MESSAGE FROM THE COMMITTEE

Dear ABA YLD Intellectual Property Law Committee Members,

Welcome to the first quarterly installment of the YLD Intellectual Property and Internet Law Committee Newsletter for the 2014–2015 bar year! Our Committee is dedicated to providing resources, opportunities, and knowledge to help young lawyers build their IP and Internet Law practices. The leadership of the Committee is here to serve you and your more than 400 (and growing!) fellow committee members!

Chair: Alexis A. Liistro
Vice-Chairs: Umar R. Bakhsh, Yuridia Caire, & Anthony Ciolli

As part of an effort to better understand what its committee members want and need from the ABA YLD, in general, and the IP Committee, more specifically, we will be sending out a survey in early 2015, which asks you questions about the issues and interests you all have as members of this Committee.

Sincerely,

Alexis A. Liistro
ABA YLD Intellectual Property Committee Chair
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ARTICLES

Summary Judgment for the Song of the Summer: The Court Takes a Hard Line Against Blurred Lines

By Eric Feder

On Oct. 30, 2014, a judge from the Central District of California denied the motion for summary judgment by Robin Thicke, Pharrell Williams, and Clifford “T.I.” Harris, Jr. in their copyright litigation against the heirs of Motown singer-songwriter Marvin Gaye over authorship of the hit single “Blurred Lines.”

The song—sung by Thicke, with a rap verse from T.I. and backing vocals from Williams, who also produced the music for the track—was the unofficial “Song of the Summer” of 2013. The track’s blend of falsetto-driven soul, funky percussion and a loose party atmosphere (complete with background whoops and hollers), helped it stand out among the monotonously thumping electronic dance hits that otherwise topped the charts that year. But to Marvin Gaye fans, those exact elements uncannily called to mind Gaye’s 1977 disco hit “Got to Give It Up.”

In August 2013, after Gaye’s children began publicly pointing out the similarities between the songs and hinting at the possibility of litigation, Thicke, Williams and T.I. filed a preemptive lawsuit seeking a declaratory judgment that “Blurred Lines” was not infringing. (The plaintiffs also sought a declaratory judgment that the song did not infringe the Funkadelic song “Sexy Ways,” but those claims were voluntarily dismissed in March 2014.) In their complaint, the plaintiffs alleged:

Plaintiffs, who have the utmost respect for and admiration of Marvin Gaye, Funkadelic and their musical legacies, reluctantly file this action in the face of multiple adverse claims from alleged successors in interest to those artists. Defendants continue to insist that plaintiffs’ successful composition, “Blurred Lines,” copies “their” compositions...

... The basis of the Gaye defendants’ claims is that “Blurred Lines” and “Got To Give It Up” “feel” or “sound” the same. Being reminiscent of a “sound” is not copyright infringement. The intent in producing “Blurred Lines” was to evoke an era. In reality, the Gaye defendants are claiming ownership of an entire genre, as opposed to a specific work.

The Gayes counterclaimed for copyright infringement of “Got to Give It Up,” and added a claim that Thicke’s 2011 single “Love After War” infringed a different song by Marvin Gaye, “After the Dance.”

The discovery phase of the case took some strange turns, particularly the depositions of the plaintiffs, which were unsealed after the summary judgment motions were filed. During interviews to promote the song before the litigation, Thicke had seemed to concede that “Blurred Lines” intentionally imitated (if not infringed) Gaye’s song. For example, in one interview, Thicke had stated that while he and Williams were in the studio, he commented that “Got to Give It Up” was one of his favorite songs of all time, and asked Williams to create “something with that groove.” They then created the full song “in about a half hour.” During his deposition, Thicke disavowed those statements, explaining that “he had a drug and alcohol problem for the year” and “didn’t do a sober interview.” He also explained that he had previously inflated his contribution to the composition of the song in the media because he was “envious”
of Williams, but that he was, in fact, “high on Vicodin and alcohol when [he] showed up at the studio.” As Thicke conceded, although he received songwriting credit for the composition, “the reality is, is that Pharrell [Williams] had the beat and he wrote almost every single part of the song.”

On July 22, 2014, the plaintiffs filed a motion for summary judgment. Thicke’s deposition testimony ended up having little effect on the court’s denial of the plaintiffs’ summary judgment motion. The court held that “Thicke’s inconsistent statements do not constitute direct evidence of copying,” because he “did not specify that [he] copied protected elements” of the compositions. (Slip Op. at 12.) Nevertheless, the court denied the plaintiffs’ motion.

Since there was no direct evidence of actual copying, and no dispute as to Gaye’s ownership of the copyrights or plaintiffs’ access to Gaye’s works, the motion turned on whether the two works were substantially similar. The court applied the two-part analysis set forth by the Ninth Circuit for determining substantial similarity: the “objective extrinsic test” and the “subjective intrinsic test.” On summary judgment, only the objective extrinsic test is relevant, because, as the court explained, “the subjective question whether works are intrinsically similar must be left to the jury.” (Slip Op. at 6.)

One of the critical issues for the motion was which aspects of Gaye’s composition were actually protectable. Both parties filed competing musicology expert reports purporting to show whether or not “Blurred Lines” copied protectable elements from “Got to Give It Up.” The plaintiffs claimed that the defendants’ analysis was fundamentally flawed because it was based on the recordings, not the compositions themselves. Thus, according to the plaintiffs, musical elements “such as the ‘groove’ of the sound recording, the sound of the instruments, or other recording or performance elements (e.g., falsetto singing, party noise)—simply have no bearing on the infringement claim here.” (Slip Op. at 8.)

This issue was complicated by the fact that Gaye’s compositions were created and registered prior to the effective date of the 1976 Copyright Act, and are thus protected under the 1909 Copyright Act. Under the earlier statute, a work was protected when it was published with the requisite notice of copyright protection, or, if unpublished, when the owner deposited a manuscript copy of the music in the copyright office. However, unlike the 1976 Act, releasing a sound recording of a composition did not constitute “publication” of a musical work under the 1909 Act. Thus, “in order to claim copyright in a musical work under the 1909 Act, the work had to be reduced to sheet music or other manuscript forum.” (Slip Op. at 10 (quoting Nimmer § 2.05[A] at 2-55).)

The problem for the Gayes’ position in the case is that, apparently, the only sheet music or manuscripts containing their father’s compositions at the time they were registered were the “lead sheets” for the songs that were deposited in the Copyright Office, which are skeletal outlines of the sheet music for the song “representing the lyrics and some of the melodic, harmonic, and rhythmic features that appear in the recorded works.” (Slip Op. at 7.) (Gaye’s widow testified that he did not write sheet music of the songs, and in fact did not fluently read sheet music at all.) Because the defendants had not produced evidence creating a genuine issue as to whether the copyrights in Gaye’s songs encompassed material other than that reflected in the lead sheets deposited with the Copyright Office, the court limited the scope of copyright protection of the defendants’ works to what was contained on the lead sheets. As a result, the court held that certain elements that the defendants’ musicologists had identified as substantially similar—including certain background vocal harmonies and hooks, “percussion choices,” use of falsetto in the vocal parts and the “use of party noises as accompanying
sound”—could not be considered in the court’s analysis of whether the plaintiffs’ songs were infringing.

The court also declined to consider the audio “mashup tracks” that the defendants’ experts prepared, juxtaposing and layering parts of “Blurred Lines” with parts of “Got to Give It Up.” The court explained that “to determine whether the works are substantially similar based on their sound is a subjective assessment that is the function of the factfinder at the time of trial. It is not to be performed by a court at the summary judgment phase.” (Slip Op. at 5 n.4.) In fact, it appears that numerous amateur “factfinders” are already engaged in exactly this analysis: A search on YouTube and other audio and video streaming services will produce dozens of fan-made “mashups” that place Marvin Gaye’s vocal over the backing track to “Blurred Lines,” or Robin Thicke’s vocal over the backing track to “Got to Give It Up.”

Ultimately, even with the more limited scope of protectable elements in the defendants’ works, and without consideration of the audio similarities between the recordings, the court had little trouble denying summary judgment. Based on the conflicting but credible musicological analyses of the parties’ experts, the court held that genuine issues of material fact existed with respect to whether the plaintiffs’ works copied protectable elements from the defendants’ works. Instead, these questions must be resolved at what promises to be a very colorful trial.

Use of Notorious Dictator’s Name and Likeness in Video Game is Protected Speech
By Diana Palacios

A jailed Central American dictator’s quest to hold a video game manufacturer liable for use of his likeness failed when Los Angeles Superior Court Judge William Fahey granted Activision Blizzard Inc.’s special motion to strike former Dictator Manuel Noriega’s lawsuit arising from the use of his likeness in the video game “Call of Duty: Black Ops II.” “Black Ops II” is a “first-person shooter” video game that is part of the “Call of Duty” franchise, a series of video games where the player assumes the role of different soldiers who have to carry out various missions in fictional warfare scenarios.

The court held that Activision’s First Amendment right to free expression outweighed Noriega’s right of publicity under the transformative use test. This decision adds to the ever-growing case law on the intersection between video games and the right of publicity by rejecting the Ninth Circuit Court of Appeal’s narrow interpretation of the transformative use test adopted in Keller v. Electronic Arts, 724 F.3d 1268 (9th Cir. 2013).

Background

Noriega was a Panamanian military general and later the dictator of Panama from the early 1980s to 1989 – according to the court, “Noriega is a notorious public figure, perhaps one of the more notable historical figures of the 1980’s.” In January 1990, he was captured by the U.S. military and brought to the United States, where he was convicted on several counts, including narcotics trafficking and racketeering. He was later convicted in France and Panama as well. Noriega remains imprisoned in Panama to this day.

On July 15, 2014, almost two years after “Call of Duty: Black Ops II” was released, Noriega sued Activision for violation of his right of publicity under California Civil Code § 3344, unjust
enrichment, and unfair business practices. In response, Activision filed a special motion to strike under the California anti-SLAPP statute.

Probability of Success on the Merits

During the hearing, Noriega’s counsel conceded that Activision had satisfied the first prong of California’s anti-SLAPP statute – that the suit arose from Activision’s constitutionally protected activities. Consequently, the court focused on the second prong, whether Noriega showed a probability of success on the merits.

After reviewing cases applying the transformative use test, primarily *No Doubt v. Activision, Inc.*, 192 Cal. App. 4th 1018 (2011), and based on largely undisputed facts, the court concluded that Activision’s use of Noriega’s likeness was transformative. A product containing a celebrity’s likeness is so transformed when it has become primarily the defendant’s own expression rather than the celebrity’s likeness. The inquiry boils down to whether the literal and imitative or the creative elements predominate in the work.

The court explained that Noriega’s character was created from publicly available images that were “part of the extensive ‘raw materials’ from which the game was synthesized” and his character was not the “very sum and substance” of the game. For instance, Noriega’s character was one of over 45 characters, which included other historical figures. He appeared in only two of eleven missions for no more than a few minutes and his likeness was not used in any of the game’s marketing or advertising. As a result, the court found that “Black Ops II” was a “complex and multi-faceted game” product of Activision’s “own expression, with *de minimis* use of Noriega’s likeness.”

Moreover, although the court believed that economic considerations were not relevant because the video game was transformative, it nevertheless concluded that the marketability and economic value of the game came from Activision’s creativity, skill, and reputation and not from Noriega. Therefore, Noriega’s right of publicity claim could not survive Activision’s First Amendment defense.

In a footnote, the court explained that despite Noriega’s “great reliance” on *Keller*, *Keller* is not binding authority to a Los Angeles Superior Court and “to the extent that *Keller* suggests that the entirety of the disputed work should not be considered under the second prong of the anti-SLAPP analysis, such reasoning is in conflict with the controlling California authorities cited herein and relied upon by this court.”

The court also dismissed Noriega’s unfair business practices claim because it was based on the same facts as his right of publicity claim.

Supreme Court Invalidates Software Patents Directed to Implementing Abstract Ideas

By Jake Freed

Today, the U.S. Supreme Court announced its highly anticipated opinion in *Alice Corp. Pty. Ltd. v. CLS Services, Inc.*, No. 13-298.

In *Alice Corp.*, the Court upheld an *en banc* decision of the United States Court of Appeals for the Federal Circuit invalidating patent claims drawn to a computerized scheme for mitigating risk...
in financial transactions. The Court held that the claims at issue were not patent eligible under Section 101 of the Patent Act because they were drawn to the “abstract idea of intermediated settlement, and that merely requiring generic computer implementation fails to transform that abstract idea into a patent-eligible invention.”

The Court’s ruling is significant in that it clarified not only the two-step process for determining patent eligibility under Section 101, but confirmed that that standard applies to all fields of endeavor.

Justice Thomas wrote for a unanimous Court.

Background

The claims at issue in Alice Corp. related to a “computerized scheme for mitigating ‘settlement risk’—i.e., the risk that only one party to an agreed-upon financial exchange will satisfy its obligation.” In particular, the claims were “designed to facilitate the exchange of financial obligations between two parties by using a computer system as a third-party intermediary.” The claims were drawn to a method of exchanging such obligations, as well as to systems and computer-readable media for performing the claimed methods. The Court made clear that “[a]ll of the claims are implemented using a computer.”

On summary judgment, the district court had held that the claims at issue were patent ineligible under 35 U.S.C. § 101 because they merely recited the abstract idea of “employing a neutral intermediary to facilitate simultaneous exchange of obligations in order to minimize risk.” On appeal to the Federal Circuit, a divided panel reversed the district court, holding that it was not “manifestly evident” that the claims were drawn to an abstract idea. Thereafter, the Federal Circuit granted en banc rehearing and this time affirmed the district court in a per curiam opinion, which was accompanied by a fragmented set of concurrences and dissents. In the lead opinion, a five-judge plurality held that none of the claims were patent eligible under Section 101, relying heavily on Supreme Court precedent suggesting that the claims were drawn to an abstract idea and were not sufficiently “inventive” despite the required intermediation of a computer.

The Supreme Court granted the patentee’s petition for writ of certiorari.

The Decision

The Court began with the fundamental principle of patent law that “[l]aws of nature, natural phenomena, and abstract ideas are not patentable.” It then recapitulated the framework, set forth in the recent biotechnology case, Mayo Collaborative Services v. Prometheus Laboratories, Inc., 566 U. S. ___ (2012), “for distinguishing patents that claim laws of nature, natural phenomena, and abstract ideas from those that claim patent-eligible applications of those concepts.” In Mayo, the Court established a two-step process for determining compliance with Section 101: first, the Court determines whether the claims at issue are directed to one of the patent-ineligible concepts—laws of nature, natural phenomena, or abstract ideas. If the answer to the first question is “yes,” the Court then determines whether the claims contain an “inventive concept”—i.e., an element or combination of elements that is ‘sufficient to ensure that the patent in practice amounts to significantly more than a patent upon the [ineligible concept] itself.’”

The Court held that the framework recited in Mayo is applicable to all manner of inventions, not just the biotechnology inventions that were at issue in Mayo. Turning to the claims at issue in Alice Corp., the Court readily found that the claims were drawn to an abstract idea. The Court
reasoned that, “[o]n their face, the claims before [it] are drawn to the concept of intermediated settlement, *i.e.*, the use of a third party to mitigate settlement risk,” and that “the concept of intermediated settlement is “a fundamental economic practice long prevalent in our system of commerce.”” The Court drew heavy analogy to its decision in *Bilski v. Kappos*, 561 U. S. 593 (2010), in which it had held that a method of hedging risk against price fluctuations was a patent-ineligible abstract idea. The Court explained that it “need not labor to delimit the precise contours of the ‘abstract ideas’ category” because “[i]t is enough to recognize that there is no meaningful distinction between the concept of risk hedging in *Bilski* and the concept of intermediated settlement at issue here.”

Finding that the claims at issue were drawn to an abstract idea, the Court then turned to the second prong of the analysis: the determination of whether the claims nonetheless included a sufficiently “inventive concept” to render themselves patent-eligible. The Court concluded that they did not, reasoning that “the mere recitation of a generic computer cannot transform a patent-ineligible abstract idea into a patent-eligible invention.” The Court reasoned that “[s]tating an abstract idea ‘while adding the words ‘apply it’’ is not enough for patent eligibility.” Nor, according to the Court, “is limiting the use of an abstract idea ‘to a particular technological environment.’”

In so holding, the Court rejected the patentee’s argument that “the claims are patent eligible because these steps ‘require a substantial and meaningful role for the computer.’” As the Court explained, the claims at issue “simply instruct the practitioner to implement the abstract idea of intermediated settlement on a generic computer.” According to the Court, the patentee’s method claims did not purport to improve the functioning of the computer itself, nor did they effect an improvement in any other technology or technical field.

After determining that the method claims were not patent eligible, the Court turned to the system and computer-readable medium claims, finding those, too, patent ineligible. The Court reasoned that “the system claims are no different from the method claims in substance. The method claims recite the abstract idea implemented on a generic computer; the system claims recite a handful of generic computer components configured to implement the same idea.”

**Takeaway**

In one respect, the *Alice Corp.* decision is a simple extension of the Supreme Court’s recent precedents in *Bilski* and *Mayo*, along with a number of the Court’s earlier decisions on the question of patent eligibility. *Alice Corp.* arguably takes the Court’s prior precedents a step further, however, by confirming that the framework set forth in *Mayo* applies to other fields of endeavor as well as to claims other than method claims. *Alice Corp.* makes clear that computer intermediation is not enough to render an abstract idea patent eligible.

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NEWS AND ANNOUNCEMENTS

ABA YLD Fall 2014 Conference Recap

ABA YLD Conferences are some of the great programming and networking opportunities that the ABA YLD provides. The Fall 2014 ABA YLD Conference was held in our current Chair’s (Andrew Schpak) hometown: Portland, OR. If you were not able to make it to this year’s ABA YLD Fall Conference, you can still access program materials and audio files online.

Upcoming ABA Events of Interest

ABA YLD Midyear Meeting Announcement

YLD Events at 2015 ABA Midyear Meeting will take place February 5–8, 2015 in Houston, TX. The Meeting will be held at the Hilton Americas (YLD) / George R. Brown Convention Center (ABA).

CALL FOR ARTICLE SUBMISSIONS

We are always looking for members that want to get involved, which honestly does not take a substantial time commitment. You can get involved by writing an article for the 101/201 Practice Series, letting the Committee Leadership know about events or CLE programming you want to see the Committee host, or any ideas or concerns you want to raise with the Committee or with the ABA YLD. We want this Committee to work for you and to meet your needs. And we will only be better able to do that if we hear from you!

If you are interested in writing a practice article, creating, or presenting a CLE program, or becoming more involved with the Committee, please contact Alexis A. Liistro.