No. 15-

IN THE

Supreme Court of the United States

MARK TOWLE,

Petitioner,

v.

DC COMICS,

Respondent.

ON PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE NINTH CIRCUIT

PETITION FOR A WRIT OF CERTIORARI

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QUESTIONS PRESENTED

The Ninth Circuit, in *Halicki Films LLC v. Sanderson Sales & Mktg.*, 547 F.3d 1213 (9th Cir. 2008), and in this case, held that the design of an automobile, which is not otherwise subject to copyright, is copyrightable when it can be construed as a "character" in a film or comic book. The questions presented, therefore, are:

1. Whether a court may judicially create a subject of copyright that was specifically and expressly excluded by Congress as such when Congress enacted The Copyright Act, thus circumventing the clear mandate of Congress and the U.S. Copyright Office;

2. Whether an automobile that does not display any personality traits or any consistent and widely-identifiable physical attributes can be separately protected by copyright as a "character"; and

3. Whether a determination of substantial similarity of protected expression must be made in a copyright case, independent of proof of copying.

PARTIES

The parties to this proceeding are Petitioner Mark Towle and Respondent DC Comics.

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Petitioner Mark Towle respectfully requests this Court to grant a Writ of Certiorari to review the opinion of the United States Court of Appeals for the Ninth Circuit on the issues of whether: (1) the Ninth Circuit has improperly afforded copyright protection to the design of a functioning automobile, in contravention of Congress's express intention; (2) the Ninth Circuit has impermissibly extended to an inanimate object the copyright protection that is afforded to "characters," by holding that an automobile, which does not display any personality traits or consistent and widely-identifiable physical attributes independent of the context in which it appears in a creative work, is entitled to separate copyright protection.

OPINIONS BELOW

The Order of the District Court granting in part and denying in part the motion for summary judgment of Respondent DC Comics is reported at *DC Comics v. Towle,* 989 F. Supp. 2d. 948 (C.D. Cal. 2013). The Order is attached as Appendix "B" to Petitioner's Appendix.

The Opinion of the Ninth Circuit, affirming the Order of the District Court is reported at *DC Comics v. Towle*, 802 F.3d 1012 (9th Cir. 2015). The opinion is attached as Appendix "A" to Petitioner's Appendix.

JURISDICTION

The opinion of the Court of Appeal for the Ninth Circuit was dated on September 23, 2015. On December 15, 2015 Justice Anthony Kennedy granted an extension until January 22, 2016.

The jurisdiction of this Court is invoked pursuant to 28 U.S.C. § 1254(1).

STATUTES

17 U.S.C. §102 protects "original works of authorship fixed in any tangible medium of expression," and specifies the following categories:

(1) literary works;

(2) musical works, including any accompanying words;

(3) dramatic works, including any accompanying music;

(4) pantomimes and choreographic works;

(5) pictorial, graphic, and sculptural works;

(6) motion pictures and other audiovisual works; and

(7) sound recordings.

Pursuant to Section 101 of the Copyright Act, the statutory definition of "pictorial, graphic, and sculptural works" states that:

> The design of a useful article, as defined in this section, shall be considered a pictorial, graphic, or sculptural work only, if, and only to the extent that, such design incorporates pictorial, graphic

> or sculptural features than can be identified separately from, and are capable of existing independently of, the utilitarian aspects of the article.

17 U.S.C. § 101.

17 U.S.C. §101 provides that "useful items" are only eligible for copyright protection if and to the extent that the design "incorporates pictorial, graphic, or sculptural features that can be identified separately from, and are capable of existing independently of, the utilitarian aspects of the article."

17 U.S.C. §103(a) provides that the subject matter of copyright as specified in Section 102 included derivative works. 17 U.S.C. §103(b) provides: "[t]he copyright in a compilation or derivative work extends only to the material contributed by the author of such work, as distinguished from the pre-existing material employed in the work. The copyright in such work is independent of, and does not affect or enlarge the scope, duration, ownership or subsistence of, any copyright protection in the pre-existing material."

STATEMENT OF THE CASE

A. Introduction

Petitioner Mark Towle (hereinafter "Towle") has established a reputation over the past twelve years as one of the finest designers of replica batmobiles in the world. Towle's replicas are not based upon any comic book version of the batmobile, but are created from the design

patents of George Barris and Anton Furst, which patents expired and fell into the public domain many years ago. Those "batmobiles" were depicted in the 1966 "Batman" television show and the 1989 "Batman" film, respectively. Towle was very careful not to design or build the replica batmobiles until the respective patents on each of Barris's and Furst's automobiles had expired.

DC Comics (hereinafter "DC") owns copyrights to various comic books depicting the fictional character, Batman, and over 100 separate versions (different makes, models, colors, shapes, and sizes) of automobiles that DC calls "batmobiles." DC sued Towle for copyright and trademark infringement notwithstanding that: (1) Congress expressly and specifically excluded automobile design as the subject of copyright protection; (2) Towle did not copy any material from a DC comic book; and (3) DC never obtained any rights from Barris or Furst to their car designs.

Congress made it very clear, when it enacted the Copyright Act, that automobiles and other "useful items" are not copyrightable. Moreover, the U.S. Copyright Office has indicated, quite unequivocally, that automobile designs are not copyrightable. Yet, the Ninth Circuit has circumvented these very clear edicts, in this case and in *Halicki Films LLC v. Sanderson Sales & Mktg.*, 547 F.3d 1213 (9th Cir. 2008), by simply holding, as a matter of law, that an automobile – in this case the "batmobile" – is a *character*.[1]

1. In *Halicki*, the Ninth Circuit held that an automobile *may* be construed as a character, and remanded the case to the District Court for the jury to make that determination. In this case, the

As a result of this ruling, Towle has been permanently enjoined from manufacturing, displaying, exhibiting, or selling any version of any automobile that DC labeled a "batmobile," whether or not he calls it a "batmobile." By this ruling, DC, which is not in the business of manufacturing automobiles, effectively has been granted the exclusive right to manufacture automobiles featuring any of the more than 100 designs of the batmobile.

It is Towle's position that: (1) it is improper for the courts arbitrarily to create an exception to such a very clear mandate by Congress; and (2) even if this exception properly exists, the batmobile could not be a character because, among other reasons, DC created over 100 "batmobiles," with very different characteristics,[2] and no consistent, widely-identifiable traits, as is required in order to achieve the status of a *character*. *See Walt Disney Productions v. Air Pirates*, 581 F.2d 751 (9th Cir. 1978).

Finally, the Ninth Circuit's analysis was flawed because the court failed to filter out the unprotectable, functional elements of the automobiles before it conducted its infringement analysis, and erroneously found that the 1966 and 1989 batmobiles (and Towle's replicas thereof) were derivative of the batmobiles that appeared in DC's comic books.

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court goes one step further by making its own determination, as a matter of law, that the dozens of diverse automobiles that were drawn by DC constitute one composite "character," worthy of copyright protection.

2. Most, if not all, of these were based upon the designs of existing automobiles to which DC certainly does not own the copyrights.

It is apparent that both the District Court and the Ninth Circuit, having found that Towle infringed DC's *trademark* by calling his automobiles "batmobiles," and affixing bat logos onto the vehicles, made up their minds about this case early in the process. However, if one were to eliminate all of the *trademark* issues (as Towle would like to do by continuing to manufacture these automobiles without using any of DC's trademarks), what is left is nothing more than a murky chain of title and serious questions concerning the copyrightability of automobiles in general and of specific automobile parts.

B. The Batmobiles

1. The Batmobiles That Appear In DC's Comic Books

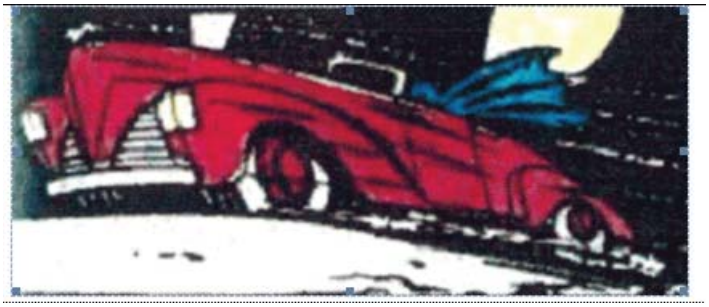
DC is engaged in the business of publishing comic magazines. A drawing of an automobile called a "batmobile" was originally introduced in a comic book by DC in 1941.

Since the first batmobile appeared in 1941, DC has created, in its comic books, dozens of automobiles, with different makes, models, colors, shapes, and sizes, that it has called "batmobiles." As demonstrated below, the Batmobiles that appear in the DC comic books vary dramatically in appearance and style:

Detective Comics # 48

- Red Car
- Convertible
- No Bat Motif
- No fins
- 1940's style car

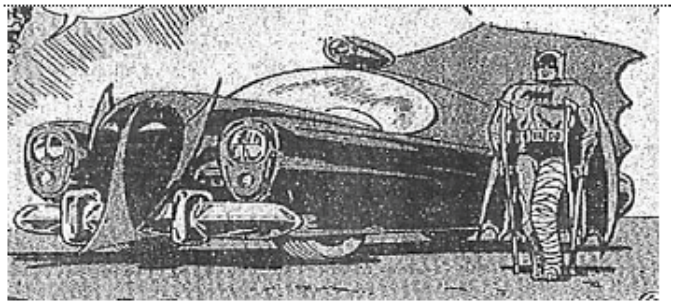
Petitioner's Supplemental Appendix (hereinafter "SA") 12.



Detective Comics #156

- Very large bat face on car's front hood
- Single large fin at back of car - not a convertible
- 1940's Packard style car

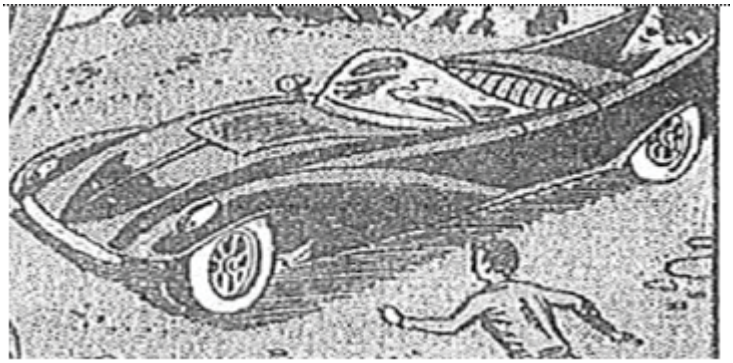
SA 13.



Batman #164

- Convertible car
- Round headlights
- White-walled tires
- Two fins at back of car
- Rounded hood
- Bat face on car's hood
- 1960's Corvette style car

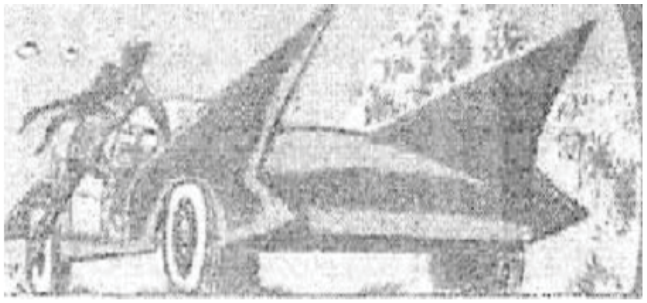
SA. 14.



Detective Comics #341

- Two severe looking bat fins at car's rear
- White wall tires
- Front of car not displayed in comic
- Appears to be 1960's Corvette style car

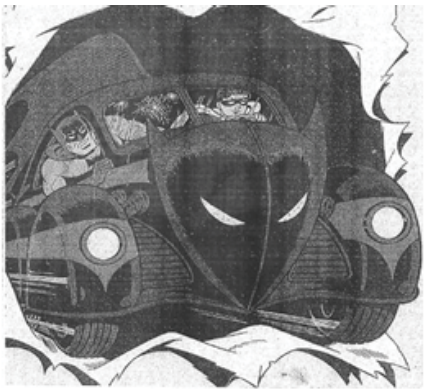
SA 15.



Batman #20

- Appears similar to Batmobile in #156
- Large bat on front of hood
- One large fin on car's rear
- 1940's Packard style car

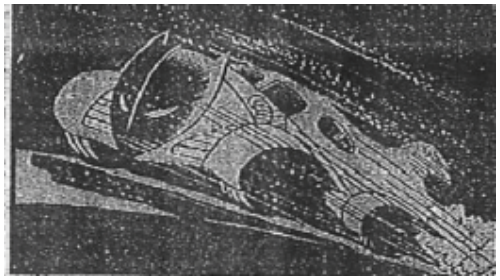
SA 16.



Batman #5

- Bat face appears in front of car
- No headlights
- Tank looking wheels
- One large fin at car's rear

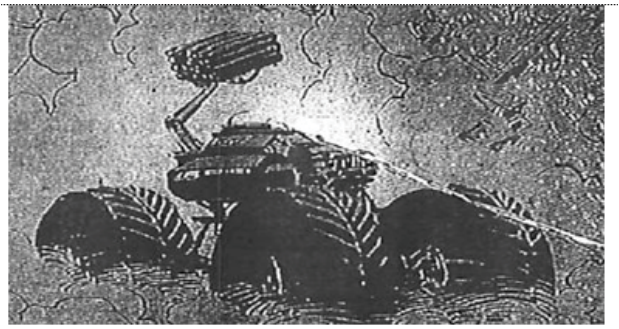
SA 17.



Batman: The Cult #4

- Large tractor-looking vehicle
- Large tractor-type tires
- Clear bubble at top of car where passenger sits
- Mechanical arm that sticks out of car

SA 18.



Batman #408 cover

- Two doors
- Muscle-type car
- No fins
- Not a convertible
- Batman logo license plate
- Black hood with design of two white triangle-looking wings on hood

SA 19.



2. The 1966 Batmobile – Designed By George Barris

The 1966 batmobile was designed by George Barris. Barris built the 1966 batmobile in 15 days, using a one-of-a-kind 1955 Lincoln Futura as the base.

The 1955 Lincoln Futura (SA 20):



Barris's 1966 Batmobile (SA 21):



When Barris was designing the 1966 batmobile, he did not review any drawings, photographs, or comic books. Instead, he visualized the design completely by himself, and built the 1966 batmobile based completely on his own design, which was not based on any of DC's comic books, or on anyone else's drawings. Barris obtained a design patent on the 1966 batmobile (Patent No. 205,998) on October 18, 1966. SA 22.

The copyright claimants for the "Batman" television episodes, which display the 1966 Barris batmobile, are "Greenway Productions, Inc. & Twentieth Century Fox Television, Inc." (significantly *not* DC). The registrations do not indicate that the "works" are derivative works or compilations.

3. The 1989 Batmobile – Designed By Anton Furst

The 1989 batmobile was designed and built by Anton Furst, pursuant to a work for hire agreement with Warner Bros. Productions, Limited (again, significantly *not* DC). Furst obtained a design patent on the 1989 Batmobile on November 6, 1990 (Design No. 311,882). SA 24-28. Furst is the only person listed on the design patent as the inventor of the 1989 Batmobile. SA 24.

Furst's 1989 Batmobile (SA 23):



C. Towle And His Replica Cars

Towle owns and operates Gotham Garage, which specializes in the manufacture of replicas of automobiles featured in motion pictures and television programs. Towle has been in the business of making replica cars since 2001. Towle has made replicas of famous cars such as the Mach 5 from the "Speed Racer" cartoon, "The Munsters" coach, and "The Flinstones" car.

Although Towle builds other replica cars, about 60% of the replicas that he creates are batmobile replicas. Towle only manufactures batmobiles that are replicas of the 1966 Barris batmobile and the 1989 Furst batmobile. He purposely did not begin manufacturing the replicas based on these two cars until after the respective patents on each of the automobiles had expired.

Although Towle's replica 1966 batmobile is *based on* Barris's 1966 batmobile, the two vehicles are not identical.

Similarly, although Towle's replica 1989 batmobile is *based on* Furst's 1989 batmobile, those two automobiles are not identical either.

D. The Lawsuit Filed By DC Against Towle

DC filed a complaint against Towle on May 16, 2011 for, among other claims, copyright infringement and trademark infringement. With respect to the copyright infringement claim, DC alleged that Towle infringed 22 of DC's copyrights that were listed in Exhibit "A" to the Complaint. On November 22, 2011, DC filed a First Amended Complaint that was virtually identical to the

original Complaint, except that DC added 13 additional comic books to the list of works that were allegedly infringed.

Nowhere in the First Amended Complaint does DC allege infringement of the 1966 "Batman" *television series* or the 1989 "Batman" *motion picture*, which depicted the 1966 batmobile and the 1989 batmobile, respectively.

E. The District Court's Order Granting DC's Motion For Summary Judgment

On December 26, 2012, the parties each filed motions for partial summary judgment. By his motion, Towle sought an order determining that he did not infringe DC's copyrights or trademarks. By its motion, DC sought an order determining that Towle infringed DC's copyrights and trademarks, and that Towle engaged in unfair competition.

On February 7, 2013, the District Court entered an order granting DC's motion for partial summary judgment as to DC's claims for trademark infringement, copyright infringement, and unfair competition, and denying Towle's motion. Petitioner's Appendix (hereinafter "Pet. App.") at 74a.

A Judgment and Order Re Permanent Injunction were entered by the District Court on February 22, 2013.

F. The Ninth Circuit's Opinion

Towle appealed the District Court's judgment to the United States Court of Appeals for the Ninth Circuit. On

September 23, 2015, the Ninth Circuit issued an opinion affirming the order of the District Court. Pet. App. at 29a. The court held that the batmobiles that appeared in the Batman comic books collectively were entitled to copyright protection as a *character* because they were a sufficiently distinctive element of the work. Pet. App. at 18a.

Upon concluding that the batmobile was a "character," entitled to full copyright protection, and that the batmobiles from the 1966 television series and the 1989 motion picture were derivative of DC's works, the Ninth Circuit concluded that Towle infringed its copyright when he produced replicas of these two automobiles. Pet. App. at 26a.

The court, rather than applying its traditional two-part "substantial similarity" test to determine whether a plaintiff has established copying of constituent elements that are original, it chose not to apply any such substantial similarity test because Towle had already admitted that he copied portions of the 1966 and 1989 batmobiles. Pet. App. at 26a.

REASONS FOR GRANTING CERTIORARI

I. INTRODUCTION

The law in every circuit except for the Ninth Circuit is that the design of an automobile, like the design of any other utilitarian object, is not eligible for copyright protection. "Useful items" are only eligible for copyright protection if, and to the extent that, the design "incorporates pictorial, graphic, or sculptural features that can be identified separately from, and are capable of

existing independently of, the utilitarian aspects of the article." 17. U.S.C. §101. Congress has expressed that it specifically intended not to grant copyright protection to automobile designs. Moreover, the U.S. Copyright Office has confirmed this mandate by announcing that, although "a drawing or photograph of an automobile . . . may be copyrighted . . . that does not give the artist the exclusive right to make automobiles . . . of the same design." http://www.copyright.gov/register/va-useful.html.

The Ninth Circuit has completely ignored this mandate, conjuring up an exception to this non-copyrightability rule. Indeed, it has arbitrarily slapped the imprimatur of a "character" onto an inanimate object, an automobile (or, in this case, *several* automobiles) called a "batmobile," holding that such "character" status renders the design of an automobile subject to copyright.

Moreover, the court engages in this tortured analysis while abusing its own test for the determination of a "character." In order to achieve "character" status, the so-called character must have consistent, widely-identifiable, physical attributes. Yet, the Ninth Circuit in this case has made a factual determination that a batmobile is a character, and that DC owns that character, notwithstanding that the various batmobiles that were depicted in DC's comic books have no consistent or widely-identifiable physical traits or attributes whatsoever. [3]

Significantly, once the Ninth Circuit made the erroneous finding that the dozens of different makes,

3. At the very least, that factual determination should have been made by the jury, as in *Halicki*.

models, colors, shapes, and sizes of batmobiles in DC's comic books collectively constituted one composite, protectable "character," it then summarily concluded that the batmobiles that were depicted in the 1966 "Batman" television show (to which DC does not own the copyright) and the 1989 "Batman" motion picture (to which DC does not own the copyright), were derivative works. The court then made the further leap that Towle's functional automobiles are *infringing* works[4] of DC's drawings.[5] The court did so without conducting any analysis as to: (1) what, if any, similarities existed between any one of those dozens of automobiles and Towle's batmobiles, the first of which was a pre-existing (Lincoln) automobile and the second of which had a Chevrolet chassis; or (2) whether Towle's batmobiles contained any new, original expression.

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4. Neither the District Court nor the Ninth Circuit indicated which specific copyrights were infringed. DC did not attach any copyright certificates to the complaint, and identified only 35 copyrights, out of the thousands of Batman-related copyrights that it claims to own, during the entire litigation. It is impossible to ascertain which one of those copyrights could possibly have been infringed.

5. It is inconceivable that, by drawing images in a comic book that are patterned after real automobiles, DC could suddenly own the copyright to those automobiles. If an automobile may be copyrighted, then it was DC that actually infringed the copyrights of many, many automobile manufacturers, in which case its own works constituted unauthorized derivative works. DC claims, and the Ninth Circuit has held, that, by drawing various existing automobiles, DC not only owns the copyright to its comic book pages, but also to the (pre-existing) automobiles depicted thereon, to the exclusion of everyone who would manufacture such automobiles – presumably including the original manufacturers.

Had the entire opinion of the Ninth Circuit not been infected with the erroneous conclusion that the 1966 and 1989 batmobiles were derivative works that incorporated a protectable DC "character," the court typically would have (and should have) conducted the extrinsic test to determine whether Towle's automobiles and DC's automobiles shared any substantial similarities of protectable expression. This analysis would have required the court to filter out all of the unprotectable elements that appear in the DC automobiles, and would have led to the correct conclusion that there are no substantial similarities of *protectable expression* between Towle's functioning automobiles and the DC automobiles.

This case presents substantial issues of law, among which are: (1) whether the Ninth Circuit has ignored the express mandate of Congress and the Copyright Office, as well as the law throughout the circuits, by holding that functional automobiles are subject to copyright protection; and (2) whether the Ninth Circuit has impermissibly extended the protection that is afforded to "characters" under copyright law by finding that inanimate objects that do not display any personality traits, or any consistent and widely-identifiable physical attributes, can be separately protected as characters.

II. THE NINTH CIRCUIT'S HOLDING IMPROPERLY GRANTS DC COPYRIGHT OWNERSHIP IN FUNCTIONING AUTOMOBILES.

In passing the Copyright Act of 1976, Congress attempted to distinguish between protectable "works of applied art" and "industrial designs not subject to copyright protection." *See* H.R. Rep. No. 1476, 94th Cng.,

2d Sess. 54, reprinted in 1976 U.S. Code Cong. & Admin. News 5659, 5667 (hereinafter "H.R. Rep. No. 1476"). The "works of art" classification that was present in the Copyright Act of 1909 was omitted, and replaced by reference to "pictorial, graphic, and sculptural works." *See* 17 U.S.C. § 102(a)(5). According to the House Report, the new category was intended to supply "as clear a line as possible between copyrightable works of applied art and uncopyrighted works of industrial design." H.R. Rep. No. 1476, at 55; U.S. Code Cong. & Admin. News 1976, at 5668.

Pursuant to Section 101 of the Copyright Act, the statutory definition of "pictorial, graphic, and sculptural works" states that:

> The design of a useful article, as defined in this section, shall be considered a pictorial, graphic, or sculptural work only, if, and only to the extent that, such design incorporates pictorial, graphic or sculptural features that can be identified separately from, and are capable of existing independently of, the utilitarian aspects of the article.

17 U.S.C. § 101.

Significantly, the legislative history provides the following with respect to the criteria for separate identity and independent existence, as used in Section 101:

> . . . although the shape of an industrial product may be aesthetically satisfying and valuable, the Committee's intention is not to offer it copyright protection under the bill. Unless the

> shape of an *automobile*, airplane, ladies' dress, food processor, television set, or any other industrial product contains some element that, physically or conceptually, can be identified as separate from the utilitarian aspects of that article, the design would not be copyrighted under the bill.

H.R. Rep. No. 1476 at 55; U.S. Code Cong. & Admin. News 1976, at 5668 (emphasis added).

A "useful article" is defined as follows:

> A "useful article" is an article having an intrinsic utilitarian function that is not merely to portray the appearance of the article or to convey information. An article that is normally a *part of* a useful article is considered a useful article.

17 U.S.C. § 101 (emphasis added).

Although utilitarian articles are not the subject of copyright, a pictorial, graphic, or sculptural work within a useful item, on rare occasion, may be the subject of copyright protection, but only if it "can be identified separately from, and are capable of existing independently of, the utilitarian aspects of the [useful] article." 17 U.S.C. § 101. This is known as "separability."

The courts have recognized two types of separability: *physical* separability, and *conceptual* separability:

> Physical separability means that a "pictorial, graphic or sculptural feature incorporated into the design of a useful article . . . can be physically separated from the article without impairing the article's utility, and if, once separated, it can stand alone as a work of art traditionally conceived." Conceptual separability means that 'a pictorial, graphic or sculptural feature "can stand on its own as a work of art traditionally conceived, and . . . the useful article in which it is embodied would be equally useful without it."

Leicester v. Warner Bros., 232 F.3d 1212, 1236 n.3 (9th Cir. 2000) (citations omitted).

In addition, the U.S. Copyright Office has clearly, consistently, and unambiguously stated that automobile designs are not copyrightable, and that a drawing of an automobile does not give the artist the exclusive right to make automobiles of the same design. *See* Copyright Office Circular 40 *Copyright Registration For Pictorial, Graphic and Sculptural Works.*

Indeed, the law throughout the circuits is that "utilitarian objects," including automobiles, are generally not afforded copyright protection. *Esquire, Inc. v. Ringer*, 591 F.2d 796, 803 (D.C. Cir. 1978) ("Unless the shape of an automobile, airplane, ladies' dress, food processor, television set, or any other industrial product contains some element that, physically or conceptually, can be identified as separable from the utilitarian aspects of that article, the design would not be copyrighted under the bill."); *see also Carol Barnhart Inc. v. Econ. Cover Corp.*, 773 F.2d 411, 426, n.3 (2d Cir. 1985); *Varsity Brands, Inc.*

v. Star Athletica, LLC, 799 F.3d 468, 497, n.6 (6th Cir. 2015); *Norris Indus. v. Int'l Tel. & Tel. Corp.*, 696 F.2d 918, 924, n.8 (11th Cir. 1983); *ELTRA Corp. v. Ringer*, 579 F. 2d 294, 301, n.10 (4th Cir. 1978).

Notwithstanding the clear weight of authority in other circuits, the Ninth Circuit's decision in this matter affords DC copyright protection in the design of an automobile. It has done so by improperly injecting the concept of a "character" into inanimate, functional objects, without taking into consideration the context in which the functional items appear, and without making any determination of separability.

Specifically, after holding that DC owns a character that is based upon drawings of various automobiles (that DC calls "batmobiles") in its comic books, the Ninth Circuit found, without conducting any analysis or providing any basis therefor, that the 1966 automobile that was designed by George Barris, and the 1989 automobile that was designed by Anton Furst, were derivative works that stemmed from DC's more than 100 automobiles, and therefore necessarily incorporated DC's batmobile character. Pet. App. at 23a to 24a. Accordingly, when Towle created functioning automobiles that were based on the 1966 batmobile and the 1989 batmobile, the Ninth Circuit concluded that Towle infringed the DC "batmobile character" that was incorporated into the 1966 and 1989 batmobiles.

Significantly, however, the 1966 and 1989 batmobiles – taken out of the context in which they appear – *i.e.*, the "Batman" television series and motion picture in which the batmobiles are portrayed – are simply (functioning)

automobiles. The batmobile "character" was not portrayed in the *automobiles* that were designed for, and used in, those productions; rather, it is the surrounding context – the world that was created around those automobiles – in the series and movie where the attributes of this supposed "character" are displayed and invoked, *i.e.*, the dramatic portrayal of the batmobile as "swift, cunning, strong, and elusive . . . sleek and powerful . . . highly interactive." Towle's automobiles are none of those.[6]

Accordingly, the Ninth Circuit's conclusion that Towle's automobiles infringed DC's copyrights because they incorporate DC's batmobile "character" is improper, because it gives DC, the creator of diverse and rudimentary batmobile comic book drawings, copyright ownership in designs of automobiles that it did not create, and that are not protected by copyright.

III. THE NINTH CIRCUIT IMPROPERLY CONCLUDED THAT THE 1966 AND 1989 BATMOBILES WERE DERIVATIVE WORKS.

In concluding that the 1966 and 1989 batmobiles were derivative works (and that Towle's batmobile was therefore *per se* an infringement), the court failed to conduct *any* analysis as to which elements of the 1966

6. It is difficult to comprehend how the court could ascribe these adjectives to a functional automobile, without a script making it so. Although they look like the 1966 Barris batmobile and the 1989 Furst batmobile, they are not "swift," "cunning," "strong," "elusive," "sleek," "powerful," or "highly interactive." In fact, Towle's automobiles are just automobiles; they do not display any of these characteristics – nor could they without a script describing them as such.

and 1989 batmobiles were new and original, and which elements were derivative and based on DC's prior works. Essentially, the Ninth Circuit made a determination that the 1966 and 1989 batmobiles were derivative works simply because they were called "batmobiles." Under the Ninth Circuit's analysis, literally anything that is called a "batmobile" – a bicycle, a motorcycle, a skateboard, or even an airplane – would have been a derivative work.

The Ninth Circuit's presumption that the 1966 and 1989 batmobiles are derivative works is flawed. A derivative work is defined as:

> a work based on one or more pre-existing works, such as a translation, 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.

17 U.S.C. § 101.

The term "derivative work" does not refer to all works that borrow in any degree from pre-existing works. Melville B. Nimmer & David Nimmer, Nimmer on Copyright (hereinafter "Nimmer"), §3.01 at 3-3 (Matthew Bender Rev. Ed.). Additionally, a work is not derivative unless it has *substantially* copied from a prior work. *Id.* If what is borrowed consists merely of ideas and not of the *expression* of ideas, then, although the work may

have in part been derived from prior works, it is not a derivative work. *Id.* (citing *Reyher v. Children's Television Workshop*, 533 F.2d 87 (2d Cir.) (Treatise quoted), *cert. denied*, 429 U.S. 980 (1976)).

Copyright in a derivative work covers only those elements contained therein that are original with the copyright claimant. *Nimmer*, §3.04 at 3-22.9. A derivative work does not *per se* render protectable the pre-existing or underlying work upon which the later work is based. *See id.* As set forth in Section 103(b):

> The copyright in a compilation or derivative work extends only to the material contributed by the author of such work, as distinguished from the pre-existing material employed in the work. The copyright in such work is independent of, and does not affect or enlarge the scope, duration, ownership or subsistence of, any copyright protection in the pre-existing material.

17 U.S.C. § 103(b).

If the underlying work is itself protected by copyright, then the copyright in the derivative work or collective work *neither nullifies nor extends the protection accorded to the underlying work*. *Nimmer*,§3.04 at 3-22.9 (citing 17 U.S.C. §103(b) (emphasis added)). Thus, the copyright owner of the underlying work does not as such become the copyright owner of the material added in a collective or derivative work incorporating such underlying work. *Id.* at n.4 (citations omitted).

In the instant matter, there is no evidence that either the 1966 or the 1989 batmobile is derivative of DC's batmobiles[7] – other than the name "batmobile." Both the 1966 and 1989 batmobiles contain new, original elements of design that were patented, and are not reflected in any of DC's batmobiles.[88]

With respect to the 1966 batmobile, Barris used a one-of-a-kind 1955 Lincoln Futura as the base, and he independently created all of the elements that he added to the Futura without reference to any of DC's comic books or anyone else's drawings.

Similarly, there is no evidence that supports a finding that the 1989 batmobile is derivative of any of DC's batmobiles. The 1989 batmobile, which was built on a Chevrolet Impala chassis, exhibits a long and low, very futuristic design, and a drill-like device at the front of the car. The rear of the 1989 batmobile contains two very

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7. In fact, it is not even clear that DC's batmobile designs in its comic books contain *any* original expression. Indeed, most, if not all, of the "batmobiles" that were drawn in DC's comic books were based on models of preexisting vehicles. Accordingly, pursuant to Section 103 of the Copyright Act, DC could only own the copyright to the original, non-utilitarian features that it added to the existing vehicles, which were none.

8. Although, for example, the 1966 batmobile and *some* of the comic book batmobiles have fins and curved windshields, these elements are not protected by copyright because: (1) many cars have fins and curved windshields; and (2) those characteristics are functional elements which, on their own, cannot support a finding of substantial similarity. *See e.g.*, *Norris Industries, Inc. v. International Telephone & Telegraph Corp.*, 696 F.2d 918, 923-925 (11th Cir.), cert. den., 464 U.S. 818 (1983).

large, gothic bat fins, which (even if fins on a car could be protected by copyright – which they cannot), are not even remotely similar to any of the fins that appear on any of the comic book batmobiles.

In contrast, the comic book batmobiles are primarily based on either 1940's or 1960's-style cars, and they contain smaller fins, just one fin, or no fins. In fact, one version even looks like a tractor.

It appears that the *only* truly shared characteristics that the 1966 and 1989 batmobiles and Towle's batmobile have with any of DC's batmobiles is that they are all called "batmobiles," and they are all driven by Batman. Significantly, however, because the name "batmobile" is protected by *trademark* law, and not *copyright* law, the fact that these automobiles are called "batmobiles" cannot support a finding that the 1966 and 1989 batmobiles are derivative of the DC batmobile(s), or that Towle's automobile, which has never been driven by Batman, is an infringing work.

Essentially, the Ninth Circuit has predicated liability on Towle's use of an *idea*, which is clearly not the proper subject of copyright. 17 U.S.C. § 102 ("In no case does copyright protection for an original work of authorship extend to any idea, procedure, process, system, method of operation, concept, principle, or discovery, regardless of the form in which it is described, explained, illustrated, or embodied in such work"); *see also*, *Feist Publications, Inc. v. Rural Telephone Serv. Co.*, 499 U.S. 340, 351 (1991) (citing *Harper & Row Publishers v. Nation Ents.*, 471 U.S. 539, 547 (1985) ("No author may copyright facts or ideas. The copyright is limited to those aspects of the

work – termed 'expression' – that display the stamp of the author's originality.").

IV. THE NINTH CIRCUIT'S OPINION IS ALSO FLAWED BECAUSE IT FAILED TO ANALYZE WHETHER TOWLE'S AUTOMOBILES COPIED ANY PROTECTABLE EXPRESSION FROM DC.

Once the Ninth Circuit found that the batmobile "character" was embodied in the 1966 and 1989 batmobiles, and that Towle's automobiles were based on them, it neglected to analyze whether Towle actually copied any protectable expression from DC, *i.e.*, whether Towle's automobiles were substantially similar to any protected expression by DC. Instead, the court decided that such an analysis was not necessary:

> [h]aving established that the Batmobile character is entitled to copyright protection, and that DC owns a copyright to this character as it appears in the 1966 television series and 1989 motion picture, we conclude that Towle infringed upon these copyrights when he produced replicas of the Batmobiles. While we ordinarily apply a two-part 'substantial similarity' test to determine whether a plaintiff has established 'copying of constituent elements of the work that are original' ....we need not do so where, as here, the copying of the substance of the entire work is admitted.

Pet. App. at 26a.

The flaw in the Ninth Circuit's approach here is that its failure to conduct any analysis as to whether Towle copied any protectable expression was based on the improper assumption that the 1966 and 1989 Batmobiles were derivative works that contained DC's batmobile character. This assumption allowed the court to impose liability on Towle, without first ascertaining whether Towle's functional automobiles even copied *any* protectable expression of DC.[9]

The court should have analyzed whether the works were substantially similar. The Ninth Circuit's implication that a substantial similarity test is only necessary when attempting to ascertain whether "copying" has occurred is simply wrong. A determination of substantial similarity is necessary independent of proof of copying. Indeed, even where the fact of copying is conceded, no legal consequences will follow from that fact unless the copying is *substantial*. *See Newton v. Diamond*, 388 F.3d 1189, 1192-93 (9th Cir. 2004).

This would have required the court to first distinguish between the protectable and unprotectable material that appeared in the batmobiles, "because a party claiming infringement may place no reliance upon any similarity in expression resulting from unprotected elements." *Apple v. Microsoft*, 35 F.3d 1435, 1446 (9th Cir. 1994).

9. Even if the court were correct that the 1966 and 1989 batmobiles were derivative works (of DC's comics), it would still be necessary to determine whether or not there was substantial similarity of protected expression between Towle's automobiles and the 1966 and 1989 automobiles, and between Towle's automobiles and DC's automobiles. Towle's admission that he copied portions of the 1966 and 1989 automobiles does not establish copyright infringement *per se*.

Of course, any elements that appear in the DC batmobiles that are functional are not entitled to copyright protection, and therefore must be filtered out before conducting the extrinsic test. In other words, only those items that are conceptual and capable of existing on their own are relevant to the substantial similarity analysis. *See Norris Industries, Inc. v. International Telephone & Telegraph Corp.*, *supra*, 696 F.2d at 923-925.

After filtering out the unprotectable elements from the DC batmobiles, there are no substantial similarities of protectable expression whatsoever that warrant a finding of copyright infringement.

V. THE NINTH CIRCUIT'S OPINION THAT THE BATMOBILE IS A CHARACTER IMPERMISSIBLY EXTENDS THE SEPARATE COPYRIGHT PROTECTION THAT IS GIVEN TO A CHARACTER BEYOND WHAT ANY OTHER CIRCUITS HAVE ALLOWED.

Although copyright protection has been afforded to characters since Judge Learned Hand's decision in *Nichols v. Universal Pictures Corp.*, 45 F.2d 119 (2d Cir. 1930), the protection has been limited to characters that are "distinctively delineated," and "sufficiently delineated and defined" to merit protection. *See Nichols v. Universal Pictures Corp.*, 45 F.2d at 121; *Olson v. National Broadcasting Co.*, 855 F.2d 1446, 1452 (9th Cir. 1988); *Rice v. Fox Broad. Co.*, 330 F.3d 1170, 1175 (9th Cir. 2003).

The Ninth Circuit in this case ruled that the batmobile displayed consistent, identifiable character traits and

attributes,[10] finding that "the Batmobile has maintained distinct physical and conceptual qualities since its first appearance in the comic books in 1941," as a "highly-interactive vehicle, equipped with high-tech gadgets and weaponry used to aid Batman in fighting crime," that "is almost always bat-like in appearance, with a bat-themed from end, bat wings extending from the top or back of the car, exaggerated fenders, a curved windshield, and bat emblems on the vehicle." However, the court's factual finding here is not only improper; it is completely unsupported by the record.

Indeed, the batmobile has appeared in more than 100 variations in the comic books, many of which did not include any "bat-like" appearance whatsoever. On occasion, the batmobile appeared simply as a 1940s Packard or a Chevrolet. On other occasions, it was portrayed as a muscle-type car, or one of many other makes and models of automobiles, or even a tractor. These stark variations in appearance simply do not support a finding that the dozens of DC versions of batmobiles displayed the requisite widely-consistent and recognizable traits to establish separate copyright protection for a character. The batmobile is not like Mickey Mouse or Popeye, who always look the same.

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10. In fact, after reviewing precedent, the Ninth Circuit articulated a new test concerning the protectability of characters: "First, the character must generally have physical as well as conceptual qualities. Second, the character must be sufficiently delineated to be recognizable as the same character whenever it appears. Considering the character as it has appeared in difference productions, it must display consistent, identifiable character traits and attributes, although the character need not have a consistent appearance. Third, the character must be especially distinctive and contain some unique elements of expression." Pet. App. at 14a to 15a.

Nor does the batmobile contain any distinctive or unique elements of expression. Although the Ninth Circuit found that the batmobile is not merely a stock character because "[i]n addition to its status as Batman's loyal bat-themed sidekick complete with the character traits and physical characteristics described above, the Batmobile also has its unique and highly recognizable name." (Pet. App. at 17a to 18a) However, as discussed above, the name "batmobile" is protected by trademark, and is *not* protected by copyright.[11]

Even in *Halicki Films LLC v. Sanderson Sales & Mktg.*, 547 F.3d 1213 (9th Cir. 2008), although the Ninth Circuit *considered* whether the car "Eleanor" in the motion picture "Gone In Sixty Seconds" could be construed as a character, the court remanded the "fact-intensive" issue (of determining the existence of a character) to the District Court in order to determine whether the car's physical, conceptual, and unique elements of expression qualified the car as a character that warrants copyright protection. *Halicki*, *supra*, 557 F.3d at 1225.[12]

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11. In fact, although the U.S. Copyright Office will register visual arts that depict a character, such as drawings, sculptures, and paintings, a " registration for such works extends to the particular authorship depicted in the deposit material, but does not extend to unused characteristics of the character that are not depicted in the deposit. ***Nor does it cover the name*** or the general idea of the character." *See* SA 5 (Compendium of U.S. Copyright Office Practices, Circular 40A (3d Ed., December 22, 2014) (emphasis added)).

12. It is Towle's position that *Halicki* was also wrongly decided, as it, too, flies in the face of the mandate by Congress and the U.S. Copyright Office that automobiles are not copyrightable.

In this case, the Ninth Circuit took the next step and made a finding that drawings of dozens of automobiles are protected collectively as a character, and that, as a matter of law, Towle's automobile infringes that character. However, because Towle's automobile, when not called a "batmobile," and without Batman driving it, is simply a functioning automobile, and has no separate life as a character on its own, the Ninth Circuit has extended the separate protection that may be given to a character much too far, and in very stark contravention to Congress's intent.[13]

As discussed above, the DC batmobiles clearly do not exhibit the widely-consistent and recognizable traits that otherwise might allow them to receive protection as a character. *See Walt Disney Productions v. Air Pirates*, 581 F.2d 751 (9th Cir. 1978) (finding that Mickey Mouse was in fact "the story being told," given the high degree of recognition and identification).

Moreover, although the Ninth Circuit found that the batmobile "is a crime-fighting car with sleek and powerful characteristics that allow Batman to maneuver quickly..." (Pet. App. at 16a), and "contains the most updated weaponry," (Pet. App. at 17a), it is clear that these "character traits and attributes" are not portrayed in the *automobiles* that were designed for and used in those productions. Rather, it is the surrounding context that was

13. The Ninth Circuit's decision here is even quite a leap from its own prior decision in *Olson v. NBC*, 855 F.2d 1446, 1451 (9th Cir. 1988), in which the court stated that "characters ordinarily may not be copyrighted. *Id.* at 1451 (citing *Warner Bros. Pictures, Inc. v. Columbia Broadcasting System, Inc.*, 216 F.2d 945, 950 (9th Cir. 1954)).

created around those automobiles in the series and movie where the attributes of DC's character are displayed and invoked, *i.e.*, the dramatic *portrayal* of the batmobile.

Taken out of the context of appearing in the television series or the motion picture, the 1966 and 1989 batmobiles are simply *automobiles* that do not exhibit any of the fantastical elements that appear in the fictional productions, *i.e.*, the automobiles are not characters. It was these *automobiles* upon which Towle based his replicas.

Accordingly, by conflating the fictional context in which the batmobiles appeared with the design of the actual cars, the Ninth Circuit has improperly extended the protection that is given to characters to a functional and inanimate object that is otherwise not subject to copyright.

VI. THE POTENTIAL RAMIFICATIONS OF THIS CASE ARE DRAMATIC AND PERVASIVE.

Congress could not be more clear that it did not intend automobiles and other useful items to be subject to copyright. If the Ninth Circuit's opinion is upheld in this case, then anyone will be able to obtain copyright protection for any useful item, simply by drawing it in a comic book, and calling it a character.

In accordance with just the facts of this case alone, Lincoln Motor Company cannot enjoin Towle from manufacturing its 1955 Futura, but DC can do so. General Motors cannot enjoin Towle from manufacturing the automobiles that DC drew in its comics, but DC can do so. Moreover, to bring the absurdity full circle, under

the Ninth Circuit's analysis, DC theoretically could sue Lincoln and General Motors for manufacturing their own automobiles, as long as DC chose to draw them in its comics.

Moreover, this decision is much broader and more comprehensive than applying just to batmobiles. Under the holding of this case, if Ford Motor Company wants to protect the design of its new line of pick-up trucks, all that it would have to do is to create a comic book in which the trucks are "characters."[14] At that point, if another auto company sold a truck that looked similar to the Ford truck, Ford could sue the competitor for copyright infringement. By simply drawing one of its trucks in a comic book and calling it a character, Ford would thus obtain 95 years of protection for its car design, instead of the 14-year protection that Congress intended it to receive pursuant to a design patent.

This "exception" to the rule of non-copyrightability of useful items certainly would not just be limited to automobiles. Any company would be able to obtain a 95-year monopoly on the design of virtually any useful item, simply by drawing the item in a comic book (or book or movie), and making a character out of it. If, for example, a company wanted a monopoly on a particular blender, whether or not the company held a patent to the blender, all that it would have to do is draw a picture of the blender, place it in a comic book, and call it "Super Blender," and it would enjoy that monopoly for the next 95 years. The same analysis would apply to clothing, cell phones, watches, refrigerators, bicycles, guns, and every other useful item.

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14. Worse, General Motors could obtain copyright protection for the *Ford* truck, simply by drawing the Ford in a comic book.

The apparent absurdity of these examples is only exceeded by the true absurdity of the Ninth Circuit's opinion. Towle did not copy a single drawing that appeared in DC's comic books; he did not use a single "gadget" that DC drew; he did not even make a movie depicting any of those drawings. He manufactured two automobiles, nothing more. He did not tell a story about the automobile; he did not describe the automobile as swift, cunning, strong, elusive, sleek, powerful, or highly interactive; nor did he design it as such. He simply manufactured two automobiles, after waiting for the patents on each to expire.

Congress clearly expressed its intent that automobiles are not to be the subject of copyright; yet, the Ninth Circuit has completely circumvented that mandate by unilaterally conjuring up a "character" exception. Towle respectfully requests that this Court enforce Congress's mandate and confirm that useful items are not protected by copyright, and that there are no exceptions to this rule.

CONCLUSION

For all of the foregoing reasons, the Petition for a Writ of Certiorari should be granted to review the opinion of the Ninth Circuit Court of Appeal.

January 22, 2016

Respectfully submitted,

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APPENDIX

APPENDIX A — OPINION OF THE UNITED STATES COURT OF APPEALS FOR THE NINTH CIRCUIT, FILED SEPTEMBER 23, 2015

UNITED STATES COURT OF APPEALS
FOR THE NINTH CIRCUIT

No. 13-55484

D.C. No. 2:11-cv-03934-RSWL-OP

DC COMICS,
Plaintiff-Appellee,
v.
MARK TOWLE, AN INDIVIDUAL,
DBA GARAGE GOTHAM,
Defendant-Appellant.

Appeal from the United States District Court
for the Central District of California
Ronald S.W. Lew, Senior District Judge, Presiding

February 5, 2015, Argued and Submitted,
Pasadena, California
September 23, 2015, Filed

Before: Michael J. Melloy,* Jay S. Bybee,
and Sandra S. Ikuta, Circuit Judges.

Opinion by Sandra S. Ikuta

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* The Honorable Michael J. Melloy, Senior Circuit Judge for the U.S.Court of Appeals for the Eighth Circuit, sitting by designation.

Appendix A

OPINION

IKUTA, Circuit Judge:

We are asked to decide whether defendant Mark Towle infringed DC Comics' exclusive rights under a copyright when he built and sold replicas of the Batmobile, as it appeared in the 1966 television show *Batman* and the 1989 film *BATMAN*. Holy copyright law, Batman!

I

DC Comics (DC) is the publisher and copyright owner of comic books featuring the story of the world-famous character, Batman. Since his first comic book appearance in 1939, the Caped Crusader has protected Gotham City from villains with the help of his sidekick Robin the Boy Wonder, his utility belt, and of course, the Batmobile.

Originally introduced in the Batman comic books in 1941, the Batmobile is a fictional, high-tech automobile that Batman employs as his primary mode of transportation. The Batmobile has varied in appearance over the years, but its name and key characteristics as Batman's personal crime-fighting vehicle have remained consistent. Over the past eight decades, the comic books have continually depicted the Batmobile as possessing bat-like external features, ready to leap into action to assist Batman in his fight against Gotham's most dangerous villains, and equipped with futuristic weaponry and technology that is "years ahead of anything else on wheels."

Appendix A

Since its creation in the comic books, the Batmobile has also been depicted in numerous television programs and motion pictures. Two of these depictions are relevant to this case: the 1966 television series *Batman*, starring Adam West, and the 1989 motion picture *BATMAN*, starring Michael Keaton.

The 1966 *Batman* television series was the product of a licensing agreement between DC's predecessor, National Periodical Publications, Inc. (National Periodical) and the American Broadcasting Company (ABC). In 1965, National Periodical entered into a licensing agreement with ABC (the 1965 ABC Agreement) in which it granted ABC "an exclusive license to produce a series of half-hour television programs … based upon the literary property consisting of the comic book and comic strip stories entitled 'Batman' … including the characters therein." This exclusive right included the right to "translate, adapt, [or] arrange" the Batman literary property "to such extent as ABC may desire" in the making of the television programs, and the right to secure copyrights in the television programs produced. The agreement also provided that "[a]ll rights in the property not specifically granted to ABC are hereby reserved to and may be exercised by National at all times during the term of this agreement" except as otherwise expressly stated in the agreement. National Periodical's reserved rights included "[a]ll rights of publication," and the exclusive merchandising rights to all products manufactured or distributed under the name of any character in the Batman comic books.

Under this agreement, ABC (through a series of sublicensing agreements) produced the 1966 television show starring Adam West as Batman. In addition to Batman, Robin, and the use of visual onomatopoeia that flashed on screen during fight scenes—Pow! Boff! Thwack!—the television series featured the Batmobile. The design of the Batmobile did not directly copy any iterations of the Batmobile as it appeared in the comic books. As in the comic books, however, the Batmobile in the 1966 television show maintained a bat-like appearance and was equipped with state-of-the-art weaponry and technology.[1]

In 1979, DC again licensed its rights in the Batman literary property, this time to Batman Productions, Inc. (BPI). In the agreement (the 1979 BPI Agreement), DC granted BPI the exclusive right to create a motion picture based on the "Property," which was defined to include "[t]he names, titles, fictional locations and fictional conveyances … as depicted and contained in the comic magazines [published by DC], which are identifiable with or associated with the fictional character known as 'Batman,' such as … that certain conveyance known as the 'Batmobile.'" The 1979 BPI Agreement also granted BPI the right to "adapt, use, … modify, [or] alter … the Property" for the purpose of producing the motion picture. Like the 1965 ABC Agreement, the 1979 BPI Agreement provided that "[a]ll rights in the Property not specifically

1. A photo of the Batmobile depicted in the 1966 television series, as well as a photo of Towle's replica of this Batmobile, can be found in Appendix A.

granted to" BPI under the agreement "are reserved to DC and may be exercised by DC at all times without any limitation or restriction whatsover except as specifically set forth herein." These reserved rights included "[a]ll rights of publication in and to the Property," as well as "[a]ll 'merchandising rights'" in "products manufactured or distributed under the name of or using a representation of 'Batman' or any other character or thing included in the Property … or under a name which incorporates any phrase, clause or expression used in DC's comic strips or comic magazines … ."

BPI subsequently sub-licensed its rights to Warner Bros., Inc., who eventually (through a number of additional sub-licensing agreements) produced the 1989 motion picture *BATMAN*, starring Michael Keaton as Batman. Like the 1966 television series, the 1989 motion picture featured a Batmobile that was physically distinct from the Batmobile portrayed in the comic books and the 1966 television series. Nonetheless, the Batmobile as portrayed in the motion picture retained a bat-like physical appearance and was again equipped with futuristic technology and crime-fighting weaponry.[2]

Defendant Mark Towle produces replicas of the Batmobile as it appeared in both the 1966 television show and 1989 motion picture as part of his business at Gotham Garage, where he manufactures and sells replicas

2. A photo of the Batmobile depicted in the 1989 motion picture, as well as a photo of Towle's replica of this Batmobile, can be found in Appendix B.

of automobiles featured in motion pictures or television programs. Towle concedes that these replicas copy the designs of the Batmobile as depicted on television and in the motion picture, though they do not copy every feature. Towle then sells these vehicles for approximately $90,000 to "avid car collectors" who "know the entire history of the Batmobile." Towle also sells kits that allow customers to modify their cars to look like the Batmobile, as it appeared in the 1966 television show and the 1989 motion picture.

Before DC brought this lawsuit, Towle advertised each replica as the "Batmobile," and used the domain name *batmobilereplicas.com* to market his business. He also advertised that the replicas included such features as "custom bat insignias, wheel bats, [and a] bat steering wheel," and would attract attention due to the fame of the Batmobile. By his own admission, Towle is not authorized by DC to manufacture or sell any products bearing DC's copyright or trademark.

In May 2011, DC filed this action against Towle, alleging, among other things, causes of action for copyright infringement, trademark infringement, and unfair competition arising from Towle's manufacture and sale of the Batmobile replicas.[3] Towle denied that he had infringed upon DC's copyright. He claimed that the Batmobile as it

3. DC clearly asserted in both its original and amended complaint that the Batmobile in all of its forms, including the 1966 television program and 1989 motion picture, is copyrightable subject matter owned by DC. We thus reject Towle's argument that DC has failed to identify the copyrights at issue in this case.

appeared in the 1966 television show and 1989 motion picture was not subject to copyright protection. Alternatively, Towle argued that DC did not own the copyright in the Batmobile as it appeared in either production. Towle also asserted the affirmative defense of laches. The parties subsequently filed cross motions for partial summary judgment as to DC's trademark, copyright, and unfair competition claims, and as to Towle's laches defense.

In a published order, the district court granted in part and denied in part DC's motion for summary judgment, and denied Towle's cross motion for summary judgment. *DC Comics v. Towle*, 989 F. Supp. 2d 948 (C.D. Cal. 2013). First, the district court held that the Batmobile was a character entitled to copyright protection. In reaching this conclusion, the district court made a number of findings. Among other things, it found that the Batmobile "is known by one consistent name that identifies it as Batman's personal vehicle," and, although some of its physical traits have changed over time, several have remained consistent, including its "high-tech gadgets and weaponry," "bat-like motifs," and its jet black color. Additionally, the district court found that the Batmobile is always "depicted as being swift, cunning, strong and elusive," and is even portrayed as a "superhero" and "Batman's sidekick, if not an extension of Batman's own persona."[4]

We thus reject Towle's argument that DC has failed to identify the copyrights issue in this case.

4. The district court also concluded, in the alternative, that the 1966 and 1989 Batmobiles were entitled to copyright protection as a sculptural work under 17 U.S.C. § 102(a)(5). Because we agree that the Batmobile is a character entitled to copyright protection, we need not reach this issue.

Second, the district court held that DC maintained a copyright in the Batmobile as it appeared in both the 1966 television show and the 1989 motion picture based on its ownership of the merchandising rights. Alternatively, the district court concluded that DC owns a copyright in the Batmobile as it appeared in each production because the appearance of the Batmobile in each production was derived from the Batmobile depicted in DC's comic books. Finally, the district court concluded that Towle infringed upon DC's copyright because he copied the Batmobile as it appeared in the 1966 and 1989 productions in his replicas. Accordingly, the district court granted summary judgment on the copyright infringement claim to DC.

The district court also granted summary judgment to DC on Towle's affirmative laches defense to the trademark infringement claim. The court found that Towle admitted that he knew of the Batman property and the various bat emblems and symbols, and did not dispute "that he intentionally copied the designs" of the Batmobile as it appeared in the 1966 television show and 1989 motion picture, which included DC's Batman trademarks. He also intentionally referred to his replicas as "Batmobiles." Therefore, the court concluded that Towle acted in bad faith and intentionally copied DC's trademarks "so as to associate his products with the *Batman* films and television show."

Finally, the court denied DC's summary judgment motion on Towle's laches defense to the copyright infringement claim because it determined that there was a genuine dispute of fact as to whether Towle was

aware that copying the Batmobile as it appeared in the 1966 television show and 1989 motion picture constituted copyright infringement.

After the district court issued its decision, the parties entered into a joint stipulation in which they agreed that the district court would enter a judgment against Towle on DC's copyright infringement and other claims. They also agreed that, except as provided in the stipulation, all claims were to be dismissed with prejudice. The district court entered a judgment consistent with this stipulation on February 22, 2013, and Towle timely appealed.

Because the parties entered into a stipulation that finalized the district court order, we have jurisdiction over this appeal under 28 U.S.C. § 1291. *See Dannenberg v. Software Toolworks Inc.*, 16 F.3d 1073, 1074-75 (9th Cir. 1994).

II

In order to prevail on its claim for copyright infringement, DC must prove that it owns a copyright in the Batmobile as it appeared in the 1966 television series and 1989 movie, and that Towle infringed that copyright by creating unauthorized replicas. *See Entm't Research Grp., Inc. v. Genesis Creative Grp., Inc.*, 122 F.3d 1211, 1217 (9th Cir. 1997).

To the Batmobile!

Appendix A

A

We begin with the question whether the Batmobile, as it appears in the comic books, television series, and motion picture, is entitled to copyright protection. *See Ets-Hokin v. Skyy Spirits, Inc.*, 225 F.3d 1068, 1073 (9th Cir. 2000). In the context of copyright law, where, as here, "the question requires us to consider legal concepts in the mix of fact and law and to exercise judgment about the values that animate legal principles, … the question should be classified as one of law and reviewed de novo." *Harper House, Inc. v. Thomas Nelson, Inc.*, 889 F.2d 197, 201 (9th Cir. 1989).

Courts have recognized that copyright protection extends not only to an original work as a whole, but also to "sufficiently distinctive" elements, like comic book characters, contained within the work. *Halicki Films, LLC v. Sanderson Sales & Mktg.*, 547 F.3d 1213, 1224 (9th Cir. 2008). Although comic book characters are not listed in the Copyright Act, we have long held that such characters are afforded copyright protection. *See Walt Disney Productions v. Air Pirates*, 581 F.2d 751 (9th Cir. 1978). In *Air Pirates*, for instance, we considered a number of subversive comic books that portrayed well-known Disney characters as being active participants in "a free thinking, promiscuous, drug ingesting counterculture." *Id.* at 753. In holding that the Disney characters were copyrightable (and that Disney's copyright in those characters had been infringed), we distinguished a prior decision suggesting that literary "characters ordinarily are not copyrightable," *id.* at 755 (citing *Warner Bros.*

Pictures, Inc. v. Columbia Broad. Sys., Inc., 216 F.2d 945 (9th Cir. 1954)), on the grounds that a comic book character "has physical as well as conceptual qualities" and "is more likely to contain some unique elements of expression" than a purely literary character. *Id.*[5] (citing *Detective Comics, Inc. v. Bruns Publications Inc.*, 111 F.2d 432 (2d Cir. 1940) (holding that comic book characters are copyrightable); *Fleischer Studios v. Freundlich*, 73 F.2d 276 (2d Cir. 1934) (same); *King Features Syndicate v. Fleischer*, 299 F. 533 (2d Cir. 1924) (same)). We subsequently held that characters in a television series or a motion picture may also be entitled to copyright protection. *See Olson v. National Broadcasting Co.*, 855 F.2d 1446 (9th Cir. 1988).

Not every comic book, television, or motion picture character is entitled to copyright protection. We have held that copyright protection is available only "for characters that are especially distinctive." *Halicki*, 547 F.3d at 1224. To meet this standard, a character must be "sufficiently delineated" and display "consistent, widely identifiable traits." *Rice v. Fox Broadcasting Co.*, 330 F.3d 1170 (9th Cir. 2003) (citing *Toho Co., Ltd. v. William Morrow & Co., Inc.*, 33 F. Supp. 2d 1206, 1215 (C.D. Cal.1998) (Godzilla)). A masked magician "dressed in standard magician garb" whose role "is limited to performing and revealing the

5. We later indicated that the analysis in *Warner Bros. Pictures, Inc. v. Columbia Broad Syst., Inc.*, regarding the noncopyrightability of literary characters was dicta or an alternative holding. *See Walt Disney Productions*, 581 F.2d at 755 n.10; *see also Olson v. National Broadcasting Co.*, 855 F.2d 1446, 1452 n.6 (9th Cir. 1988) (same).

magic tricks," for example, is not "an 'especially distinct' character differing from an ordinary magician in a manner that warrants copyright protection." *Id.* Further, characters that have been "lightly sketched" and lack descriptions may not merit copyright protection. *Olson*, 855 F.2d at 1452-53.

We have previously determined that an automotive character can be copyrightable. *See Halicki*, 547 F.3d at 1224. In *Halicki*, we considered whether "Eleanor," a car that appeared in both the original 1971 and 2000 remake motion picture *Gone in 60 Seconds*, could be entitled to copyright protection as a character. *Id.* at 1224-25. Considering Eleanor's persistent attributes in both the original and remake of *Gone in 60 Seconds*, we concluded that Eleanor met some of the key factors necessary to qualify for copyright protection. *Id.* at 1225. We first noted that Eleanor was more like a comic book character than a literary character given Eleanor's "physical as well as conceptual qualities." *Id.* We also stated that Eleanor "displays consistent, widely identifiable traits and is especially distinctive." *Id.* (alteration, citation, and internal quotation marks omitted). We gave several examples of these traits. First, we noted that "[i]n both films, the thefts of the other cars go largely as planned, but whenever the main human character tries to steal Eleanor, circumstances invariably become complicated." *Id.* Second, we noted that in the original, "the main character says 'I'm getting tired of stealing this Eleanor car,'" and in the remake "the main character refers to his history with Eleanor." *Id.* Despite this evidence of distinctive traits, we were sensitive to the fact that the

district court had implied that Eleanor was deserving of copyright protection, but had not directly examined this "fact-intensive issue." *Id.* Therefore, we remanded the issue to the district court to decide in the first instance. *Id.*

As indicated in *Halicki*, a character may be protectable if it has distinctive character traits and attributes, even if the character does not maintain the same physical appearance in every context. As the Eighth Circuit has recognized, "the presence of distinctive qualities apart from visual appearance can diminish or even negate the need for consistent visual appearance." *Warner Bros. Entm't, Inc. v. X One X Prods.*, 644 F.3d 584, 599 n.8 (8th Cir. 2011). For example, in *Halicki*, Eleanor's ability to consistently disrupt heists by her presence was more pertinent to our analysis of whether the car should qualify as a sufficiently distinctive character than Eleanor's make and model. 547 F.3d at 1225. Indeed, *Halicki* put no weight on the fact that Eleanor was a customized yellow 1971 Fastback Ford Mustang in one film, and a silver 1967 Shelby GT-500 in another.

Similarly, district courts have determined that James Bond, Batman, and Godzilla are characters protected by copyright, despite their changes in appearance. *See Metro-Goldwyn-Mayer, Inc. v. Am. Honda Motor Co.*, 900 F. Supp. 1287, 1295-96 (C.D. Cal. 1995) (James Bond) (cited with approval in *Rice*); *Toho Co. v. William Morrow & Co.*, 33 F. Supp. 2d 1206, 1216 (C.D. Cal. 1998) (Godzilla) (cited with approval in *Rice*); *Sapon v. DC Comics*, No. 00 CIV. 8992(WHP), 2002 U.S. Dist. LEXIS 5395, 2002 WL 485730, at *3-4 (S.D.N.Y. Mar. 29, 2002) (Batman).

In each instance, courts have deemed the persistence of a character's traits and attributes to be key to determining whether the character qualifies for copyright protection. The character "James Bond" qualifies for copyright protection because, no matter what the actor who portrays this character looks like, James Bond always maintains his "cold-bloodedness; his overt sexuality; his love of martinis 'shaken, not stirred;' his marksmanship; his 'license to kill' and use of guns; his physical strength; [and] his sophistication." *Metro-Goldwyn-Mayer*, 900 F. Supp. at 1296. Similarly, while the character "Godzilla" may have a different appearance from time to time, it is entitled to copyright protection because it "is always a pre-historic, fire-breathing, gigantic dinosaur alive and well in the modern world." *Toho Co.*, 33 F. Supp. 2d at 1216. In short, although James Bond's, Godzilla's, and Batman's "costume and character have evolved over the years, [they have] retained unique, protectable characteristics" and are therefore entitled to copyright protection as characters. *Sapon*, 2002 U.S. Dist. LEXIS 5395, 2002 WL 485730, at *3-4.

We read these precedents as establishing a three-part test for determining whether a character in a comic book, television program, or motion picture is entitled to copyright protection. First, the character must generally have "physical as well as conceptual qualities." *Air Pirates*, 581 F.2d at 755. Second, the character must be "sufficiently delineated" to be recognizable as the same character whenever it appears. *See Rice*, 330 F.3d at 1175. Considering the character as it has appeared in different productions, it must display consistent,

identifiable character traits and attributes, although the character need not have a consistent appearance. *See Halicki*, 547 F.3d at 1224. Third, the character must be "especially distinctive" and "contain some unique elements of expression." *Halicki*, 547 F.3d at 1224. It cannot be a stock character such as a magician in standard magician garb. *Rice*, 330 F.3d at 1175. Even when a character lacks sentient attributes and does not speak (like a car), it can be a protectable character if it meets this standard. *Halicki*, 547 F.3d at 1224.

We now apply this framework to this case. Because (unlike in *Halicki*) the district court here addressed this question in detail, we consider its factual findings in analyzing this issue. *Cf. Halicki*, 547 F.3d at 1225. First, because the Batmobile has appeared graphically in comic books, and as a three-dimensional car in television series and motion pictures, it has "physical as well as conceptual qualities," and is thus not a mere literary character. *Air Pirates*, 581 F.2d at 755.

Second, the Batmobile is "sufficiently delineated" to be recognizable as the same character whenever it appears. *See Rice*, 330 F.3d at 1175. As the district court determined, the Batmobile has maintained distinct physical and conceptual qualities since its first appearance in the comic books in 1941. In addition to its status as "a highly-interactive vehicle, equipped with high-tech gadgets and weaponry used to aid Batman in fighting crime," the Batmobile is almost always bat-like in appearance, with a bat-themed front end, bat wings extending from the top or back of the car, exaggerated

fenders, a curved windshield, and bat emblems on the vehicle. This bat-like appearance has been a consistent theme throughout the comic books, television series, and motion picture, even though the precise nature of the bat-like characteristics have changed from time to time.

The Batmobile also has consistent character traits and attributes. No matter its specific physical appearance, the Batmobile is a "crime-fighting" car with sleek and powerful characteristics that allow Batman to maneuver quickly while he fights villains. In the comic books, the Batmobile is described as waiting "[l]ike an impatient steed straining at the reins … shiver[ing] as its super-charged motor throbs with energy" before it "tears after the fleeing hoodlums" an instant later. Elsewhere, the Batmobile "leaps away and tears up the street like a cyclone," and at one point "twin jets of flame flash out with thunderclap force, and the miracle car of the dynamic duo literally flies through the air!"[6] Like its comic book counterpart, the Batmobile depicted in both the 1966 television series and the 1989 motion picture possesses "jet engine[s]" and flame-shooting tubes that undoubtedly give the Batmobile far more power than an ordinary car. Furthermore, the Batmobile has an ability to maneuver that far exceeds that of an ordinary car. In the 1966 television series, the Batmobile can perform an "emergency bat turn" via reverse thrust rockets. Likewise, in the 1989 motion picture, the Batmobile can enter "Batmissile" mode, in which the Batmobile sheds "all

6. This episode causes Robin to exclaim "Whee! The Batplane couldn't do better!"

material outside [the] central fuselage" and reconfigures its "wheels and axles to fit through narrow openings."[7]

Equally important, the Batmobile always contains the most up-to-date weaponry and technology. At various points in the comic book, the Batmobile contains a "hot-line phone … directly to Commissioner Gordon's office" maintained within the dashboard compartment, a "special alarm" that foils the Joker's attempt to steal the Batmobile, and even a complete "mobile crime lab" within the vehicle. Likewise, the Batmobile in the 1966 television series possesses a "Bing-Bong warning bell," a mobile Bat-phone, a "Batscope, complete with [a] TV-like viewing screen on the dash," and a "Bat-ray." Similarly, the Batmobile in the 1989 motion picture is equipped with a "pair of forward-facing Browning machine guns," "spherical bombs," "chassis-mounted shinbreakers," and "side-mounted disc launchers."

Because the Batmobile, as it appears in the comic books as well as in the 1966 television show and 1989 motion picture, displays "consistent, identifiable character traits and attributes," the second prong of the character analysis is met here.

Third, the Batmobile is "especially distinctive" and contains unique elements of expression. In addition to its status as Batman's loyal bat-themed sidekick complete with the character traits and physical characteristics

7. Towle submitted a chart to the district court setting forth these features.

described above, the Batmobile also has its unique and highly recognizable name. It is not merely a stock character.

Accordingly, applying our three-part test, we conclude that the Batmobile is a character that qualifies for copyright protection.

Towle raises two arguments against this conclusion. First, he points out that the Batmobile has at times appeared without its signature sleek "bat-like" features. He notes that in a 1988 comic book rendition, the Batmobile appears as a heavily armored tank with large tires and a rocket launcher. The Batmobile portrayed in the 1989 motion picture could also transform into a Batmissile. As we have noted, however, a consistent appearance is not as significant in our analysis as consistent character traits and attributes. The changes in appearance cited by Towle resemble costume changes that do not alter the Batmobile's innate characteristics, any more than James Bond's change from blue swimming trunks (in *Casino Royale*) to his classic tuxedo affects his iconic character. In context, the depictions of the Batmobile as a tank or missile promote its character as Batman's crime-fighting super car that can adapt to new situations as may be necessary to help Batman vanquish Gotham City's most notorious evildoers. *See Halicki*, 547 F.3d at 1224-25.

Second, Towle argues that a jury should decide the question whether the Batmobile displayed unique elements of expression and consistent, widely identifiable traits. We disagree. We have previously recognized that "[w]hether

a particular work is subject to copyright protection is a mixed question of fact and law subject to de novo review." *Societe Civile Succession Guino v. Renoir*, 549 F.3d 1182, 1185 (9th Cir. 2008). Neither party disputes the relevant facts regarding the Batmobile here. Accordingly, we are well-equipped to determine whether, as a matter of law, these undisputed facts establish that the Batmobile is an "especially distinctive" character entitled to copyright protection.

B

Having concluded that the Batmobile is a copyrightable character, we next consider whether Towle's copies of the Batmobile as it appeared in the 1966 and 1989 productions infringed on DC's copyright. Here, Towle does not contest that his replicas copy the Batmobile as it appeared in the 1966 and 1989 productions, even if they do not copy every feature. Rather, Towle's main argument is that DC does not own any copyright interest in the 1966 and 1989 productions and therefore lacks standing to pursue its copyright infringement claim against Towle.

To analyze Towle's argument, we begin with the applicable legal framework. Under the Copyright Act, "copyright ownership 'vests initially in the author or authors of the work,' which is generally the creator of the copyrighted work." *U.S. Auto Parts Network, Inc. v. Parts Geek, LLC*, 692 F.3d 1009, 1015 (9th Cir. 2012) (quoting 17 U.S.C. § 201(a)). The owner of a copyright has a number of exclusive rights, including the right "to prepare derivative works" based on its original work of authorship, 17 U.S.C.

§ 106. A derivative work is a "work based upon one or more preexisting works that recasts, transforms, or adapts the preexisting work," *Parts Geek*, 692 F.3d at 1015-16 (alterations omitted) (quoting 17 U.S.C. § 101), such as a motion picture that is based on a literary work, *see, e.g., Stewart v. Abend*, 495 U.S. 207, 212-14, 110 S. Ct. 1750, 109 L. Ed. 2d 184 (1990), a three-dimensional costume based upon two-dimensional cartoon characters, *see Entm't Research Grp.*, 122 F.3d at 1218, or three-dimensional figurines based on cartoon characters, *Durham Indus., Inc. v. Tomy Corp.*, 630 F.2d 905, 909 (9th Cir. 1980). If an unauthorized third party prepares a derivative work, the copyright owner of the underlying work can sue for infringement. *See Silvers v. Sony Pictures Entm't, Inc.*, 402 F.3d 881, 885 (9th Cir. 2005) (en banc) (citing 17 U.S.C. § 501(b)); *see also, e.g., Air Pirates*, 581 F.2d at 754-55; *Durham Indus.*, 630 F.2d at 909.

A copyright owner also has the exclusive right to "authorize others to prepare derivative works based on their copyrighted works." *Lewis Galoob Toys, Inc. v. Nintendo of Am., Inc.*, 964 F.2d 965, 967 (9th Cir. 1992). When a copyright owner authorizes a third party to prepare a derivative work, the owner of the underlying work retains a copyright in that derivative work with respect to all of the elements that the derivative creator drew from the underlying work and employed in the derivative work. *See Stewart*, 495 U.S. at 223. By contrast, the creator of the derivative work has a copyright only as to those original aspects of the work that the derivative creator contributed, and only to the extent the derivative creator's contributions are "more than trivial." *Parts*

Geek, 692 F.3d at 1016; *see also Stewart*, 495 U.S. at 223. Moreover, a copyright in a derivative work "must not in any way affect the scope of any copyright protection in that preexisting material." *Id.; see* 17 U.S.C. § 103(a) ("The copyright in a … derivative work … is independent of, and does not affect or enlarge the scope, duration, ownership, or subsistence of, any copyright protection in the preexisting material."). Logically, therefore, if a third party copies a derivative work without authorization, it infringes the original copyright owner's copyright in the underlying work to the extent the unauthorized copy of the derivative work also copies the underlying work.

We reached a similar conclusion in *Apple Computer, Inc. v. Microsoft Corp.*, 35 F.3d 1435, 1447-48 (9th Cir. 1994). There, Apple alleged that Microsoft infringed its copyright in the graphical user interface called the Lisa Desktop, as well as its copyright in a graphical user interface called the Macintosh Finder Desktop, which was a derivative work based on the Lisa Desktop. *Id.* at 1438 & n.1. Because the Finder Desktop did not contain any separately copyrightable original elements, the district court concluded that Apple could not bring a copyright infringement claim for Microsoft's alleged infringement of that work. *Id.* at 1447. We reversed, holding that Apple could bring a copyright infringement suit for the alleged copying of both the Lisa Desktop *and* the derivative Finder Desktop, because of Apple's copyright in the underlying work. *Id. at* 1447-48. In reaching this conclusion, we cited with approval the First Circuit's conclusion in *Gamma Audio & Video* that the owner of an exclusive right in an underlying work could "base [an] infringement suit on

derivative works." *Id.* (citing *Gamma Audio & Video, Inc. v. Ean-Chea*, 11 F.3d 1106, 1111-12 (1st Cir. 1993)).

Our sister circuits also agree with this conclusion. *See, e.g., Montgomery v. Noga*, 168 F.3d 1282, 1293 (11th Cir. 1999); *Gamma Audio & Video, Inc.*, 11 F.3d 1106. In *Gamma Audio & Video*, the owner of a copyright in a Chinese language television program had authorized a party to produce a derivative work, a Cambodian language version of the program. 11 F.3d at 1110. When an unauthorized third party copied this Cambodian language version (the derivative work), the First Circuit concluded that the owner of the copyright in the Chinese language version (the underlying work) could sue the third party for copyright infringement because "[a]ny elements that the author of the derivative work borrowed from the underlying work, such as the video images in the Chinese language episodes … remain protected by the copyrights in the underlying work." *Id.* at 1112. Accordingly, it was "irrelevant that what was actually distributed by [the unauthorized third party] was the derivative and not the underlying work." *Id.*

In sum, as a leading copyright commentator explained, "if the material copied was derived from a copyrighted underlying work, this will constitute an infringement of such work regardless of whether the defendant copied directly from the underlying work, or indirectly via the derivative work." 1 Melville B. Nimmer & David Nimmer, *Nimmer on Copyright* § 3.05, at 3-34.31 (Matthew Bender, Rev. Ed.) (hereafter *Nimmer on Copyright*). This conclusion is consistent with our determination that

a copyright in an authorized derivative work "must not in any way affect the scope of any copyright protection in" the underlying work. *Parts Geek*, 692 F.3d at 1016 (quoting *Entm't Research Grp.*, 122 F.3d at 1220 (quoting *Durham Indus.*, 630 F.2d at 909)). Accordingly, the author of an underlying work is entitled to sue a third party who makes an unauthorized copy of an authorized derivative work to the extent that the material copied derived from the underlying work.

Applying these principles, we conclude that DC owns a copyright interest in the Batmobile character, as it is depicted in the 1966 and 1989 productions. There is no dispute that DC is the original creator of the Batmobile character. While DC licensed rights to produce derivative works of this character in the 1965 ABC Agreement and the 1979 BPI Agreement, DC did not transfer its underlying rights to the Batmobile character.[8] DC therefore owns the copyright in the Batmobile character,

8. Indeed, DC expressly retained all rights not specifically granted to the licensees, including the merchandising rights to all of if its characters in both the 1965 ABC Agreement and the 1979 BPI Agreement. *See supra*, at 5, 6. As a result, DC retained the exclusive right to produce three-dimensional expressions of the Batmobile character. *See Durham Indus.*, 630 F.2d at 909; *see also Halicki*, 547 F.3d at 1218, 1223-24 (concluding that because a party retained the exclusive merchandising rights in a derivative work, she could assert a claim for copyright infringement against a party producing "vehicles resembling the 1967 Shelby GT-500 'Eleanor' character that appeared in the Remake" *Gone in Sixty Seconds).*

as expressed in the 1966 and 1989 productions, at least to the extent these productions drew on DC's underlying work. *Stewart*, 495 U.S. at 223. Accordingly, it is irrelevant that Towle's replica Batmobiles were an indirect copy of the Batmobile character, because DC is entitled to sue for infringement of its underlying work.[9] *See Apple Computer,* 35 F.3d 1447-48; *Gamma Audio & Video*, 11 F.3d at 1111-12.

Towle argues that his replicas of the Batmobile as it appeared in the 1966 and 1989 productions do not infringe on DC's underlying work because those versions of the Batmobile look substantially different from any particular depiction of the Batmobile in the comic books. We reject this argument. As a copyrightable character, the Batmobile need not have a consistent appearance in every context, so long as the character has distinctive character traits and attributes. *See, e.g., Warner Bros. Entm't, Inc.*, 644 F.3d at 599 n.8. For instance, as we explained above, an automotive character may be copyrightable even if it

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9. Because DC retains its copyright in the underlying Batmobile character, we also reject Towle's argument that the version of the Batmobile that appeared in the 1966 and 1989 productions cannot be copyrighted because the third party producers of these vehicles obtained a design patent on these works. These creators could obtain protection only for the original, independently copyrightable aspects of their work. *Parts Geek*, 692 F.3d at 1016. In any event, parties may now obtain both a design patent and a copyright in a work. *See* Registrability of Pictorial, Graphic, or Sculptural Works Where a Design Patent Has Been Issued, 60 Fed. Reg. 15605-01, 15605 (March 24, 1995).

appears as a yellow Fastback Ford Mustang in one film, and a silver 1967 Shelby GT-500 in another. *Halicki*, 547 F.3d at 1218, 1224. Here, DC retained its copyright in the Batmobile character even though its appearance in the 1966 and 1989 productions did not directly copy any comic book depiction. Because Towle produced a three-dimensional expression of the entire Batmobile character as it appeared in the 1966 and 1989 productions, and the Batmobile character in each of those productions was derived from DC's underlying work, we conclude that Towle's replicas necessarily copied some aspects of DC's underlying works. *See e.g., Durham Indus.*, 630 F.2d at 909 (noting that three-dimensional "small, plastic, wind-up toys" of Disney characters Mickey, Donald, and Pluto were derivative works of these characters). Therefore, while we question whether a derivative work based on a character could ever have any independently copyrightable elements that would not "affect the scope of any copyright protection in that preexisting material," *Parts Geek*, 692 F.3d at 1016, we need not address that issue here.

For the same reason, we reject Towle's argument that his replicas of the Batmobile as it appeared in the 1966 television series and 1989 movie did not infringe DC's underlying work because the series and movies were produced by third parties, pursuant to sub-licensing agreements with ABC and BPI. Towle argues that while DC had an agreement with ABC and BPI to retain certain rights, DC failed to show that the agreements between ABC and BPI and the sublicensees also protected DC's interests. This argument fails because DC retained its rights to the underlying Batmobile character, and the

creation of derivative works by sublicensees cannot deprive DC of such rights. DC may sue any third party who infringes on that work, even if the third party copies "indirectly via the derivative work." *Nimmer on Copyright* § 3.05.

C

Having established that the Batmobile character is entitled to copyright protection, and that DC owns a copyright to this character as it appears in the 1966 television series and 1989 motion picture, we conclude that Towle infringed upon these copyrights when he produced replicas of the Batmobile. While we ordinarily apply a two-part "substantial similarity" test to determine whether a plaintiff has established "copying of constituent elements of the work that are original," *Funky Films, Inc. v. Time Warner Entm't Co., L.P.*, 462 F.3d 1072, 1076-77 (9th Cir. 2006) (internal quotation marks omitted), we need not do so where, as here, "the copying of the substance of the entire work" is admitted, *Narell v. Freeman*, 872 F.2d 907, 910 (9th Cir. 1989). Based on the undisputed facts, Towle's production and sale of replicas of the Batmobile, as it appeared in the 1966 and 1989 productions, infringed DC's exclusive right to produce derivative works of this character. Therefore, there is no genuine issue of material fact as to whether he infringed DC's copyrighted material. DC is entitled to judgment, and we affirm.

III

Finally, we must consider Towle's argument that the district court erred when it ruled as a matter of law that he could not assert a laches defense to DC's trademark infringement claim because he willfully infringed DC's trademarks. We have recognized an intracircuit split on whether the proper standard of review of a district court's laches determination is de novo or for an abuse of discretion. *See Jarrow Formulas, Inc. v. Nutrition Now, Inc.*, 304 F.3d 829, 834 (9th Cir. 2002). We need not address this issue in this case, however, because under either standard of review, the district court did not err here. *See id.*

"Laches is an equitable time limitation on a party's right to bring suit," and is a valid defense to trademark infringement claims. *Jarrow*, 304 F.3d at 835 (internal quotation marks omitted). This doctrine does not apply, however, "in cases of willful infringement." *Evergreen Safety Council v. RSA Network, Inc.*, 697 F.3d 1221, 1228 (9th Cir. 2012). Willful trademark infringement occurs when the defendant's actions are "willfully calculated to exploit the advantage of an established mark." *Lindy Pen Co., Inc. v. Bic Pen Corp.*, 982 F.2d 1400, 1406 (9th Cir. 1993) (internal quotation marks omitted), *superseded by statute on other grounds*, Trademark Amendments Act of 1999, Pub. L. No. 106-43, 113 Stat. 218; *see also Conan Props., Inc. v. Conans Pizza, Inc.*, 752 F.2d 145, 151 n.2 (5th Cir. 1985) (explaining that the issue with respect to the availability of a laches defense in a trademark infringement case is whether the defendant "intended to derive benefit from and capitalize on [the plaintiff's] goodwill" by using the mark).

Here, the undisputed facts establish that Towle used DC's Batman trademarks in order to exploit the advantage of those marks. Towle's advertisements recognize that the Batmobile is a famous vehicle, and boast that crowds will form around his replicas as a result of the Batmobile's fame. Additionally, Towle used DC's trademarks on his website to promote his business. He also intentionally referred to his replicas as "Batmobiles" to attract the attention of the Batman fans who constitute his customer base. Indeed, by Towle's own admission, most of his customers were fans who "usually know the entire history of the Batmobile." In light of this evidence, no reasonable juror could conclude that Towle used DC's trademarks for any reason other than to exploit the advantage of those marks.

Indeed, Towle does not argue otherwise, instead arguing that he did not knowingly and subjectively intend to confuse his buyers. Although evidence of intent to confuse buyers may be relevant to establishing that the defendant's actions were willfully calculated to exploit the advantage of an established mark, Towle points to no authority holding that such evidence is necessary, nor is the court aware of any such authority. Accordingly, the district court did not err when it concluded that Towle was barred from asserting a laches defense to DC's trademark infringement claim because he willfully infringed DC's trademarks.

Appendix A

IV

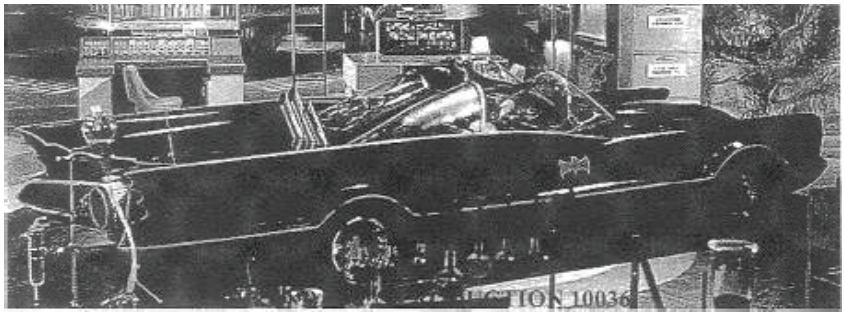
As Batman so sagely told Robin, "In our well-ordered society, protection of private property is essential." *Batman: The Penguin Goes Straight*, (Greenway Productions television broadcast March 23, 1966). Here, we conclude that the Batmobile character is the property of DC, and Towle infringed upon DC's property rights when he produced unauthorized derivative works of the Batmobile as it appeared in the 1966 television show and the 1989 motion picture. Accordingly, we affirm the district court.

AFFIRMED.

Appendix A

APPENDIX A

Batmobile Depicted in the 1966 Television Series



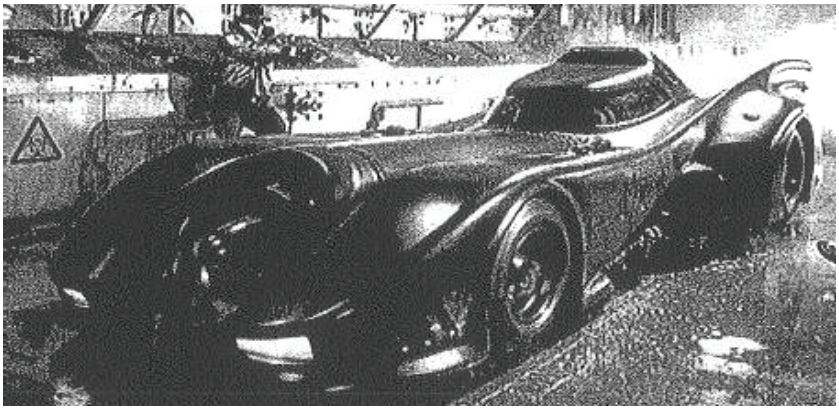
Towle Replica



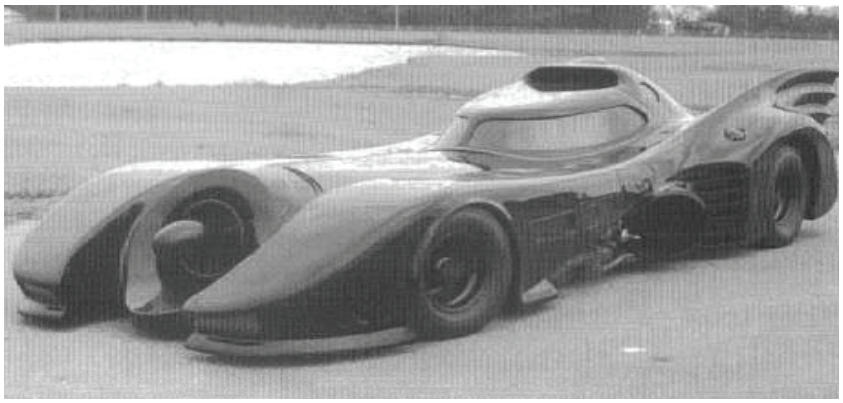
Appendix A

APPENDIX B

Batmobile Depicted in the 1989 Motion Picture



Towle Replica



APPENDIX B — OPINION OF THE UNITED STATES DISTRICT COURT FOR THE CENTRAL DISTRICT OF CALIFORNIA, FILED FEBRUARY 7, 2013

UNITED STATES DISTRICT COURT FOR THE CENTRAL DISTRICT OF CALIFORNIA

CV 11-3934 RSWL (OPx)

DC COMICS,

Plaintiff,

v.

MARK TOWLE, AN INDIVIDUAL AND D/B/A GOTHAM GARAGE, AND DOES 1-10, INCLUSIVE,

Defendants.

ORDER re: Defendant Mark Towle's Motion for Partial Summary Judgment [41]; Plaintiff DC Comics' Motion for Partial Summary Judgment [42]

February 7, 2013, Decided
February 7, 2013, Filed

On January 30, 2013, Defendant Mark Towle's Motion for Partial Summary Judgment [41] and Plaintiff DC Comics' Motion for Partial Summary Judgment [42] came on for regular calendar before the Court. The Court having reviewed all papers submitted pertaining to these

Motions and having considered all arguments presented to the Court, **NOW FINDS AND RULES AS FOLLOWS**:

The Court **GRANTS in Part and DENIES in Part** Plaintiff's Motion. The Court **DENIES** Defendant's Motion.

I. BACKGROUND

This Action stems from a Complaint filed by Plaintiff DC Comics ("Plaintiff") against Defendant Mark Towle d/b/a Gotham Garage ("Defendant") and Does 1 through 10 for (1) Copyright Infringement, (2) Trademark Infringement, and (3) Unfair Competition [1].

A. Undisputed Facts

Plaintiff is a New York General Partnership consisting of E.C. Publications, Inc. and Warner Communications Inc. Pl.'s Statement of Uncontroverted Facts and Conclusions of Law ("SUF") ¶ 1 [43]. Plaintiff is the successor-in-interest to Detective Comics, Inc., National Comics Publications, Inc., National Periodical Publications, Inc. ("National Periodical"), and DC Comics Inc. *Id.* ¶ 2. Plaintiff is the publisher of comic books featuring the world-famous Batman and his Batmobile. *Id.* ¶¶ 3-4. Originally introduced in 1941, the Batmobile is a fictional high-tech automobile that Batman employs as his primary mode of transportation. *Id.* ¶¶ 9-10. Batman and his Batmobile vehicle have appeared in comic books, television shows, and blockbuster movies, including the television series, *Batman*, that first appeared in 1966 and the 1989

film, *Batman*. *Id.* ¶¶ 7, 13, 27. Plaintiff owns the copyright registrations to the Batman comic books. *Id.* ¶ 12.

In 1965, Plaintiff's predecessor, National Periodical, licensed its Batman literary property to American Broadcasting Company ("ABC") for use in the 1966 *Batman* television series, which starred Adam West as Batman. *Id.* ¶ 13. ABC contracted with Greenway Productions, Inc. ("Greenway") and Twentieth Century-Fox Television, Inc. ("Fox") to produce the television series. *Id.* ¶ 15. Fox and Greenway own the copyright registrations for all of the episodes of the 1960s *Batman* television series. *Id.* ¶ 16. The Batmobile that appeared in the television series (hereinafter, "the 1966 Batmobile") was manufactured by Barris Kustom City and designed by George Barris. *Id.* ¶ 19. Barris Kustom City retained title to the original Batmobile vehicle that was used in the filming of the television show. *Id.*

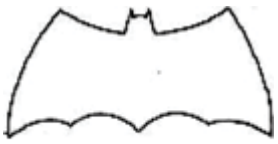
Plaintiff also licensed its Batman literary property to produce motion films. In 1979, Plaintiff entered into an agreement with Batman Productions, Inc., granting the use of its Batman literary property in feature-length motion pictures. *Id.* ¶ 25. These rights were assigned to Warner Bros. Inc. ("Warner Bros.") and resulted in a series of Batman films, including the 1989 *Batman* film to which Warner Bros. owns the copyright registration. *Id.* ¶¶ 27-28. Anton Furst was hired to construct the Batmobile that appeared in the 1989 film (hereinafter, "the 1989 Batmobile"). *Id.* ¶ 31.

Appendix B

Plaintiff also owns a number of Batman-related trademarks, including, the BATMOBILE wordmark, the BAT emblem design mark, the BAT REP II design mark, the BATMAN wordmark, and other variations of the Batman symbol. *Id.* ¶ 35; see below. The trademarks are registered in various classes, and appear on merchandise such as toy figurines and automobiles, apparel, and household goods. *Id.* ¶¶ 37, 40. Plaintiff also licenses to Fiberglass Freaks the manufacture and customization of full-size automobiles into the Batmobile vehicles featuring Plaintiff's trademarks. *Id.* ¶ 39. Plaintiff has also contracted with George Barris, the designer of the original 1966 Batmobile, to produce replicas of the 1966 Batmobile, featuring Plaintiff's trademarks, and to exhibit them around the world. *Id.* ¶ 38.

Defendant is the owner, operator, and manager of a business producing custom cars modeled after vehicles found in various television shows and movies. *Id.* ¶ 44. Defendant has been producing and selling replica vehicles based on the 1966 and 1989 Batmobile vehicles and car kits that allow others to customize their vehicles into the Batmobile. *Id.* ¶¶ 45-48, 50. Defendant has also manufactured and distributed various automobile parts and accessories featuring the Batman trademarks. *Id.* ¶ 51. Defendant does business through the websites www.gothamgarage.net, www.gothamgarage.com, www.marktowle.com,, and www.batmobilereplicas.com, which use Plaintiff's trademarks to promote Defendant's business. *Id.* ¶¶ 52-53.

Appendix B

Plaintiff's Trademarks		
Reg. No.	**Class**	**Mark**
1581725 1581593 1581659 2119266	28 21 25 16	 Bat Emblem
3299017 3110604 3326043 3313612	9 16 25 28	 Bat Emblem (Batman Begins)
1219120	16	 Bat Rep II
856045 858860 828412 2457655 1652640 839561 1221720 1587507	25 28 21 41 41 16 16 9	BATMAN (Word Mark)

Appendix B

Plaintiff's Trademarks		
Reg. No.	**Class**	**Mark**
4246497 1124961 1179342 Serial No. 85143617	40 28 28 12	BATMOBILE (Word Mark)

B. Procedural History

On May 6, 2011, Plaintiff filed its Complaint against Defendant [1], and on November 22, 2011, Plaintiff filed a First Amended Complaint [13]. In its First Amended Complaint ("FAC"), Plaintiff asserts that the Defendant has infringed on the copyrighted versions of the 1966 Batmobile and the 1989 Batmobile. Plaintiff also asserts that Defendant has infringed upon its trademarks in marketing and selling these infringing vehicles.

On December 16, 2011, Defendant filed a Motion to Dismiss Claim of Copyright Infringement pursuant to Federal Rule of Civil Procedure 12(b)(6) [15]. The Court denied the motion on January 26, 2012 [21]. On February 14, 2012, Defendant filed an Answer, asserting several affirmative defenses, including laches, unclean hands, and fair use [23].

On December 26, 2012, Defendant filed the present Motion for Partial Summary Judgment [41] and Plaintiff filed the present Motion for Partial Summary Judgment [42].

Appendix B

The Parties' present motions seek summary judgment as to Plaintiff's trademark, copyright, and unfair competition causes of action, and on Defendant's laches defense.

II. LEGAL STANDARD

Summary judgment is appropriate when there is no genuine issue of material fact and the moving party is entitled to judgment as a matter of law. *Fed. R. Civ. P. 56*. A genuine issue is one in which the evidence is such that a reasonable fact-finder could return a verdict for the non-moving party. *Anderson v. Liberty Lobby*, 477 U.S. 242, 248, 106 S. Ct. 2505, 91 L. Ed. 2d 202 (1986).

A party seeking summary judgment always bears the initial burden of establishing the absence of a genuine issue of material fact. *Celotex Corp. v. Catrett*, 477 U.S. 317, 322, 106 S. Ct. 2548, 91 L. Ed. 2d 265 (1986). "Where the moving party will have the burden of proof on an issue at trial, the movant must affirmatively demonstrate that no reasonable trier of fact could find other than for the moving party." *Soremekun v. Thrifty Payless, Inc.*, 509 F.3d 978, 984 (2007).

Once the moving party makes this showing, the non-moving party must set forth facts showing that a genuine issue of disputed fact remains. *Celotex*, 477 U.S. at 322. The non-moving party is required by Federal Rule of Civil Procedure Rule 56 to go beyond the pleadings and designate specific facts showing a genuine issue for trial exists. *Id.* at 324.

Appendix B

III. DISCUSSION

A. Evidentiary Objections

In ruling on a Motion for Summary Judgment, courts consider only evidence that would be admissible at trial. Fed. R. Civ. P. 56. Here, the Parties have filed over forty evidentiary objections. Given the number of objections made by the Parties, the Court will address the evidentiary objections in two separate orders. For the purposes of this ruling, the Court has considered only admissible evidence.

B. Trademark Infringement

To sustain a claim for trademark infringement, Plaintiff must show (1) that it has valid trademark rights; and (2) that Defendant's use of a similar mark is likely to cause confusion. *Applied Info. Scis. Corp. v. eBay, Inc.*, 511 F.3d 966, 969 (9th Cir. 2007). "The core element of trademark infringement is the likelihood of confusion, i.e., whether the similarity of the marks is likely to confuse customers about the source of the products." *E. & J. Gallo Winery v. Gallo Cattle Co.*, 967 F.2d 1280, 1290 (9th Cir. 1992). Courts look to the following factors, known as the *Sleekcraft* test, for guidance in determining the likelihood of confusion: (1) strength of Plaintiff's mark; (2) proximity of the goods; (3) similarity of the marks; (4) evidence of actual confusion; (5) marketing channels used; (6) type of goods and the degree of care likely to be exercised by the purchaser; (7) defendant's intent in selecting the mark; and the (8) likelihood of expansion of the product lines.

Dr. Seuss Enters. v. Penguin Books USA, Inc., 109 F.3d 1394, 1404 (9th Cir. 1997) (citing *AMF Inc. v. Sleekcraft Boats*, 599 F.2d 341, 348-49 (9th Cir. 1979)).

Although courts should consider these factors to determine the issue of likelihood of confusion, "[n]o mechanistic formula or list can set forth in advance the variety of elements that comprise the market context from which likelihood of confusion must be determined." *Id.* (citing Restatement (Third) of Unfair Competition § 21, comment a (1995)) (internal quotations omitted). As such, this "list is not exhaustive" and "[o]ther variables may come into play depending on the particular facts presented." *Id.* (citing *Sleekcraft*, 599 F.2d at 348 n.11).

Furthermore, although disfavored in trademark infringement cases, summary judgment may be entered when no genuine issue of material fact exists. *See Surfvivor Media, Inc. v. Survivor Prods.*, 406 F.3d 625, 630 (9th Cir. 2005). Whether likelihood of confusion is more a question of law or one of fact can depend on the circumstances of each particular case. *Alpha Indus., Inc. v. Alpha Steel Tube & Shapes, Inc.*, 616 F.2d 440, 443 (9th Cir. 1980). And, a question of fact may be resolved as a matter of law if reasonable minds cannot differ and the evidence permits only one conclusion. *See Sanders v. Parker Drilling Co.*, 911 F.2d 191, 194 (9th Cir. 1990).

The legal conclusion that confusion is likely must rest on the particular facts of the case, but when all of the material facts have been determined, the ultimate determination of likelihood of confusion lies within the

exclusive jurisdiction of the court. *See Alpha Indus, Inc.*, 616 F.2d at 443-44; *see also Sleekcraft*, 599 F.2d at 348.

First, the Court finds that Plaintiff has valid trademark rights in the trademarks at issue in this case. Under the Lanham Act, registration of a trademark creates a rebuttable presumption that the mark is valid, but the presumption evaporates as soon as evidence of invalidity is presented. 15 U.S.C. § 1051. Plaintiff owns the Bat Emblem mark, the Bat Emblem (Batman Begins) mark, Bat Rep II mark, the BATMAN word mark, and the BATMOBILE word mark in various classes. Defendant puts forth no evidence or argument to demonstrate that these marks are invalid.

Defendant's only argument with respect to Plaintiff's trademark infringement claim is that Plaintiff did not own the BATMOBILE mark in Class 12 for "automobiles" at the time Plaintiff filed this Action and that registration in Class 40 did not occur until November 20, 2012. However, under the Lanham Act, to establish standing to sue for trademark infringement, a plaintiff must show that he or she is either (1) the owner of a federal mark registration, (2) the owner of an unregistered mark, or (3) a nonowner with a cognizable interest in the allegedly infringed trademark. *Halicki Films, LLC v. Sanderson Sales & Mktg.*, 547 F.3d 1213, 1225-26 (9th Cir. 2008). Plaintiff only needs to demonstrate that it is the registered owner of a mark for any class of products, even one that does not compete directly with Defendant's products. *Id.* at 1227. "The question of whether the products on which the allegedly infringing mark appears are sufficiently related

to goods sold by the plaintiff such that the defendant's actions qualify as infringement is, by contrast, a merits question." *Id.*

Defendant does not dispute that he has used or uses Plaintiff's trademarks. In fact, Defendant does really contest Plaintiff's trademark claim. Defendant does not dispute that he has manufactured and distributed automobile parts and accessories featuring the trademarks at issue. Def.'s Stmt. of Genuine Issues ("GIF") ¶ 51 [66]. For example, Defendant produced vehicle floor mats with bat symbols on them. Drey Decl. Ex. H [55]. The vehicle doors of Defendant's 1966 Batmobile replicas also have bat symbols on them. Joint Stipulation, Ex. 24 [45].[1] The fire extinguisher in the 1966 Batmobile replica also has a bat symbol on it. *Id.* Defendant does not dispute that he does business through a website called batmobilereplicas.com.[2] GIF ¶ 52. He also does not dispute that he uses these trademarks to promote his business. *Id.* ¶ 53.

Next, the Court finds that Defendant's unauthorized use of Plaintiff's trademarks causes a likelihood of confusion-that is, whether the similarity of the marks is likely to confuse customers about the source of the products. *Brookfield Communs., Inc. v. West Coast Entertainment Corp.*., 174 F.3d 1036, 1053 (9th Cir. 1999).

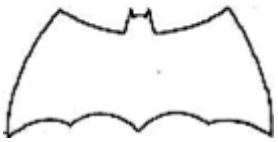
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1. The Parties filed a "Joint Stipulation" stating that the Parties stipulate to certain facts and evidence, including as to the authenticity of certain exhibits [45]. For the purposes of the present motions, the Court grants the stipulation.

2. Use of a trademark in a domain name constitutes "use" under the Lanham Act. *Brookfield*, 174 F.3d at 1053.

First, with respect to similarity of the marks, "the greater the similarity between the two marks at issue, the greater the likelihood of confusion." *Id.* at 1054. In the similarity analysis: "(1) Marks should be considered in their entirety and as they appear in the marketplace; (2) Similarity is best adjudged by appearance, sound, and meaning; and (3) Similarities weigh more heavily than differences." *Entrepreneur Media, Inc. v. Smith*, 279 F.3d 1135, 1144 (9th Cir. 2002). "[S]imilarity of design is determined by considering the overall impression created by the mark as a whole rather than simply comparing individual features." *adidas-Am., Inc. v. Payless Shoesource, Inc.*, 546 F. Supp. 2d 1029, 1052 (D. Or. 2008) (citing *Exxon Corp. v. Texas Motor Exch., Inc.*, 628 F.2d 500, 505 (5th Cir. 1980)). There is no dispute that Defendant has used marks that are identical to Plaintiff's registered marks. For example, Defendant has used the BATMAN and BATMOBILE word marks on his advertising and promotional materials. *See, e.g.*, GIF ¶ 52. Further, Defendant also has used various bat symbols that are very similar to the BAT Emblem, BAT Emblem (Batman Begins) and BAT REP II marks. *See* Joint Stipulation, Ex. 24. For example, the bat symbol appearing on the vehicle doors for the 1966 Batmobile replicas is a stylized bat. Defendant's bat symbols are slightly different from Plaintiff's registered trademarks, but Defendant's marks appear substantially the same overall.

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Defendant's Marks	**Plaintiff's Marks**
	Bat Emblem 
	Bat Emblem (Batman Begins) 
	Bat Rep II 

Thus, there is no genuine issue of fact regarding the similarity of the marks.

Second, the strength of the trademarks at issue here weigh in favor of finding a likelihood of confusion. The purpose of examining the strength of the plaintiff's mark is to determine the scope of trademark protection to which the mark is entitled. *See Entrepreneur Media*, 279 F.3d at 1141. The more unique the mark, the greater the degree of protection. *See id*. Trademarks may be sorted into five categories of increased strength and distinctiveness: (1) generic; (2) descriptive; (3) suggestive; (4) arbitrary; or (5) fanciful. *Two Pesos, Inc., v. Taco Cabana, Inc.*, 505 U.S. 763, 768, 112 S. Ct. 2753, 120 L. Ed. 2d 615 (1992). Fanciful marks, the strongest type, are "wholly made-up terms," such as "Clorox" bleach. *Brookfield*, 174 F.3d at 1058 n.19. "Fanciful" marks consist of "coined phrases" that also have no commonly known connection with the product at hand. *See Dreamwerks Prod. Grp., Inc. v. SKG Studio*, 142 F.3d 1127, 1130 n.7 (9th Cir. 1998) (holding that "Kodak" is a fanciful mark). A mark is "strong" if it is memorable and if the public would likely associate it with the mark's owner. *Brookfield*, 174 F.3d at 1058. As the Ninth Circuit recently explained, "[t]he stronger a mark — meaning the more likely it is to be remembered and associated in the public mind with the mark's owner — the greater the protection it is accorded by the trademark laws." *Id.* at 1058.

The marks at issue here include a series of design marks featuring a bat as well as the word marks BATMOBILE and BATMAN. The bat design marks are distinct. The terms BATMOBILE and BATMAN are fanciful words, as they are coined phrases that evoke the "bat" persona of the Batman comic book character. The

public would likely associate the marks with Plaintiff's Batman comic books, merchandise, motion pictures, and television programs.

Third, with regard to the issue of actual confusion, the Ninth Circuit has recognized that evidence of actual confusion is not required to establish likelihood of confusion. *See American Int'l Group, Inc. v. American Int'l Bank*, 926 F.2d 829 (9th Cir. 1991). Nevertheless, Defendant admits here that "most" of his potential customers asked if he had a relationship with Warner Bros. or was licensed by Warner Bros. Drey Decl. Ex. H, at 94:21-95:14 (Towle Dep.). As revealed at the hearing on the present motions, Warner Bros. is an affiliated entity. This evidence strongly suggests that there was actual confusion, as customers wondered whether Defendant was authorized to use Plaintiff's marks. "Initial interest confusion is customer confusion that creates initial interest in a competitor's product. Although dispelled before an actual sale occurs, initial interest confusion impermissibly capitalizes on the goodwill associated with a mark and is therefore actionable trademark infringement." *Playboy Enters., Inc. v. Netscape Commc'ns Corp.*, 354 F.3d 1020, 1025 (9th Cir. 2004).

Fourth, the proximity or relatedness of the goods favors a finding of likelihood of confusion. Goods are proximate if they are "similar in use and function" and "would be reasonably thought by the buying public to come from the same source if sold under the same mark." *Sleekcraft*, 599 F.2d at 348, 350. "Where goods are related or complementary, the danger of consumer confusion

is heightened." *E. & J. Gallo Winery*, 967 F.2d at 1291. The goods here are the same. Defendant manufactures replicas of the 1989 and 1966 Batmobile vehicles, and emblazon car parts and accessories with the bat symbol. Plaintiff offers full-size and toy versions of the Batmobile, using its registered trademarks. Plaintiff also offers car accessories featuring their trademarks, including car mats and wheel covers. Kogan Decl. Ex. A. This factor weighs in favor of Plaintiff.

Fifth, the Court must next consider "whether the predominant purchasers of the parties' goods are similar or different, and whether the parties' marketing approaches resemble one another." *Aurora World, Inc. v. Ty, Inc.*, 719 F.Supp. 2d 1115, 1162 (citing *Gray v. Meijer, Inc.*., 295 F.3d 641 (6th Cir. 2002)). The greater the degree of overlap, the more likely there is to be confusion. *Sleekcraft*, 599 F.2d at 353. Here, Plaintiff and Defendant are in direct competition. The undisputed facts show that they directly market their products online and at car shows. Kogan Decl., Exs. A, H. As such, this factor favors a finding of likelihood of confusion.

Sixth, the Court needs to consider the type of goods and the degree of care likely to be exercised by the purchasers. Likelihood of confusion is determined on the basis of a "reasonably prudent consumer," so courts have expected consumers "to be more discerning — and less easily confused — when [they are] purchasing expensive items." *Brookfield*, 174 F.3d at 1060. "On the other hand, when dealing with inexpensive products, customers are likely to exercise less care, thus making confusion more

likely." *Id*. Defendant's replica vehicles are expensive goods and the reasonably prudent consumer would likely be more discriminating and likely to ask questions regarding his product. Thus, this factor weighs against finding a likelihood of confusion.

Seventh, the defendant's intent in selecting the mark must also be evaluated in determining the likelihood of confusion. Knowing adoption of a mark that is closely similar to one that is used by another is a basis for inferring intent to deceive the public, which is "strong evidence of a likelihood of confusion." *See Official Airline Guides, Inc. v. Goss*, 6 F.3d 1385, 1394 (9th Cir. 1993). Here, Defendant admits his knowledge of the Batman property including the Batmobile vehicles and the trademarks, and he knowingly copied the marks. SUF ¶ 54. This permits an inference of an intent to deceive the public.

Lastly, the Court can look to the likelihood of expansion of the product lines. A strong possibility that either party will expand its business to compete with the other weighs in favor of finding infringement. *Sleekcraft*, 599 F.2d at 354. However, where, as here, the Parties already compete to a significant degree because they sell related products and use similar marketing channels, this factor is relatively unimportant to the likelihood of confusion analysis. *See Brookfield*, 174 F.3d at 1055. Neither Party has submitted evidence of planned expansion, and Plaintiff does not allege that Defendant's presence is hindering its expansion plans.

Based on the foregoing, no triable issues of fact exist as to whether Defendant's use of Plaintiff's marks is likely to confuse United States consumers. Furthermore, Defendant has not met his burden to set forth facts showing that genuine issues of disputed fact remain with regard to a finding of likelihood of confusion. *See PepsiCo, Inc.*, 27 U.S.P.Q. 2d 1948, 1950 (C.D. Cal. 1993). In fact, the relevant *Sleekcraft* factors support a finding of likelihood of confusion as a matter of law. In light of this finding and the fact that there are no triable issues of fact with regard to the validity of Plaintiff's marks, the Court **GRANTS** Plaintiff's Motion for Partial Summary Judgment as to Plaintiff's trademark infringement claim and **DENIES** Defendant's Motion as to this claim.

C. Unfair Competition

Whether Defendant's sale of replica Batmobile vehicles is likely to confuse United States consumers is also critical in determining whether the Court should grant summary judgment on Plaintiff's claim for common law unfair competition. The element of likelihood of confusion also applies to this claim.

Moreover, the courts have uniformly held that common law and statutory trademark infringement are merely specific aspects of unfair competition. *New West Corp. v. NYM Co. of Cal., Inc.*, 595 F.2d 1194, 1201 (9th Cir. 1979). Under the Lanham Act, the ultimate test is whether the public is likely to be deceived or confused by the similarity of the marks. *Smith v. Chanel, Inc.*, 402 F.2d 562, 563 (9th Cir. 1968). "Whether we call the violation infringement,

unfair competition or false designation of origin, the test is identical - is there a 'likelihood of confusion?'" *New West Corp.*, 595 F.2d at 1201.

The decisive test of common law unfair competition is whether the public is likely to be deceived about the source of goods or services by the defendant's conduct. *Academy of Motion Picture Arts and Sci. v. Benson*, 15 Cal. 2d 685, 690, 104 P.2d 650 (1940); *South Bay Chevrolet v. Gen. Motors Acceptance Corp.*, 72 Cal. App. 4th 861, 865, 85 Cal. Rptr. 2d 301 (1999). The likelihood of public confusion, although innocently created, will warrant injunctive relief against unfair competition. *Tomlin v. Walt Disney Prods.*, 18 Cal. App. 3d 226, 231, 96 Cal. Rptr. 118 (1971).

Defendant has not demonstrated that there is a triable issue of fact as to whether Defendant's use of bat symbols and Plaintiff's trademarks is likely to confuse customers. As courts have uniformly held that common law and statutory trademark infringement are merely specific aspects of unfair competition, a finding of likelihood of confusion under Plaintiff's trademark infringement claim also supports a finding of likelihood of confusion under Plaintiff's common law unfair competition claim. For the foregoing reasons, the Court **GRANTS** Plaintiff's Motion for Partial Summary Judgment as to its unfair competition claim and **DENIES** Defendant's Motion as to this claim.

D. Copyright Infringement

To establish copyright infringement, two elements must be proven: 1) ownership of a valid copyright; and 2)

copying of protected elements of the plaintiff's work. *See Feist Publ'ns, Inc. v. Rural Tel. Serv. Co.*, 499 U.S. 340, 361, 111 S. Ct. 1282, 113 L. Ed. 2d 358 (1991).

Copying may be established by showing that the works in question are "substantially similar in their protected elements" and that the infringing party had access to the copyrighted work. *Metcalf v. Bochco*, 294 F.3d 1069, 1072 (9th Cir. 2002).

A plaintiff satisfies the access element by showing that a defendant had "an opportunity to view or to copy plaintiff's work." *Three Boys Music Corp. v. Bolton*, 212 F.3d 477, 482 (2000) (citing *Sid and Marty Krofft Television Prods., Inc. v. McDonald's Corp.*, 562 F.2d 1157, 1172 (9th Cir. 1977)). Where a high degree of access is shown, a lower standard of proof of substantial similarity is required. *Swirsky v. Carey*, 376 F.3d 841, 844 (9th. Cir. 2004). This is known as the "inverse ratio rule". *Shaw v. Lindheim*, 919 F.2d 1353, 1356 (9th Cir. 1990).

In analyzing whether the two works are substantially similar, the court must first distinguish between the protectable and unprotectable material because a party claiming infringement may place no reliance upon any similarity in expression resulting from unprotected elements. *Apple v. Microsoft*, 35 F.3d 1435, 1446 (9th Cir. 1994) (quotation omitted). Then, a two-part test is used to determine whether the two works are substantially similar: an "intrinsic" and "extrinsic" part. As it evolved, the test was clarified by the Court in *Apple Computer v. Microsoft Corp.*:

> [T]he extrinsic test now objectively considers whether there are substantial similarities in both ideas and expression, whereas the intrinsic test continues to measure expression subjectively.

35 F.3d 1435, 1442 (9th Cir. 1994). "The intrinsic test . . . should measure substantial similarity in expressions . . . depending on the response of the ordinary reasonable person. . . . [I]t does not depend on the type of external criteria and analysis which marks the extrinsic test." *Shaw*, 919 F.2d at 1356 (internal quotations omitted). In decisions under the intrinsic test, "analytic dissection and expert testimony are not appropriate." Id. "Once the extrinsic test is satisfied, the fact finder applies the intrinsic test." *Three Boys Music Corp.*, 212 F.3d at 485.

Defendant disputes that Plaintiff has established that it owns valid copyrights to the 1966 and 1989 Batmobile vehicles and that the Batmobiles are copyrightable under the Copyright Act. Otherwise, Defendant does not deny that he has produced replicas of the 1966 and 1989 Batmobile.

As a preliminary matter, the Court addresses Defendant's argument that Plaintiff should not be able to allege infringement of the 1966 and 1989 Batmobile vehicles because the copyright registrations for the 1966 *Batman* television show and 1989 *Batman* film were not identified in the First Amended Complaint. Defendant also claims that Plaintiff should be sanctioned under Federal Rule of Civil Procedure 11 for this alleged litigation

misconduct. The Court finds that these arguments wholly lack merit. The body of the First Amended Complaint identifies the 1966 and 1989 Batmobile vehicles, the television series, and the 1989 movie. FAC ¶¶ 8, 9, 11. The FAC states that the Batmobile is copyrightable subject matter. Moreover, Plaintiff does not claim in the FAC that Plaintiff owns the copyright registration to the 1989 film or the 1966 television series. Plaintiff does not state that Exhibit A represented the only copyrights in issue in this Action. Exhibit A is there to show that Plaintiff is the owner of all the Batman literary property because of its ownership of the copyrights listed in Exhibit A.

Furthermore, any surprise that Defendant is claiming based on Plaintiff's alleged failure to identify the copyright registrations for the 1989 film and the 1966 television series is disingenuous. As Plaintiff points out, Defendant himself requested judicial notice of these registrations in his Motion to Dismiss [15], and thus knew that Plaintiff's copyright action involves these registrations.

1. Plaintiff Reserved Rights to the 1966 and 1989 Batmobiles

"Under copyright law, only copyright owners and exclusive licensees of copyright may enforce a copyright or a license." *Sybersound Records, Inc. v. UAV Corp.*, 517 F.3d 1137, 1144 (9th Cir. 2008) (citing 17 U.S.C. § 501(b)) (conferring standing only to the "legal or beneficial owner of an exclusive right who is entitled . . . to institute an action for any infringement . . . while he or she is the owner of it.")(internal quotation marks omitted).

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Defendant's main argument is that Plaintiff does not own the copyright registrations to the 1966 *Batman* television show and the 1989 *Batman* film. Therefore, according to Defendant, Plaintiff does own any interest in the 1966 and 1989 Batmobile vehicles. It is true that Greenway and Fox are the owners of the copyright registrations to the episodes of the 1966 *Batman* television series. SUF ¶ 16. Warner Bros. owns the copyright registration to the 1989 film. *Id.* ¶ 28. However, the relevant licensing agreements between Plaintiff and its licensees indicate that Plaintiff reserved all rights to the characters and elements depicted in the *Batman* television series and the 1989 *Batman* film, and obtained exclusive merchandising rights to the 1966 and 1989 works.[3] These exclusive rights are sufficient to afford Plaintiff standing.

In 1965, Plaintiff's predecessor, National Periodical, entered into a licensing agreement with ABC granting ABC rights to use the Batman literary property to develop the *Batman* television show, including rights to "adapt, arrange, change, transpose, add to and subtract from said property" and "to secure copyright and renewals and extensions of copyright". Joint Stipulation, Ex. 13, at 2-3. In the agreement, Plaintiff reserves all "merchandising" rights, defined as the

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3. Plaintiff failed to provide any substantive briefing on its copyright interest in the Batmobile. Instead it resorted to conclusory assertions that it owns rights to the 1966 and 1988 Batmobile vehicles. Although the relevant agreements make clear that Plaintiff retained exclusive rights to the Batmobile literary property, Plaintiff was still required to brief the Court on this issue.

> sole and exclusive right to produce and sell, license or grant to others the right to produce and sell or license or to enter into agreements with respect to the production, distribution and exploitation of endorsements, commercial tie-ups or manufacturing privileges under which a commodity, product or service is made, manufactured, or distributed under the name of "Batman" or any other character in the comic book series entitled "Batman", or under a name which incorporates any phrase, clause or expression used . . . in the television series. . . .

Id. at 12-13, ¶ 6(A). Paragraph 6(C) of the licensing agreement provides that National Periodical would pay ABC a share of the income derived from the exploitation of this exclusive merchandising right. Thus, the license agreement clearly entitles Plaintiff an exclusive right to sell, distribute, and manufacture products derived from the elements that appeared in the *Batman* television show, including the Batmobile. The Court's objective in the construction of the language used in the contract is to determine and effectuate the intention of the parties. *Winet v. Price*, 4 Cal. App. 4th 1159, 1166, 6 Cal. Rptr. 2d 554 (1992). If contractual language is clear and explicit, it governs. *Bank of the West v. Superior Court*, 2 Cal. 4th 1254, 1264, 10 Cal. Rptr. 2d 538, 833 P.2d 545 (1992).

This interpretation of the license agreement is consistent with a 1966 agreement involving National Periodical, Fox, Greenway, and George Barris, the designer of the 1966 Batmobile. In the agreement, Plaintiff specifically reserved rights in the design of the Batmobile:

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WHEREAS, NATIONAL PERIODICAL PUBLICATIONS, INC. is the owner of all copyrights, trademarks and all other rights including commercial and exploitive rights to the feature, BATMAN, and to all the contents of the said feature, including the Batmobile

* * *

Notwithstanding anything to the contrary herein contained, NATIONAL PERIODICAL (Plaintiff's predecessor in interest) acknowledges that BARRIS is the owner of the vehicle known as Batmobile I as used in the BATMAN television series and feature motion picture and that BARRIS, FOX and GREENWAY are the joint owners of the design of said Batmobile I as provided for in Article 7 of that certain agreement between FOX and Greenway, and BARRIS, dated September 1, 1965, as follows: 7. Any and all right, title and interest in and to the design of Batmobile I resulting from the application of the required Batmobile features in and to Owner's prototype Lincoln chassis, save and except the name "Batmobile" and the Batmobile features set forth in Article 10 hereof and in the drawings and exhibits attached hereto, and of the completed Batmobile provided for in Article 2 hereof, shall forever be vested in and Owned jointly by Owner and Producer, **subject only to any and all right, title and interest of**

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> **National Periodical Publications, Inc. . . . in and to said Batmobile features in said design**.

Joint Stipulation, Ex. 15 (emphasis added). The unambiguous terms of the contract indicate that Plaintiff reserved rights to the 1966 Batmobile.

Plaintiff also reserved rights to the Batmobile depicted in the 1989 motion picture. In 1979, Plaintiff entered into a licensing agreement with Batman Productions, Inc., who later transferred its rights to Warner Bros., granting Batman Productions option rights to create a motion picture using the Batman literary property. Joint Stipulation, Ex. 16, Art. I, ¶ 1. The contract states that Plaintiff reserved all "merchandising rights" with respect to the new characters, additional characters, new elements, and additional elements, of any motion picture produced via the agreement. *Id.* at Article II, ¶ 5(c). Under the agreement "additional characters" is defined as

> any fictional character or characters newly created by [Batman Productions] and which, but for the operation of this agreement, would constitute an infringement of DC's copyright or trademark in or to any of the characters constituting the Property. . . or any characters contained in the Property who are newly costumed or in any way altered by [Batman Productions] for any motion pictures.

Id. at Art. II, ¶ 11. "Additional elements" is defined as "any device or thing newly created by [Batman Productions]

and which, but for the operation of this agreement, would constitute an infringement of DC's copyright or trademark in or to any device or thing contained in the Property." Id. The licensing agreement explicitly defined the Batmobile as being part of the "Property" licensed to Batman Productions. *Id.* at Art. I, ¶ 4(b). Not only did Plaintiff reserve these exclusive merchandising rights, Plaintiff also reserved rights to copyright and trademark any additional characters or elements featured in future Batman motion pictures. *Id.* at Art. II, ¶¶ 5(c), 11.

Based on these agreements reserving exclusive ownership rights to the 1989 and 1966 Batmobiles, Plaintiff has standing to assert this copyright infringement action. See *Halicki Films LLC, v. Sanderson Sales and Mktg. et al.*, 547 F.3d 1213, 1220 (9th Cir. 2008) (Plaintiff's reservation of merchandising rights provides standing in copyright infringement action).

2. Defendant's Replica Batmobiles Are Unauthorized Derivative Works

Even if Plaintiff did not expressly reserve rights to the Batman and Batmobile elements appearing in the *Batman* movie and television show, Plaintiff is also entitled to sue for infringement because it clearly owns copyrights to the original comic book series in which the Batmobile originally appeared. As the copyright holder to the Batman comic books, Plaintiff has the exclusive right to prepare derivative works. 17 U.S.C. § 103(a) ("The subject matter of a copyright . . . includes compilations and derivative works. . . ."). "[T]he protection of derivative rights extends

beyond mere protection against unauthorized copying to include the right to 'make other versions of, perform, or exhibit the work.'" *Lone Ranger Television v. Program Radio Corp.*, 740 F.2d 718, 722 (9th Cir. 1984)(quoting *Russell v. Price*, 612 F.2d 1123, 1128 n.16 (9th Cir. 1979)). The owner of the underlying work has standing to assert copyright infringement of the derivative work, even when the defendant copies only from the derivative work. 1-3 Nimmer on Copyright § 3.05.

"[A] work will be considered a derivative work only if it would be considered an infringing work if the material which it has derived from a prior work had been taken without the consent of a copyright proprietor of such prior work." *Litchfield v. Spielberg*, 736 F.2d 1352, 1357 (9th Cir. 1984).

The Defendant's replica Batmobile vehicles are derivative works of the original Batmobile vehicles. Here, the copyright registration for the 1989 film explicitly states that it is the derivative work of the Batman comic book series and the Batman television series. Joint Stipulation, Ex. 3. The Batmobile vehicle in the 1989 film is derivative of the Batmobile character that appeared in the comic book series, even though the exact design of the 1989 Batmobile is not identical to the original Batmobile vehicles. The 1989 Batmobile is merely an adaptation or a recasting of the original Batmobile vehicles. Defendant's copying of the 1989 Batmobile vehicle thus copies from both the derivative 1989 *Batman* film and the Batmobile from the original comic books.

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The 1966 television series, which copies many elements from the original comic books series including Batman, Robin, and the Batmobile, is a derivative work of the Batman comic book series. The agreement between Plaintiff and ABC requires that ABC give credit to Plaintiff as the originator of the ideas and expressions in the TV show. Joint Stipulation, Ex. 13. As with the 1989 film, the Batmobile in the 1966 television show incorporates elements from the Batmobiles in the comic book series and is merely an adaptation of Batmobile character that appeared in the comic books. Defendant's copying of the 1966 Batmobile vehicle copies from both the derivative *Batman* television show and the Batmobile from the original comic books.

Accordingly, Plaintiff has standing to assert copyright infringement.

3. The Batmobile Is Entitled To Copyright Protection as a Character

Defendant's Opposition focuses on denying that the Batmobile is entitled to any copyright protection. For the reasons discussed below, the Court finds that the Batmobile is entitled to copyright protection as a character.

"Whether a particular work is subject to copyright protection is a mixed question of fact and law . . . ." *Societe Civile Succession v. Renoir*, 549 F.3d 1182, 1185 (9th Cir. 2008) (quoting *Cavalier v. Random House, Inc.*, 297 F.3d 815, 822 (9th Cir. 2002)). The owner of a

copyright in various works embodying a character can acquire copyright protection for the character itself. *See, e.g., Warner Bros. Inc. v. Am. Broad. Co. Inc.*, 720 F.2d 231, 235 (2d Cir. 1983) ("Plaintiffs own the copyrights in various works embodying the character Superman and have thereby acquired copyright protection for the character itself.") (citation omitted); *New Line Cinema Corp. v. Bertlesman Music Group, Inc.*, 693 F.Supp. 1517, 1521 n. 5 (S.D.N.Y. 1988) ("Because New Line has valid copyrights in the Nightmare series, it is clear that it has acquired copyright protection as well for the character of Freddy.") (citing *Warner Bros.*, 720 F.2d at 235).

The Ninth Circuit has explained that "copyright protection may be afforded to characters visually depicted in a television series or in a movie." *Olson v. Nat'l Broad. Co.*, 855 F.2d 1446, 1452 (9th Cir. 1988) (internal citations omitted). However, it is unclear what legal standard courts should apply in determining whether visually depicted characters are subject to copyright protection. *See Metro-Goldwyn-Mayer, Inc. v. Am. Honda Motor Co., Inc.*, 900 F. Supp. 1287, 1295 (C.D. Cal. 1995); *Anderson v. Stallone*, No. 87-0592 WDKGx, 1989 U.S. Dist. LEXIS 11109, 1989 WL 206431, at *6 (C.D. Cal. 1989).

The first case to suggest a test for whether or not characters can be copyrighted, *Warner Bros. Pictures, Inc. v. Columbia Broadcasting System, Inc.*, 216 F.2d 945 (9th Cir. 1954), stated that literary characters are entitled to copyright protection if the character constitutes "the story being told"; however, if the character is "only the chessman in the game of telling the story" he is not entitled to copyright protection. *Id.*

Subsequent cases appeared to cast doubt on this test. In particular, in *Walt Disney Productions. v. Air Pirates*, 581 F.2d 751, 755 (9th Cir. 1978), which involved a claim for copyright infringement of Walt Disney's cartoon characters based on the defendant's copying of the characters from Disney's comic books, the Court stated that "while many literary characters may embody little more than an unprotected idea, a comic book character, which has physical as well as conceptual qualities, is more likely to contain some unique elements of expression." *Id*. (internal citations omitted). The court ultimately concluded that "[b]ecause comic book characters . . . are distinguishable from literary characters, the Warner Brothers language does not preclude protection of Disney's characters." *Id*.

The next Ninth Circuit case to address the issue, *Rice v. Fox Broadcasting Co.*, 330 F.3d 1170 (9th Cir. 2003), articulated another standard known as the character delineation test. The Ninth Circuit explained that "characters that are 'especially distinctive' **or** 'the story being told' receive protection apart from the copyrighted work." *Rice v. Fox Broad. Co.*, 330 F.3d 1170, 1175 (9th Cir. 2003) (citing *Olson*, 855 F.2d at 1452; *Metro-Goldwyn-Mayer, Inc.*, 900 F. Supp. at 1295-96))(emphasis added). As to the "especially distinctive" standard for copyrightability, the court noted that "[c]haracters that have received copyright protection have displayed consistent, widely identifiable traits." *Id*. (citing *Toho Co. v. William Morrow & Co.*, 33 F. Supp. 2d 1206, 1215 (C.D. Cal. 1998) (Godzilla); *Metro-Goldwyn-Mayer, Inc.*, 900 F. Supp. at 1297 (James Bond); *Anderson*, 1989 U.S. Dist. LEXIS 11109, 1989 WL 206431, at *7 (Rocky Balboa)).

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The character delineation standard was applied in a recent opinion, where the Ninth Circuit stated that cartoon characters have "physical as well as conceptual qualities, [and are] more likely to contain some unique elements of expression." *Halicki*, 547 F.3d at 1223 (citing *Air Pirates*, 581 F.2d at 755.) *Halicki* did not clarify whether the "story being told" or the character delineation test as articulated in *Air Pirates* and *Rice* is the applicable test. However, the opinion suggests that a character is subject to copyright protection in the Ninth Circuit if it satisfies **either** of the two recognized standards.

In *Halicki*, the Ninth Circuit reviewed, but did not resolve, whether or not the character "Eleanor," a car that appeared as a 1971 Fastback Ford Mustang in the 1974 film, *Gone in 60 Seconds*, was entitled to copyright protection. 547 F.3d at 1217-18. In 2000, Walt Disney Productions released a remake of *Gone in 60 Seconds* that featured the "Eleanor" vehicle, but this time the vehicle was a 1967 Shelby GT-500. *Id.* The Ninth Circuit in *Halicki* noted that the "Eleanor character can be seen as more akin to a comic book character than a literary character." *Id.* at 1225. Moreover, Eleanor displays "consistent, widely identifiable traits" because in both films, the characters in the movie have difficulty stealing the Eleanor car. *Id.* at 1225. The Ninth Circuit remanded to the district court to determine whether Eleanor's physical and conceptual qualities, and unique elements of expression qualify Eleanor for copyright protection. *Id.* at 1225.

Here, the Court finds that there is no genuine issue of material fact as to whether the Batmobile is

"sufficiently delineated" to constitute a character entitled to copyright protection. Defendant repeatedly argues that the Batmobile is not a character because it is a car. This argument lacks merit as the central question in *Halicki* is not whether the "character" is an object, but rather whether the character conveys a set of distinct characteristics.[4] Plaintiff's briefing on this issue is conclusory and superficial, but it is clear based on the undisputed facts that the Batmobile is a copyrightable character.

It is undeniable that the Batmobile is a world-famous conveyance in the Batman franchise, exhibiting a series

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4. Defendant's focus on whether the Batmobile is an inanimate object is also misplaced in light of the fact that at least one other court has afforded copyright protection to an inanimate object belonging to a specific movie character. In *New Line Cinema Corp. v. Russ Berrie & Co.*,, 161 F.Supp. 2d 293 (S.D.N.Y. 2001), the court found that an inanimate object associated with a fictional character was entitled to copyright protection. In *New Line Cinema*, a toy distributor sold a toy glove that looked like the glove worn by Freddy Kreuger of the *Nightmare on Elm Street* motion pictures. *New Line Cinema Corp.*, 161 F. Supp. 2d at 294. The court held that the glove was entitled to copyright protection based on New Line's copyright protection in the Freddy Krueger character because "[c]opyright protection is extended to the component part of the character which significantly aids in identifying the character." *Id.* at 302 (citing *New Line Cinema Corp. v. Easter Unlimited, Inc.*, 17 U.S.P.Q.2d 1631, 1633 (E.D.N.Y. 1989); *Dallas Cowboys Cheerleaders, Inc. v. Pussycat Cinema, Ltd.*, 604 F.2d 200, 204 (2d Cir. 1979)).

of readily identifiable and distinguishing traits. The Batmobile is known by one consistent name that identifies it as Batman's personal vehicle. It also displays consistent physical traits. The Batmobile, in its various incarnations, is a highly-interactive vehicle, equipped with high-tech gadgets and weaponry used to aid Batman in fighting crime. Even though the Batmobile is not identical in every comic book, film, or television show, it is still widely recognizable because it often contains bat-like motifs, such as a bat-faced grill or bat-shaped tailfins in the rear of the car, and it is almost always jet black. *See, e.g.*, Joint Stipulation, Ex. 25, at 500. The 1989 and 1966 Batmobile iterations also display these physical qualities. In fact, the particular design of the Batmobile often reflects the car models of the time - for example, the Batmobile from the comic book *Batman No. 5*, which was released in 1941, has the shape of a 1940s Ford automobile, but contains a "bat" hood ornament and tailfins resembling a bat's wings. Regardless of the evolving design of the Batmobile, it retains distinctive characteristics.

Other than its physical features, the Batmobile is depicted as being swift, cunning, strong and elusive. For example, in the comic book *Batman #5*, the Batmobile "leaps away and tears up the street like a cyclone." Joint Stip., Ex. 2, at 75. In the same comic book, the Batmobile is analogized to an "impatient steed straining at the reigns," shivering "as its super-charged motor throbs with energy . . . and an instant later it tears after the fleeing hoodlums." *Id.* at 76. The Batmobile participates in various chases and is deployed to combat Batman's enemies. The comic books portray the Batmobile as a superhero. The

Batmobile is central to Batman's ability to fight crime and appears as Batman's sidekick, if not an extension of Batman's own persona.

This case is analogous to *Toho Co., Ltd. v. William Morrow and Co., Inc.*, 33 F.Supp. 2d 1206, 1215 (C.D. Cal. 1998), which involved the "Godzilla" character, a giant lizard featured in action films. Although Godzilla assumed many shapes and personalities in the various *Godzilla* films, the Court found that "Godzilla has developed a constant set of traits that distinguish him/her/it from other fictional characters," meriting it copyright protection. *Id.*

For the foregoing reasons, the Court finds that the Batmobile is a character entitled to copyright protection.

As further discussed below, Defendant does not deny that he has copied the Batmobile vehicles. Defendant's copying of the two-dimensional Batmobile character, which appeared in the 1989 film, the 1966 television series, and the comic books, into three-dimensional forms is copyright infringement. "It is, of course, fundamental that copyright in a work protects against unauthorized copying, not only in the original medium in which the work was produced, but also in any other medium as well." 1-2 Nimmer on Copyright § 2.08 (2008). "[M]aking decisions that enable one to reproduce or transform an already existing work into another medium or dimension - though perhaps quite difficult and intricate decisions - is not enough to constitute the contribution of something 'recognizably his own.'" *Entm't Research Grp., Inc. v.*

Genesis Creative Grp., Inc., 122 F.3d 1211, 1218 (9th Cir. 1997) (citing Nimmer § 2.08); *see also Twentieth Century-Fox Film Corp. v. MCA, Inc.*, 715 F.2d 1327, 1329 n.4 (9th Cir. 1983) ("Where defendant's work is adapted for us in a medium different than that of plaintiff's, the test for infringement is the same."); *Universal Studios, Inc. v. J.A.R. Sales, Inc.*, 216 U.S.P.Q. 679, 681, 683 (C.D. Cal. 1982) ("Protection extends to expressions of that character [E.T.] not only in motion pictures, but in other media as well, including three-dimensional expressions such as dolls and other forms of sculpture. . . . The defendants' molded plastic doll is substantially similar to the physical expression of the motion picture character 'E.T.' in that the defendants' doll replicates [E.T.'s] oddly-shaped head and facial features, squat torso, long thin arms, and hunched-over posture. . . . The defendant's molded-plastic doll and the motion picture character E.T. also portray the same mood of lovableness."). Therefore, Defendant's manufacturing of an unauthorized three-dimensional copy of a two-dimensional comic book character, the Batmobile, still constitutes copyright infringement.

4. The Batmobile Is A Work of Pictorial, Graphic, and Sculptural Art Entitled to Copyright Protection

Alternatively, the Court also finds that the Batmobile is a "pictorial, graphic, and sculptural work" entitled to copyright protection under 17 U.S.C. § 102. Section 101 of the Copyright Act provides that

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> Pictorial, graphic, and sculptural works include two-dimensional and three-dimensional works of fine, graphic, and applied art, photographs, prints and art reproductions, maps, globes, charts, diagrams, models, and technical drawings, including architectural plans. Such works shall include works of artistic craftsmanship insofar as their form but not their mechanical or utilitarian aspects are concerned; the design of a useful article, as defined in this section, shall be considered a pictorial, graphic, or sculptural work only if, and only to the extent that, such design incorporates pictorial, graphic, or sculptural features that can be identified separately from, and are capable of existing independently of, the utilitarian aspects of the article.

17 U.S.C. § 101.

Courts have traditionally accorded copyright protection to pictorial, graphic, and sculptural works incorporated within a useful article, such as a carving on the back of a chair or an engraving in a glass vase. *Leicester v. Warner Bros.*, 232 F.3d 1212, 1219 (9th Cir. 2000) (citing William F. Patry, 1 Copyright Law and Practice 274-76 (1994)). Only works that "can be identified separately from, and are capable of existing independently of, the utilitarian aspects of the [useful] article" qualify for copyright protection. *Id.* This is what is known as "separability." *Id.*

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Courts have recognized two types of separability: physical separability, and conceptual separability. Id. "Physical separability means that a 'pictorial, graphic or sculptural feature incorporated into the design of a useful article . . . can be physically separated from the article without impairing the article's utility and if, once separated, it can stand alone as a work of art traditionally conceived.'" Id. On the other hand, conceptual separability means that a pictorial, graphic or sculptural feature "can stand on its own as a work of art traditionally conceived, and . . . the useful article in which it is embodied would be equally useful without it." *Id.*

With respect to automobiles, the House Report for the Copyright Act suggests that the statute was not meant to protect merely the aesthetically pleasing features of industrial objects:

> [A]lthough the shape of an industrial product may be aesthetically satisfying and valuable, the Committee's intention is not to offer it copyright protection under the bill. Unless the shape of an automobile, airplane, ladies' dress, food processor, television set, or any other industrial product contains some element that, physically or conceptually, can be identified as separable from the utilitarian aspects of that article, the design would not be copyrighted under the bill. The test of separability and independence from "the utilitarian aspects of the article" does not depend upon the nature of the design - that is, even if the appearance of an

> article is determined by aesthetic (as opposed to functional) considerations, only elements, if any, which can be identified separately from the useful article as such are copyrightable.

H.R. No. 1476, 94th Cong., 2d Sess. 55 (1976).

Defendant repeatedly argues that the Batmobile is only a car and that the design of a car is not protectable under copyright law, citing to the House Report. However, as explained above, the Batmobile is a character and exists in both two- and three-dimensional forms. Its existence in three-dimensional form is the consequence of the Batmobile's portrayal in the 1989 live-motion film and 1966 television series. Defendant did not copy the design of a mere car; he copied the Batmobile character. The fact that the unauthorized Batmobile replicas that Defendant manufactured - which are derivative works - may be "useful articles" is irrelevant. A derivative work can still infringe the underlying copyrighted work even if the derivative work is not independently entitled to copyright protection. *Lewis v. Galoob Toys v. Nintendo of Am. Inc.*, 964 F.2d 965, 968 (9th Cir. 1992) ("A derivative work must be fixed to be protected under the Act, but not to infringe.") (citing 17 U.S.C. § 102)); *Lone Ranger Television, Inc.*, 740 F.2d at 722-23 ("It makes no difference that the derivation may not satisfy certain requirements for statutory copyright registration itself."); *Entm't Research Grp., Inc.*, 122 F.3d at 1218 (three-dimensional inflatable costumes based on copyrighted cartoon characters were not copyrightable).

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Nevertheless, the Batmobile in its three-dimensional form as it appeared in the 1989 and 1966 works is still copyrightable under Section 102. The difficulty with this case is in determining whether or not the Batmobile is an "automobile" and thus a "useful article" that is not entitled to copyright protection except for the conceptually separable elements, or something else entirely. In all of the fictional works, the Batmobile is deployed as Batman's mode of transportation. However, the Batmobile is entirely distinguishable from an ordinary automobile. The Batmobile is a fictional character tied to the fictional Batman character. The Batmobile is a crime fighting weapon and used to display the Batman persona. The Batmobile, and the so-called functional elements associated with it, is not a useful object in the real world, and incorporates fantasy elements that do not appear on real-world vehicles. The "functional elements" - e.g., the fictional torpedo launchers, the Bat-scope, and anti-fire systems - are only "functional" to the extent that they helped Batman fight crime in the fictional Batman television series and movies. Thus, the Batmobile's usefulness is a construct. Additionally, Defendant's argument that Batman is merely a car wholly fails to capture the creativity and fantastical elements that stand apart from the fact that the Batmobile also happens to look like a car.

Nonetheless, the *design elements* of the two Batmobiles at issue here are conceptually separable from their underlying car. In particular, the 1989 Batmobile's entire frame, consisting of the rear exaggerated, sculpted bat-fin and the mandibular front, is an artistic feature that

can stand on its own without the underlying vehicle. The underlying vehicle would still be a car without the exaggerated bat features. Further, the Batmobile's wheels each contain a hubcap containing a bat sculpted from metal, which can literally stand on its own without the underlying wheel.

Similarly, the 1966 Batmobile contains features that are conceptually separable from the underlying vehicle. For example, the doors have imprinted upon them red bat logos. The car is painted in a distinct black and red color scheme, where the outline of the car is red. See *Knitwaves, Inc. v. Lollytogs Ltd.*, 71 F.3d 996, 1002 (2d Cir. 1995) (the color pattern of useful article entitled to copyright protection). The wheels have hubcaps containing a bat sculpted from metal. The rear of the vehicle is scalloped and intended to look like bat wings. These elements are conceptually separable from the car itself. Further, the interior of the Batmobile contains original features such as the "Bat Scope" and the "Bat Ray" that are subject to copyright protection, as are the names for these features. *See* 17 U.S.C. § 102 (literary elements are protected under copyright). The interior of the car also has bat-shaped phone. In this instance, while the phone itself is a utilitarian feature, the shape of the phone does not itself have a function and merely displays the figure of a bat.

As such, all of the features that distinguish the Batmobile from any other car - the fantastical elements that feature bat design, such as the bat tailfin and the various gadgetry that identify the vehicle as the Batmobile - are protectable elements.

Defendant's argument that extending copyright protection to the Batmobile will open the door for the copyrighting of other automobiles. However, the Batmobile is *sui generis*. The unique elements that Plaintiff seeks to protect make the Batmobile the famous vehicle that it is. Thus, the Court finds that the Batmobile is subject to copyright protection.

5. Defendant Has Copied the 1989 and 1966 Batmobiles

Defendant does not deny that he has reproduced and distributed replicas of the 1966 and 1989 Batmobiles. The only argument that he makes is that he does not include some features in his replicas that were in the original Batmobiles. However, when comparing the replica cars with the Batmobile vehicles that appeared in the television film and movie, his 1966 and 1989 Batmobile replicas appear substantially the same as the original Batmobiles. In particular, his replicas for the 1989 Batmobile contain the same exaggerated bat fin, mandibular front, and hubcaps containing the bat symbol. Defendant's replicas of the 1966 Batmobile also has the same color scheme, the same bat tail, and the same bat symbol on the doors and wheels. The interior of the 1966 Batmobile contains labels for many of the features that appeared in the original 1966 Batmobile, including the Bat-Ray and Bat-Scope.

Further, Defendant does not dispute that he had access to the two 1966 and 1989 Batmobiles. Thus, there is no genuine dispute of fact as to whether or not Defendant's activities constitute "copying" under the requirements for copyright infringement.

For the foregoing reasons, the Court **GRANTS** Plaintiff's Motion for Partial Summary Judgment as to copyright infringement and **DENIES** Defendant's Motion.

E. Defendant's Laches Defense

Defendant has asserted laches as a defense to Plaintiff's trademark and copyright claims. Laches requires a showing that (1) Plaintiff's delay in filing suit was unreasonable, and (2) Defendant would suffer prejudice caused by the delay if the suit were to continue. *Jarrow Formulas, Inc. v. Nutrition Now, Inc.*, 304 F.3d 829, 838 (9th Cir. 2002). Defendant bears the burden of demonstrating laches. Id. A party asserting laches must show that it suffered prejudice as a result of the plaintiff's unreasonable delay in filing suit. *Id*. However, the defense of laches is barred where defendants purposefully committed the infringing conduct. *Evergreen Safety Council v. RSA Network, Inc.*, 697 F.3d 1221, 1228 (9th Cir. 2012). This good-faith component of the laches doctrine is part of the fundamental principle that "he who comes into equity must come with clean hands." *Danjaq LLC v. Sony Corp.*, 263 F.3d 942, 956 (9th Cir. 2001) (citing *Hermes Int'l v. Lederer de Paris Fifth Ave., Inc.*, 219 F.3d 104, 107 (2d Cir. 2000)).

The limitations period for laches starts "from the time the plaintiff knew or should have known about its potential cause of action." *Tillamook Cnty. Smoker, Inc. v. Tillamook Cnty. Creamery Assoc.*, 465 F.3d 1102 (9th Cir. 2006). "While laches and the statute of limitations are distinct defenses, a laches determination is made

with reference to the limitations period for the analogous action at law. If the plaintiff filed suit within the analogous limitations period, the strong presumption is that laches is inapplicable." *Jarrow Formulas, Inc.*, 304 F.3d at 835-36. If suit is filed outside of the analogous limitations period, courts often have presumed that laches is applicable. Id.

As to Plaintiff's trademark infringement claim, the Lanham Act contains no explicit statute of limitations. *Id.* at 836. When a federal statute lacks a specific statute of limitations, courts may borrow the limitations period from the most closely analogous action under state law. *Id*. As trademark infringement is a "continuing" wrong, the statute of limitations bars only monetary relief for the period outside the statute of limitations. *Id.* However, Plaintiff is free to pursue monetary and equitable relief for the time within the limitations period. *Id*. The presumption of laches is triggered if any part of the claimed wrongful conduct occurred beyond the limitations period. *Id*.

The most closely analogous state-law limitations period for Plaintiff's claims under the Lanham Act are the four-year periods for state trademark infringement and unfair competition claims, set forth under Cal. Code Civ. Proc. § 343 and Cal. Bus. & Prof. Code § 17208. *Internet Specialties W., Inc. v. Milon-DiGiorgio Enters., Inc.*, 559 F.3d 985, 999 (9th Cir. 2009). The statute of limitations for copyright claims in civil cases is three years. *Petrella v. Metro-Goldwyn-Mayer, Inc.*, 695 F.3d 946, 951 (9th Cir. 2012).

The Court finds that there is a genuine dispute of fact with respect to when Plaintiff knew or had reason to know about the infringement of their copyrights and trademarks. Defendant presents evidence showing that an attorney from Warner Bros. called him in 2003, during which the attorney revealed that she saw a photograph of his garage over the Internet. The garage contained a number of 1966 Batmobile replicas and a shell for a 1989 Batmobile replica. Although Warner Bros. is not a party in this Action, the Parties stated at the hearing that Warner Bros. is an affiliate of Plaintiff. The Parties also indicated at the hearing that Warner Bros. enforces Plaintiff's intellectual property. A reasonable fact finder could find that this shows that Plaintiff could have become aware of Defendant's activities in 2003. Further, Plaintiff's Vice President and Deputy Counsel for Intellectual Property testified that Plaintiff was aware that Defendant was manufacturing the Batboat sometime before 2006. A reasonable fact-finder could conclude that Plaintiff should have been aware of Defendant's infringing activities as early as 2003. This Action was filed in 2011. On summary judgment, the Court construes the evidence in favor of the non-moving party. As the alleged wrongful acts might have occurred outside the three- and four-year statute of limitations period, laches is presumed.

Further, assuming there was delay on the part of Plaintiff, it is unclear whether this delay was reasonable. Specifically, the Parties presented conflicting evidence as to whether or not Plaintiff was diligent in enforcing its copyrights and trademarks. Defendant admitted that he received a few take-down notices regarding his postings

on eBay, where he offered his replica vehicles. According to Plaintiff, it requested these take-down notices from eBay, but Plaintiff was unclear as to when these takedown notices occurred and how many notices were issued.

Nonetheless, the Court finds that Defendant willfully infringed upon Plaintiff's trademarks. Defendant admitted his knowledge of the Batman property and the various Bat emblems and symbols used with them, and does not dispute that he intentionally copied the designs of the 1989 and 1966 Batmobile vehicles, which included Plaintiff's Batman-related trademarks. He also intentionally referred to his replicas as the Batmobile, a word mark that Plaintiff owns. Thus, Defendant intentionally copied Plaintiff's trademarks, including the Batmobile and Batman word mark and symbols, so as to associate his products with the *Batman* films and television show. Defendant's bad faith deprives him from asserting laches as a defense to Plaintiff's trademark claim. *See Bd. of Supervisors of LA State Univ. v. Smack Apparel Co.*, 438 F. Supp. 2d 653, 663 (E.D. La. 2006), aff'd sub nom., *Bd. of Supervisors for LA State Univ. Agric. & Mech. Coll. v. Smack Apparel Co.*, 550 F.3d 465 (5th Cir. 2008). For these reasons, the Court **GRANTS** Plaintiff's Motion, and **DENIES** Defendant's Motion as to Defendant's laches defense to Plaintiff's trademark infringement claim.

As to Plaintiff's copyright claim, however, Plaintiff has not demonstrated that Defendant's conduct constitutes willful infringement. For the willful infringement exception to apply to Defendant's laches defense, Plaintiff

has to demonstrate that Defendant's conduct occurred "with knowledge that [his] conduct constitutes copyright infringement." *Danjaq*, 263 F.3d at 958. "Generally, a determination as to willfulness requires an assessment of a party's state of mind, a factual issue that is not usually susceptible to summary judgment." *Frank Music Corp. v. Metro-Goldwyn-Mayer, Inc.*, 772 F.2d 505, 515 (9th Cir. 1985). Plaintiff has not demonstrated that Defendant was aware that his conduct of copying the Batmobile vehicles constituted copyright infringement. The record suggests that Defendant believed that only a design patent protected the 1989 Batmobile from infringement. Defendant testified that he waited until the design patent expired before selling his replica cars. Defendant also testified that he was never informed that Plaintiff was asserting copyright ownership to the Batmobile vehicles at issue here. Based on these disputes of fact, the Court cannot determine as a matter of law that Defendant's conduct constituted deliberate infringement. Because there is also a genuine dispute as to when Plaintiff knew or should have known about Defendant's infringement, the Court **DENIES** both Plaintiff and Defendant's Motions as to Defendant's laches defense on the copyright claim.

Appendix B

IV. CONCLUSION

For the foregoing reasons, the Court **GRANTS in Part and DENIES in Part** Plaintiff's Motion for Partial Summary Judgment. The Court **DENIES** Defendant's Motion for Partial Summary Judgment.

IT IS SO ORDERED.
DATED: February 7, 2013

/s/ RONALD S.W. LEW
HONORABLE RONALD S.W. LEW
Senior, U.S. District Court Judge

APPENDIX C — RELEVANT STATUTORY PROVISIONS

1. 17 U.S.C. § 101 provides:

§ 101. Definitions

Except as otherwise provided in this title, as used in this title, the following terms and their variant forms mean the following:

An "anonymous work" is a work on the copies or phonorecords of which no natural person is identified as author.

An "architectural work" is the design of a building as embodied in any tangible medium of expression, including a building, architectural plans, or drawings. The work includes the overall form as well as the arrangement and composition of spaces and elements in the design, but does not include individual standard features.

"Audiovisual works" are works that consist of a series of related images which are intrinsically intended to be shown by the use of machines or devices such as projectors, viewers, or electronic equipment, together with accompanying sounds, if any, regardless of the nature of the material objects, such as films or tapes, in which the works are embodied.

The "Berne Convention" is the Convention for the Protection of Literary and Artistic Works, signed at Berne, Switzerland, on September 9, 1886, and all acts, protocols, and revisions thereto.

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The "best edition" of a work is the edition, published in the United States at any time before the date of deposit, that the Library of Congress determines to be most suitable for its purposes.

A person's "children" are that person's immediate offspring, whether legitimate or not, and any children legally adopted by that person.

A "collective work" is a work, such as a periodical issue, anthology, or encyclopedia, in which a number of contributions, constituting separate and independent works in themselves, are assembled into a collective whole.

A "compilation" is a work formed by the collection and assembling of preexisting materials or of data that are selected, coordinated, or arranged in such a way that the resulting work as a whole constitutes an original work of authorship. The term "compilation" includes collective works.

A "computer program" is a set of statements or instructions to be used directly or indirectly in a computer in order to bring about a certain result.

"Copies" are material objects, other than phonorecords, in which a work is fixed by any method now known or later developed, and from which the work can be perceived, reproduced, or otherwise communicated, either directly or with the aid of a machine or device. The term "copies" includes the material object, other than a phonorecord, in which the work is first fixed.

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"Copyright owner," with respect to any one of the exclusive rights comprised in a copyright, refers to the owner of that particular right.

A "Copyright Royalty Judge" is a Copyright Royalty Judge appointed under section 802 of this title [17 USCS § 802], and includes any individual serving as an interim Copyright Royalty Judge under such section.

A work is "created" when it is fixed in a copy or phonorecord for the first time; where a work is prepared over a period of time, the portion of it that has been fixed at any particular time constitutes the work as of that time, and where the work has been prepared in different versions, each version constitutes a separate work.

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."

A "device," "machine," or "process" is one now known or later developed.

A "digital transmission" is a transmission in whole or in part in a digital or other non-analog format.

Appendix C

To "display" a work means to show a copy of it, either directly or by means of a film, slide, television image, or any other device or process or, in the case of a motion picture or other audiovisual work, to show individual images nonsequentially.

An "establishment" is a store, shop, or any similar place of business open to the general public for the primary purpose of selling goods or services in which the majority of the gross square feet of space that is nonresidential is used for that purpose, and in which nondramatic musical works are performed publicly.

The term "financial gain" includes receipt, or expectation of receipt, of anything of value, including the receipt of other copyrighted works.

A work is "fixed" in a tangible medium of expression when its embodiment in a copy or phonorecord, by or under the authority of the author, is sufficiently permanent or stable to permit it to be perceived, reproduced, or otherwise communicated for a period of more than transitory duration. A work consisting of sounds, images, or both, that are being transmitted, is "fixed" for purposes of this title if a fixation of the work is being made simultaneously with its transmission.

A "food service or drinking establishment" is a restaurant, inn, bar, tavern, or any other similar place of business in which the public or patrons assemble for the primary purpose of being served food or drink, in which the majority of the gross square feet of space that

is nonresidential is used for that purpose, and in which nondramatic musical works are performed publicly.

The "Geneva Phonograms Convention" is the Convention for the Protection of Producers of Phonograms Against Unauthorized Duplication of Their Phonograms, concluded at Geneva, Switzerland, on October 29, 1971.

The "gross square feet of space" of an establishment means the entire interior space of that establishment, and any adjoining outdoor space used to serve patrons, whether on a seasonal basis or otherwise.

The terms "including" and "such as" are illustrative and not limitative.

An "international agreement" is—

(1) the Universal Copyright Convention;

(2) the Geneva Phonograms Convention;

(3) the Berne Convention;

(4) the WTO Agreement;

(5) the WIPO Copyright Treaty;

(6) the WIPO Performances and Phonograms Treaty; and

(7) any other copyright treaty to which the United States is a party.

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A "joint work" is a work prepared by two or more authors with the intention that their contributions be merged into inseparable or interdependent parts of a unitary whole.

"Literary works" are works, other than audiovisual works, expressed in words, numbers, or other verbal or numerical symbols or *indicia*, regardless of the nature of the material objects, such as books, periodicals, manuscripts, phonorecords, film, tapes, disks, or cards, in which they are embodied.

The term "motion picture exhibition facility" means a movie theater, screening room, or other venue that is being used primarily for the exhibition of a copyrighted motion picture, if such exhibition is open to the public or is made to an assembled group of viewers outside of a normal circle of a family and its social acquaintances.

"Motion pictures" are audiovisual works consisting of a series of related images which, when shown in succession, impart an impression of motion, together with accompanying sounds, if any.

To "perform" a work means to recite, render, play, dance, or act it, either directly or by means of any device or process or, in the case of a motion picture or other audiovisual work, to show its images in any sequence or to make the sounds accompanying it audible.

A "performing rights society" is an association, corporation, or other entity that licenses the public

performance of nondramatic musical works on behalf of copyright owners of such works, such as the American Society of Composers, Authors and Publishers (ASCAP), Broadcast Music, Inc. (BMI), and SESAC, Inc.

"Phonorecords" are material objects in which sounds, other than those accompanying a motion picture or other audiovisual work, are fixed by any method now known or later developed, and from which the sounds can be perceived, reproduced, or otherwise communicated, either directly or with the aid of a machine or device. The term "phonorecords" includes the material object in which the sounds are first fixed.

"Pictorial, graphic, and sculptural works" include two-dimensional and three-dimensional works of fine, graphic, and applied art, photographs, prints and art reproductions, maps, globes, charts, diagrams, models, and technical drawings, including architectural plans. Such works shall include works of artistic craftsmanship insofar as their form but not their mechanical or utilitarian aspects are concerned; the design of a useful article, as defined in this section, shall be considered a pictorial, graphic, or sculptural work only if, and only to the extent that, such design incorporates pictorial, graphic, or sculptural features that can be identified separately from, and are capable of existing independently of, the utilitarian aspects of the article.

For purposes of section 513, a "proprietor" is an individual, corporation, partnership, or other entity, as the case may be, that owns an establishment or a food

service or drinking establishment, except that no owner or operator of a radio or television station licensed by the Federal Communications Commission, cable system or satellite carrier, cable or satellite carrier service or programmer, provider of online services or network access or the operator of facilities therefor, telecommunications company, or any other such audio or audiovisual service or programmer now known or as may be developed in the future, commercial subscription music service, or owner or operator of any other transmission service, shall under any circumstances be deemed to be a proprietor.

A "pseudonymous work" is a work on the copies or phonorecords of which the author is identified under a fictitious name.

"Publication" is the distribution of copies or phonorecords of a work to the public by sale or other transfer of ownership, or by rental, lease, or lending. The offering to distribute copies or phonorecords to a group of persons for purposes of further distribution, public performance, or public display, constitutes publication. A public performance or display of a work does not of itself constitute publication.

To perform or display a work "publicly" means—

(1) to perform or display it at a place open to the public or at any place where a substantial number of persons outside of a normal circle of a family and its social acquaintances is gathered; or

(2) to transmit or otherwise communicate a performance or display of the work to a place specified by clause (1) or to the public, by means of any device or process, whether the members of the public capable of receiving the performance or display receive it in the same place or in separate places and at the same time or at different times.

"Registration," for purposes of sections 205(c)(2), 405, 406, 410(d), 411, 412, and 506(e) [17 USCS §§ 205(c)(2), 405, 406, 410(d), 411, 412, and 506(e)], means a registration of a claim in the original or the renewed and extended term of copyright.

"Sound recordings" are works that result from the fixation of a series of musical, spoken, or other sounds, but not including the sounds accompanying a motion picture or other audiovisual work, regardless of the nature of the material objects, such as disks, tapes, or other phonorecords, in which they are embodied.

"State" includes the District of Columbia and the Commonwealth of Puerto Rico, and any territories to which this title is made applicable by an Act of Congress.

A "transfer of copyright ownership" is an assignment, mortgage, exclusive license, or any other conveyance, alienation, or hypothecation of a copyright or of any of the exclusive rights comprised in a copyright, whether or not it is limited in time or place of effect, but not including a nonexclusive license.

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A "transmission program" is a body of material that, as an aggregate, has been produced for the sole purpose of transmission to the public in sequence and as a unit.

To "transmit" a performance or display is to communicate it by any device or process whereby images or sounds are received beyond the place from which they are sent.

A "treaty party" is a country or intergovernmental organization other than the United States that is a party to an international agreement.

The "United States," when used in a geographical sense, comprises the several States, the District of Columbia and the Commonwealth of Puerto Rico, and the organized territories under the jurisdiction of the United States Government.

For purposes of section 411 [17 USCS § 411], a work is a "United States work" only if—

(1) in the case of a published work, the work is first published—

(A) in the United States;

(B) simultaneously in the United States and another treaty party or parties, whose law grants a term of copyright protection that is the same as or longer than the term provided in the United States;

(C) simultaneously in the United States and a foreign nation that is not a treaty party; or

(D) in a foreign nation that is not a treaty party, and all of the authors of the work are nationals, domiciliaries, or habitual residents of, or in the case of an audiovisual work legal entities with headquarters in, the United States;

(2) in the case of an unpublished work, all the authors of the work are nationals, domiciliaries, or habitual residents of the United States, or, in the case of an unpublished audiovisual work, all the authors are legal entities with headquarters in the United States; or

(3) in the case of a pictorial, graphic, or sculptural work incorporated in a building or structure, the building or structure is located in the United States.

A "useful article" is an article having an intrinsic utilitarian function that is not merely to portray the appearance of the article or to convey information. An article that is normally a part of a useful article is considered a "useful article."

The author's "widow" or "widower" is the author's surviving spouse under the law of the author's domicile at the time of his or her death, whether or not the spouse has later remarried.

The "WIPO Copyright Treaty" is the WIPO Copyright Treaty concluded at Geneva, Switzerland, on December 20, 1996.

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The "WIPO Performances and Phonograms Treaty" is the WIPO Performances and Phonograms Treaty concluded at Geneva, Switzerland, on December 20, 1996.

A "work of visual art" is—

(1) a painting, drawing, print, or sculpture, existing in a single copy, in a limited edition of 200 copies or fewer that are signed and consecutively numbered by the author, or, in the case of a sculpture, in multiple cast, carved, or fabricated sculptures of 200 or fewer that are consecutively numbered by the author and bear the signature or other identifying mark of the author; or

(2) a still photographic image produced for exhibition purposes only, existing in a single copy that is signed by the author, or in a limited edition of 200 copies or fewer that are signed and consecutively numbered by the author.

A work of visual art does not include—

(A)

(i) any poster, map, globe, chart, technical drawing, diagram, model, applied art, motion picture or other audiovisual work, book, magazine, newspaper, periodical, data base, electronic information service, electronic publication, or similar publication;

(ii) any merchandising item or advertising, promotional, descriptive, covering, or packaging material or container;

(iii) any portion or part of any item described in clause (i) or (ii);

(B) any work made for hire; or

(C) any work not subject to copyright protection under this title.

A "work of the United States Government" is a work prepared by an officer or employee of the United States Government as part of that person's official duties.

A "work made for hire" is—

(1) a work prepared by an employee within the scope of his or her employment; or

(2) a work specially ordered or commissioned for use as a contribution to a collective work, as a part of a motion picture or other audiovisual work, as a translation, as a supplementary work, as a compilation, as an instructional text, as a test, as answer material for a test, or as an atlas, if the parties expressly agree in a written instrument signed by them that the work shall be considered a work made for hire. For the purpose of the foregoing sentence, a "supplementary work" is a work prepared for publication as a secondary adjunct to a work by another author for the purpose of introducing,

concluding, illustrating, explaining, revising, commenting upon, or assisting in the use of the other work, such as forewords, afterwords, pictorial illustrations, maps, charts, tables, editorial notes, musical arrangements, answer material for tests, bibliographies, appendixes, and indexes, and an "instructional text" is a literary, pictorial, or graphic work prepared for publication and with the purpose of use in systematic instructional activities.

In determining whether any work is eligible to be considered a work made for hire under paragraph (2), neither the amendment contained in section 1011(d) of the Intellectual Property and Communications Omnibus Reform Act of 1999, as enacted by section 1000(a)(9) of Public Law 106-113, nor the deletion of the words added by that amendment—

(A) shall be considered or otherwise given any legal significance, or

(B) shall be interpreted to indicate congressional approval or disapproval of, or acquiescence in, any judicial determination, by the courts or the Copyright Office. Paragraph (2) shall be interpreted as if both section 2(a)(1) of the Work Made For Hire and Copyright Corrections Act of 2000 and section 1011(d) of the Intellectual Property and Communications Omnibus Reform Act of 1999, as enacted by section 1000(a)(9) of Public Law 106-113, were never enacted, and without regard to any inaction or awareness by the Congress at any time of any judicial determinations.

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The terms "WTO Agreement" and "WTO member country" have the meanings given those terms in paragraphs (9) and (10), respectively, of section 2 of the Uruguay Round Agreements Act [19 USCS § 3501].

2. 17 U.S.C. § 102 provides:

§ 102. Subject matter of copyright: In general

(a) Copyright protection subsists, in accordance with this title, in original works of authorship fixed in any tangible medium of expression, now known or later developed, from which they can be perceived, reproduced, or otherwise communicated, either directly or with the aid of a machine or device. Works of authorship include the following categories:

(1) literary works;

(2) musical works, including any accompanying words;

(3) dramatic works, including any accompanying music;

(4) pantomimes and choreographic works;

(5) pictorial, graphic, and sculptural works;

(6) motion pictures and other audiovisual works;

(7) sound recordings; and

(8) architectural works.

(b) In no case does copyright protection for an original work of authorship extend to any idea, procedure, process, system, method of operation, concept, principle, or discovery, regardless of the form in which it is described, explained, illustrated, or embodied in such work.

3. 17 U.S.C. § 103 provides:

§ 103. Subject matter of copyright: Compilations and derivative works

(a) The subject matter of copyright as specified by section 102 [17 USCS § 102] includes compilations and derivative works, but protection for a work employing preexisting material in which copyright subsists does not extend to any part of the work in which such material has been used unlawfully.

(b) The copyright in a compilation or derivative work extends only to the material contributed by the author of such work, as distinguished from the preexisting material employed in the work, and does not imply any exclusive right in the preexisting material. The copyright in such work is independent of, and does not affect or enlarge the scope, duration, ownership, or subsistence of, any copyright protection in the preexisting material.

APPENDIX D — UNITED STATES COPYRIGHT OFFICE DEFINITION OF "USEFUL ARTICLES"

A "useful article" is an object having an intrinsic utilitarian function that is not merely to portray the appearance of the article or to convey information. Examples are clothing, furniture, machinery, dinnerware, and lighting fixtures. An article that is normally part of a useful article may itself be a useful article, for example, an ornamental wheel cover on a vehicle.

Copyright does not protect the mechanical or utilitarian aspects of such works of craftsmanship. It may, however, protect any pictorial, graphic, or sculptural authorship that can be identified separately from the utilitarian aspects of an object. Thus, a useful article may have both copyrightable and uncopyrightable features. For example, a carving on the back of a chair or a floral relief design on silver flatware could be protected by copyright, but the design of the chair or flatware itself could not.

Some designs of useful articles may qualify for protection under the federal patent law. For further information, contact the U.S. Patent and Trademark Office, P.O. Box 1450, Alexandria, VA 22313-1450 or via the Internet at www.uspto.gov. The telephone number is 1-800-786-9199 and the TTY number is (571) 272-9950. The automated information line is (571) 272-1000.

Copyright in a work that portrays a useful article extends only to the artistic expression of the author of the pictorial, graphic, or sculptural work. It does not extend to the design of the article that is portrayed. For example, a

drawing or photograph of an automobile or a dress design may be copyrighted, but that does not give the artist or photographer the exclusive right to make automobiles or dresses of the same design.

APPENDIX E — PAGES FROM UNITED STATES COPYRIGHT OFFICE CIRCULAR 40A, DEPOSIT REQUIREMENTS FOR REGISTRATION OF CLAIMS TO COPYRIGHT IN VISUAL ARTS MATERIAL (DECEMBER 22, 2014)

PAGES FROM UNITED STATES COPYRIGHT OFFICE CIRCULAR 40a, DEPOSIT REQUIREMENTS FOR REGISTRATION OF CLAIMS TO COPYRIGHT IN VISUAL ARTS MATERIAL (DECEMBER 22, 2014)

SEE SUPPLEMENTAL APPENDIX AT SA1

APPENDIX F — PAGES FROM H.R. REP. 94-1476, 94TH CONG., 2ND SESS. 1976

PAGES FROM H.R. REP. 94-1476,
94TH CONG., 2ND SESS. 1976

SEE SUPPLEMENTAL APPENDIX AT SA6

APPENDIX G — THE BATMOBILES THAT APPEAR IN DC'S COMIC BOOKS

THE BATMOBILES THAT APPEAR
IN DC'S COMIC BOOKS

SEE SUPPLEMENTAL APPENDIX AT SA12

APPENDIX H — THE 1966 BATMOBILE DESIGNED BY GEORGE BARRIS

THE 1966 BATMOBILE –
DESIGNED BY GEORGE BARRIS

SEE SUPPLEMENTAL APPENDIX AT SA20

APPENDIX I — PATENT NO. 205,998
(OCTOBER 18, 1966)

UNITED STATES PATENT NO. 205,998
(OCTOBER 18, 1966)

SEE SUPPLEMENTAL APPENDIX AT SA22

APPENDIX J — THE 1989 BATMOBILE DESIGNED BY ANTON FURST

THE 1989 BATMOBILE –
DESIGNED BY ANTON FURST

SEE SUPPLEMENTAL APPENDIX AT SA23

APPENDIX K — DESIGN PATENT NO. 311,882 (NOVEMBER 6, 1990)

UNITED STATES PATENT NO. DES. 311,882
(NOVEMBER 6, 1990)

SEE SUPPLEMENTAL APPENDIX AT SA24

APPENDIX L — PAGES FROM UNITED STATES COPYRIGHT OFFICE CIRCULAR 40, COPYRIGHT REGISTRATION FOR PICTORIAL, GRAPHIC, AND SCULPTURAL WORKS (REVISED SEPTEMBER 2015)

PAGES FROM UNITED STATES COPYRIGHT OFFICE CIRCULAR 40, COPYRIGHT REGISTRATION FOR PICTORIAL, GRAPHIC, AND SCULPTURAL WORKS(REVISED SEPTEMBER 2015)

SEE SUPPLEMENTAL APPENDIX AT SA29