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INTELLECTUAL PROPERTY ALERT

DIGITAL MILLENIUM COPYRIGHT ACT PROHIBITS REMOVAL OR ALTERATION OF NAME OF AUTHOR OR COPYRIGHT OWNER OF PHOTOGRAPHIC IMAGES

Federal Appeals Court Decision Increases Potential Liability for Violation of Copyright Law

A decision by a federal appeals court ruled that eliminating the photographer's name in copying photographs can constitute a violation of the Digital Millennium Copyright Act ("DMCA"), as well as a copyright infringement.

The DMCA is a federal statute passed in 1998 to adapt the copyright law to the Internet age. Most of the provisions of the DMCA are directed to the use of protected works on the Internet and to the Internet service providers that enable users to find and access on-line information. One provision, however, prohibits intentionally removing or altering "copyright management information" or distributing or importing copies of works from which such information has been removed, if copyright infringement is thereby enabled, facilitated or concealed. "Copyright management information" is defined to include the name of the author or copyright owner or the title of the work. The appeals court, joining trial courts in New York and Illinois, concluded that the statutory prohibition on removal of "copyright management information" was not limited to automated or electronic rights management systems or to digitally encoded information. Rather, the court found removing a photographer's credit in scanning a photograph from a physical copy of a magazine could constitute a violation of the statute.

The decision underscores the dangers inherent in copying and using photographs found on the Internet or in newspapers and magazines without permission from the photographer. Photographs are protected by copyright. The photographer is the original owner of the copyright and often retains ownership, even when he or she is hired to create photographs for a newspaper, magazine or business. In their pre-printed form invoices, photographers frequently impose limitations on the uses permitted. They then license the photographs to other publications or for other purposes.

Agencies, such as Corbis, Getty Images, Magnum Photos, Associated Press and Reuters, specialize in licensing photographic images to publications, advertising agencies and television stations on behalf of photographers. Magazines, newspapers and websites generally print the name of the photographer and the agency that licenses the work alongside or underneath the photograph. This identification, however, is not incorporated in the photo and can be in very small print. It is easy to overlook.

Violation of the DMCA can give rise to damages of between \$2500 and \$25,000, even if no actual harm resulted from the violation. Damages of between \$750 and \$150,000 may be awarded for each copyright infringed in addition to the damages authorized under the DMCA. A prevailing party may recover attorneys fees under both statutes.

Photographers, and the agencies that represent them, have been aggressive in pursuing unauthorized uses of photographs. The case that gave rise to the appeals court decision is typical.

(Please see next page for more information.)

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The background: New Jersey Monthly magazine selected two disc jockeys from a New Jersey radio station as the best in the state and published their photographs in a story. The radio station that employed the DJs scanned the photograph from the magazine and posted it to its website, inviting site visitors to alter or comment on the photo. In scanning the photograph as published in the magazine, the photographer's credit was eliminated. The court found that the radio station could be liable to the photographer for both copyright infringement and violation of the DMCA.

The Court rejected the station's defense that its use of the photo was a permissible report of a newsworthy event and not infringing. While the award was newsworthy, use of the photo was not integral to reporting the award. The court found that the station's commercial use of the entire photograph, in light of the active market for licensing re-use of photographs, did not entitle the station to use the photograph in reporting the award without permission from the photographer.

Copyright infringement liability can arise in areas where you might not expect it. Claims of infringement have been made by photographers of catalogues against their own clients, when the clients placed copies on their website or used them in product packaging or press kits, if those usage rights were not acquired by agreement with the photographer.

What you can do? To limit your risk of inadvertently running afoul of the DMCA and copyright law, there are a few simple rules to follow:

First, do not use photographs found on the Internet or in a print publication to promote your business. Although there is a wealth of material available which is easy to copy or download, this does not give you freedom to use copyrighted works for commercial purposes. Consumers may download celebrity images for their personal enjoyment. Businesses, however, cannot use these images to promote their business or products.

Second, be wary of the photographer's invoice. It is not just a vehicle for payment. Ideally, prepare a written agreement when engaging a photographer for business or professional purposes. A simple agreement that classifies all the results of the photographer's services as "works made for hire" will make the business employing the photographer the author and owner of the copyright. Not only will this preclude the photographer from making copyright infringement or DMCA claims, but it will also allow you to enforce the copyright in the photographs, should they be copied by others.

We are available to provide counsel concerning these issues, as well as other intellectual property and copyright protection concerns. For additional information regarding the DMCA, please contact the attorney named below or contact the attorney with whom you have a primary relationship.

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