This Song Was Made For You And Me

By Carolina Bolado
December 19, 2016

Toward the end of "The Butler," a 2013 movie about a black butler who spent decades working in the White House, the quiet, unassuming protagonist makes amends with his estranged activist son by getting arrested together while protesting apartheid. As the two of them sit together in a jail cell, producers envisioned the civil

rights anthem “We Shall Overcome” playing over the scene, lending emotional weight to a powerful moment. But when they called to request use of the song, they were hit with a surprise: a flat-out “no.”

“The music department called and it was an almost immediate no,” producer Simone Sheffield told Law360. “Then they called a second time and were told $75,000. It came to my desk and I was in shock.”

"The Butler" director Lee Daniels and producer Simone Sheffield attend the 41st NAACP Image awards in 2010. (Getty)

The copyright holders, The Richmond Organization Inc. and Ludlow Music Inc., still refused to allow the song for the jail cell scene, but authorized its use over a civil rights-era montage of violence on television screens in the movie — at a price. Eventually, the parties agreed to a $15,000 fee for a few seconds of the song, but the experience left Sheffield wondering about the song's origins and who really owns its rights.

The makers of the movie are among the lead plaintiffs in a class action arguing that the claim to the copyright by TRO and Ludlow is bogus. They're part of a small number of filmmakers and artists who, following last year’s success of litigation that challenged the copyright to “Happy Birthday to You,” are fighting to get two other iconic songs — “We Shall Overcome” and “This Land Is Your Land” — into the public domain. Last month, the challenge to the “We Shall Overcome” copyright cleared a hurdle when a judge denied a motion to toss the suit.

In the year since its resolution, the “Happy Birthday” case has led not only to the two fresh suits but has opened a conversation about the public domain and who is — or isn't — protecting it. For copyright holders, federal law offers a number of weapons — including the threat of hefty statutory penalties and the right to

collect legal fees — to leverage and protect their claims. But there are few corresponding tools available for those who want to challenge a copyright claim and, in essence, protect the public domain.

But the $14 million class settlement last December put copyright claimants on notice that potential licensees may not shy away from a legal challenge. Using the Declaratory Judgment Act, the plaintiffs secured a ruling that Warner/Chappell Music Inc. does not own a valid copyright to the song, which helped lead to the settlement that will pay the thousands who had to shell out licensing fees for the song.

“I think the big thing about the 'Happy Birthday' case is that it made people start thinking,” said intellectual property attorney Tanya Curcio of Vorys Sater Seymour and Pease LLP. “Instead of the routine of just 'I need a license,' people start thinking: 'This is an older song that everyone knows. Why should I have to pay for this?'”

‘Happy Birthday’

Had director and cinematographer Jenn Nelson not asked herself that very question a few years ago, filmmakers and television producers would likely still be shelling out licensing fees to Warner/Chappell for “Happy Birthday,” which netted the music house about $2 million per year.

“Everyone felt it was a bit of a racket, but in order to use it, you would just do it,” she said.

Nelson became skilled at workarounds to avoid the song while directing and filming episodes of the reality show “My Super Sweet 16” for MTV, whose executives would give directives to limit the “Happy Birthday” occurrences on the show to a set number per season in order to cut down on licensing fees. It was a tall order for a show centered around large birthday bashes.

Her experience led her to start researching the history of the song for a potential documentary about it. Once she came across a 2009 article by Robert Brauneis, a professor at George Washington University Law School, that chronicled the song's history and questioned Warner/Chappell's copyright claim, she felt she had to do something.

“I was at a moral junction,” Nelson said. “Do I just have this information and not do anything about it? I was at a crossroads for sure, because it's not an easy thing to sue a giant company. It wasn't something I was comfortable with.”

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> Donaldson & Callif

Those challenging copyright claims have an uphill climb. Federal law allows up to $150,000 in statutory damages per work infringed, which can quickly add up to billions of dollars. Fenwick & West LLP IP litigator Andrew Bridges, who says he has defended a handful of cases involving claims of more than $5 billion in statutory damages, called the remedy a “nuclear weapon” in the hands of copyright claimants. In one high-

profile example, BMG Rights Management GmbH won a $25 million jury verdict against Cox Communications Inc. earlier this year for turning a blind eye to illegal music downloads by its users.

Even if a challenger were confident in his or her case and could wave off threats of statutory penalties, there are still the considerable legal costs necessary to litigate the claim. In the “Happy Birthday” suit and the two suits that followed it, the plaintiffs, who have no right of action under the Copyright Act, sued using the Declaratory Judgment Act, which allows them to merely ask for a court to declare the copyright invalid and does not guarantee an attorneys' fee award in the event of a win, according to Mark Rifkin of Wolf Haldenstein Adler Freeman & Herz LLP, the firm representing the plaintiffs in all three suits. A challenger could succeed in disproving the validity of a copyright claim — which requires exhaustive research into a copyright's provenance and its use in subsequent decades — but go bankrupt in the process.

“The threat of copyright infringement is that draconian and severe,” Rifkin said. “And Warner did an excellent job of figuring out what everybody's pain threshold was. Everybody said for $2,000, we're not going to risk getting involved in litigation over this.”

Michael Donaldson of Donaldson & Callif, who specializes in film clearances, says he had been advising clients for a few years that he did not think Warner held a valid copyright to “Happy Birthday.” He would point out that Warner had never sued anyone over the song since the company had begun licensing it. Some clients took the risk, while others simply paid the fee.

But Rifkin pointed to another problem of simply thumbing one's nose at a music house suspected of claiming an invalid copyright: Distributors and film festivals generally require clearances for every song in a movie and won't show the film without them. One of Rifkin's clients in the “Happy Birthday” case, filmmaker Rob Siegel, learned this the hard way just before the start of the Cannes Film Festival, where he was set to debut his independent movie “Big Fan.” Siegel included a scene in which the characters sing “Happy Birthday” but did not know it was copyrighted.

“He's ready to exhibit at the Cannes Film Festival, and they won't show the film unless he gets clearance from Warner,” Rifkin said. “This was a movie that was already done. That's the power of the copyright claim. There's no countervailing pushback.”

The Declaratory Judgment Act had been used to successfully challenge a copyright before in 2013, when author Leslie Klinger sued the estate of Arthur Conan Doyle for demanding licensing fees for the use of Sherlock Holmes. The Seventh Circuit eventually ruled that the famed fictional detective was mostly in copyright's public domain and awarded attorneys' fees to the author.

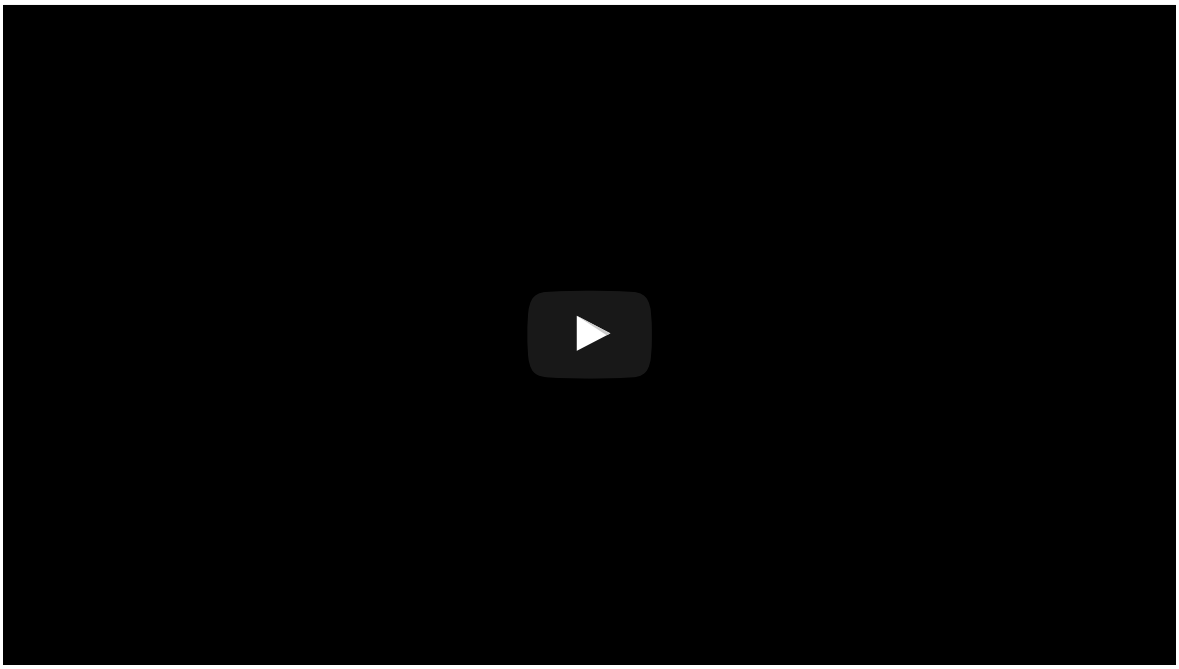
In his opinion for the Seventh Circuit, Judge Richard Posner said Klinger “performed a public service” by bringing the suit and exposing the estate’s illegal business strategy while incurring “substantial risk to himself.”

Rifkin and his colleagues took this strategy one step further by using the class action vehicle, which allows plaintiffs to take on less individual risk and can mean bigger payouts for attorneys in successful cases, assuming judges follow the lead of the Seventh Circuit. Nelson and the other plaintiffs in the “Happy

Birthday" suit settled with Warner for $14 million in December 2015 in a deal that included an acknowledgement that the song is in the public domain.

The settlement came just a few months after U.S. District Judge George H. King issued a summary judgment ruling finding that Warner had never acquired the rights to the song's lyrics. Warner's copyright was based on the rights that the song's composers, sisters Mildred and Patty Hill, sold to a music publisher, Summy Co., at the turn of the 20th century.

Summy registered the song for a federal copyright in 1935, but that registration lists a different author and claims an "arrangement as easy piano solo, with text," according to court filings. Because the registration doesn't list the Hills as the authors and doesn't make clear that the "Happy Birthday" lyrics — which differ from the Hills' original "Good Morning to All" lyrics — were being registered, the judge ruled that the 1935 copyright office's records can't determine that Summy had the rights to the lyrics.



In August, the judge granted Wolf Haldenstein's request that $4.6 million of the $14 million sum be earmarked for legal fees, signaling to plaintiffs' attorneys that it could be worthwhile to pursue these types of suits.

And trying to disprove that the paper trail required for a valid copyright claim exists could be a clearer path to victory as opposed to other copyright litigation, which generally involves trying to show similarities between works to a jury, according to James Sammataro of Stroock & Stroock & Lavan LLP.

"The one thing that's unique about a copyright is when you're trying to prove ownership, you've got to say, 'Here's the car, here's every toll I've ever paid, every service check and proof along the way, how I protected it and when I protected it,'" he said. "From a plaintiffs lawyer's perspective, while it's mind-numbing at times, it's a clear path to victory. There's either a paper trail or there's not."

He added that the eight-figure deal in the "Happy Birthday" suit has made music publishing houses take note that they could be on the hook for serious money if they wield an invalid copyright.

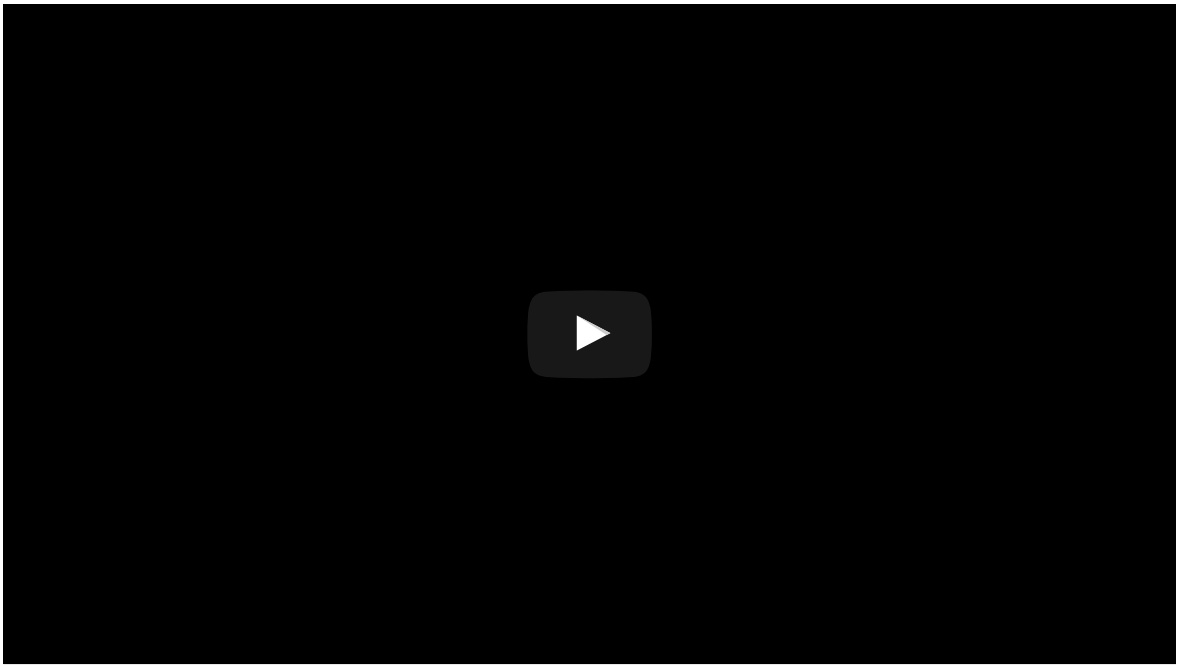
“I don't think there are music publishers knowingly extracting fees for songs they believe are no longer copyrighted,” he said. “I don't think there's a sinister plot. But publishers are going to think long and hard about works of a certain vintage before they fire off a letter.”

‘We Shall Overcome’

After Isaias Gamboa was denied permission by Ludlow to use “We Shall Overcome” in his documentary about the song, the music producer's first step was not to file litigation but to head to the FBI's intellectual property task force, where he presented his research. He was later told that because they could not find a criminal nexus, the FBI could not look into it further but recommended that he pursue his claims through civil means.

When the IP task force was created in 2010, it was given the responsibility to investigate and prosecute domestic and international IP crimes, Rifkin said. But in the case of “We Shall Overcome,” Gamboa and his fellow plaintiffs claim the song is in the public domain.

“If we're right, there is no IP to steal,” Rifkin said. “This would not fall under the purview of the task force.”



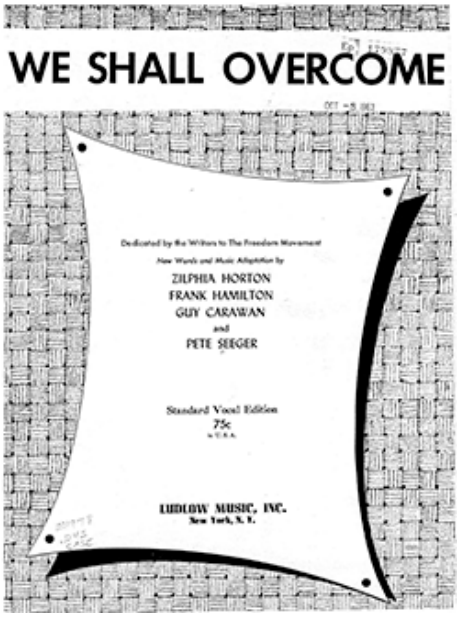
But Fenwick & West’s Bridges called this a theft of sorts from the public and certainly from filmmakers who have to shell out cash for licensing fees. In addition, it constrains artists from building on works that should be in the public domain.

“It's like taking a city park and putting a fence around it and keeping it for your private use,” Bridges said.

But unlike a fence around a public park, the government isn't going to come take it down, and doing so is an expensive, time-consuming and risky undertaking that so far has required dedicated plaintiffs willing to do the extensive research required for these fact-intensive cases. It's no wonder then that both Gamboa and Nelson were making documentaries about the songs themselves when they filed suit.

“The foxes have been billing the hen houses all these years,” Gamboa said. “The music industry lobby has been writing the legislation. It bugged me to the point that I tried to do something more about it.”

Gamboa's history with “We Shall Overcome” dates to 1992, when the grandson of black hymn composer Louise Shropshire told him his grandmother had written the song but never received credit for it. Gamboa said he blew it off at first, but then started digging and finding that ownership of the song was far from clear-cut.



Ludlow was granted a copyright to "We Shall Overcome" in 1960.

The iconic civil rights anthem was a long-existing African-American spiritual song that was first formally published back in 1948, which means it would have lost its copyright protection. Ludlow and TRO admit that an earlier song exists but argue that the version they own by folk singers Pete Seeger, Zilphia Horton, Frank Hamilton and Guy Carawan was creative enough to win new copyrights in 1960 and 1963, and that's the version that became an anthem for the civil rights movement.

“I didn't come up with a lot of facts,” Gamboa said. “It ended up being Pete Seeger saying, 'Well, this is what I was told.'”

Hamilton, the only singer involved in the production of the song who is still alive, declined an interview with Law360.

Ludlow and Richmond argued in a motion to dismiss that a few “original and crucial changes — using the repeated, emphatic word 'shall' rather than 'will' and the more resonant 'deep' rather than 'down' — contributed to the song's compelling, urgent effect in a demonstrably nontrivial way.”

On Nov. 21, U.S. District Judge Denise L. Cote ruled the plaintiffs had “adequately pleaded a lack of originality and of ownership rights in the lyrics to the first verse of the copyrighted song” and said discovery is necessary to resolve the issues of originality and ownership.

Paul LiCalsi of Robins Kaplan LLP, who represents Ludlow and TRO, said the song was always registered as a derivative work indicating that the authors had written new words and a new musical arrangement.

“It's the version that became the anthem of the civil rights movement and it's also the version that the plaintiffs wanted to license,” he said. “They didn't seek to use 'We Will Overcome.' They sought the song that was the derivative work.”

But Rifkin said the exact lyrics Ludlow and Richmond claim are unique were published at least three times before the copyright was registered in 1960.

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> — Tanya Curcio
> Vorys Sater

“You can't use your narrow copyright as a weapon to claim a copyright in work that wasn't yours,” Rifkin said. “That's the crux of the dispute in all three of these cases. It's too powerful a hammer to hold over the public's head.”

For Gamboa and Sheffield, “The Butler” producer, what spurred them to take action was the fact that Ludlow and TRO could outright deny the use of an important civil rights anthem and so tightly control the use of an iconic song that was the backdrop to an important time in American history.

But copyright attorneys pointed out that just because a song is well-known and feels like it should be in the public domain doesn't mean that it is, and copyright owners have the legal right to deny or grant licenses as they see fit. Bridges gave the example of “God Bless America,” another important song that's well-loved and known by Americans but is under copyright protection.

And while Sheffield bristled at the $75,000 price tag to use the song for “The Butler,” Donaldson said a quote like that for such an iconic song was not uncommon.

“The fact that something is so successful that it's worked its way into the hearts and minds of many people doesn't disenfranchise the copyright owner from the legitimate rights he or she has,” Donaldson said.

Those rights allow copyright owners to decide where and when their songs are played in any public places. LiCalsi said the selective licensing of “We Shall Overcome” is a conscious effort to protect the song and its legacy from overcommercialization. Half the proceeds from the song's licensing fees fund the Highlander Research and Education Center in Tennessee, a social justice leadership training school that played an important role in the civil rights movement. The folk writers who adapted the song assigned their royalties to the school in 1965, and Ludlow collaborates with the center when deciding to license the song.

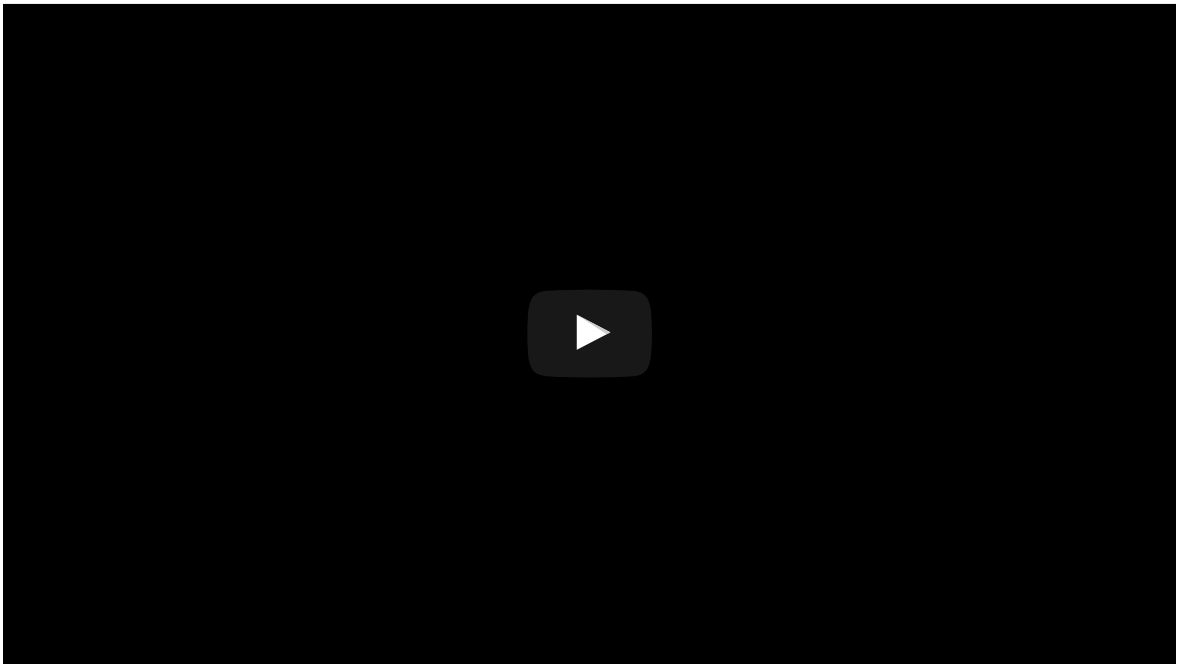
LiCalsi said the organization has given many pro bono licenses to churches, schools and social action groups. The gross earnings from the licensing fees average less than $70,000 per year, half of which goes to the Highlander, he said.

“In licensing the song, they've attempted to first and foremost maintain the song's integrity and its historical place in the civil rights movement,” LiCalsi said. “The song, rather than being broadly exploited, has in fact been curated.”

‘This Land Is Your Land’

LiCalsi, who also represents Ludlow and TRO in the suit over “This Land Is Your Land,” said the companies have a similar arrangement with the family of Woody Guthrie, which gets about 75 percent of the licensing fees Ludlow collects for the song. Ludlow does not license the song without the approval of the Guthrie family, which LiCalsi says has been very careful about how they've licensed the song.

In that suit, led by New York rock band Satorii, the plaintiffs claim the classic song was first published by Guthrie in 1945 and fell into the public domain in 1973 because he never renewed the copyright on it. Ludlow copyrighted the song in 1956 and has been using that to collect licensing fees.



In the 1940s, the clock didn't start to run on the life of a copyright until either publication or registration with the federal government. A recording did not count, nor did a public performance, but a distribution to the general public in written form did, he said.

LiCalsi argues that Guthrie assigned the song to Ludlow in the 1950s as an unpublished work.

“The main argument they're making is that Woody prepared this mimeographed version with some other songs in April 1945 with a copyright notice, and they claim it was publicly distributed,” LiCalsi said. “We've never seen any evidence of this, nor do we believe there is any that Woody ever distributed those to the public.”

The parties are currently waiting for the judge to rule on a pending motion to dismiss the suit.

This isn't the first time the song has been at the center of litigation. The creators of the viral “JibJab” videos were sued by Ludlow and TRO after using the song during the 2004 presidential election, but they later settled and the question of the song's ownership was never addressed by a court.

Litigation Ahead

Copyright attorneys can expect to see more of these types of declaratory suits challenging longstanding copyrights, especially if Congress continues to pass legislation extending the copyright terms, according to Bridges.

When Congress passed the Copyright Law of 1976, it adopted the most common international term for copyright protection: the life of the author plus 50 years or 75 years for a work done for a company by an employee. But in 1998, Congress extended those terms to life plus 70 years for works by individual artists, and, for works for hire, 120 years after creation or 95 years after publication. In addition, protection for works copyrighted before 1978 was extended to 95 years from the publication date.

The 1976 extension made it through Congress with the backing of the music houses and filmmakers in the entertainment industry, though it did face some vocal opponents who took a legal challenge to the U.S. Supreme Court, which upheld the law in 2003.

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The terms are “insanely long” and make it difficult for anyone to trace the authorship of a work, according to Bridges.

“We now have to do copyright archaeology,” he said. “When you have a tradition of creative works being built upon other creative works and songs being modified over time, then trying to figure out who owns what and what's enforceable is a real problem.”

Works with murky histories and unclear authorship are especially ripe for legal challenges. But don't expect Rifkin and his partner at Wolf Haldenstein, Randall Newman, to lead the way after these three suits, as they said they don't intend to make this a crusade. Though both Rifkin and Newman have extensive experience bringing class actions, intellectual property is not a focus of their practices. Before these cases, Rifkin said he'd handled one or two IP cases in his career.

After the publicity of the “Happy Birthday” suit, Rifkin said the firm got about a dozen requests to bring similar suits for other songs before settling on “We Shall Overcome” and “This Land Is Your Land,” which he said were “particularly meritorious and particularly egregious.”

“In the case of 'We Shall Overcome,' it's too important a song to be subject to what the plaintiffs believe is a completely unfounded copyright claim,” Rifkin said.

While Rifkin and Newman fight to get these three songs into the public domain, other copyright attorneys see the lawsuits as a good way of educating the public on copyright law and what the public domain actually is.

Donaldson pointed out that it took protracted litigation for most people outside of the entertainment industry to learn that an iconic song like Happy Birthday was not in the public domain. The lawsuits can show that though there is much more public material than there are works protected by copyright, a work's protected status isn't decided by its popularity.

“It's the first time the popular press has focused on the public domain,” Donaldson said. “Since the internet became another member of every American family, there has been an attitude among some people that if it's on the internet, it's in the public domain. What these three cases do is bring to the public's awareness that public domain is not simply widely available or widely popular.”

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