FELICELLO

Warhol Again Begs the Question: What is Art?

Sixty years after Andy Warhol first painted Campbell Soup cans, the question of “what is art?” is again being asked of one of his works. But this time the question is being asked in the highest court of the land rather than the court of public opinion. What an ironic twist.

The Supreme Court is being asked what is a transformative use that does not infringe another’s copyright, a question as close to deciding what art is as any court is likely to get. For if a work is merely a copy or derivative of what has been done before, how can it be art?

Under the law, if the work is a copy or derivative of a work that is protected under a federally registered copyright, then it is said to be infringing the copyright and the copyright infringer may be liable for damages to the original artist. At first blush, these seem like simple rules: create something new and be granted a mini-monopoly over that work for a set period of time under copyright law; do not steal or “borrow” others’ works when creating your own.

But there’s a fundamental truth in the saying that “there’s nothing new under the sun” and the history of art is one of borrowing and transforming to create something new. This reality is also recognized in the law. If a new work is found to be transformative then its technical infringement of the prior work is said to be “fair use” and excused as a matter of law. Then it is in this line drawing between a mere derivation (an infringement) and a use that is transformative (not an infringement), that federal judges find themselves in the unlikely (and likely uncomfortable) positions of arbiters of what is art.

Congress has provided a framework in the Copyright Act to guide courts in making these determinations. But it is hardly a bright-line rule. A derivative work is defined as a “work based upon one or more preexisting work . . . [in] any other form in which a work may be recast, transformed, or adapted.” “Fair use,” on the other hand, depends on the following four factors that should be considered to determine whether a use is “fair” and, thus, not infringement:

(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.

The statute further cautions that "[t]he fact that a work is unpublished shall not itself bar a finding of fair use if such finding is made upon consideration of all the above factors."

Likely due to the absence of any bright lines, the doctrine of fair use has shifted throughout the years. In granting certiorari to review the Second Circuit's decision in Andy Warhol Foundation for the Visual Arts, Inc. v. Goldsmith, 11 F.4th 26 (2d Cir. 2021) (referred to as AWF for the remainder of this article), the Supreme Court has agreed to once again add its view to the ever-evolving standard of what should be considered to determine whether a use is "fair" under the Copyright Act.

The Second Circuit first issued its decision in AWF on March 26, 2021. Less than two weeks later, the Supreme Court issued its decision in Google LLC v. Oracle America, LLC in which it provided new guidance on "fair use" under the Copyright Act, reversing a Federal Circuit decision on that issue. The Second Circuit revisited its decision in AWF in light of the Google decision but re-issued its opinion substantially unchanged in August 2021. In March 2022, the Supreme Court granted certiorari to review the Second Circuit's decision.

On the facts, the Google and AWF cases have little in common. In Google, the courts were asked to consider whether Google infringed Oracle's copyright when it copied portions of the Sun Java API so that it could use the code to create new programming platform to create new products for Android phones. (Software code can be copyrighted, just as works of visual art can be.) In AWF, the question was whether Andy Warhol's Prince Series infringed the copyright owned by the photographer who took the photograph of Prince that Warhol used as the "source image" for the series.

In the Google case, at the trial court level (after remand), the jury determined that Google's use of Oracle's code was fair use. The Federal Circuit then reversed, holding that "[t]here is nothing fair about taking a copyrighted work verbatim and using it for the same purpose and function as the original in a competing platform." The Supreme Court ultimately reversed the Federal Circuit, finding that Google had established fair use.

In Google, the Supreme Court noted that the list of factors set out in § 107 is "not exhaustive" and that "some factors may prove more important in some contexts than others." Because the doctrine of "fair use" is "flexible," "courts must apply it in light of the sometimes conflicting aims of copyright law" which requires that "its application may well vary depending upon context." The Google decision further explains that because "fair use" is a "mixed

question of law and fact," the jury should determine the "subsidiary factual questions," such as "whether there was harm to the actual or potential markets for the copyrighted work" or "how much of a copyrighted work was copied," but that the court should "review[] the ultimate question, a legal question, de novo."

The Google Court considered all four factors under the statute and found that they all pointed in favor of a finding of fair use. In particular, the Supreme Court noted that the jury had heard a substantial amount of evidence that Google's use of the code at issue was a "reimplementation," which itself "enables innovation that creates new opportunities for the whole market to grow." Based on this evidence, the Court was convinced that "the 'purpose and character' of Google's copying was transformative." While noting that the ultimate legal question of "fair use" was for the court to decide de novo, the Court's opinion appears to give substantial weight to the fact that the jury had heard and considered evidence of whether the new work was transformative and had found that it was.

In the AWF case, the jury was not consulted. The District Court had granted summary judgment in favor of AWF on its assertion of fair use. The Second Circuit then reversed, concluding that the works are not fair use as a matter of law and that they are substantially similar as a matter of law.

The Second Circuit's decision in AWF was surprising. After all, in an earlier case, Cariou v. Prince, the same court had found certain works by an "appropriation artist" were transformative as a matter of law because they had used photographs by another artist (Cariou) "as raw material, transformed in the creation of new information, new aesthetics, new insights and understandings." In AWF, pulling back from Cariou (deemed the "high-water mark of our court's recognition of transformative works"), the Court said that "whether a work is transformative cannot turn merely on the stated or perceived intent of the artist of the meaning or impression that a critic – of for that matter, a judge – draws from the work." Rather, the Second Circuit concluded that, to be transformative,

the secondary work's transformative purpose and character must, at a bare minimum, comprise something more than the imposition of another artist's style on the primary work such that the secondary work remains both recognizably deriving from, and retaining the essential elements of, its source material.

But this restrictive formulation of what can be transformative does not fit within the teachings of the Google decision, which specifically notes that an "'artistic painting' might, for example, fall within the scope of fair use even though it precisely replicates a copyrighted 'advertising logo to make a comment about consumerism.'"

The Second Circuit's decision subverts the entire purpose of copyright law: to promote creative "progress." Its insistence that its "conclusion that those images are closer to what the law deems 'derivative' (and not 'transformative') does not imply that the Prince Series (or Warhol's art more broadly) is 'derivative,' in the pejorative artistic sense, of Goldsmith's work or of anyone else's" is disingenuous and chilling. Under the Second Circuit's logic, an artist like Warhol would be chilled from creating a similar work today in fear of facing claims of infringement, which, under the AWF standard, would be upheld.

The Supreme Court's decision to grant certiorari to reconsider the Second Circuit's ruling in AWF suggests that the high court understands the role the courts play in answering the question: what is art? Warhol would probably be happy to know he is still part of the conversation.

1 Copyright 2022 – Rosanne E. Felicello

2 Andy Warhol Found. For the Visual Arts, Inc. v. Goldsmith, 11 F.4th 26 (2nd Cir. 2021, amended Aug. 24, 2021)

3 17 U.S.C. § 107 (setting out a nonexclusive list of four factors for a court to consider to evaluate whether the use of the copyrighted work constitutes "fair" use).

4 See e.g., Cariou v. Prince, 714 F.3d 694 (2nd Cir. 2012).

5 Whether a work infringes a copyright is a fact issue, which should be left for the factfinder, but federal judges (following substantial precedent) often determine that there can be no finding of infringement because the two works are not "objectively" "substantially similar." See e.g., Boisson v. Banian, Ltd., 273 F.3d 262, 272 (2d Cir. 2001). And while the question of "fair use" is a "mixed question of law and fact," the Second Circuit often resolves the issue at the summary judgment stage. See e.g., Cariou v. Prince, 714 F.3d 694 (2nd Cir. 2013).

6 "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.'" 17 U.S.C.S. § 101.

7 17 U.S.C.S. § 107 (LexisNexis, Lexis Advance through Public Law 117-80, approved December 27, 2021)

8 Id.

9 Google LLC v. Oracle Am., Inc., 141 S. Ct. 1183 (2021).

10 The series consists of fourteen silkscreen prints and two pencil illustrations.

11 886 F. 3d, at 1210, quoted in Google LLC v. Oracle Am., Inc., 141 S. Ct. 1183, 1219 (2021).

12 Google, 141 S. Ct. at 1197 (2021).

13 Id.

14 Id. at p. 1199-1200, quoting U.S. Bank N.A. v. Village at Lakeridge, LLC, 583 U. S. ___, ___, 138 S. Ct. 960, 967, 200 L. Ed. 2d 218 (2018). and Peter F. Gaito Architecture, LLC v. Simone Development Corp., 602 F.3d 57, 63 (2nd Cir. 2010), inter alia.

15 Id. at p. 1204, quoting points made by Amici, which are the same “points that witnesses explained to the jury.”

16 Id.

17 11 F.4th 26, *32 (2nd Cir. Aug. 2021).

18 11 F. 4th at p. 38, quoting Cariou v. Prince, 714 F.3d at 706.

19 11 F. 4th at p. 41.

20 11 F.4th at p. 42.

21 Google, 141 S. Ct. at p. 1203 (emphasis added).

22 Google, 141 S. Ct. at p. 1203 (“[C]reative ‘progress’ . . . is the basic constitutional objective of copyright itself.”).

24 It is likely that the Supreme Court will once again emphasize its teachings that the underlying factual issues are best left for the jury.