TECH 780/880
Copyright infringement exercise
Spring 2019

Here are excerpts from two cases involving the same defendant:

Mirage Editions, Inc. v. Albuquerque A.R.T. Co., 856 F.2d 1341 (9th Cir. 1988)

Since 1984, the primary business of appellant has consisted of: 1) purchasing artwork prints or books including good quality artwork page prints therein; 2) gluing each individual print or page print onto a rectangular sheet of black plastic material exposing a narrow black margin around the print; 3) gluing the black sheet with print onto a major surface of a rectangular white ceramic tile; 4) applying a transparent plastic film over the print, black sheet and ceramic tile surface; and 5) offering the tile with artwork mounted thereon for sale in the retail market. [The appellant did so with images in which the appellee owned copyrights.]

The Copyright Act of 1976, 17 U.S.C. § 101 defines a derivative work 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. 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."

What appellant has clearly done here is to make another version of Nagel's art works, and that amounts to preparation of a derivative work. By borrowing and mounting the preexisting, copyrighted individual art images without the consent of the copyright proprietors, appellant has prepared a derivative work and infringed the subject copyrights.

Appellant's contention that since it has not engaged in "art reproduction" and therefore its tiles are not derivative works is not fully dispositive of this issue. Appellant has ignored the disjunctive phrase "or any other form in which a work may be recast, transformed or adapted." The language "recast, transformed or adapted" seems to encompass other alternatives besides simple art reproduction. By removing the individual images from the book and placing them on the tiles, perhaps the appellant has not accomplished reproduction. We conclude, though, that appellant has certainly recast or transformed the individual images by incorporating them into its tile-preparing process.

We recognize that, under the "first sale" doctrine as enunciated at 17 U.S.C. § 109(a), appellant can purchase a copy of the Nagel book and subsequently alienate its ownership in that book. However, the right to transfer applies only to the particular copy of the book which appellant has purchased and nothing else. The mere sale of the book to the appellant without a specific transfer by the copyright holder of its exclusive right to prepare derivative works, does not transfer that right to appellant.

Lee v. A.R.T. Co., 125 F.3d 580 (7th Cir. 1997)

Annie Lee creates works of art. A.R.T. Company mounted the works on ceramic tiles (covering the art with transparent epoxy resin in the process) and resold the tiles. Lee contends that these tiles are derivative works, which under 17 U.S.C. § 106(2) may not be prepared without the permission of the copyright proprietor.

Now one might suppose that this is an open and shut case under the doctrine of first sale, codified at 17 U.S.C. § 109(a). A.R.T. bought the work legitimately, mounted it on a tile, and resold what it had purchased. Because the artist could capture the value of her art's contribution to the finished product as part of the price for the original transaction, the economic rationale for protecting an adaptation as "derivative" is absent. But § 106(2) creates a separate exclusive right, to "prepare derivative works", and Lee believes that affixing the art to the tile is "preparation," so that A.R.T. would have violated § 106(2) even if it had dumped the finished tiles into the Marianas Trench.

No one believes that a museum violates § 106(2) every time it changes the frame of a painting that is still under copyright, although the choice of frame or glazing affects the impression the art conveys, and many artists specify frames (or pedestals for sculptures) in detail. Muoz and Mirage Editions acknowledge that framing and other traditional means of mounting and displaying art do not infringe authors' exclusive right to make derivative works. If the framing process does not create a derivative work, then mounting art on a tile, which serves as a flush frame, does not create a derivative work. What is more, the ninth circuit erred in assuming that normal means of mounting and displaying art are easily reversible. A painting is placed in a wooden "stretcher" as part of the framing process; this leads to some punctures (commonly tacks or staples), may entail trimming the edges of the canvas, and may affect the surface of the painting as well. Works by Jackson Pollock are notoriously hard to mount without damage, given the thickness of their paint. As a prelude to framing, photographs, prints, and posters may be mounted on stiff boards using wax sheets, but sometimes glue or another more durable substance is employed to create the bond.

The tile is not an "art reproduction"; A.R.T. purchased and mounted Lee's original works. That leaves the residual clause: "any other form in which a work may be recast, transformed, or adapted." None of these words fits what A.R.T. did. Lee's works were not "recast" or "adapted". "Transformed" comes closer and gives the ninth circuit some purchase for its view that the permanence of the bond between art and base matters. Yet the copyrighted note cards and lithographs were not "transformed" in the slightest. The art was bonded to a slab of ceramic, but it was not changed in the process. It still depicts exactly what it depicted when it left Lee's studio.

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You represent Tiff Arment, an artist who creates (copyrighted) oil paintings. Arment also sells poster prints of those paintings.

Marc.O is a company that buys poster prints of artwork and makes framed oil-painting replicas from them. To make a replica, Marc.O treats a poster with a thin coat of acrylic paint, which causes the poster's ink layer to separate from the paper without ruining the image. The acrylic layer, now bearing the image from the poster, is then applied to a canvas. Once the image is on canvas and dries, Marc.O artists apply oil paint in brush strokes to the image, attempting to match the color and style of the original painting. After the brush strokes, a thin veneer of protective varnish is applied, similar to the type of varnish used for oil paintings. The canvas, complete with tangible "bumps" where the paint has been applied, is then placed in a museum-quality frame and sold.

Arment would like to sue Marc.O for copyright infringement. After reading *Mirage Editions* and *Lee,* consider potential strategies for distinguishing your case so that it will not be dismissed. In particular, think about how you might argue that Marc.O has reproduced Arment's work, created derivative works, or distributed works that are not subject to the first-sale doctrine.