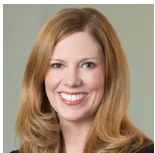




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Erin
Hennessy



Annie Allison

Nevermind: Who Really Owns Nirvana's Iconic Smiley Face Design?

Nirvana files new complaint after discovery calls into question whether Kurt Cobain was truly the artist behind the band's highly-recognizable design, with the band's infringement suit against fashion designer Marc Jacobs hanging in the balance.

Hey! Wait! Nirvana's got a new complaint! In its ongoing legal battle over the band's infamous "smiley face" logo, Nirvana LLC is now asking a California federal court to declare that Robert Fisher, a former art director for the band's label, does not own any rights to the design. It's the latest twist in a case with all the trappings of an IP law school exam question that leaves very little to smile about.

The overarching question in the case, involving Nirvana, fashion designer Marc Jacobs International LLC ("Marc Jacobs"), and now graphic designer Robert Fisher, is just who actually created the iconic design - the infamous smile with x's for eyes, and a crooked grin with its tongue hanging out - and, ultimately, who has the right to permit or enforce against its use. It's an issue that has remained hazy in this case, especially because the one person who, according to Nirvana, is best situated to settle the issue has been dead for more than 25 years. Pop culture lore, and the records at the U.S. copyright office, have long held that Kurt Cobain, the band's prolific frontman crafted the design. But Marc Jacobs, and now Fisher, are spinning a different tune.

The case began in 2018 when Nirvana, LLC ("Nirvana"), the corporate entity for the now-defunct grunge band that popularized the "alternative rock" and "grunge" musical genres, sued fashion designer Marc Jacobs after its "*Bootleg Redux Grunge*" clothing collection which included clothing bearing a design that was virtually identical to Nirvana's recognizable smiley face design, for which Nirvana holds a U.S. Copyright Registration. Additionally, promotional materials for the collection incorporated references to famous Nirvana songs. Nirvana contends that Marc Jacobs intentionally infringed the band's IP to "make the 'Grunge' association with the collection more authentic." Also named in the complaint are Neiman Marcus and Saks 5th Avenue which sold Marc Jacobs' smiley face products in the U.S.

According to the complaint, Nirvana's smiley face logo was first used on a poster advertising the launch of the band's 1991 album "*Nevermind*." The squiggly-eyed smile with x's for eyes has become an iconic feature on licensed merchandise for the

band, including t-shirts, hats, hoodies, bags and other items which, according to Nirvana, have been sold for decades. Nirvana claims that Cobain created the smiley face logo in 1991 and “Nirvana has used that copyright-protected design and logo continuously since [then] to identify its music and licensed merchandise.”

Nirvana contends that Marc Jacobs’ smiley face design, which replaced the “x” eyes with the letters “m” and “j” and used the word “Heaven” in place of “Nirvana,” creates a false impression that the band is associated with the designer. Images of the competing uses, which are shown in the Complaint, are below:



Marc Jacobs moved to dismiss the suit, but a federal court in California ruled that the designs were similar enough that the case should move forward. “[A] review of the images confirms that the allegation as to substantial similarity is sufficient,” wrote U.S. District Judge John A. Krondstadt. “It is also noteworthy that the accused products have combined this protectable artwork with other distinctive elements of the Nirvana T-shirt, including the use of yellow lines on black background and a similar type and placement for the text above the image on the clothing,” he said.

In its answer and counterclaim, the Marc Jacobs argued that Nirvana cannot prevent its use of the design because a smiley face is a familiar symbol and thus not capable of copyright protection. Marc Jacobs

also claimed that Cobain’s widow, Courtney Love, whose corporate entity The End of Music, LLC is a part owner of Nirvana LLC, had implicitly acquiesced to the use of the logo by virtue of her participation in the release of the “*Bootleg Redux Grunge*” collection.

Now, Marc Jacobs claims that that Nirvana has no rights to the design because, contrary to pop-culture history, Cobain is not the creator of the smiley face logo.

In a Motion for Summary Judgment filed in November, Marc Jacobs says that discovery revealed that Cobain was not the creator of the smiley face design, but rather, it was created by Robert Fisher, a former art director for the band’s label, Geffen Records, and that Mr. Fisher has never assigned his rights in the design to anyone. Marc Jacobs argues that the U.S. Copyright registration incorrectly credits Cobain as the original author of the design, indicating that the work was produced as a “work made for hire” for Nirvana, Inc. who later assigned the registration to Nirvana, LLC. According to the designer, because the author of the copyright registration is arguably listed incorrectly at the Copyright Office, the registration is faulty and cannot support Nirvana’s infringement claim.

In addition to asking the court to toss out the band’s lawsuit, Marc Jacobs filed a motion seeking sanctions, arguing that Nirvana should be punished for filing the claim in the first place. “[S]tating as fact in the Complaint (sic) that Mr. Cobain was the creator – when that “fact” was not investigated (and turned out to be false) – certainly does matter,” wrote the designer, arguing that Nirvana and its attorneys “should be sanctioned for this improper conduct.”

Adding further fuel to the fire, Fisher himself filed a motion in federal court in September to join as a plaintiff in the case, claiming both authorship and ownership of the smiley face design. Fisher claims that he created the design, but was not an employee of Nirvana or its predecessors at the time and did not receive consideration for the creation of the design. Fisher has also filed his own copyright application for the design.

“Since I drew it, I want to be known as the guy that drew it. It’s as simple as that,” Fisher told the *Los Angeles Times*. “I don’t think it’s fair that they try and take out a copyright and say Kurt did it.” His motion to intervene has yet to be ruled on.

Now, Nirvana is seeking to quash any doubt as to the ownership of the smiley face logo and is asking a federal court judge to declare Nirvana as the owner. “Nirvana has always believed that Kurt Cobain created that t-shirt in the course and scope of his employment by Nirvana, and said registration identifies Nirvana as the author of the Happy Face t-shirt on a ‘work-made-for-hire’ basis” writes Nirvana. “Any role Fisher played in the creation of the Smiley Face design at issue took place within the course and scope of his employment by Geffen, and thus any copyright interest in any such work would have been owned in the first instance by Geffen, not Fisher”

Nirvana notes that Geffen Records, Fisher’s former employer, has previously acknowledged that Nirvana owns the copyright in the Happy Face t-shirt, which includes the smiley design, and that Geffen Records has granted Nirvana whatever rights it possesses in Fisher’s work relating to the smiley face design.

So, just how much is a smile worth? Nirvana is seeking compensatory and punitive damages against Marc Jacobs. Assuming the band is successful, commentators suggest the financial stakes for the case could be substantial. To quote Nirvana, “teenage angst has paid off well.”

The cases are *Nirvana LLC v. Mark Jacobs International LLC et al.*, case number 2:18-cv-10743, and *Nirvana LLC v. Fisher*, case number 2:20-cv-10324, both in the U.S. District Court for the Central District of California.

“Bad to the Bone” - The Libel-Proof Plaintiff Doctrine*



Lee Johnston



Kelli Bills

Defendants in defamation lawsuits have a myriad of available defenses. One of them, the libel-proof plaintiff doctrine, holds that even if the defendants made false

statements, the plaintiff may not recover more than nominal damages because such statements had minimal effect on the plaintiff’s already sullied reputation. Importantly, the libel-proof plaintiff doctrine provides authors and publishers with a defense that, in appropriate circumstances, can dispose of defamation claims in pre-trial proceedings, thereby avoiding expensive and unpredictable discovery and trial.

The doctrine has developed along two pathways. The first—the “issue-specific” approach—bars relief for a plaintiff whose reputation related to a specific subject matter is so tarnished that he or she cannot be further injured by allegedly false statements on the matter. The second—the “incremental harm” doctrine—bars relief where the challenged statements harm a plaintiff’s reputation far less than unchallenged statements in the same article or broadcast. This article will highlight the issue-specific approach.

Under the issue-specific approach, plaintiffs with notorious past criminal behavior are the most likely to be found libel-proof, particularly when the allegedly defamatory statements relate to criminal conduct. For example, a Texas Court of Appeals found a plaintiff libel-proof as to allegedly false statements that he was a methamphetamine dealer and leader of a burglary ring where his criminal record spanned twenty-five years and showed two drug convictions and six convictions for burglary and theft. Likewise, a Tennessee Court of Appeals found a plaintiff libel-proof related to a report that he was suspected of committing additional crimes, including murder, where the plaintiff had already been convicted of multiple violent felonies.

Importantly, the issue-specific doctrine is not limited to plaintiffs with criminal records, but can also apply to a plaintiff complaining of libelous statements in a solely civil or professional context. A Michigan Court of Appeals, for example, dismissed a defamation suit brought by Jack Kevorkia, finding that Kevorkian was libel-proof because his celebrity and reputation as a well-known proponent of assisted suicide meant that the effect of “more people calling him either a murderer or a saint is de minimis.” And the Second Circuit found that a plaintiff was libel-proof as to the subject of adultery because magazine and newspaper articles, as well as the plaintiff’s own testimony, showed wide dissemination of the information that the plaintiff was living with another woman while still married.

A recent New York case illustrates a crossover between the two—a plaintiff with past criminal behavior, but also general public notoriety for the types of conduct contained in articles that he later claimed were libelous to him. In *Lenny Dykstra v. St. Martin’s Press*,¹ former New York Mets centerfielder Lenny Dykstra alleged that his former Mets teammate Ron Darling’s 2019 book, *108 Stitches: Loose Threads, Ripping Yarns, and Darndest Characters from My Time in the Game*, contained a defamatory description of Dykstra’s behavior directed at Boston Red Sox pitcher Dennis “Oil Can” Boyd in Game 3 of the 1986 World Series. In his book, Darling reported that Dykstra (“one of baseball’s all-time thugs”) launched into a “foul, racist, hateful” rant at Boyd (who is Black) from the on-deck circle that included “the worst collection of taunts and insults I’d ever heard,” surpassing “anything Jackie Robinson might have heard [during] his first couple times around the league.” Dykstra, who is white, alleged that Darling’s description “forever branded him a racist,” and that it was “maliciously stated to attack him and his abilities as a professional athlete, person, and ability to earn a living going forward.”²

Pointing to three decades of media coverage, books and articles – some by Dykstra himself – detailing Dykstra’s criminal convictions and penchant for violence and bigotry, Darling and the publisher defendants moved to dismiss Dykstra’s lawsuit, urging that Dykstra was the “classic” libel-proof plaintiff

whose reputation is so bad that he simply could not be defamed. The Court agreed, finding it significant that Dykstra had “undisputedly never brought a libel lawsuit” against any of the individuals or media outlets reporting his misconduct, or against Darling himself after Darling’s 2017 book reported the same incident in “eerily similar” detail. Ultimately, the Court concluded that there was “no legal basis for why it should use its very limited time and resources litigating whether Dykstra engaged in yet another example of bigoted behavior over thirty years ago in a court of law.”

One important and common thread to note in all of these cases is the requirement that there be publicity or the plaintiff’s notoriety for the type of conduct at issue. As the Supreme Court of New Hampshire noted:

Publicity is part and parcel of the damage to a reputation necessary to trigger the issue-specific version of the libel-proof plaintiff doctrine. Indeed, it is often the means by which such damage occurs and the most effective evidence of that damage. In other cases where courts have most persuasively applied the doctrine and deemed plaintiffs libel-proof, both the publicity surrounding the crimes and the attendant level of notoriety are quite high.

In the absence of evidence of that publicity or notoriety, the libel-proof plaintiff defense will likely fail. For example, the Sixth Circuit reversed a summary judgment for defendants where it found genuine issues of material fact as to whether statements on a “20/20” episode could have further damaged the plaintiff’s reputation. Although some local residents knew the plaintiff as an occasionally violent criminal, there had been no popular nationwide program or other publicity portraying the plaintiff as a “hitman” for a corrupt judge or a “muscleman.”

Importantly then, the libel-proof plaintiff doctrine is not a panacea for all defamation defendants. Some courts have yet to adopt it, while those courts that have repeatedly “caution[] that the libel-proof plaintiff doctrine is to be applied sparingly, as it is unlikely that many plaintiffs will have such tarnished reputations that their reputations cannot sustain further damage.” This is particularly true when the allegedly libelous

statements take on a different and more egregious character. A California federal district court, for example, rejected the defendants' contentions that country singer Blake Shelton was "libel proof" as a matter of law against all statements regarding his excessive drinking. That case involved a cover story in In Touch magazine bearing a headline that said "REHAB for Blake" and several related sub-headlines and statements suggesting he had hit "rock bottom." The Court easily distinguished between statements regarding "excessive drinking" and the magazine's statements suggesting that Mr. Shelton sought treatment in rehab, finding that even if Mr. Shelton were "libel proof" as to the former, defendants could not make false assertions regarding the latter with impunity.

While the libel-proof plaintiff doctrine is a defense to keep in mind, particularly when the plaintiff has celebrity or notoriety, one should always analyze the appropriate jurisdiction's treatment of the doctrine to determine whether it might apply in a particular case.

* With apologies to GEORGE THOROGOOD AND THE DESTROYERS, *Bad to the Bone*, on BAD TO THE BONE (EMI American Records 1982).

1 *Lenny Dykstra v. St. Martin's Press, et al.*, Civil Action No. 153676/2019, 2020 WL 2789913 (N.Y. Sup. May 29, 2020).

2 Darling's book did not identify the particular racial epithets allegedly used by *Dykstra* in his pre-game rant. *Dykstra*, 2020 WL 2789913 at *3 (the "stuff coming out of Lenny's mouth was beyond the pale. Unprintable, unmentionable, unforgettable.").

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Laura Prather Featured as Free Speech Champion in Austin Business Journal's 2020 Profiles in Power

Haynes and Boone Recognized in 2021 Best Lawyers in America Guide

- Laura Prather: Litigation - First Amendment
- Catherine Robb: Litigation - First Amendment
- Thomas J. Williams: Litigation - First Amendment, Commercial Litigation, Litigation - Intellectual Property

SPEAKING ENGAGEMENTS

Laura Prather

ABA Government and Public Sector Lawyers Division Brown Bag Program

Speaker/Panelist: Public Sector Employees and First Amendment Issues

January 12, 2021

HB MEDIA MINUTE PODCAST

Episode 3

Restrictions on Open Government and Public Information During COVID-19; 11/11/2020

Episode 2

Trends in ISP and Platform Liability: CDA Section 230 and DMCA Safe Harbors; 10/23/2020

Episode 1

Anti-SLAPP Legislation and Litigation - Key Developments; 10/2/2020

FOR MORE INFORMATION CONTACT:



LAURA LEE PRATHER

PARTNER

laura.prather@haynesboone.com

+1 512.867.8476



TOM WILLIAMS

PARTNER

thomas.williams@haynesboone.com

+1 817.347.6625