

CONSTITUTIONAL LAW—FIRST AMENDMENT—PARODY CONTAINED ON TRADING CARDS DOES NOT VIOLATE AN ATHLETE'S RIGHT OF PUBLICITY. *Cardtoons, L.C. v. Major League Baseball Players Association*, 95 F.3d 959 (10th Cir. 1996).

Baseball. It is America's "national pastime." Baseball has been part of the American tradition since the first reported game was played in Hoboken, New Jersey on June 19, 1846.<sup>1</sup> Almost as much a tradition as the game itself, baseball cards have been an American institution since the mid-1800's.<sup>2</sup> The first baseball cards were issued by tobacco and cigarette manufacturers in the late nineteenth and early twentieth centuries.<sup>3</sup>

As baseball's popularity has grown, so has the popularity of baseball cards.<sup>4</sup> Today, the baseball card and sport memorabilia industry generates revenues of \$2 billion a year.<sup>5</sup> As with any revenue generating business, the baseball card in-

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1. Salvatore Prisco, *Crack of the Bat Fist Sounded in Hoboken*, N.Y. TIMES, Oct. 26, 1989, at A26.

2. DR. JAMES BECKETT, THE OFFICIAL 1987 PRICE GUIDE TO BASEBALL CARDS 1 (1986). Early baseball cards were printed on heavy cardboard, were of poor quality, with photography, drawing, and printing far behind today's standards. *Id.*

3. M. McCLOONE, SPORTS CARDS 13 (1979). Tobacco and cigarette manufacturers placed sports cards in their packages for two reasons. *Id.* The first was to stiffen the package to keep the cigarettes from breaking and the second was to sell more cigarettes. *Id.* Goodwin & Co., of New York, makers of Gypsy Queen, Old Judge, and other cigarette brands is considered by many to be the first issuer of baseball cards. Beckett, *supra* note 2.

4. Beckett, *supra* note 2, at 4. There have been major producers of baseball cards since 1939. *Id.* Bowman Gum dominated the market from 1939 until 1951 when Topps Chewing Gum Inc. first began to produce baseball cards. *Id.* at 4-5. Ensuing court battles between Topps and Bowman over players rights, led to Topps eventual buyout of Bowman in January of 1956. *Id.* at 5. The decision of the United States District Court, for the Eastern District of Pennsylvania in *Fleer Corp. v. Topps Chewing Gum, Inc.*, 501 F. Supp. 485 (E.D. Pa. 1980), holding that Topps had violated antitrust laws, paved the way for the entry (or re-entry) of two of the major players in the baseball card market today: the Fleer Corporation and the Donruss Company (a division of General Mills). *Id.* This decision was subsequently reversed in *Fleer Corp. v. Topps Chewing Gum, Inc.*, 658 F.2d 139 (3d Cir. 1981); however Fleer and Donruss continued (and still continue) to produce sports cards. *Id.* at 6. Today, there are five "major" producers of baseball cards, including Topps, Fleer, Leaf/Donruss, Pinnacle Brands and Upper Deck. Kevin Spaise, *TRADING CARDS* March 1995, vol. 4, issue 10, at 46.

5. Terry Melia, *TRADING CARDS* March 1995, vol. 4, issue 10, at 58. In fact, sports memorabilia is the 27<sup>th</sup> largest industry in the world. *Id.*

dustry has not been spared from its share of litigation.<sup>6</sup> The most recent litigation has been between the Major League Baseball Players Association ("MLBPA") and Cardtoons, L.C. ("Cardtoons"), an Oklahoma-based company that produces parody trading cards of major league baseball players.<sup>7</sup> The MLBPA, an unincorporated association that serves as the exclusive collective bargaining agent for all major league baseball players, claimed that Cardtoons infringed on the individual player's rights of publicity under Oklahoma law.<sup>8</sup> Cardtoons countered MLBPA's claims by moving for a declaratory judgment, asserting that its parody trading cards did not infringe on the publicity rights of members of the MLBPA.<sup>9</sup>

Initially, this note will briefly explore some of the major cases governing the right of publicity and parody. Second, it will examine the first two decisions in the *Cardtoon* progeny. Finally, this note will examine in depth the Tenth Circuit Court of Appeals decision in *Cardtoons, L.C. v. Major League Baseball Players Association*, in an attempt to determine whether the courts have been overstepping their bounds in attempting to protect First Amendment rights over personal property rights.

## I. HISTORY OF PUBLICITY RIGHTS AND PARODY

The right of publicity is the right of a person to control the commercial use of his or her identity.<sup>10</sup> While the right was originally intertwined with the right of privacy, courts soon came to recognize a distinction between the personal right to

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6. See *supra* note 4; *Haelan Laboratories, Inc. v. Topps Chewing Gum, Inc.*, 202 F.2d 866 (2d Cir. 1953), cert. denied, 346 U.S. 816 (1953) (contract dispute over right to exclusive use of player's names in connection with the sale of commercial product); *Original Appalachian Artworks, Inc. v. Topps Chewing Gum, Inc.*, 642 F. Supp. 1031 (N.D. Ga. 1986) (granting preliminary injunction in favor of manufacturer of "Cabbage Patch Kids" enjoining manufacturer of "Garbage Pail Kids" trading cards from production.); *Major League Baseball Players Association v. Dad's Kid Corp.*, 806 F.Supp. 458 (S.D. N.Y. 1992) (trademark infringement action against the manufacturer of a three dimensional baseball card display item holding that there was no likelihood of confusion as to origin of the product and that manufacturer had not misappropriated publicity rights of major league players).

7. *Cardtoons, L.C. v. Major League Baseball Players Association*, 95 F.3d 959 (10th Cir. 1996).

8. *Id.* at 968. See also OKLA. STAT. tit. 12, § 1449(A) (Oklahoma's current right of publicity statute).

9. *Cardtoons*, 95 F.3d at 962.

10. J. Thomas McCarthy, *THE RIGHTS OF PUBLICITY AND PRIVACY* § 1.1[A][1] (1996).

be left alone and the business right to control use of one's identity in commerce.<sup>11</sup> The right of publicity as a business right to control the use of one's identity was first recognized in *Haelan Laboratories, Inc. v. Topps Chewing Gum, Inc.*,<sup>12</sup> which involved two rival chewing gum manufacturers who were contesting the exclusive rights to use the image of a professional baseball player to promote their product.<sup>13</sup> The *Haelan* court concluded that "a man has a right in the publicity value of his photograph."<sup>14</sup>

The right of publicity is now recognized by common law or statute in 25 states.<sup>15</sup> This right has not been a static one, rather the right of publicity has gone through many changes and differs from state to state. The United States Supreme Court in *Zacchini v. Scripps-Howard Broadcasting Co.*, recognized that a state's interest in permitting a 'right of publicity' is to protect the individual's performance so as to encourage such forms of entertainment.<sup>16</sup>

One of the more strange and interesting cases in the field of publicity rights cases is *Carson v. Here's Johnny Portable Toilets, Inc.*<sup>17</sup> In *Carson*, Johnny Carson the host of "The Tonight Show" [at the time of the action] brought an action against a Michigan corporation, Here's Johnny Portable Toilets, Inc., al-

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11. *Id.* at §1.1-1.6; see also *Cardtoons*, 93 F.3d at 967.

12. 202 F.2d 866 (2d Cir. 1953), cert. denied, 346 U.S. 816 (1953)

13. See *Haelan Laboratories*, 202 F.2d at 866.

14. *Id.* at 868. The court continued:

[t]his right might be called a 'right of publicity.' For it is common knowledge that many prominent persons (especially actors and ball-players), far from having their feelings bruised through public exposure of their likenesses, would feel sorely deprived if they no longer received money for authorizing advertisements, popularizing their countenances, displayed in newspapers, magazines, buses, trains and subways. This right of publicity would usually yield them no money unless it could be made the subject of an exclusive grant which barred any other advertiser from using their pictures.

*Id.*

15. McCarthy, *supra* note 10, at §6.1[B].

16. *Zacchini v. Scripps-Howard Broadcasting Co.*, 433 U.S. 562, 572-573 (1977). *Zacchini* involved a case between a television broadcasting company and a performer in a "human cannonball" act. *Id.* at 562. The television company recorded the performer's "human cannonball" act against his wishes and the performer sued for damages based on an "unlawful appropriation of his professional property." *Id.* The court held that the plaintiff could maintain his action and that he had a right to be paid for his performance. *Id.* at 578. However, the Court also noted that Ohio [where the action originated] could, as a matter of its own law, grant the press a privilege to broadcast performances such as the plaintiffs. *Id.*

17. 698 F.2d 831 (6th Cir. 1983).

leging unfair competition, trademark infringement, and invasion of privacy and publicity rights.<sup>18</sup> The court first recognized that since 1962, when he first began hosting *The Tonight Show*, Carson was introduced by the phrase "Here's Johnny."<sup>19</sup> The court further took notice of the fact that the phrase "Here's Johnny" was associated with Carson by the majority of the television viewing public.<sup>20</sup> In holding that Carson's 'right of publicity' had been infringed, the court stated that "[i]f the celebrity's identity is commercially exploited there has been an invasion of his right [of publicity] whether or not his "name or likeness" is used."<sup>21</sup>

The case of *Hustler Magazine v. Falwell*<sup>22</sup> is another relevant case in this area. *Hustler Magazine* involved an action by the Reverend Jerry Falwell, a nationally known minister, against *Hustler Magazine, Inc.*, a magazine of nationwide circulation, and its publisher and owner, Larry Flynt.<sup>23</sup> Falwell was upset over an ad parody that was printed in the November 1983 issue of *Hustler Magazine* and sued to recover damages for libel, invasion of privacy and intentional infliction of emotional distress.<sup>24</sup> The Court held that in cases where the plaintiff is seeking damages for intentional infliction of emotional distress that occurs as a result of the publication of a defamatory falsehood the plaintiff must overcome the "actual malice" standard of *New York Times v. Sullivan*.<sup>25</sup> The *Hustler Maga-*

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18. *Id.* at 832-33. Carson sought damages and an injunction prohibiting appellee's further use of the phrase "Here's Johnny" as a corporate name or in connection with the sale or rental of its portable toilets. *Id.* at 833.

19. *Id.*

20. *Id.* at 833.

21. *Id.* at 835. The court also noted that "the right of publicity. . . is that a celebrity has a protected pecuniary interest in the commercial exploitation of his identity." *Id.*

22. 485 U.S. 46 (1988).

23. *Id.* at 47.

24. *Id.* at 48. According to the Court, the inside front cover of the November 1983 issue of *Hustler* contained an ad "parody" of an advertisement for Campari Liqueur that contained the name and picture of Falwell and was entitled "Jerry Falwell talks about his first time." *Id.* The parody was modeled after actual Campari ads that included interviews with actual celebrities about the "first time" they sampled Campari. *Id.* *Hustler's* editors copied the form and layout of the Campari ads and chose Falwell as the featured celebrity. *Id.* In the parody's "interview," Falwell states that his "first time" was during a drunken incestuous rendezvous with his mother in an outhouse. *Id.* In small print at the bottom of the page the ad contained a disclaimer, "ad parody—not to be taken seriously." *Id.*

25. *Id.* at 49. See also *New York Times Co. v. Sullivan*, 376 U.S. 254 (1964). The *New York Times* standard allows a public figure to hold a speaker or writer liable for damage

zine Court noted that if they applied any other standard to the work of political cartoonists, satirists would be subject to damage awards without any showing that their action falsely defamed its subject.<sup>26</sup> The Court stated "[t]he appeal of the political cartoon or caricature is often based on exploitation of unfortunate physical traits or politically embarrassing events - an exploitation often calculated to injure the feelings of the subject of the portrayal."<sup>27</sup>

More recently, in *White v. Samsung Electronics America, Inc.*,<sup>28</sup> the United States Court of Appeals for the Ninth Circuit enlarged the applicable right of publicity. The case involved the popular game show hostess Vanna White who brought an action against Samsung alleging that Samsung infringed upon various intellectual property rights, most notably her right of publicity.<sup>29</sup> The court dealt extensively with White's right of publicity claim. White argued that the district court erred in granting summary judgment in favor of Samsung on her common law right of publicity claim.<sup>30</sup> The district court found that because the Samsung ad did not appropriate White's "name or likeness," White's claim was meritless.<sup>31</sup> The Ninth Circuit disagreed, stating that the "common law right of publicity is not so confined."<sup>32</sup> The court noted that "[t]he right of

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to reputation caused by a defamatory falsehood but only if the statement is made with knowledge that it was false or with reckless disregard of whether it was false or not. *Hustler Magazine*, 485 U.S. at 52.

26. *Id.* at 53.

27. *Hustler*, 485 U.S. at 57. The Court also held that the *Hustler* ad parody could not be "reasonably understood" as describing actual facts about Falwell, or actual events in which he participated. *Id.* The Court accepted the finding of the Court of Appeals which interpreted the jury's finding to mean that the ad parody was not reasonably believable. *Id.*

28. 971 F.2d 1395 (9th Cir. 1992).

29. *Id.* *White* involved a series of advertisements run by Samsung portraying life in the twenty-first century. *Id.* at 1396. One of the advertisements portrayed a robot, dressed in a wig, gown and jewelry which resembled White's hair and dress. *Id.* The robot was posed next to a game board which "is instantly recognizable as the Wheel of Fortune game show set." *Id.* White neither consented to the ads nor was she paid. *Id.*

30. *Id.* at 1397.

31. *Id.* The district court relied on the reasoning of *Eastwood v. Superior Court*, 149 Cal. App. 3d 409 (1983). The *Eastwood* court held that a common law right of publicity claim could be plead by alleging that the defendant used the plaintiff's identity, appropriated the plaintiff's name or likeness to the defendant's advantage, and that the defendant lacked consent to use the plaintiff's identity and injury or damages. *See White*, 971 F.2d at 1397.

32. *Id.* The Ninth Circuit, citing Dean Prosser, noted that "[i]t is not impossible that there might be appropriation of the plaintiff's identity, as by impersonation, without the

publicity does not require that appropriations of identity be accomplished through particular means to be actionable."<sup>33</sup> The court's intent was clear: the right of publicity is not meant to provide a narrow protection, rather it should provide a broad shield that protects that celebrities' "sole right" to exploit her value or fame.<sup>34</sup>

The *White* court also took up the issue of the "parody defense." Samsung claimed that their robot advertisements were protected speech.<sup>35</sup> The court distinguished the parody in this case, which was purely for commercial purposes, from parodies that are used to poke fun or make political statements.<sup>36</sup> The court found that the advertisement's "spoof" was secondary and "only tangentially related" to the ad's main message, which was to buy Samsung VCRs.<sup>37</sup> The court noted that "even if some forms of expressive activity, such as parody, do rely on identity evocation, the first amendment hurdle will bar most 'right of publicity' actions against those activities." "In the case of commercial advertising, however, the first amendment hurdle is not so high."<sup>38</sup> In conclusion the court stated that "[t]he difference between a 'parody' and a 'knock-off' is the difference between fun and profit."<sup>39</sup>

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use of either his name or his likeness, and that this would be an invasion of his right of privacy." *Id.* at 1397-98 (citing Prosser, *Privacy*, 48 CAL.L.REV. 383, 401 n. 155 (1960)).

33. *White*, 971 F.2d at 1398. The court also noted that it is not important how a defendant appropriates a plaintiff's identity, but whether the defendant actually does so. *Id.* The court continued by declaring that if the means of appropriation was treated as dispositive the right of publicity would be destroyed. Indeed:

[t]he right would fail to protect those plaintiffs most in need of its protection. Advertisers use celebrities to promote their products. The more popular the celebrity, the greater the number of people who recognize her, and the greater the visibility for the product. The identities of the most popular celebrities are not only the most attractive for advertisers, but also the easiest to evoke without resorting to obvious means such as name, likeness, or voice.

*Id.* at 1399.

34. *Id.* The Ninth Circuit held that district court erred in granting Samsung's motion for summary judgment, as *White* had alleged facts sufficient to succeed on a common law right of publicity claim. *Id.*

35. *Id.* at 1401. The court noted that defendant cited only two cases of any relevance, *Hustler Magazine* and *L.L. Bean, Inc. v. Drake Publishers, Inc.*, 811 F.2d 26 (1<sup>st</sup> Cir. 1987). *Id.*

36. *White*, 971 F.2d at 1401. The court noted that both *Hustler Magazine* and *L.L. Bean* involved parodies of advertisements that were run to poke fun at Jerry Falwell and L.L. Bean respectively. *Id.*

37. *Id.*

38. *White*, 971 F.2d at 1401 n. 3.

39. *Id.* at 1401.

The most recent major decision involving parody was handed down in 1994, by the United State Supreme Court in *Campbell v. Acuff-Rose Music, Inc.*<sup>40</sup> The *Campbell* case revolved around a dispute between the rap group 2 Live Crew and the owners of the rights to the song "Oh Pretty Woman," the plaintiffs Acuff-Rose Music, Inc.<sup>41</sup> The district court ruled in 2 Live Crew's favor, holding that the group's use of "Oh Pretty Woman" was a fair use protected by the Copyright Act. The appellate court reversed.<sup>42</sup> The Supreme Court began by noting that 2 Live Crew's song would be an infringement of Acuff-Rose's rights in the original but for a finding of fair use through parody.<sup>43</sup> Fair use analysis is done on a case by case basis and all four of the factors used to determine fair use must be explored and the results weighed together in light of the purposes of copyright.<sup>44</sup>

The first factor in fair use inquiry is the purpose and char-

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40. 114 S.Ct. 1164 (1994).

41. *Id.* at 1167. The original song "Oh Pretty Woman" was written by Roy Orbison and William Dees, who assigned their rights in the song to Acuff-Rose Music. *Id.* at 1168. 2 Live Crew's version, entitled "Pretty Woman," was a parody of the original. *Id.* For a comparison of the lyrics of the two songs, see *id.* at Appendix A.

42. *Id.* at 1168. The Court of Appeals ruled that because of the commercial nature of the work and its excessive borrowing of the original, the defense of fair use was barred. *Id.*

43. *Id.* at 1169. See also Copyright Act of 1976, 17 U.S.C. § 106-107 (1988 ed. and Supp. IV). Section 107 entitled "Limitations on exclusive rights: Fair use" specifically states:

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

- (1) the purpose and character of the use, including whether such use is of a commercial nature or is for nonprofit educational purposes;
- (2) the nature of the copyrighted work;
- (3) the amount and substantiality of the portion use in relating to the copyrighted work as a whole; and
- (4) the effect of the use upon the potential market for or value of the copyrighted work.

The fact that a work is unpublished shall not in itself bar a finding of fair use if such finding is made upon consideration of all the above factors."

17 U.S.C. §107 (1988 ed. and Supp. IV).

44. *Campbell*, 114 S.Ct. at 1171.

acter of the work.<sup>45</sup> The central purpose of this factor is to determine if the new work is transformative, meaning how much has the new work added something new or changed the message of the original work.<sup>46</sup> The Court recognized that parody can provide social benefit, by shedding light on an earlier work, and held that parody may claim fair use under §107 of the Copyright Act of 1976.<sup>47</sup> The Court found that 2 Live Crew's song could reasonably be perceived as parody as it commented and criticized the original.<sup>48</sup> Finally, in analyzing the first factor, the Court ruled that the Appeals Court erred in holding the commercial nature of the work dispositive. Indeed, the Court held that the commercial or nonprofit nature of a work is only one element of the inquiry into the purpose and character of the work.<sup>49</sup>

The Court dismissed the second factor, referred to as the "nature of the copyrighted work" as not being helpful in parody cases as parodies almost always copy "publicly known expressive works."<sup>50</sup> The Court next turned to the third factor, which examines whether the amount and substantiality of the portion used in relation to the copyrighted work was reasonable in relation to the purpose of the copying.<sup>51</sup> The Court took notice that "parody presents a difficult case" when analyzing the third factor.<sup>52</sup> The parody must be able to "conjure up" at least enough of the original to make the object of its humor understood.<sup>53</sup> If enough of the original has been copied so that the audience can identify what the parody is poking fun at, "how much more [can be copied] . . . will depend, say, on the extent

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45. *Id.* at 1171. This factor includes whether the use is of a commercial nature or for nonprofit educational purposes. *Id.*

46. *Id.* As the Court noted, "the more transformative the new work, the less will be the significance of other factors, like commercialism, that may weigh against a finding of fair use." *Id.*

47. *Id.* The Court stated, "[p]arody needs to mimic an original to make its point and so has some claim to use the creation of its victim's (or collective victim's) imagination." *Id.* at 1172.

48. *Id.* at 1173. The Court found that parody does not have to be labeled as such as it serves its goals whether it is labeled or not. *Id.* at 1173 n. 17.

49. *Campbell*, 114 S.Ct. at 1174.

50. *Id.* at 1175.

51. *Id.*

52. *Id.* at 1176. The Court stated that because "[p]arody's humor, or in any event its comment, necessarily springs from recognizable allusion to its object through distorted imitation. Its art lies in the tension between a known original and its parodic twin." *Id.*

53. *Id.*



to which the song's overriding purpose and character is to parody the original or, in contrast, the likelihood that the parody may serve as a market substitute for the original."<sup>54</sup> The Court ruled that as far as 2 Live Crew's copying of the original lyrics went, no more than necessary was copied; however, the Court expressed no opinion as to the copying of the music.<sup>55</sup>

The fourth fair use factor is the effect of the use upon the potential market for or value of the copyrighted work.<sup>56</sup> In terms of parody, this effect is likely to be minimal as the new work will not likely affect the market for the original by acting as a substitute.<sup>57</sup> The Court left this factor undecided because it felt that sufficient evidence had not been introduced by either party such that the issue could best be resolved on remand. The Court concluded by reversing and remanding the case, holding that the Court of Appeals erred when it ruled that the commercial nature of 2 Live Crew's parody of "Oh Pretty Woman" rendered it presumptively unfair and when it held that 2 Live Crew copied excessively from the original.<sup>58</sup>

III. JUST THE FACTS MAN:  
*CARDTOONS, L.C. v. MAJOR LEAGUE BASEBALL  
PLAYERS ASSOCIATION*,  
95 F.3d 959 (10th Cir. 1996)

The issues of fair use and parody were again examined in the case of *Cardtoons, L.C. v. Major League Baseball Players Association*. The dispute between Cardtoons and the MLBPA began when Cardtoons designed a set of parody trading cards which depicted active major league baseball players.<sup>59</sup>

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54. *Campbell*, 114 S.Ct. at 1176-77.

55. *Id.*

56. *Id.* at 1177. Specifically, a court must consider not only the extent of the market harm caused by the actions of the parodist, but also whether the widespread conduct of the parodist would result in a substantially adverse impact on the potential market for the original. *Id.*

57. *Id.* "This is so because the parody and the original usually serve different market functions." *Id.* at 1178.

58. *Id.* at 1179.

59. *Cardtoons, L.C., v. Major League Baseball Players Association*, 838 F. Supp. 1501, 1506 (N.D. Okla. 1993). Examples of Cardtoons' product include:

[a] card parodying San Francisco Giants' outfielder Barry Bonds [which] calls him "Treasury Bonds," and features a recognizable caricature of Bonds, complete with earring, tipping a bat boy for a 24 carat gold "Fort Knoxville Slugger." The back of the card has a team logo (the "Gents"), and the following text:

"Cardtoons did not obtain a license or consent from the MLBPA."<sup>60</sup> Cardtoons is a commercial venture designed to

Redemption qualities and why Treasury Bonds is the league's most valuable player:

1. Having Bonds on your team is like having money in the bank.
2. He plays so hard he gives 110 percent, compounded daily.
3. He turned down the chance to play other sports because he has a high interest rate in baseball.
4. He deposits the ball in the bleachers.
5. He is into male bonding.
6. He is a money player
7. He has a 24-karat Gold Glove.
8. He always cashes in on the payoff pitch.

NOTICE: Bonds is not tax-free in all states but is double exempt. At the end of the 1992 season, Barry Bonds was a two-time winner of the National League's Most Valuable Player award, a three-time winner of a Gold Glove award, and had just signed a six-year contract for \$43.75 million, making him the highest paid player in baseball. Richard Hoffer, *The Importance of Being Barry: The Giant's Barry Bonds is the Best Player in the Game Today—Just Ask Him*, SPORTS ILLUSTRATED May 24, 1993, at 13. No one the least bit familiar with the game of baseball would mistake Cardtoons' "Treasury Bonds" for anyone other than the Giants' Barry Bonds. Other caricatures, such as "Ken Spiffy, Jr." of the "Marinerds" (Ken Griffey, Jr., of the Seattle Mariners), are equally identifiable. . . . Other trading cards mock the players narcissism, as exemplified by the card featuring "Egotisticky Henderson" of the "Pathetics," parodying Rickey Henderson, then of the Oakland Athletics. The card features a caricature of Henderson raising his finger in a "number one" sign while patting himself on the back, with the following text:

Egotisticky Henderson, accepting the "Me-Me Award" from himself at the annual "Egotisticky Henderson Fan Club" banquet, sponsored by Egotisticky Henderson:

"I would just like to thank myself for all I have done. (Pause for cheers.) I am the greatest of all time. (Raise arms triumphantly.) I love myself. (Pause for more cheers.) I am honored to know me. (Pause for louder cheers.) I wish there were two of me so I could spend more time with myself. (Wipe tears from eyes.) I couldn't have done it without me. (Remove cap and hold it aloft.) It's friends like me that keep me going. (Wave to crowd and acknowledge standing ovation.) The remainder of the cards poke fun at things such as the players' names ("Chili Dog Davis" who "plays the game with relish," a parody of designated hitter Chili Davis), physical characteristics ("Cloud Johnson," a parody of six-foot-ten-inch pitcher Randy Johnson), and onfield behavior (a backflipping "Ozzie Myth," a parody of shortstop Ozzie Smith).

*Cardtoons*, 95 F.3d at 962-63.

60. *Cardtoons*, 838 F. Supp. at 1506. "The MLBPA is an unincorporated association that serves as the exclusive collective bargaining agent for all major league baseball players." *Id.* Since 1966, MLBPA has had a "group licensing program" where the Association acts as the assignee of individual publicity rights for all active major league baseball players." *Id.* In fact:

[t]he MLPBA has entered into group licensing arrangements for a variety of products, including candy, cookies, cereals and baseball trading cards. In each case, the licensees were authorized to use the major league players' names and likenesses on or in connection with a product or service. In exchange, the li-

make money for its principles.<sup>61</sup> Of the 130 cards designed by Cardtoons, 71 depict active major league players, twenty "Big Bang Buck" and 10 "Spectra" cards also feature caricatures of players' faces.<sup>62</sup>

The MLBPA licenses six companies to produce trading cards.<sup>63</sup> These companies produce an estimated \$1.3 billion annually in sales, out of which royalties are paid to the individual major league baseball players.<sup>64</sup> The attorney and director of licensing for the MLBPA, Judith Heeter, testified that Cardtoons would decrease the image of major league baseball players and that the MLBPA would never license a parody that poked fun at the players.<sup>65</sup> After designing the cards, Cardtoons contracted with a printer, Champs Marketing, Inc., and a distributor, TCM Associates as part of an overall marketing plan.<sup>66</sup> Additionally, as part of the same marketing plan, Cardtoons placed an advertisement in the May 14, 1993 issue of Sports Collectors Digest.<sup>67</sup> That advertisement tipped off the MLBPA, who then had its attorney forward cease and desist letters to both Cardtoons and Champs.<sup>68</sup> After receiving the cease and desist letter from MLBPA, Champs advised Cardtoons that it would not print the parody cards until a court of competent jurisdiction had determined that the cards did not violate MLBPA's rights.<sup>69</sup> Cardtoons then filed suit seeking a declaratory judgment that its cards did not violate MLBPA's publicity or other property rights.<sup>70</sup> MLBPA moved

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cense paid the MLBPA a royalty and/or a promotional fee. Revenues from the group licensing program are distributed to major league players in accordance with MLBPA policies. Currently, the MLBPA has licensed six companies for the manufacture and sale of baseball trading cards.

*Id.* at 1506 n. 5.

61. *Id.* at 1507. "Cardtoons stated that its objective was to inform, entertain and poke fun at major league baseball, baseball players and baseball cards." *Id.*

62. *Id.* "Despite changes in the names of the players on the cards, a reasonable person familiar with baseball can readily identify the players depicted on the cards. "Identification is facilitated by similar names, the same Major League team colors and caricatures closely resembling well-known major league baseball players." *Id.*

63. *Id.* at 1506.

64. *Id.*

65. *Cardtoons*, 838 F. Supp. at 1507-1508.

66. *Cardtoons*, 95 F.3d at 963.

67. *Id.*

68. *Id.*

69. *Id.*

70. *Id.* "Cardtoons also sought damages for tortious interference with its contractual relationship with Champs, as well as an injunction to prevent MLBPA from threatening

to dismiss for lack of subject matter jurisdiction and counter-claimed for a declaratory judgment, injunction, and damages for violation of its members' right of publicity under Oklahoma law.<sup>71</sup>

## II. *CARDTOONS* TAKE ONE:

### UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF OKLAHOMA

The action filed by *Cardtoons* in the Oklahoma District Court was referred to Magistrate Judge Wolf whose Report and Recommendation were adopted by Chief Judge Ellison as the formal opinion.<sup>72</sup> The Court began its discussion by holding that federal question jurisdiction existed.<sup>73</sup> The court then went on to deal with the declaratory judgment action. The court noted that "[t]he central issue . . . focuses on the question whether MLBPA's 'right to publicity' gives way to alleged First Amendment freedoms taking the form of parody."<sup>74</sup> The court found that the right of publicity recognizes the economic value of an individuals identity, is an incentive to creativity and prevents the unjust enrichment of those persons who appropriate the identity of others for their own commercial gain.<sup>75</sup> The court held that as a matter of law *Cardtoons* had violated

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legal action against Champs or other third parties whom it had contracted to produce and distribute the parody cards." *Id.*

71. *Cardtoons*, 95 F.3d at 963.

72. *Cardtoons*, 838 F. Supp. at 1503.

73. *Id.* at 1509. The court found that because the MLBPA's letter to *Cartoons*, was clearly a threat to take action, in that the MLBPA would take "all necessary action to enforce the rights of the playing and the MLBPA", the case implicated serious First Amendment questions and there was a valid case or controversy, the court could exercise jurisdiction. *Id.* at 1508-1510.

74. *Id.* at 1510. The applicable "right of publicity statute" is found at OKLA. STAT. tit. 12, §1449(A). The statute, virtually identical to the California law states:

A. Any person who knowingly uses another's name, voice, signature, photograph, or likeness, in any manner, on or in products, merchandise, or goods, or services . . . without such person's prior consent . . . shall be liable for any damages sustained by the person or persons injured as a result thereof, and any profits from the unauthorized use that are attributable to the use shall be taken into account in computing the actual damages . . .

*Id.* at 1511 (quoting OKLA. STAT. tit. 12, §1449(A)). In order to prove a §1449(A) violation the MLBPA had to prove that *Cardtoons* had knowingly used MLBPA's "name or likeness" on products, merchandise or goods without MLBPA's prior consent. If MLBPA could prove the above requirements then the burden would shift to *Cardtoons* to raise a valid defense. *Id.*

75. *Id.* at 1511.

§1449 if the cards were sold as a commercial product.<sup>76</sup>

The district court next dealt with the possible defenses that Cardtoons might assert. The court found that Cardtoons was not saved by the exceptions to §1449 (subsections (D) and (E)) or by a First Amendment "newsworthiness" defense.<sup>77</sup> The court also dealt with "incidental use," a second First Amendment defense. The court dismissed both the "newsworthiness" and the "incidental use" defenses stating that:

[i]n this case, the facts show that Cardtoons has neither a "newsworthiness" or an "incidental use" defense (i.e., the product is not a newspaper or magazine or other traditionally protected medium and does not "incidentally" reference the players.) This conclusion rests, in part on the fact that Cardtoons' overriding purpose is commercial. The company's very use of the players' likenesses' is in fact, the end result—the "product". It desires to sell the parody.<sup>78</sup>

The last issue the court grappled with was whether there was a First Amendment parody defense for commercial products, or as the court put it "can one sell a parody?"<sup>79</sup> In general,

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76. *Id.* at 1511-1512. The court found that Cartoons' parody cards clearly contained the "likenesses" of MLBPA players as a reasonable person familiar with baseball could identify the real players parodied on the cards. *Id.* at 1511.

77. *Cardtoons*, 838 F. Supp. at 1511. Subsection (D) of §1449 states: "[f]or purposes of this section, a use of a name, voice, signature, photograph, or likeness in connection with any news, public affairs, or sports broadcast or account, or any political campaign, shall not constitute a use for which consent is required under subsection A." *Id.* at 1512 (quoting OKLA. STAT. tit. 12, §1449(D)). Subsection (E) of §1449 states: "[t]he use of a name, voice, signature, photograph, or likeness in a commercial medium shall not constitute a use for which consent is required under subsection A of this section solely because the material containing such use is commercially sponsored or contains paid advertising. Rather it shall be a question of fact whether or not the use of the person's name . . . or likeness was so directly connected with the commercial sponsorship or with the paid advertising to constitute a use for which consent is required under subsection A of this section." *Id.* at 1512-13 (quoting OKLA. STAT. tit. 12, §1449(D)). The "newsworthiness" defense is the use of a person's name or picture in the context of an event that is subject to public interest and scrutiny. *Id.* at 1513 (quoting *Ann-Margaret v. High Society Magazine, Inc.*, 498 F. Supp. 401 (S.D.N.Y. 1980)). See *Paulsen v. Personality Posters Inc.*, 299 N.Y.S.2d 501 (N.Y. 1968) (because Paulsen had "projected himself into the national political scene", a poster about Paulsen was sufficiently relevant to a matter of public interest to be a form of expression that is constitutionally protected).

78. *Cardtoons*, 838 F. Supp. at 1515. Specifically, the court found that because Cardtoons' entire marketing and packaging strategy was the same as any commercial collectible trading card companies the use of the MLBPA's players' identities was strictly for commercial gain. *Id.*

79. *Id.* at 1514. A noncommercial use of a parody is more likely to receive protection than one designed for commercial profit. *Id.* See *Tin Pan Apple, Inc., v. Miller Brewing Co., Inc.*, 737 F. Supp. 826 (S.D.N.Y. 1990) (case involving the rap group "The Fat Boys" which held that appropriation of copyrighted material solely for personal profit cannot

courts analyzing trademark and copyright cases involving parody will normally engage in a balancing test, where the use of the parody is given considerable weight.<sup>80</sup> The court held that "allowing Cardtoons to profit from the "economic value" of the MLBPA players without returning just compensation is contra the plain meaning of the Oklahoma statute: and ultimately the policies which accord a cause of action in support of the "right of publicity."<sup>81</sup>

Magistrate Wolf concluded his Recommendation and Report by holding that Cardtoons "parody cards" are a commercial product designed to make money for its investors.<sup>82</sup> A declaratory judgment was entered in favor of MLBPA holding that the Cardtoons Parody Cards which depict active Major League Baseball players violates the Oklahoma "right of publicity" statute. Cardtoons' request for a declaratory judgment was denied as was the injunctive relief sought by MLBPA.<sup>83</sup>

### III. *CARDTOONS TAKE TWO* *UNITED STATES DISTRICT COURT FOR THE NORTHERN* *DISTRICT OF OKLAHOMA*

Slightly less than one year after the first decision, in the wake of recent decisions of the United States Supreme Court, the district court set aside its' adoption of Magistrate Wolf's Report and Recommendation, and reconsidered the issues presented by Cardtoons and MLBPA.<sup>84</sup> The court recognized that to be an effective parody of baseball cards, Cardtoons trading cards had to imitate the normal configuration of conventional trading cards.<sup>85</sup> The court held that Cardtoons' par-

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constitute parody as a matter of law); *Original Appalachian Artworks v. Topps Chewing Gum*, 642 F. Supp. 1031 (N.D. Ga. 1986) (case involving chewing gum manufacturer and maker of "Cabbage Patch Kids", where court found that Topps claim of "fair use" through parody was rejected by the court because Topps' main goal was not to make a social comment but to derive a profit).

80. *Id.* at 1519.

81. *Id.* at 1520.

82. *Id.* at 1522.

83. *Id.* at 1523. As to the injunctive relief, the court found that MLBPA had other adequate remedies at law and could not make the requisite showing of "irreparable harm." The court also denied both parties requests for damages. *Id.*

84. *Cardtoons, L.C. v. Major League Baseball Players Association*, 868 F. Supp. 1266, 1267 (N.D.Okla. 1994). The court noted that it wanted to give full consideration to recent authority from the Supreme Court, notable *Campbell*.

85. *Id.* at 1267. The court stated that:

[i]f Cardtoons' cards were not published in (3 1/2" x 2 1/2") card form, they would

ody cards were both commercial and parody and had to be treated as both when analyzing them.<sup>86</sup>

The court began its reconsideration by explaining that the purpose of the Oklahoma "right of publicity" statute is to protect individuals, celebrities, etc. from having the "distinguishing characteristics" of their persona exploited to the financial benefit of another.<sup>87</sup> The court found that the Magistrate had applied the correct three-part test to determine if Cardtoons had violated the statute and agreed with the Magistrate's determination that MLBPA had proven the three elements of a violation.<sup>88</sup>

The court then went on to analyze Cardtoons' and MLBPA's rights under the "use analysis" and "balancing analysis" (the two tests that Magistrate Wolf applied) noting however, that the right of publicity is not determined solely by the application of these two tests.<sup>89</sup> The court began with the "balancing analysis", which governs trademark cases.<sup>90</sup> The Magistrate's Report made strong reference to the case of *Jordache Enters., v. Hogg Wyld, Ltd.*<sup>91</sup>, to support its conclusion that Cardtoons would create a "likelihood of confusion" with traditional, licensed baseball cards. In its reconsideration the court held that because Cardtoons cards could not be considered traditional, licensed cards, as each one clearly states that it is not licensed, no likelihood of confusion existed and Cardtoons in-

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not evoke the parodically-necessary theme of traditional baseball cards in Cardtoons' audience. Likewise, if Cardtoons was to forego placing any image of an actual baseball player on its cards, the cards' status as baseball card parodies would be obscured. It is the evocation of the image of particular baseball players that is the basis of MLBPA's position, because Oklahoma's right of publicity extends to "images" of people. Without the inclusion of an image, however, it is essentially impossible to create effective parody, because parody relies in substantial part, on visual identification with the parody's target.

*Id.* at 1268.

86. *Id.*

87. *Id.* at 1269.

88. *Id.* The court also agreed with the Magistrate that defenses provided within the statute are not applicable to Cardtoons and that the issue is as the Magistrate stated "can one sell a parody?" *Id.*

89. *Cardtoons*, 868 F. Supp. at 1269.

90. *Id.* Although, the court stated that the similarity between trademark law and the right of publicity is "hazy" and the differences outweighed the similarities. *Id.*

91. *Id.*; see also *Jordache Enters. v. Hogg Wyld, Ltd.*, 828 F.2d 1482 (10<sup>th</sup> Cir. 1987) (case involving competing lines of denim jeans, where the court found that defendant's market created a likelihood of confusion even though there was an intent to parody the plaintiff's original product).

tent to create a parody prevailed over MLBPA's claim. The court found that the Magistrate's Report was flawed because it placed too much emphasis on the fact that because Cardtoons speech is commercial it receives less first amendment protection than other types of speech.<sup>92</sup> In conclusion, the court held that because trademark analysis is primarily concerned with the likelihood of confusion of products, its utility in the analysis of the present case is minimal and therefore the court would "refrain from relying upon specific forms of trademark analysis in reaching its decision."<sup>93</sup>

The court next turned to a "fair use" analysis traditionally employed in copyright situations.<sup>94</sup> The court applied the four "fair use" criterion that are normally used in copyright analysis.<sup>95</sup> In analyzing the first factor, the district court held that the Magistrates Report was in error as it gave excessive weight to the commercial nature of Cardtoons. The court found that the commercial aspect was only one aspect of the "purpose and character of the use."<sup>96</sup> The court also noted that the Report disregarded the nature of the protected work, failed to consider the amount and substantiality of the portion used in relation to the work as a whole and did not even address the effect of the use upon the potential market for or value of the protected work.<sup>97</sup> The court stated that because the Supreme Court's decision in *Accuff-Rose* had not been decided at the time the Magistrate made his Report, it relied on incorrect authority.<sup>98</sup>

In order to correct the Magistrate's errors, the court judged Cardtoons' parody defense of its own.<sup>99</sup> As to the first of the

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92. *Cardtoons*, 868 F. Supp. at 1270.

93. *Id.* at 1271.

94. *Id.* The court noted that the Supreme Court has found the goals of the right of publicity to be substantially similar to the goals of copyright law. *Id.* Indeed, the Supreme Court has stated that "[t]he threshold question when fair use is raised in defense of parody is whether a parodic character may reasonably be perceived." See *Campbell*, 114 S.Ct. at 1173.

95. *Cardtoons*, 868 F. Supp. at 1270. The four criteria are (1) the purpose and character of the use, including whether such use is of a commercial nature or is for nonprofit educational purposes; (2) the nature of the copyrighted work; (3) the amount and substantiality of the portion used in relation to the copyrighted work as a whole; and (4) the effect of the use upon the potential market for or value of the copyrighted work. *Id.*

96. *Id.* at 1272.

97. *Id.*

98. *Cardtoons*, 868 F. Supp. at 1272.

99. *Id.* The court applied a "use analysis" drawn from copyright law and the Supreme Court's opinion in *Campbell*. *Id.*



"fair use" factors, the purpose and character of the use, the court found that Cardtoons cards expressed opinions on matters of public interest, however the expression of opinion was subsidiary to or indistinguishable from their commercial purpose.<sup>100</sup> The court discussed the case of *White v. Samsung Electronics*, as an example of a situation where the nature of the use of the parody is strictly commercial.<sup>101</sup> The court contrasted the Cardtoons' situation, noting that the "cards are not an advertisement for anything except themselves."<sup>102</sup> The court dismissed the second factor, the nature of the copyrighted work, as inapplicable to the analysis of Cardtoons' fair use claim.<sup>103</sup>

The court analyzed the third factor, the amount and substantiality of the portion of the copyrighted material used, in Cardtoons' favor.<sup>104</sup> Finally, the last and most important factor, the effect upon the potential market for or value of the copyrighted work, was analyzed.<sup>105</sup> The court held that Cardtoons' marketing of the caricatured likenesses of baseball players was unlikely to satisfy the market demand for the actual player's likenesses.<sup>106</sup> The enormous market for traditional baseball cards and the fact that Cardtoons' cards are not faithful counterfeit or reproductions of baseball cards led the court to its conclusion that Cardtoons trading cards were not a substitute product for the original.<sup>107</sup> Therefore, after considering all of the "fair use" criterion, the court determined that one was inapplicable and three of the guidelines weighed in favor of finding that Cardtoons parody cards were a "fair use."<sup>108</sup>

In conclusion, the court held that commercial parody is pro-

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100. *Id.*

101. *Id.* at 1273. See *White*, 971 F.2d 1395.

102. *Cardtoons*, 868 F.Supp. at 1273.

103. *Id.*

104. *Id.* The court found that because Cardtoons used caricatures and not photographs, Cardtoons did not appropriate more of the players likenesses than it had to. *Id.* Indeed, the court went so far as to state that "Cardtoons could have accomplished its parodic purpose by taking more from the players' likenesses, but it would have failed had it taken less than it did. *Id.* "Thus, this factor weighs in favor of fair use." *Id.* at 1273-74.

105. *Id.* at 1274. The court cited several authorities in support of its position that the fourth factor or effect upon the potential market or value of the copyrighted work is the critical determination in fair use analysis. *Id.*

106. *Id.* at 1274.

107. *Cardtoons*, 868 F. Supp. at 1274.

108. *Id.*

ected by the First Amendment and recognized a parody exception into the Oklahoma statute. Additionally, the court held that Cardtoons' product fell within the exception and that Cartoons product did not violate the Oklahoma statute.<sup>109</sup>

#### IV. *CARDTOONS* TAKE THREE:

95 F.3D 959 (10TH CIR. 1996)

The next court to tackle the issues of *Cardtoons* was the United States Court of Appeals for the Tenth Circuit.<sup>110</sup> The MLBPA appealed the decision of the district court, which held that a parody exception existed in the Oklahoma right of publicity and therefore Cardtoons trading cards were expression protected by the First Amendment.<sup>111</sup> The Court first held that it could exercise federal question jurisdiction and that the case satisfied the case or controversy requirement.<sup>112</sup>

Next, the Court moved into an analysis of the merits of the case. Judge Tacha used a three step analysis to determine if Cardtoons' contention that it should be granted a declaratory judgment allowing it to produce its parody trading cards without the consent of MLBPA was correct. The first analysis that the Court undertook was to determine whether the parody cards infringed on MLBPA's property rights under the Lan-

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109. *Id.* at 1275-76. The court granted Cartoons motion for summary judgment. *Id.* at 1276. In finding for Cardtoons, the court took emphasis to point out that if the Oklahoma statute was rigidly applied parody would become entirely contingent upon receiving permission from the subject and would likely cease to exist. *Id.* at 1275. The court felt that under First Amendment analysis this interpretation was not constitutionally permissible. *Id.*

110. *Cardtoons*, 95 F.3d at 962.

111. *Id.* at 962. MLBPA appealed, arguing that (1) the district court lacked jurisdiction to issue a declaratory judgment and (2) Cardtoons does not have a First Amendment right to market its trading cards. *Id.*

112. *Id.* at 965. The court noted that because "MLBPA could have brought a nonfrivolous Lanham Act claim against Cardtoons alleging that the use of the names and likenesses of major league baseball players on its cards were likely to cause confusion as to the association of MLBPA with Cardtoons or as to MLBPA's approval of the cards," *Id.* The court specifically emphasized that it did not have jurisdiction pursuant to Cardtoons' First Amendment claims and that it was error for the district court to find so. *Id.* This is because First Amendment issues could only arise as potential defenses to MLBPA's claimed right, they could not be brought by MLBPA. *Id.* The court was also satisfied that the two elements needed to satisfy the case or controversy requirement were met as Cardtoons was prepared to produce the parody cards and because the MLBPA's cease and desist threatened "full legal remedies" if Cardtoons did not immediately stop production and sale of the cards. *Id.* at 965-66.

ham Act or the Oklahoma's right of publicity.<sup>113</sup> The Court stated that the key to any Lanham Act claim is whether or not the new product is likely to cause confusion between itself and the original.<sup>114</sup> The Tenth Circuit found that the district court's conclusion that the parody cards did not create any likelihood of confusion with traditional baseball cards was not clearly erroneous and therefore the cards did not infringe upon MLBPA's property rights under the Lanham Act.<sup>115</sup>

The Court continued by examining the right of publicity under the Oklahoma statute.<sup>116</sup> The court reviewed the historical background of the right of publicity, noting that right is a form of property protection that allows those displayed to profit from the commercial value of their identities.<sup>117</sup> The court held that under the Oklahoma right of publicity statute, MLBPA was required to prove three elements in a civil suit for infringement of MLBPA's right of publicity.<sup>118</sup> The Tenth Circuit found all three elements were satisfied by Cardtoons' actions and that Cardtoons parody cards do infringe upon the MLBPA's publicity rights.<sup>119</sup> Finally, the court concluded that neither of the Oklahoma statute's First Amendment exceptions, "news exception" and "incidental use exception," pro-

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113. *Id.* at 966. The Lanham Act Section 43(a)(1), 15 U.S.C. §1125(a)(1) provides civil liability for:

(a)(1) any person who, on or in connection with any goods or services, or any container for goods, uses in commerce any work, term, name, symbol, or device, or any combination thereof, or any false designation origin, false or misleading description of fact, or false or misleading representation of fact, which—

(A) is likely to cause confusion, or to cause mistake, or to deceive as to the affiliation, connection, or association of such person with another person, or as to the origin, sponsorship, or approval of his or her goods, services, or commercial activities by another person. 15 U.S.C. §1125.

114. *Id.* at 966-67. "Confusion" for Lanham Act claims occurs "when consumers make an incorrect mental association between the involved commercial products or their producers." *Id.* (quoting *San Francisco Arts & Athletics, Inc. v. United States Olympic Comm.*, 483 U.S. 522, 564 (1987) (Brennan, J., dissenting)).

115. *Cardtoons*, 95 F.3d at 966-7.

116. *Id.* at 968. The Court discussed Okla.Stat. tit. 12, § 1449(A). *Id.*

117. *Id.* at 967.

118. *Id.* The three elements are (1) knowing use of players names or likeness; (2) on products, merchandise, or goods; (3) without MLBPA's prior consent. See *supra* note 72.

119. *Cardtoons*, 95 F.3d at 968. The court noted that it is clear from an examination of the cards that Cardtoons knowingly used the names and likenesses of major league baseball players. *Id.* The court also found that the second and third elements were also satisfied as the cards were clearly designed to be marketed and sold for profit and MLBPA did not consent to Cardtoons use of the player likenesses. *Id.*

vided any "haven" for Cardtoons.<sup>120</sup>

The Court next determined if Cardtoons had a First Amendment right to publish the parody trading cards.<sup>121</sup> The court held that "Cardtoons parody trading cards receive full protection under the First Amendment."<sup>122</sup> The Court noted that "the cards provided social commentary on public figures, major league baseball players, who are involved in a significant commercial enterprise, major league baseball."<sup>123</sup> The court emphasized that the parody cards are no less protected because they provide humorous rather than serious commentary.<sup>124</sup> The court also rejected MLBPA's contention that Cardtoons' speech should receive less protection because it takes an unconventional form.<sup>125</sup> The court stated that "[b]aseball cards have been an important means of informing the public about baseball players for over a century. . . . In addition, non-sports trading cards have also been an important medium for disseminating information."<sup>126</sup>

The Court approached the issue of Cardtoons' commercial nature by first stating, "[t]he fact that expressive materials are sold neither renders the speech unprotected, nor alters the level of protection under the First Amendment. The Court found that Cardtoons need not give away its trading cards in order to bring them within the ambit of the First Amend-

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120. *Id.*

121. *Id.*

122. *Id.* at 969.

123. *Id.* The court noted that while Cardtoons parodies are not "core" political speech, the commentary is about an important social institution and is protected expression. *Id.*

124. *Cardtoons*, 95 F.3d at 969. "Speech that entertains, like speech that informs, is protected by the First Amendment because '[t]he line between the informing and entertaining is too elusive for the protection of that basic right.'" *Id.* (quoting *Winters v. New York*, 333 U.S. 507, 510 (1948)). The court further explained that because cartoons and caricatures have traditionally played a prominent role in public and political debate their commentary is protected. *Id.*; see *Hustler Magazine*, 485 U.S. 46.

125. *Cardtoons*, 95 F.3d at 969. Examples of unconventional speech that has been given Constitutional protection: *Lovell v. Griffin*, 303 U.S. 444, 451-52 (1938) (protecting the distribution of pamphlets); *Jamison v. Texas*, 318 U.S. 413, 416 (1943) (protecting circulation of handbills); *City of Ladue v. Gilleo*, 114 S.Ct. 2038, 2044-47 (1994) (protecting the display of yard signs); *Texas v. Johnson*, 491 U.S. 397 (1989) (protecting the right to burn the flag); *Schad v. Mount Ephraim*, 452 U.S. 61 (1981) (protecting nude dancing); *Cohen v. California*, 403 U.S. 15 (1971) (protecting the right to wear a jacket bearing the words "Fuck the Draft"). *Id.*

126. *Cardtoons*, 95 F.3d at 969. Examples include cards about saints, Norman Rockwell paintings, presidential candidates, the rise and fall of the Soviet Union, local police officers and Rodney King. *Id.*

ment.<sup>127</sup> The Court noted that commercial speech is speech that advertises a product or service for business purposes. The Tenth Circuit found that the parody cards were not commercial speech as they did not merely advertise another unrelated product.<sup>128</sup> The Court distinguished the *White* case and concluded that because the speech involved is not commercial the essential issue is whether Cardtoons' First Amendment right trumps MLBPA's property right.<sup>129</sup>

The final analysis that the Tenth Circuit undertook was to weigh Cardtoons' right to free speech against MLBPA's property/publicity rights in the likeness of major league players.<sup>130</sup> The first argument posited by MLBPA was that Cardtoons First Amendment rights were insufficient to trump MLBPA's property rights because of the availability to Cardtoons of alternative means of communication.<sup>131</sup> MLBPA argued that Cardtoons could parody baseball without using players names or likeness.<sup>132</sup> The court found that "the no adequate alternative means test does not sufficiently accommodate the public's interest in free expression."<sup>133</sup> The court found that Cardtoons' use of trading cards is an essential component of the parody "because baseball cards have traditionally been used to celebrate baseball players and their accomplishments."<sup>134</sup> This finding led to the inevitable conclusion that "MLBPA's attempt to enjoin the Cardtoons' parody goes to the content of the speech, not merely its time, place and manner."<sup>135</sup>

The court began its analysis of Cardtoons' First Amendment rights by noting that without First Amendment protec-

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127. *Id.* at 972. See *Virginia State Bd. Of Pharmacy v. Virginia Citizens Consumer Council, Inc.*, 425 U.S. 748, 761 (1976); *Lakewood v. Plain Dealer Publishing Co.*, 486 U.S. 750, 756 n. 5 (1988).

128. *Cardtoons*, 95 F.3d. at 970.

129. *Id.*

130. *Id.* The court noted that because Oklahoma's right of publicity statute does not provide an "accommodation" for parody the court had to deal with the First Amendment issues directly. *Id.* at 971.

131. *Id.* at 971. See *Lloyd Corp. v. Tanner*, 407 U.S. 551 (1972) (case involving distribution of handbills).

132. *Cardtoons*, 95 F.3d at 971. MLBPA argued that Cardtoons could use generic images of baseball players or could use recognizable players in a format other than trading cards, such as a newspaper or magazine. *Id.*

133. *Id.* "Restrictions on the words or images that may be used by a speaker, therefore, are quite different than restrictions on the time, place, or manner of speech. *Id.*

134. *Id.* at 971.

135. *Id.* at 972. The court thus found the *Lloyd* case inapplicable. *Id.*

tion, *Cardtoons* could not freely distribute its "irreverent" parody cards.<sup>136</sup> The court determined that to elevate the right of publicity above the right of free expression, would not only prevent the distribution of the parody cards, but would allow the MLBPA to censor criticism of its members and have a "chilling effect" upon future celebrity parodies.<sup>137</sup>

The Court next weighed society's interest in protecting MLBPA's publicity rights stating that there were several economic and noneconomic justifications posited by the MLBPA for protecting its publicity rights.<sup>138</sup> The strongest argument for the protection of MLBPA's publicity rights was that protection of publicity rights induces persons to develop the talents necessary to become famous.<sup>139</sup> The crux of this argument is that the products that come from celebrities such as movies, songs, and sporting events benefit society as a whole.<sup>140</sup> The court found however, that the incentive effect of the right of publicity has been overstated, because as far as sport and entertainment celebrities are concerned the commercial value of their identities is merely a by-product of their performance values.<sup>141</sup> The Court noted that even if there were no publicity

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136. *Id.* at 972. Assuming there was no First Amendment protection, *Cardtoons* problem would be governed by Oklahoma law which would make the production and distribution of the parody cards subject to MLBPA's consent. *Id.* at 972-73. The court noted that potential for suppression in the context of publicity rights is great because the product involved is the celebrity's own persona. *Id.* Indeed, the MLBPA made clear that a parody which poked fun at the players would never be licensed. *Id.*

137. *Cardtoons*, 95 F.3d at 973. The court found this result undesirable, quoting *White*, "[t]he last thing we need, the last thing the First Amendment will tolerate, is a law that lets public figures keep people from mocking them." *White*, 971 F.2d at 1519.

138. *Cardtoons*, 95 F.3d at 973. The court found that these justifications included fostering economic goals such as stimulating athletic and artistic achievement, promoting the efficient allocation of resources, and protecting consumers. *Id.* The noneconomic justification for the right of publicity listed by the court include safeguarding natural rights, securing the fruits of celebrity labors, preventing unjust enrichment, and averting emotional harm. *Id.*

139. *Id.*

140. *Id.* Indeed, in the context of other forms of intellectual property, the incentive argument is quite compelling. For example, "copyright law protects the primary, if not only, source of a writer's income and provides a major incentive for creativity and achievement." *Id.*

141. *Id.* The "analogy to the incentive effect of other intellectual property protections is strained because '[a]bolition of the right of publicity would leave entirely unimpaired a celebrity's ability to earn a living from the activities that have generated his commercially marketable fame.'" *Id.* (citing Michael Madow, *Private Ownership of Public Image: Popular Culture and Publicity Rights*, 81 CAL. L.REV. 127, 209 (1993)). The court in *Cardtoons* also noted that the *Zacchini* case is a "red herring" as in that case, the plain-

rights celebrities could still earn substantial financial gains from authorized appearance and endorsements.<sup>142</sup>

The Court found the incentive argument even less compelling. The Court reasoned that because celebrities are not likely to give permission for their identities to be parodied, granting them control over the parodic use of their identities would not provide them with any additional income.<sup>143</sup> The court also found MLBPA's contention that the parody cards would hurt the sales of traditional baseball cards unfounded as parody rarely acts as a market substitute for the original.<sup>144</sup> The court concluded that society has no significant interest "in allowing a celebrity to protect the type of reputation that gives rise to parody."<sup>145</sup>

The Court next dealt with the second economic justification for the right of publicity, that it promotes the efficient allocation of resources.<sup>146</sup> While the court noted the validity of this argument in the realm of advertising, it also noted that in the context of parody, if a celebrity had the power to control all uses of their likeness, they would use the power to suppress criticism and remove a valuable source of information from the marketplace.<sup>147</sup>

The final economic argument for the right of publicity dealt with by the Court was that publicity rights protect against consumer deception.<sup>148</sup> The court found this argument to be meritless as the Lanham Act already provided nationwide protection against consumer deception and the likelihood of confusion between Cardtoons cards and traditional baseball cards is minimal.<sup>149</sup>

The court subsequently analyzed the noneconomic factors

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tiff complained of the appropriation of the economic value of his performance not the economic value of his identity. *Id.*

142. *Id.* at 974.

143. *Cardtoons*, 95 F.3d at 974. The control of their identities would only allow celebrities to shield themselves from ridicule. *Id.*

144. *Id.*

145. *Id.* "[I]t is unlikely that little leaguers will stop dreaming of the big leagues or major leaguers will start 'dogging it' to first base if MLBPA is denied the right to control the use of its members' identities in parody." *Id.*

146. *Id.* The idea is that the artificial scarcity created by publicity rights in celebrity identities can be commercially exploited to their maximum value. *Id.*

147. *Id.* at 975.

148. *Cardtoons*, 95 F.3d at 975.

149. *Id.*

that may justify protecting MLBPA's right of publicity. The first noneconomic justification was that the right of publicity is a natural right.<sup>150</sup> However, the court held that because no reasoned argument existed that supported the notion of "natural rights" these principles had no bearing on the court's balancing analysis.<sup>151</sup>

The Court next analyzed the second noneconomic justification given, that the right of publicity allows celebrities to enjoy the fruits of their labors.<sup>152</sup> The Court opined that celebrities are not the only party responsible for their fame.<sup>153</sup> The Court also held that while baseball players may deserve to profit from the commercial value of their identities more than movie stars, the force of this justification is diminished in the case of parody as there is no right to enjoy the benefits of socially undesirable behavior.<sup>154</sup>

The Court next analyzed a third noneconomic justification, the prevention of unjust enrichment. The court gave this argument no credibility as "Cardtoons added a significant creative component to the celebrity identity and created an entirely new product."<sup>155</sup> The last noneconomic justification offered to the Court in defense of the right of publicity was the prevention of emotional injuries. The court also dismissed this argument as the right of publicity is meant to prevent monetary loss and not protect against mental anguish.<sup>156</sup> Ultimately, the court concluded that neither the economic or noneconomic justifications for the right of publicity were compelling. In the context of parody the court found the effect of limiting MLBPA's right of publicity to be negligible.

In its final analysis, the court held that the application of the Oklahoma right of publicity statute was a classic case of

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150. *Id.*

151. *Id.*

152. *Id.* The court stated that "people deserve the right to control and profit from the commercial value of their identities because, quite simply, they've earned it." *Id.*

153. *Cardtoons*, 95 F.3d at 976. The court noted the audience as one factor besides the celebrities themselves that makes a person famous. *Id.*

154. *Id.* at 975-76.

155. *Id.* at 976. The court noted that to allow "MLBPA to control or profit from the parody trading cards would actually sanction the theft of Cardtoons' creative enterprise." *Id.*

156. *Id.* The Lanham Act and laws against emotional distress adequately cover claims against mental anguish. *Id.*



overprotection.<sup>157</sup> The Court found that the justifications for the right of publicity were not as compelling in the context of celebrity parody.<sup>158</sup> The parody cards were found to be "an important form of entertainment and social commentary deserving of First Amendment protection."<sup>159</sup> Based on these findings the Tenth Circuit affirmed the decision of the district court which held that Cardtoons' First Amendment rights outweighed MLBPA's publicity rights.

### CONCLUSION

Freedom of speech and of the press are integral components of the Constitution of the United States.<sup>160</sup> Indeed, U.S. Courts have always been quick to protect First Amendment rights. One problem that has continually challenged and frustrated the Court is which right should receive greater protection: the right to criticize public figures or the rights of public personalities in their own personas.<sup>161</sup> In the context of parody, the courts have usually upheld the parodists' First Amendment rights in light of the fact that parody normally contains significant social commentary and criticism. The only time that parody has not been protected is when the parody is itself used for commercial purposes, such as in the *White* case.

In *Cardtoons*, while the manufacturer was attempting to make a profit on his product, the parody of the players involved a significant amount of social commentary and criticism. Today, when professional athletes and entertainers command astronomical and often outrageous salaries, criticism is not uncommon. Should it matter that the medium of the criticism is a baseball trading card rather than a newspaper or magazine? Cardtoon's parody cards relate a particular point of view. The real question however, is not whether Cardtoons has a right to criticize professional baseball players, but whether it has the right to use the caricatures of the players

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157. *Id.*

158. *Cardtoons*, 95 F.3d at 976. The court did note that in other intellectual property applications the justifications for the right of publicity may be much more compelling. *Id.*

159. *Id.*

160. U.S. CONST. amend. I.

161. See *Zacchini*, 433 U.S. 562; *Hustler Magazine*, 485 U.S. 46; *New York Times*, 376 U.S. 254; *White*, 971 F.2d 1395.

when it criticizes them. The answer to the question is not clear.

In the end, what ultimately is decided by this litigation is whether total criticism of public figures will be allowed. Professional athletes and entertainers (with allowances for Ronald Reagan, Steve Largent, Bill Bradley, Clint Eastwood and Sonny Bono) are not politicians and are not involved in the political process. The necessity to criticize someone merely for there "public" persona should not be absolute. While a person who has chosen to entertain the masses and has reaped the corresponding success and rewards has invited criticism on himself, a line needs to be drawn between free speech that is needed for "robust political debate," which is what our founding fathers contemplated in the Constitution and speech that is meant to disparage a public figure merely because of his fame. It is time for the New York Times actual malice standard to be reworked. As it stands today, if a person becomes famous or injects himself into an arena of public debate, that person must be on guard for such persons can be publicly assailed without recourse. This is an issue that courts must wrestle with in the future when deciding cases such as *Cardtoons*. While the true answers to these questions remain with the founding fathers, some sense of balance and reality must be established by today's courts lest the badge of "fame" become so onerous that it is no longer desirable to be worn.

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