think that this theory of the *Warhol* case is legally unsound.

In any case, Warhol did not lose his right to make fair uses of the Goldsmith photograph by virtue of a license restriction to which he had not agreed and of which, so far as we know, he was unaware. Moreover, nothing in the lower court decisions suggests that when the AWF licensed the Warhol print to Condé Nast, it knew that Goldsmith or her photograph existed.²⁴⁵ It was reasonable, therefore, for AWF to license Condé Nast to use the *Orange Prince* without the encumbrance of Goldsmith's copyright.

VI. CONCLUDING THOUGHTS

No one can know how the Court would have resolved the *Warhol* dispute if OSG had decided not to file an amicus brief that reframed the case from one about the legality of Warhol's initial creation of the *Prince Series* works to one about the grant of a single commercial license in 2016. Perhaps OSG should not have filed an amicus curiae brief in *Warhol* given that there was no meaningful federal interest at stake in that case.²⁴⁶ It seems unfair to the litigant OSG disfavors for the government to put its weighty thumb

245. Tyler Ochoa has disagreed with this contractual-based interpretation of the *Warhol* case, arguing that *Vanity Fair* could not give Warhol a broader license than it had gotten from Goldsmith's agent. Written comments from Professor Tyler Ochoa to Pamela Samuelson (Dec. 12, 2023) (on file with author). But perhaps the lack of notice and the expectation that an artist reference did clear rights may be relevant to AWF's fair use defense.

246. See, e.g., Solimine, *supra* note 6, at 1205–07. Had the U.S. government had a direct and meaningful interest in the resolution of private litigant disputes about the interpretation of copyright's fair use doctrine, OSG would likely have filed amicus curiae briefs in *Sony v. Corp. of Am. v. Universal City Studios, Inc.*, 464 U.S. 417 (1984); *Harper & Row Publishers, Inc. v. Nation Enters.*, 471 U.S. 539 (1985); and *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569 (1994). Yet it filed amicus briefs in none of them. In the 1980s and 1990s, OSG filed amicus briefs in only two of the Court's twelve copyright cases. Both directly implicated federal agency operations or U.S. foreign policy. See *Quality King Distrib., Inc. v. L'Anza Rsch. Int'l, Inc.*, 523 U.S. 135 (1998) (involving United States foreign policy and border control interests); *Cmt. for Creative Non-Violence v. Reid*, 490 U.S. 730 (1989) (interpreting copyright's work for hire rule which implicated the Copyright Office's registration practices). The Court rejected OSG's arguments in both cases. See *Quality King Distrib., Inc.*, 523 U.S. at 151–52, 153–54; *Cmt. for Creative Non-Violence*, 490 U.S. at 742 n.8.

on the scale in the absence of a meaningful federal interest in the outcome.²⁴⁷ OSG's reframing of the question presented caught the petitioner and its amici off-guard because they had focused their briefs on the question on which the Court granted certiorari: whether Warhol's 1984 creation of the *Prince Series* was transformative. OSG did not articulate a persuasive rationale for its conclusion that creation of the original Warhol series was not at issue when that was precisely the issue about which the parties had been litigating for six years. OSG interpreted the trial and appellate courts holdings to comport with its reframing of the issue in litigation. It also introduced a major new doctrine to the law of fair use—that each use of a secondary work based in part on a first author's work must be justified—an issue and doctrine that had not been raised below and about which neither AWF nor its amici, let alone Goldsmith's amici, had a meaningful opportunity to respond. This seems unfair.

Yet, the compromise achieved by the Court's adoption of OSG's narrowing of the question presented had some benefits. AWF's copyrights in the *Prince Series* works now seem secure; Goldsmith has the satisfaction of winning some compensation from AWF for licensing the *Orange Prince* to Condé Nast, although not the windfall she initially sought; and a majority of the Court has somewhat clarified its interpretation of transformative purposes in fair use cases, even if the boundary line between transformative fair uses and infringing derivative works is no clearer than before the Court took the *Warhol* case.

It remains to be seen how much influence the *Warhol* decision will have in subsequent fair use cases. The Court characterized its holding in *Warhol* as “narrow.”²⁴⁸ In light of OSG's last-minute reframing of the question presented and the lack of full briefing of the reframed question, perhaps we should take the Court at its word and not read too much into the dicta that hints at a broad curtailment of the fair use doctrine.

247. See e.g., Solimine, *supra* note 6, at 1188; Covert & Wang, *supra* note 1, at 684; Lincoln Caplan, Response, *The SG's Indefensible Advantage: A Comment on The Loudest Voice at the Supreme Court*, 74 VAND. L. REV. EN BANC 97 (2021) (raising fairness issues posed by OSG's dominance in the Supreme Court).

248. Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith, 598 U.S. 508, 514–16 (2023); see also *id.* at 552–53 (Gorsuch, J., concurring).

From the Bench

Judge Pierre Leval*, Judge M. Margaret McKeown**, & Jane C. Ginsburg***

TRANSCRIPT

Jane Ginsburg: After *Campbell v. Acuff-Rose*,¹ some lower courts latched on to the Court's reference to the "new meaning or message" the defendant's use conferred on the plaintiff's work, taking the phrase out of context to excuse as fair use almost any use that added something new to the copied material or changed its context, thereby setting up the tension between the derivative works right and fair use. But over time, as Judge Leval predicted at a symposium at Fordham Law School in 2019, appellate courts looked somewhat more critically at what is meant by a transformative use.² And it seemed as if the pendulum, if it had swung way out, was coming back.

* Judge Leval is a United States Circuit Judge of the U.S. Court of Appeals for the Second Circuit. At the time of his appointment in 1993, he was a United States District Court Judge in the Southern District of New York.

** Judge McKeown was appointed to the United States Court of Appeals for the Ninth Circuit in 1998. Before appointment, she was the first female partner at Perkins Coie, where she specialized in intellectual property and complex litigation.

*** Professor Jane C. Ginsburg is the Morton L. Janklow Professor of Literary and Artistic Property Law at Columbia Law School.

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

2. Judge Pierre N. Leval, Remarks at 9C Copyright Law Session. Fair Use (Apr. 26, 2019), in 27TH ANN. INTELL. PROP. L. & POL'Y CONF. 25, Apr. 2019, at 7, https://ir.lawnet.fordham.edu/ipli_conf_27th_2019/25/ [<https://perma.cc/VE7T-6AUJ>] [https://web.archive.org/web/20240702154855/https://ir.lawnet.fordham.edu/ipli_conf_27th_2019/25/] ("[A] number of erroneous district court rulings of the sort that I discussed in *TCA* and *TV Eyes*—either not getting correct what should be deemed transformative or attaching too much importance to it—have been largely corrected by reversals in the courts of appeals.").

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Under those circumstances, do you think the Court should have taken the *Warhol* case,³ especially having limited its inquiry to the first factor? What difference do you think the *Warhol* decision will make? So let me start with you, Judge Leval, and then I'll ask Judge McKeown for her views on the same question.

Judge Leval: The majority's decision in *Warhol* is in two parts. The first part essentially consists of a locking of horns with, and rebutting, Justice Kagan's dissenting opinion. It found that Warhol's work was not favored by the first statutory factor because it could not claim a justification for copying by commenting on the copied work, an interest given great importance by the Supreme Court in *Campbell v. Acuff-Rose*.⁴

The second part of the majority decision concludes that Andy Warhol's changes to the Goldsmith portrait were not transformative, and for this reason as well were not favored by *Campbell's* interpretation of the first factor.⁵ Both offered photographic representations of Prince. In addition, there were strange things said in the second part of the opinion. The first part is very faithful to prior Supreme Court authority in *Campbell* and *Google LLC v. Oracle America, Inc.*⁶ I think that part will have very great effect on the understanding of the fair use law. As to the second part, it is more difficult to guess its future effects. I believe certain observations—those about transformativeness—will be influential; others about channels of marketing will be less so.

To understand the importance of the first part, I think we have to consider three events—these three cases—in their sequential order.

In *Campbell*, the Court set forth two important requirements for satisfying the first factor for achieving fair use. The first one was transformativeness, and the second one was justification for copying.⁷

It's not entirely clear whether justification is a separate factor or an elaboration of the meaning of transformativeness. But in any case, it's an intellectually separable concept. Using the verb "target," the majority opinion speaks of parody's inherent criticism of the original as its justification for copying. Especially where there is little danger of market substitution, looser forms such as commenting or shedding light on the original can also be considered justified.⁸

The Court went on to say, if the copying work does not relate to the original in that manner, "the claim to fairness in borrowing from another's

3. Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith, 598 U.S. 508 (2023).

4. *Id.* at 530–33, 540, 542–43, 547, 550.

5. *Id.* at 540–41.

6. Google LLC v. Oracle America, Inc., 593 U.S. 1 (2021).

7. *Campbell*, 510 U.S. at 578–79, 586.

8. *Id.* at 580 & n.14.

work diminishes accordingly (if it does not vanish).”⁹ This requirement at the time went practically unnoticed.

I think the reason that it went unnoticed was that as this was a parody case, it was couched in terms of the difference between parody and satire. And so readers thought, well, that’s about parody and satire. Most cases are not about parody and satire, so it usually is not a concern.

Actually, as eventually shown in *Warhol*, it was not just about parody and satire. It was about justification for the copying, a major issue. But it went unnoticed for a while. And, as Jane said, there developed a tendency among some courts, mostly district courts, to demand nothing more than transformativeness—i.e., changes. Some courts found that making changes was sufficient to establish transformativeness and thus win the first factor. But the *Warhol* decision would put an end to that misconception.

Event number two was *Google v. Oracle. Campbell*, as I just said, had talked about the importance of justification. And that justification would normally consist of some kind of commentary or shedding of light on the original.

Google, however, found fair use in a use in which the copying work made no commentary whatsoever on the original and shed no light on it. It merely took the original software for purposes of functional efficacy.¹⁰ That was software. Software by its nature doesn’t comment. Software doesn’t talk about things. It’s a tool—a process—and therefore traditionally ineligible under 17 U.S.C. § 102(b) for copyright protection, until Congress added software to the definition of literary works.¹¹

A very important part of Justice Breyer’s opinion in *Google* was the insistence that software is different. He said it again and again and again. He quoted the work of the great First Circuit Judge Michael Boudin, who wrote in *Lotus Dev. Corp. v. Borland Int’l, Inc.* that “applying copyright law to computer programs is like assembling a jigsaw puzzle whose pieces do not quite fit.”¹² The different nature of software was so significant that Justice Breyer’s opinion took the almost unheard-of step of giving great importance to factor two. Nobody has ever given great importance to factor two until this case. *Google*, however, ruled that, when you are dealing with software, that gives great significance to factor two, the nature of the copyrighted work.¹³ The Court found that factor two favored fair use because not only was the nature of the copyrighted work software—which, as a process, would normally be ineligible for copyright protection—but furthermore, the

9. *Id.* at 580.

10. *Google*, 141 S.Ct. at 1202–04.

11. 17 U.S.C. § 101; H.R. REP. NO. 94-1476, at 57 (1976).

12. *Google*, 141 S.Ct. at 1198 (quoting *Lotus Dev. Corp. v. Borland Int’l*, 49 F.3d 807, 820 (1st Cir. 1995) (Boudin, J., concurring), *aff’d*, 516 U.S. 233 (1996)).

13. *Id.* at 1201–02.

particular software infringed, because it was inextricably bound up with unprotectable ideas for making it functionally appealing to programmers, was “further than are most computer programs . . . from the core of copyright,” which “diminishes the fear . . . that application of ‘fair use’ here would seriously undermine the general copyright protection that Congress provided for computer programs.”¹⁴ Coming to the end of the opinion, Justice Breyer summed it up saying, “The fact that computer programs are primarily functional makes it difficult to apply traditional copyright concepts in that technological world In doing so here, we have not changed the nature of those concepts. We do not overturn or modify our earlier cases involving fair use.”¹⁵

So the message of *Google* was, this taking of *software* was a fair use. But software is different. The normal rules of copyright don’t apply and cannot apply to it.

Event number three was the *Warhol* case. It is best understood by focusing on the majority’s rejection of the dissent. The dissent relied heavily on its interpretation of *Campbell* and *Google*. Justice Kagan acknowledged that Warhol did not comment or shed light on the Goldsmith original photograph.¹⁶ But that didn’t matter in Justice Kagan’s view because of what she deemed Warhol’s very muscular changes to the original Goldsmith photograph.¹⁷

As for *Campbell*’s insistence on a justification in the nature of shedding light on the original, Justice Kagan barely mentions it. She makes a very casual reference to the so-called targeting requirement, only to say that *Campbell* acknowledged that there could be exceptions.¹⁸ The *Campbell* opinion indeed did not present targeting as an absolute requirement, but something to which there could be exceptions. That is all Justice Kagan had to say about a factor given so much importance in *Campbell*.

The dissent invoked the *Google* case, where fair use was found without targeting. The dissent interpreted the *Google* case as meaning that the Court had essentially written out of the law *Campbell*’s insistence on the importance of targeting, commenting on, criticizing, or shedding light on the original work.¹⁹

The *Warhol* majority unequivocally rejected the dissent’s interpretations of those two cases. The majority goes to great lengths repeating and quoting verbatim at length the language from *Campbell* that talked about

14. *Id.* at 1202.

15. *Id.* at 1208.

16. *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 598 U.S. 508, 575–76 (2023) (Kagan, J., dissenting).

17. *Id.* at 565–67.

18. *Id.* at 580–81.

19. *Id.* at 581.

how when there is no reflection on the original, the justification for the copying is diminished, if it does not altogether vanish.²⁰

When it came to the question whether *Google*, as Justice Kagan suggested, essentially did away with *Campbell's* targeting requirement, Justice Sotomayor emphasized the *Google* Court's insistence that software was different.²¹ She concluded that we cannot treat the *Google* case as having read the importance of targeting out of the *Campbell* case.²²

The arrival of the *Warhol* case in the Supreme Court's docket provoked a great deal of debate in the copyright world over works of art that take an existing work of art and use it to make a different work that does not comment on the original, but rather uses the original work as raw material to create a new work—what is sometimes called appropriation.

The *Warhol* opinion seems to settle the proposition that that the mere making of changes is likely insufficient to favor fair use. Such appropriation is a negative with respect to assessing the first factor and very likely will be determinative as to whether the thing is found to be a fair use.

Rejecting the dissent's reading of *Google*, furthermore, the *Warhol* majority doubled down on *Campbell's* insistence on the importance of justification for the copying.²³

Jane Ginsburg: Judge McKeown, do you want to elaborate further?

Judge McKeown: My thanks to Columbia Law School for inviting me to this timely symposium. I agree with Judge Leval that the starting point for the analysis is *Campbell*. And one of the mysteries is that since we had *Campbell*, which was clear, why do we even need *Warhol*? Well, there's a reason.

You remember of course that *Campbell* was a parody case. And there were some who thought *Campbell* was limited to parody, which it clearly was not. If you look at all the cases since *Campbell*, less than twenty percent actually involve parody.²⁴

So the result was that the district courts and the circuit courts were basically off and running on “what does *Campbell* mean?” And the opinions focused more specifically on “what does *transformative* mean?” I hope we now have a little more nuance and texture on that question because we've been debating that issue for a number of years now.

20. *See id.* at 530–31, 546–47 (majority opinion).

21. *See id.* at 533 n.8.

22. *Id.* at 532–33; *see id.* at 547 n.21.

23. *Id.* at 530–33, 540, 542–43, 547, 550.

24. *U.S. Copyright Office Fair Use Index*, U.S. COPYRIGHT OFFICE, <https://www.copyright.gov/fair-use/index.html> [https://perma.cc/Q54Y-ZCNW] [<https://web.archive.org/web/20240410034058/https://www.copyright.gov/fair-use/index.html>] (last visited Apr. 9, 2024).

As it evolved, any new meaning or any additional aesthetics all of a sudden were transformed into transformative. That, of course, couldn't be right. I like to think that the Ninth Circuit and the Second Circuit brought some guardrails to all of this. In the Ninth Circuit, our courts have about one third of the U.S. copyright docket; the Second Circuit too has a significant copyright docket.²⁵

So Jane's question is, should the Court have taken the *Warhol* case because its analysis was limited to the first factor? My answer is, absolutely. I'm delighted that the Court took the case. We've seen a lot of academic articles belittling fair use, saying it's billowing goo and suggesting that there are no guardrails, which isn't really true.

The truth is that courts have been all over the map on fair use. Go back and read the many decisions, and then ask yourself, "Can I divine a principle from these decisions?" Not necessarily, and it might depend on what circuit you're in.

The Seventh Circuit criticized *Cariou v. Prince*,²⁶ a Second Circuit case holding that some of Prince's uses of Cariou's photographs were transformative.²⁷ There is little doubt that courts have struggled with how to analyze fair use. As we know, the hard work is done in the district court because that's where the facts are on the table, and that's where the cases are first presented.

I went back to look at the district court opinion in *Warhol*. The court found that Warhol's art was of a very different character because it brought new aesthetics, and Warhol gave the photo new expression.²⁸ So I would say that decision was exhibit one for why it was important for the Court to take the case. The Court wanted to bring us back to first principles, to the justification, and the targeting that we first saw in *Campbell*.

As we look at cases over the years, most often, the first factor focused on transformativeness. And if the court found that something was transformative, it seemed like the other factors just fell off the table. On the other hand, if a court found that the work was not transformative, then the fair use analysis would be eclipsed. And that's not the right approach either.

25. A Lex Machina search of federal court of appeals cases originating from copyright-related district court cases, from January 1, 2019, to April 10, 2024, shows that the 9th Circuit has thirty-three percent of the copyright docket, and the 2nd Circuit has fourteen percent. *Lex Machina*, LEXISNEXIS, <https://law.lexmachina.com/shared/eyJzaGFyZWVfcGFnZV9pZCI6OTc0MTB9.ZgcqZA.Jps09jGE2QtnMF5auZbdhW8DkcY> [<https://perma.cc/M7W3-UDBE>] (last visited Apr. 9, 2024).

26. *Cariou v. Prince*, 714 F.3d 694 (2d Cir. 2013).

27. *Kienitz v. Sconnie Nation LLC*, 766 F.3d 756, 758 (7th Cir. 2014).

28. *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 382 F.Supp.3d 312, 326 (S.D.N.Y. 2019).

So that dichotomy in analysis was one of the difficulties and challenges in reviewing fair use cases. I think that the good thing about *Warhol* is it gives us both context and language to invoke under the first factor. We now have a purpose-driven inquiry that channels the discussion in a different way than we've had historically, but in a way that I think is quite clear.

You might understandably say, "I thought *Campbell* did that." And *Campbell* did. But apparently, and despite unambiguous language, the opinion didn't do it strongly or convincingly enough because here we are facing the issue nearly thirty years later. We needed *Warhol*. The bottom line is that the transformation language has really muddied the waters, and we now have clear language from the Court.

As Judge Leval alluded to, if a commentary doesn't have any critical bearing on the substance or style, then the transformative genre of fair use diminishes.

One of the areas where I think the Supreme Court has been most helpful is its language saying that new expression may be relevant to whether copying or use has a sufficiently distinct purpose or character. But without more, it's not dispositive. Whereas in some of the earlier cases this new expression was deemed dispositive. We now have some new guidelines, or at least more explicit guidelines, for the lower courts to use.

Let me comment also, as Judge Leval did, on *Google v. Oracle*. I kind of view *Google v. Oracle* as the *Bush v. Gore*²⁹ of the copyright world.

Why? Remember in *Bush v. Gore*, the Court said, "Our consideration is limited to the present circumstances, for the problem of equal protection in election processes generally presents many complexities."³⁰ Well, that's certainly true of fair use and copyright. There are many complexities.

But the focus in *Google v. Oracle* was on the Java programming language and the use of the APIs, the Application Program Interfaces.³¹ So even though there is not such an unequivocal statement like we had in *Bush v. Gore*, to me the Court essentially made the same statement in different language. The Court talked about rapidly changing technological, economic, and business-related circumstances.³² The Court even commented in *Google v. Oracle* on the fourth factor and public benefits, posing some questions, which it left unanswered, but said they could be of interest down the road.³³

I don't think that there is a lot to be mined from *Google v. Oracle*, other than how Justice Breyer's majority opinion laid it out, that in addressing

29. *Bush v. Gore*, 531 U.S. 98 (2000).

30. *Bush*, 531 U.S. at 109.

31. *Google LLC v. Oracle America, Inc.*, 593 U.S. 1, 9 (2021).

32. *Id.* at 1197.

33. *Id.* at 1206.

software, the Court was talking about something very different.³⁴ It was talking about software. And obviously, software is not the same as some of the other literary and other types of work that are often presented under copyright.

I also thought that it was interesting with respect to the dissent in *Google v. Oracle*. Justice Thomas wrote that computer code occupies a unique space in intellectual property. He agreed with the majority on that point, at least, because the majority had said, when you're looking at computer code, you're almost always looking at something that's functional.³⁵

There didn't need to be much of a debate in *Warhol* between the majority and the dissent on the subject of *Google v. Oracle*, but there was. The majority pretty well closes the book on that question. In short, to answer your question, for those of us who have to figure out what fair use is once the question has gone through the trial court, I think that it's a good thing that the Court took the *Warhol* case. We haven't had a case quite like that in many years and now we will see where it takes us.

Also, *Warhol* gave the Court an opportunity to lay to rest some of the misconceptions that we've seen floating around about transformativeness. As one of the speakers said earlier, *works* aren't transformative. It is the *uses* that are transformative. Now we have a slightly altered lexicon and language that we can use. And, if we didn't have the *Warhol* opinion, we wouldn't have this seminar, so.

Judge Leval: I think that *Google* may have a little bit longer tail. *Google* provides a precedent for instances where there can be a transformative use, a use that would satisfy factor one—without commenting, or shedding light, on the original.

I am thinking about AI. It will present a huge range of questions. I had a case involving one. This was the secondary application in the *Google Books* case, *Authors Guild v. Google, Inc.*, when Google copied these millions and millions of books into a database.³⁶ The first application did conform to the targeting requirement because its function was to enable a user of Google Books to learn facts about multitudes of originals that would help the user to determine which of those books might respond to the user's interests.³⁷

The user could not read a book, but could learn facts about it, such as snippets of text and how often it uses certain words, to help the user decide whether that is a book that she wants to read.³⁸

34. *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 598 U.S. 508, 533 n.8 (2023).

35. *Google*, 141 S.Ct. at 1212 (Thomas, J., dissenting).

36. *Authors Guild v. Google, Inc.*, 804 F.3d 202, 207 (2d Cir. 2015).

37. *Id.* at 216–17, 224.

38. *Id.*

The secondary use was called the n-gram use. Millions of books were ingested into the computer database for the purpose of producing a graph that showed changes in word usage over the last hundred years, decade by decade.³⁹ An example is when the United States was referred to in the plural, “the United States are,” and when the usage changed to “the United States is.”⁴⁰ The usage of any one copied book did not in any way comment on the particular book. Each copied book furnished an infinitesimal part of the data employed to furnish information about historical language development.

As we advance into the era of AI, what questions will we see. What happens in AI is that the computers ingest gargantuan amounts of data, much of which is under copyright, for the purpose of producing all kinds of information that might have nothing to do with any particular work that was copied. I think that is going to expose uses, such as the n-gram, which, like Google’s taking Oracle’s software, will favor a finding of fair use without targeting. In that respect, I think *Google v. Oracle* will have a further tail, specifying circumstances in which the absence of targeting will not stand in the way of finding fair use.

Jane Ginsburg: Obviously, that’s an extraordinarily contentious topic.

As for the cabining of *Google v. Oracle*, Justice Thomas also suggested that the Court had produced an opinion for declaring code only, so not even just for software.⁴¹ Although, he, of course, was in dissent. The Court did emphasize many times that the subject matter was “far from the core of copyright.”

With AI, AI ingests works that are squarely in the core of copyright. What it does with them is a separate question. But as to the subject matter at issue, I think that there is a significant difference between *Google v. Oracle* and the passel of pending AI cases.

It remains to be seen how much of a long tail *Google v. Oracle* has, whether it can, in fact, be confined to subject matter far from the core of copyright—functional, interoperable software. But let me ask Judge McKeown, Judge Leval suggested that the raw material defense may not carry the day in the way that it has in the past if it’s not accompanied by some kind of justification other than, “I’m an artist, and I’m using other people’s stuff.” So what do you think the *Warhol* case tells us about the raw material defense?

Judge McKeown: We know that there are a number of cases that have upheld a defendant’s use of raw materials as fair use, even if there’s no critical comment or reference to the original. As I read the majority in *Warhol*,

39. *Id.* at 208–09.

40. *Id.*

41. *Google LLC v. Oracle America, Inc.*, 593 U.S. 1, 48–49 (2021) (Thomas, J., dissenting).

it didn't reference the raw material issue directly, so that's what prompts the question.

But I don't see how the majority would make raw material irrelevant in and of itself. You'd need to look again at the purpose and character. So obviously, the argument that just because someone used raw material makes it fair use—that can't fly. And in a way, the raw material is like a Mobius strip. You just keep folding yourself back on yourself as you talk about raw material.

We need to be cautious about the old admonition that courts are not art critics. I know we will talk about that when we're talking about raw materials. There are a couple of significant cases. I think of one earlier case in the Ninth Circuit citing *Campbell—Seltzer v. Green Day*.⁴² It was a concert video that used a photo of some street art in the video. Sometimes, it was called a Scream Icon.⁴³

When they produced the concert video, there was commentary of the concert video. The idea had to do with religion and Christianity and a defaced Jesus, which really had nothing to do with the photo taken off the street art. The court cited *Campbell* and said that the video was for a different purpose and was transformative.⁴⁴

But the important point is the analysis did not end on the first factor. The court then marched through the other factors to see how the photos fit within the overall video. What was the commerciality and what was the impact in terms of market substitution?⁴⁵

Now, with the benefit of *Warhol*, I think the language might have been slightly differently nuanced. But it's not clear that the outcome would have been different. It seems that raw materials are just one aspect of a challenged work. And one thing to remember is that we get stuck within the *Warhol* decision because it's only factor one. And we should not forget that we have the other factors that are to be considered.

Very few courts are going to hang their hat on just factor one—first, because they don't want to get reversed and second, because there is more to fair use than just factor one. So, it certainly could be that factor one could weigh against fair use, for example, but it may be an insubstantial use or the market isn't impacted, or there are other factors to be considered.

While *Warhol* telescopes this whole conference into factor one, I don't want to forget the other three factors.

Jane Ginsburg: That's exactly the question I was going to ask Judge Leval: How do you think lower courts are going to sort out the remaining factors,

42. *Seltzer v. Green Day, Inc.*, 725 F.3d 1170 (9th Cir. 2013).

43. *Id.* at 1174.

44. *Id.* at 1176.

45. *Id.* at 1178–79.

especially given the criticism voiced by Justice Kagan that the majority collapsed the first and the fourth factors?⁴⁶ Justice Gorsuch says, no, the first factor inquires, “What is the purpose?” And the fourth factor inquires, “What is the effect?” And that’s how you can keep them straight.⁴⁷ In practice, how workable will it be to keep them straight?

Judge Leval: Well, they necessarily have some overlap there. How the secondary user has used the copied work and what effect it had on the market are two different questions, but they both can involve the likelihood of superseding, the likelihood that the copying work is perceived as one that is intended to offer itself as a substitute for the first. That is a proper consideration under the first factor, and it will also be considered as to the fourth factor.

If the events have not occurred yet, it will be assessed in the fourth factor as what is likely to happen to the value of the copyright if this proceeds further. If it has happened already, there will be an assessment of what effect it has had on the value of the original user’s copyright. I agree with that part of Justice Gorsuch’s opinion.

The *Warhol* decision did not suggest that the other factors, other than the first, are irrelevant. It concluded, if I recall, by saying essentially that the others were sorted out in the lower courts. The only one that is in question before the Supreme Court is the first factor. So that is the one we are talking about, but we are certainly not saying that the others do not have importance. Indeed, at times, the Supreme Court has called the fourth by far the most important, and certainly it is important. Whether it’s the *most* important is angels on the head of a pin.

Jane Ginsburg: Then neither of you think that the Court taking cert only on the first factor will have the effect of continuing the outsized importance that the first factor has received up until now?

Judge McKeown: No, I don’t think so. If you go to the end of the *Warhol* opinion, the Court says the four statutory fair use factors may not be treated in isolation one from another.⁴⁸ So that does get obscured in the first thirty-eight pages. But I do think, as Judge Leval said, it’s important to look at the Gorsuch concurrence which will be useful, just in thinking about statutory interpretation. The concurrence does add something to the opinion. But in my view, significantly, the Court didn’t say anything about its precedent that the fourth factor has been deemed the most important. Obviously, there’s a relationship between commercialism and factor one and the market effect or other potential market value in factor four.

46. *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 598 U.S. 508, 559–60 (2023) (Kagan, J., dissenting).

47. *Id.* at 555 (Gorsuch, J., concurring).

48. *Id.* at 550 (majority opinion).

But I predict that you'll continue to see courts go to prior precedent and say, *Warhol* said nothing about factor four. It did not collapse factors one and four, despite the dissent's suggestion to that effect. Courts will continue to focus on factor four, and that's because a claimant can lose, potentially, under factor one, but with all of the other factors, could potentially win in this whole constellation of fair use.

The question of market analysis is a case-by-case determination that is not answered up front by the commercialism aspect of factor one. In the prior panel, it was mentioned that now this commercialism factor has been heightened to a degree. But it is a matter of degree, and it's not like a yes or no. It's not a binary decision of, oh, it's commercial, therefore—. It is a question of degree because there's commercial and there's *commercial*.

Judge Leval: I do think, in answer to your question, that there is some likelihood of misunderstanding in the lower courts. I think it happens all the time that the Supreme Court talks about the issue that is before it. And then the world gives outsized importance to the particular thing the Supreme Court was describing.

Litigants will try to use it to their advantage to give more importance to it if it favors them. And sometimes that bamboozles courts, but it usually straightens itself out in the end. I think it is sufficiently clear, as Margaret was saying, that the other factors were not being pushed out the door. They simply were not the ones that were involved in the Supreme Court's consideration. So I trust, over time, judges will understand that.

Judge McKeown: I think the reason those factors weren't involved is they weren't challenged. They weren't before the Court. These other three factors were not central to the decision. I agree that it's not often we get a big copyright decision. So the decision has something for everyone.

There will be a lot of lawyers trying to read things into the decision. I remember being a lawyer and trying to shake and squeeze language out of Supreme Court and circuit court decisions to try to see what they meant. And undoubtedly we'll see a lot of that. But you have to have some faith that both the trial courts and the circuit courts will try to see the *Warhol* opinion for what it is. It's not the be-all and end-all of copyright law, but it sure does go a long way in giving us clearer language in which to benchmark the decisions.

Jane Ginsburg: After *Warhol*, as was already said a couple of times this morning, it seems that there are three elements to assessing the first factor. One is the purpose of the defendant's or, let us say, the second author's, use relative to the first author's actual or potential exploitation of the work. The second, which we've been discussing, is the commerciality of the second author's exploitation. And the third is the justification, including whether the defendant's work shines light on or is, in at least some sense, about the copied material.

Although Judge Leval started an answer to this question, I'll return to it: Must the second author always have a justification, even in the absence of competing uses? Or is it enough to say, "we're operating in completely separate markets, so that's all that matters"?

Judge Leval: To start, I'm not quite sure, Jane, whether you are intending to eliminate transformativeness from the surviving factors after the *Warhol* opinion. You named three: the purpose of the defendant's exploitation relative to the plaintiff's actual or potential exploitation of the work, commerciality, and the defendant's justification for copying. You didn't say anything about transformativeness.

I certainly don't think that it was the intention of the *Warhol* majority to exclude transformativeness, to which *Campbell* gave such importance, from the factors that will survive to be considered in connection with fair use, especially as the *Warhol* majority observed, in disagreement with Justice Kagan, that the changes imparted by Andy Warhol to the original Goldsmith photograph did not make the copying work transformative.⁴⁹

Jane Ginsburg: I should have clarified that those elements, at least the first and the third, are the elements that the Court looked at in determining whether or not the use was transformative.

Judge Leval: This was discussed in what I described as the second part of the *Warhol* decision. The majority opinion certainly gave a lot of attention to whether there was what we normally think of as a transformative use.

Justice Kagan made much of the changes that Warhol made. And she talked about the shifting of the angle of the head and the printing in high contrast so that all the modulated shading disappears, leaving only black and white, so that the head was like a floating balloon and then cutting off the neck and shoulders, and how all that had the effect of transforming the image from a portrait of a human being, with the human being's frailties and insecurities, to a portrait of a deified image of a celebrity, a creation of the publicity machine.⁵⁰

For Justice Kagan that was transformative. But the majority opinion, while acknowledging those changes, finds that they are not really that big a deal in terms of transformativeness.

For the majority, what you have is two largely photographic portraits of Prince, the famous singer, and they compete in the same marketplace. Those changes did not satisfy *Campbell's* demand for transformativeness under the first factor.⁵¹

The second part of the *Warhol* opinion also makes much of the fact that the Warhol Foundation marketed Warhol's work to magazines, essentially

49. *Id.* at 541.

50. *Id.* at 564–66 (Kagan, J., dissenting).

51. *Id.* at 550–51 (majority opinion).

the same potential market for which Lynn Goldsmith's work was intended.⁵² Making that largely determinative of the Supreme Court's decision turned attention away from whether Andy Warhol had made a fair use. I thought that was very odd. I'm not quite sure what the reasons for it were.

A possible explanation may have been not wanting to tangle with issues that Pam Samuelson was describing this morning, wishing to avoid any implications under Section 103(a),⁵³ that Warhol used the Goldsmith work unlawfully, potentially undermining the Warhol copyright in this and other Warhol works.

Nonetheless, the case came to being because the Foundation sued for a declaratory judgment that the work made by Warhol, which the Foundation later licensed to a magazine, was a fair use.⁵⁴ If it was a fair use when made, then it was not an infringement.

The Supreme Court, as I see it, could not easily get into the question whether the first factor favored fair use without at least raising implications as to what the answer would be if Andy Warhol himself had remained alive and had licensed *Orange Prince* to Condé Nast. Justice Kagan's dissent argued that Warhol had transformed the Goldsmith original and was a fair use. The majority emphatically disagreed.

There is, however, another factor that potentially limits the implications of this decision. When Andy Warhol made *Orange Prince*, he made it under a license. To be sure, the license authorized only one use, which occurred when in 1984 *Vanity Fair* published *Purple Prince*, a different Warhol reworking of the Goldsmith photograph.⁵⁵ Nonetheless the license might reasonably be understood to have allowed Andy Warhol to try out different uses before the selection of the one that would be published. If so, the creation of *Orange Prince* as a copy was protected by authorization, regardless of whether it was transformative and regardless of whether it was a fair use.

Judge McKeown: I'll just add that that's why you see all these disclaimers. We can't have a "famous artist" exception that's talked about.⁵⁶ I would say with respect to the licensing issue, to me there's a bit of a morality play going on here. And in reading between the lines, the Court was indirectly saying: You got a license once. You could have gotten another license, but you didn't ask.

That is the kind of morality issue that often underlies these copyright cases. The Court doesn't come right out and phrase the issue in this way,

52. *Id.* at 535–38, 535 n.11.

53. 17 U.S.C. § 103(a).

54. *Warhol*, 598 U.S. at 522.

55. *Id.* at 517–18.

56. *Id.* at 550.

but I certainly see it implied in the discussion. And, of course, we have to read between the lines when we're figuring out what the first license was for.

As Pam said, are we really looking at all of these prints, and yet we're not talking about them? And was the Supreme Court talking about X print, and the case was about Y prints? I guess we'll never know. We only know what the decision is directed to, which is basically the single license—the *Orange Prince*.

Jane Ginsburg: Just picking up on *AWF* as a morality play, and in relation to Eva Subotnik's photographers, the Supreme Court in five different places in the *Warhol* opinion alluded to Lynn Goldsmith's getting or not getting credit.⁵⁷ The Court didn't then draw out further implications from that. One might, however, infer that it's not so fair if Lynn Goldsmith, having received credit the first time, didn't get credit the second time. Credit seems to be extremely important, both as Professor Subotnik and as Professor Mtima indicated. That's often what creators really care about.

Do you think that credit should be taken into account? I know this was not one of the questions we pre-discussed. But since we opened it up, do you think that credit should be taken into account in a fair use evaluation, not simply mentioned, but actually figuring in the analysis?

Judge McKeown: It seems to me to be a real double-edged sword. You say that the artist gave credit and then ripped off the work. I don't know, as Professor Mtima said, if that really gives the artist a lot of solace. Or you could say, well, they never gave credit and then did what they did. So that's also bad. I'm not sure that credit, other than as a factual backdrop, really fits into the criteria that the Supreme Court has laid out. But I don't want to preclude the credit issue, or preclude any argument, because there may be some good bases for that approach. But I do see that credit issue as a double-edged sword.

Judge Leval: I also see it as a red herring because it is not really what the copyright law is about. Judges tend to write opinions in which they put emphasis on facts that make their decision look good, even when those facts are irrelevant. You see this all the time in horrible murder cases, where the facts of the case really have nothing to do with the issue of law, which might be whether the underlying facts involved interstate commerce.

And when the appellate court expresses the conclusion that the trial court erred in finding no interstate commerce and thus overturning the jury's conviction, it will often write an opinion speaking at length about how bloody and gory and horrible the murder was, when that is totally irrelevant.

I think there is a little bit of that here with the credit. An infringement doesn't become less of an infringement because credit is given, nor is it more

57. *Id.* at 515, 517–18, 520–21.

of an infringement because credit is not given. I do not think it really matters, but it can tend to affect persuasiveness.

Jane Ginsburg: I'm not sure we'd all agree that credit is merely a matter of atmospherics. But moving on to the questions we agreed to talk about, this one is for Judge Leval. The defense analysis is arguably at odds with Justice Holmes's warning that judges should not make decisions of law based on the judges' assessments of artistic quality. If Justice Kagan's opinion had been the majority opinion, how would this affect the future development of the law for cases of similar appropriation?

Judge Leval: Yes, I think that was quite an important issue in *Warhol*. Justice Kagan was extraordinarily contemptuous of the majority. She demonstrated enormous sophistication in understanding matters of art and literature, talking about the origins of the Romeo and Juliet story and tracing lines of painters using the same theme from Giorgione to Titian to Manet.⁵⁸ She expressed contempt for the majority for not being alert to the transformative genius of Warhol, and what is worse, seeming to have no interest in it.⁵⁹

Justice Kagan also was dismissive, I thought very unfairly so, of Goldsmith. She found it "mysterious" "why anyone would be interested in" Goldsmith's portrait of Prince.⁶⁰ It would be easy to understand the Kagan opinion as based in part on her personal assessment that Warhol was a great and ingenious artist while Goldsmith was an earthbound and pedestrian recorder of the visible. Justice Holmes admonished: You are judges. You are not art critics. Do not base your judgments on whether you think something has artistic merit.⁶¹

I think that if Kagan's position had been the majority position—so that it was now the law—its message would be either that any artist can take any other artist's work as long as the taking artist makes changes, or that freedom to take with changes will depend on whether the court deems the taking artist to be an artist of merit. Holmes cautioned against the latter view, and I believe he was right. We judges are not equipped to assess artistic merit.

Jane Ginsburg: Judge McKeown.

Judge McKeown: I'll just add that over the years, many opinions and many judges have invoked Holmes's admonition—and then gone on to be art critics. And that may be because some of the language used in the past decisions was focused on "is it a new expression?" But we now have some

58. *Id.* at 583, 587–88 (Kagan, J., dissenting).

59. *Id.* at 558.

60. *Id.* at 575.

61. See *Bleistein v. Donaldson Lithographing Co.*, 188 U.S. 239, 251 (1903) ("It would be a dangerous undertaking for persons trained only to the law to constitute themselves final judges of the worth of pictorial illustrations, outside of the narrowest and most obvious limits.").

limitations on that approach, so it remains to be seen whether judges will talk about the art critic world as a way of background, but not necessarily by way of judgment and whether *Warhol* will cabin judges and how they talk about artistic expression. So come back in ten years, and we will see what the impact of *Warhol* has been.

Jane Ginsburg: In shifting the analysis from whether the defendant's *work* was transformative to whether its *use* was transformative, I believe the *Warhol* majority may make those explorations of artistic merit less likely because the defendant's *work* may well be highly transformative in the artistic sense (as many claimed Warhol's treatment of Goldsmith's photograph was), but that does not matter if the defendant's *use* of its work substitutes for the licensing of the plaintiff's work (as Warhol's treatment did, the second time around). By contrast, the Second Circuit, in determining whether or not the use was transformative, did get a little bit into art criticism when it distinguished between having as the subject of the defendant's work a single work, and creating a new work based on multiple works. The greater the number of source works, the more likely the defendant's work is to be transformative of any of them. This approach recalls a very bad joke in copyright law that copying from one source is infringement, and copying from multiple sources is research. The advantage of the Supreme Court's approach, comparing the *uses* rather than getting into the artistic dependency of the defendant's work on the plaintiff's work, is that its inquiry into the similarities of the works' exploitations dispenses courts from considering the artistic merit or lack of it of the defendant's work.

Having said that, we'll see in ten years the extent to which courts actually maintain the difference between the transformativeness of the use and the transformativeness of the work.

Judge McKeown: Some of the language traded back and forth between the majority and dissent highlighted the sharp divide in the decisions. The majority said that the dissent's account of fair use is unbalanced in theory and perhaps relatedly in tone. And then, of course, the dissent comes back and says, well, the majority plants itself in the "I could paint that" school of criticism, which brought to my mind a scenario when I was practicing law. We had an art historian partner who had purchased some very interesting contemporary art. As the partners were looking at the price tag of some of this art, there was a lot of, "I could have done that," or, "My kid could have done that." But I thought it was interesting and somewhat illuminating, in *Warhol* that there was fairly pointed and critical language flowing between the majority and the dissent on many of the points that Jane has asked us about. The sharp tone highlighted the significance of this case going forward.

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