

Fifty shades of copyright

Cozen O'Connor's **David B Sunshine** and **J Trevor Cloak** explain what fan fiction authors need to know about copyright protection

You would have to be living on the moon these past few years if you have not heard of (or perhaps secretly read) the *Fifty Shades* trilogy of novels written pseudonymously by EL James. However, you may or may not be aware that James originally wrote *Fifty Shades* as a work of "fan fiction" under the name *Masters of the Universe* ("*Masters*"), which was based on the well-known *Twilight* series.

That fan fiction, by its very definition, is based on or derived from an original work raises numerous copyright issues that fan fiction authors should consider and understand. Some of these issues were recently brought to light in a lawsuit filed by Fifty Shades Limited ("FSL") and Universal City Studios ("Universal"), against Smash Pictures and others (collectively "Smash"), involving Smash's alleged unlawful production and distribution of pornographic adaptations of James' *Fifty Shades of Grey* novels.¹ For example, does a fan fiction author retain any rights in the fan fiction work in view of the fact that it is derived from the original? Or do they risk his or her work being deemed a part of the public domain?

The *Fifty Shades* litigation

In the *Fifty Shades* lawsuit, plaintiffs alleged, among other things, that Smash "knowing[ly] and willful[ly] violat[ed] plaintiffs' copyrights in EL James' bestselling novels... by way of the production and distribution of adult films that take wholesale the dialogue, characters, and storyline from the *Fifty Shades* trilogy". Plaintiffs contended that Smash not only directly copied elements of the *Fifty Shades* novels in creating its pornographic adaptations but also did so in a manner that was neither a fair use nor parody of these works.² The complaint asserted that Jim Powers, the writer and director of the XXX adaptation, admitted that he "stayed faithful to the core material" and "took the main elements of the first book... and utilised the most interesting character from the second" in creating the XXX adaptations.

Smash, in turn, filed an answer and counterclaim, denying its infringing activity and asserting, *inter alia*, that plaintiffs' copyrighted work is in the public domain and that plaintiffs' copyrights were invalid and unenforceable. Among other things, Smash asserted that "as much as 89% of the content of the allegedly copyrighted materials grew out of a multi-part series of fan fiction called *Masters of the Universe* based on Stephanie Myer's [sic] *Twilight* novels. On information and belief, this content was published online between 2009 and 2011 in various venues, including fanfiction.net and the person[al] website of Erika Leonard... much or all of this material was placed in the public domain".

During the authorship of this article, the parties reached an agreement to settle the matter "upon payment of a confidential sum by Smash Pictures to plaintiffs".³

What is at stake?

Even though the *Fifty Shades* case settled in the early stages of litigation, it garnered a lot of commentary across the blogosphere, likely due to the popularity of the *Fifty Shades* novels coupled with the perceived repercussions the litigation could have on fan fiction authors.⁴ Despite the settlement, Smash raised some interesting and potentially novel arguments regarding copyright protection in fan fiction works.

Does fan fiction enter the public domain?

One of Smash's primary arguments in its counterclaim was that *Fifty*

Shades was not entitled to copyright protection because it has entered the public domain. Smash contends that *Fifty Shades* is in the public domain because it originated as a piece of fan fiction (ie James' earlier *Masters* work), which was based on Stephanie Meyer's *Twilight* series, including some of its more well-known characters.⁵ While seemingly simple, the answer to this question is not as clear cut as one might think.

Under the 1976 Copyright Act, "[c]opyright protection subsists... in original works of authorship" upon fixation in a tangible medium of expression for more than a transitory period or duration.⁶ And a copyright in a work vests first in the original author or creator at the time of creation, assuming the work is not a work made for hire. Once a copyright is created, it is difficult to release it to the public domain. While abandonment of a copyright has been found in certain cases, courts have generally held that proving abandonment requires a showing of "intent by the copyright proprietor to surrender rights in his work", manifested by some "overt act".⁷ And while at least one commentator has noted that "the wide and general circulation of copies of a work by the copyright owner, or with his acquiescence, without a copyright notice affixed thereto may constitute an overt act indicating an intent to abandon copyright",⁸ this view seems outdated in light of the changes made to copyright law via the 1976 Copyright Act, which substantially eliminated the copyright notice requirement. Indeed, in today's day and age, with blogs, social media, digital media and the like, it is improbable that a court would find publication on the internet alone to be an overt act constituting abandonment of one's copyright, absent an express indication of intent to the contrary. Other commentators have indicated that ever since effectuation of the 1976 Act, placing a copyrighted work in the public domain is almost impossible, arguing that "[there is] no mechanism [] in the law by which an owner of [a copyrighted work] can simply elect to place it in the public domain".⁹

Applying these principles to the *Fifty Shades* litigation, it appears unlikely that James' publication of *Masters* at fanfiction.net and, subsequently, her own website at 50Shades.com, did not place these works and the succeeding *Fifty Shades* novels in the public domain.¹⁰ Outside of publication on the internet, there is no indication that James engaged in any other "overt acts" manifesting her intent to place *Masters* (or *Fifty Shades*) in the public domain such as, for example, allowing multiple third parties to reproduce the work. While James allowed third parties to pre-read and edit the *Masters* work, "helping her edit and adjust dialogue",¹¹ this would likely not be viewed as an overt abandonment of the copyright in the works, as these kinds of edits appear to be minor and likely did not result in third parties copying large portions of James' work. Even if such actions do constitute an abandonment of rights, it is likely any such abandonment would be limited, and would not have substantially affected James' copyrights in the underlying *Masters* work.¹²

In any event, any abandonment of rights would likely not have carried over to James' *Fifty Shades* novels. After all, "[a]n overt act indicating the abandonment of copyright protection in one work does not automatically result in the abandonment of copyright protection in subsequent works".¹³ Upon first fixing the *Fifty Shades* novels in a tangible form, James would have acquired separate and distinct copyrights in this work (assuming such work would not be considered an unlawful derivative of Stephanie Meyer's *Twilight* novels, see Section

III.B supra). This is so even if *Fifty Shades* is considered a derivative work of *Masters*, although the copyright protection afforded in the derivative work would cover only “the additions, changes, or other new material appearing for the first time in the work”.¹⁴

Simply put, it seems evident that James’ *Fifty Shades* works have not entered the public domain to any meaningful extent, if at all. This does not mean, however, that a court could not find abandonment of a copyright in fan fiction authored in a more clear-cut case. Fan fiction authors should therefore not engage in acts that could be viewed as evidencing an intent to relinquish rights in a work such as, for example, expressly stating that they are reserving no rights in a work or affirmatively allowing third parties to copy and distribute a work.

Is *Fifty Shades* subject to copyright protection?

While it seems relatively certain that *Fifty Shades* has not entered the public domain, perhaps Smash’s more plausible argument was that *Fifty Shades* is not entitled to any copyright protection because it constitutes an unlawful infringement of Meyer’s *Twilight* series. As noted previously, it is well known that *Fifty Shades* was based on James’ earlier *Masters* fan fiction work, which in turn used as its basis elements from Meyer’s *Twilight* series including the famous (or infamous) characters Bella Swan and Edward Cullin. In order to have prevailed on this theory, however, Smash would had to have shown that any new material included in *Fifty Shades* is not subject to copyright protection, because the original copyrighted *Twilight* content “pervaded” the entire work and, therefore, there is no way to separate the original from the derivative.

A copyright holder has exclusive rights to any and all derivative works.¹⁵ The question of whether *Fifty Shades* constitutes an infringement of the exclusive derivative rights granted to Meyer will largely turn on (a) how similar the respective works are to one another; and (b) the nature of the subject matter that the respective works have in common. While that analysis is better left for another day, the authors are not aware of any formal comparison study done *vis a vis* *Twilight* and *Fifty Shades*. Indeed, while one website did commission a comparison between *Fifty Shades* and James’ original fan fiction work, *Masters*, finding an 89% match between the two works, this does not have much, if any, bearing on the ultimate question of whether there is substantial similarity between *Twilight* and *Fifty Shades*.

Assuming that *Fifty Shades* is an infringing derivative of *Twilight*,¹⁶ could James claim copyright protection in any material from *Fifty Shades*, which material is clearly not a derivative of *Twilight*? Pursuant to 17 USC § 103(a), “protection for a work employing preexisting material in which copyright subsists does not extend to any part of the work in which such material has been used unlawfully”. The Second Circuit and other courts have interpreted this provision to mean that even when the author of a derivative work uses an underlying copyrighted work without the copyright holder’s permission, the new additions to the derivative work may still be entitled to copyright protection “absent some showing... that the unlawful use pervaded the entire work”.¹⁷ On the other hand, if the pre-existing copyrighted material pervades the entire derivative work, there can be no copyright protection in the derivative work as a whole.¹⁸ Therefore, to the extent Smash could have shown that copyrighted elements from *Twilight* pervaded James’ *Fifty Shades* novels, it could have potentially invalidated James’ copyrights. By extension, the determination of whether certain fan fiction is independently copyrightable will largely depend on how much and to what extent it contains elements from original, copyrighted works of authorship. Fan fiction authors who necessarily borrow elements from a copyrighted work should be certain not to take so much of the underlying work so as to pervade the entire work. Unfortunately, determining this level of copying is not always straightforward.¹⁹ When evaluating the rights an author has in a work of fan fiction, there is rarely black and white, just 50 shades of grey. While it is unlikely that any such work will easily enter

the public domain, the fan fiction author needs to be mindful to avoid infringing the underlying work or risk losing copyright protection.

Footnotes

1. Complaint, *Fifty Shades Ltd v Smash Pictures, Inc*, No CV12-10111 (CD Cal 27 Nov 2012).
2. It is common for pornographic film makers to make parodic adaptations of mainstream films without running afoul of the copyright holders. This case is distinguishable from those parody cases in that the pornographic film makers purportedly intended to more accurately depict the book series.
3. Notice of settlement, *Fifty Shades Limited, supra* (CD Cal 8 Mar 2013).
4. See, eg, Aja Romano, “*Fifty Shades*’ porn parody lost its lawsuit, but everyone wins,” *The Daily Dot*, <http://bit.ly/WI8EYY>. (12 Mar 2013) (noting “the fear many fan authors expressed last week that the lawsuit could have negative repercussions for fanfiction”).
5. See Jason Boog, *The Lost History of Fifty Shades of Grey*, Galleycat.com, http://www.mediabistro.com/galleycat/fifty-shades-of-grey-wayback-machine_b49124 (12 Nov 2012) (discussing the history of *Fifty Shades* as a piece of fan fiction).
6. 17 USC §§ 101, 102.
7. See, eg, *Melchizedek v Holt*, 792 F Supp 2d 1042, 1051 (D Ariz 2011) (discussing the abandonment defense to copyright infringement and noting that the Ninth Circuit has “stated that a copyright owner can abandon” copyrights).
8. Melville B Nimmer and David Nimmer, 4 Nimmer on Copyright § 13:06 (2012) (relying on a case based on the 1909 Copyright Act).
9. Lawrence Rosen, *Why the Public Domain Isn’t a License*, *Linux Journal*, <http://bit.ly/dkSC6h> (1 Oct 2002); see also About CCO – ‘No Rights Reserved’, <http://bit.ly/FqCLC> (26 Mar 2013) (“[d]edicating works to the public domain is difficult if not impossible for those wanting to contribute their works for public use before applicable copyright... terms expire”).
10. The terms and conditions at fanfiction.net do not suggest otherwise, as they expressly provide that authors “retain all of [their] ownership rights in [their] User Submissions”. Terms of service, *FanFiction.Net*, available at <http://bit.ly/cgFhSx> (28 Mar 2013).
11. Boog, *supra* note 5.
12. See *Micro Star v Formgen Inc*, 154 F3d 1107, 1114 (9th Cir 1998) (finding limited abandonment of exclusive right to make and distribute new levels in a video game but not to distribute levels commercially).
13. *Melchizedek*, 792 F Supp 2d at 1052.
14. Circular 14, “Copyright Registration for Derivative Works,” available at <http://www.copyright.gov/circs/circ14.pdf> (25 Mar 2013).
15. 17 USC § 106(2) (exclusive right in creating derivative works granted to copyright holder).
16. Note that it does not necessarily follow that *Fifty Shades* would be a derivative of *Twilight* if it was shown that *Masters* was a derivative work of *Twilight* and *Fifty Shades* was a derivative work of *Masters*.
17. *Eden Toys, Inc v Florelee Undergarment Co, Inc*, 697 F2d 27 (2d Cir 1982).
18. 1 Nimmer on Copyright § 3.06.
19. We note, too, that to the extent a fan fiction author allows a third party to make substantial edits to the fan fiction author’s work, the argument can be made that the editor has the copyright in the edited work. Fan fiction authors should ensure that any editors assign any and all of their rights to edited works back to the author.

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