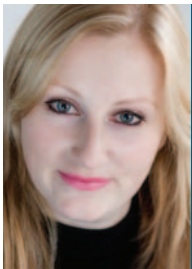


## Sequel rights: are fictional characters, plots and themes protectable?



BY CAROLINE TURNER  
partner,  
Harbottle &  
Lewis LLP



BY ALYS LEWIS  
solicitor,  
Harbottle &  
Lewis LLP

SEQUELS, PREQUELS, REMAKES AND SPIN-OFFS EACH involve the re-use and adaptation of pre-existing characters and/or literary or dramatic plots. The economic potential of such 'sequel rights' in the literary and entertainment world (and other ancillary benefits of exploiting sequel rights, such as the increase in goodwill in the original character or plot and the effect on the reputation of its creator), mean that sequel rights can command a high value and are extremely sought after amongst publishers, producers and broadcasters alike.

Consequently, creators and other rights holders are keen to protect their characters and/or plots and themes from exploitation in unauthorised sequels. Rights holders are well advised to contractually protect their characters and properties when licensing them to producers, publishers or other parties with whom they contract. However, how can a rights holder protect their plots, themes and fictional characters from unauthorised use by third parties with whom they do not have a contractual relationship? This article looks at the extent to which a) dramatic and literary plots and themes; and b) fictional characters are protected by the law of copyright and explores alternative ways by which rights holders can seek to protect their sequel rights.

### PROTECTABILITY OF DRAMATIC AND LITERARY PLOTS AND THEMES

It is common practice for authors and playwrights to reinvent or update existing dramatic or literary plots: George Bernard Shaw's *Pygmalion* became Lerner and Loewe's *My Fair Lady*, which in turn became *Pretty Woman*. *Romeo and Juliet* became *West Side Story* and so on. The recent and much-publicised *Da Vinci Code* case threw the spotlight on the issue of legal protection for plots and themes. Although these issues and questions are not new, somewhat surprisingly the issue has been looked at relatively infrequently by the English courts. Perhaps less surprisingly, the majority of the litigation concerning literary and dramatic plots has occurred in the US.

Before taking a look at the protection afforded to plot and themes by the law of copyright to see if there are any discernible guiding principles in this regard, it is worth having a brief refresher on the basics of copyright law.

### COPYRIGHT: THE BASICS

Section 1 of the Copyright, Designs and Patents Act (CDPA) 1988 provides for copyright to subsist in an exhaustive list of original works, including literary and dramatic and other works. Copyright subsists in literary and dramatic works for the life of the creator plus 70 years (s12 CDPA). Copyright is infringed by a person who, without the licence of the copyright

owner, does, or authorises another to do, any of the acts restricted by copyright, including copying and making an adaptation of a work (s16 CDPA 1988).

'Copying' means 'reproducing in any material form' and includes shifts from one media to another (eg, a novel to a play, a play to a film etc) (s17 CDPA 1988).

'Making an adaptation' has a specific narrow meaning in the context of a literary work (s21 CDPA 1988), and essentially means:

- i) making a translation into a foreign language;
- ii) making a non-dramatic work into a dramatic work or vice versa; or
- iii) making a version of the work that is wholly or mainly told by pictures for publication.

Consequently, this restriction is of fairly limited scope to protect against unauthorised adaptation.

In order to establish that the exclusive right to copy a work has been infringed, the claimant has to show that a 'substantial part' of the copyright work has been copied. There is no statutory definition of 'substantial part' but case law is clear that it is a question of fact to be decided in all the circumstances of the particular case, and such assessment is judged on the quality of what has been copied rather than merely the quantity. Assessing whether a literary work has been copied is relatively straightforward where the claimant alleges that the words in their work have been directly copied. In such instance, the court simply has to decide how integral the copied words are to the original work and consequently whether they constitute 'a substantial part' of the original text.

Prior to the 1911 Copyright Act, although words themselves were protected from copying, plots and themes were not protected by copyright. The case of *Rees v Melville* in 1914, however, established that theft of a story could also constitute copyright infringement. In that case, the court said:

'In order to constitute an infringement it was not necessary that the words of the dialogue should be the same, the situations and incidents, the mode in which the ideas were worked out and presented might constitute a material portion of the whole play and the court must have regard to the dramatic value and importance of what, if anything, was taken...'

It is an established principle of English law that copyright protects 'expression, not ideas'. Therefore,

although copyright cannot prevent the copying of a general idea, if the idea is developed into a story or theme there may come a point where that idea becomes so detailed and expressed that it eventually becomes protectable by copyright. Consequently, the protectability of a plot depends on whether the elements that contribute to form the story go beyond mere ideas (which are not protectable) and into something that is sufficiently developed and expressed to be protectable by way of a 'plot'. It is a question of degree in each case whether the line that divides the copying of an idea from copyright of its expression has been overstepped.

#### COPYRIGHT: THE CASE LAW

What does copyright protect by way of 'plot' and to what extent does copyright protect the original creator when subsequent works borrow that plot from the original work, either by shifting the plot to a new era, or in the form of a sequel or prequel?

The cases on this area divide into different types depending on whether the second work has used the earlier work via a 'genre' shift, a 'perspective' shift or a 'time' shift.

##### Genre shift

It is common for factual works to be adapted into plays or novels, or for writers to otherwise shift a literary work from one genre to another. In *Harman Pictures v Osborne* [1967] the defendant created a screenplay on the same subject as an existing novel. The defendant argued that it is not possible to claim a monopoly in historical facts and consequently his screenplay did not infringe copyright in the earlier novel. However, the judge ruled that, given the significant similarities of detail in relation to locations, characters and incidents, together with the juxtaposition of ideas, a substantial part of the novel had been copied by the screenplay.

Interestingly, in *Ravenscroft v Herbert* [1980], where a fictional work based on a non-fictional work was held to infringe copyright in the earlier work, the judge commented that:

'... copyright protects the skill and labour employed by [an author] in production of his work. That skill and labour embraces not only language originated and used by the [author] but also such skill and labour as he has employed in selection and compilation'.

This suggests that taking the selection and compilation of incidents and facts could constitute the taking of a substantial part of the underlying work.

In the recent *Da Vinci Code* case (*Michael Baigent & Anor v The Random House Group Ltd* [2007]) the authors of *The Holy Blood and the Holy Grail* alleged that *The Da Vinci Code*, written by Dan Brown, infringed their earlier work of historical conjecture. The claimants argued that, although mere facts and ideas could not themselves be protected by copyright, the central theme of their work (comprising fifteen key points) constituted the 'plot' of their work and should be protected by copyright from unauthorised copying. On the facts, the court held that the central theme was not genuine and was an artificial contrivance for the purposes of the litigation. The court added that even if the central theme had been genuine, on the facts it was simply a chronological order of events and what was used by Dan Brown was of too high a level of generality and abstraction to constitute infringement, thereby reinforcing the ideas/expression dichotomy.

##### Perspective shift

Another literary device is to retell the plot of existing plays or novels from a different perspective, by a different character or in a different setting and/or era. The US case of *Suntrust Bank v Houghton Mifflin Company* [2001] involved a copyright infringement claim against the author of a novel, *The Wind Done Gone*, which retold the story of the original work *Gone With The Wind* from the perspective of another character. Although the plot was retold from a different perspective, the defendant had borrowed a number of famous scenes from the original work, had used fifteen of the original characters and mirrored some of the original language. The judgment in this case highlighted the point that the focus should be on the 'dramatic value and importance' of what has been taken from the claimant, not what has been added by the defendant. Ultimately, although the court refused to grant an injunction, it found the copying excessive and consequently damages were payable. Interestingly, there have as yet been no English cases on perspective-shift sequels and it would be interesting to see how the English courts would approach and resolve such issues, should they arise. Presumably, if the second work borrows incidents and scenes from the earlier work that are of sufficient dramatic or literary value to constitute a substantial part of that work, then the second work would be found to infringe the former.

##### Time shift

Another common literary device is to extend a story back in time to precede the existing copyright work or to continue the original tale beyond the end of the existing copyright work. Such cases do not, by definition, involve re-use of the original plot and consequently do not infringe copyright in the original plot. However, such works frequently use

characters from the earlier work and consequently anyone proposing to create a time-shift work needs to consider whether re-use of such characters may infringe any rights in such characters.

#### CONCLUSIONS ON PROTECTABILITY OF PLOTS AND THEMES

The discernible guiding principles that can be drawn from the limited case law on this subject are:

- The original elements in the plot of a play or novel may be considered a substantial part of the original work, therefore even if the new work does not reproduce a single sentence of the original work, the copyright in the original work may be infringed.
- However, the more abstract, simple and generic the copied plot is, the less likely it is to be protected by copyright. Originality tends to lie in the detail with which the idea is presented and this will be determined as a matter of degree in each case.
- Pursuant to the principle established in *Ravenscroft*, it may be that a greater amount of copying is permissible with reference and historical works than with other works.
- Although the *Da Vinci Code* case does not set any new legal precedent as such, it does leave the door open for an author to claim copyright infringement in a work of non-fiction or hypotheses where there has been copying of a genuine 'central theme' or architecture of a non-fiction book or theory.
- The relevant question is whether the part that has been taken forms a substantial part of the claimant's work, not the defendant's work.

#### PRACTICAL TIPS

- When referring to other existing works for facts or inspiration, ensure there is no undue reliance on or use of a single source.
- Avoid direct language copying: even if a 'substantial part' of text has not been literally copied, any evidence of textual copying could be taken as 'footprints' or evidence of copying when determining whether the plot or theme of a book has been taken.
- Take general facts and ideas but not the plot or true central theme of the original work.
- Tie up sequel and prequel issues contractually in writing. Although this will not assist against third

parties, having contractual protection will stop a licensee subsequently exploiting a work as a sequel or prequel without the rights holder's permission.

- In the event of works soon to be coming out of copyright, consideration should be given as to the commission and ownership of any sequel and prequel rights or even the possible creation of a 'new' and protectable work from the original.

#### PROTECTABILITY OF FICTIONAL CHARACTERS

A fictional character is often immediately recognisable from certain unique characteristics – such as a name, physical appearance, attitude or character traits – and can be a pivotal aspect of any film or television programme. A character can often be the basis on which sequels and spin-offs are produced by the original creator(s) or permitted licensees. However, to what extent are such fictional characters protected by copyright law against unauthorised exploitation?

As noted above, s1 CDPA 1988 contains an exhaustive list of copyrightable 'works'. Therefore in order to be protected by copyright a character would need to fall within the definition of one of the listed types of copyright 'works'. However, it is commonly accepted that a character is not a dramatic work (since a character as such does not constitute a performance), a film or literary work (even though the character is normally described in writing in the script and so might be thought of as a literary work, it does not appear to be the intention of the CDPA 1988 to give a character a separate literary copyright). Consequently, the common view is that there is no copyright under English law in fictional characters and this view is supported by the limited case law in the UK on this subject.

In the case of *Kelly v Cinema Houses Ltd* [1928-35] the court decided that fictional characters such as Falstaff and Sherlock Holmes would probably not attract copyright protection. Contrast this with *King Features Syndicate Inc v Kleeman Ltd* [1941], which concerned character merchandising where the defendants had produced various merchandise materials, which included brooches resembling the character Popeye, as illustrated in a comic strip and cartoon series. The House of Lords was of the opinion that the reproduction, which was based, albeit indirectly, on a number of drawings of the character, was an infringement of the artistic copyright in those drawings and therefore of the character. Originally this case looked like it had resolved the question of copyright in a character but the view taken by the courts and by academic writers in England since *King Features* has been to

'The common view is that there is no copyright under English law in fictional characters and this view is supported by the limited case law in the UK on this subject.'

restrict this case to its facts, and to determine that English law will recognise copyright in fictional characters only to the extent that they exist as artistic works.

In the case of *Conan Doyle v London Mystery Magazine Ltd* [1949], which concerned the use of the name Sherlock Holmes and the famous address of 221b Baker Street, the judge refused to grant an injunction to restrain the defendants from using the name and address. Contrast this, however, with the US ruling in *Metro-Goldwyn-Mayer Inc v American Honda Motor Co* [1995] where the judge afforded copyright protection to the James Bond name on the basis that 'a James Bond film without James Bond is not a James Bond film'.

The reasoning for the differing outcomes of these two cases lies in the different approach to defining copyrightable 'works' under each country's respective copyright legislation. While neither the CDPA 1988 nor the US Copyright Act 1976 explicitly addresses the issue of protection of fictional characters, the US legislation includes a non-exclusive list (unlike the exhaustive list in the UK under the CDPA), thereby rendering the copyrightability of characters at least theoretically possible in the US.

While the UK case law on this area is limited, the general consensus is supportive of the view that English law does not recognise copyright in literary fictional characters. This view was endorsed in *Tyburn Productions Ltd v Conan Doyle* [1991], in which it was held that a claim to copyright in the fictional characters of Sherlock Holmes and Dr Watson was unjustifiable in English law due to the lack of recognition of such a concept.

With the popularity of characters such as Harry Potter, the UK may need to reassess the position of fictional characters under the CDPA 1988. However, even if s1(1) were to be widened to expressly provide protection for fictional characters, a test would still need to be established to distinguish copyrightable characters from non-copyrightable ones and the difficulty in establishing a test of this kind is evident from the confusing and inconsistent decisions in US case law.

#### HOW ELSE CAN FICTIONAL CHARACTERS BE PROTECTED FROM UNAUTHORISED SEQUELS?

Given the absence of copyright protection for literary fictional characters, rights holders should carefully consider alternative methods to protect their characters. Trade mark and passing-off are alternative distinct bodies of law that could provide some protection for fictional characters from

unauthorised use in sequels. The effective registration of a character as a trade mark, whether under the UK or EU Community Trade Mark registration system, is one option worth exploring. As a general rule, any sign that can be represented graphically and that is capable of distinguishing the goods or services of one party from those of another is, subject to certain grounds for refusal, registrable as a trade mark. Once registered, the owner of the trade mark will have a monopoly over the use of the mark for the classes for which it is registered. Consequently, use of the trade mark or a similar mark in connection with identical or similar goods without the owner's consent would constitute infringement where such use has caused or is likely to cause confusion. Therefore, if a creator can successfully register a character, trade mark protection can be a valuable commercial asset that is not only commercially exploitable but also a deterrent to potential infringers and easily enforceable against infringement.

Whether or not a character's name or image has been registered as a trade mark, a claimant may still potentially be able to bring a claim in the tort of passing-off to protect any goodwill associated with the name or image in question. There is no statutory cause of action for passing-off and instead the tort has developed on an *ad hoc* basis through case law. Unlike a trade mark claim (where there is no requirement to prove reputation or goodwill), the rights holder in a passing-off action must produce evidence of ownership of goodwill or reputation in the mark and prove that the infringer's use of the mark has caused, or is likely to cause, confusion and has resulted, or is likely to result, in damage. Consequently, passing-off actions can be laborious and costly.

The most obvious form of protection is contractual. Wherever rights are being granted or licensed, written contracts should be used to expressly set out exactly what rights are granted and what rights are reserved and should specifically detail the scope of such rights and the extent to which such rights, including any future rights, can be exploited by each respective party. Careful consideration needs to be given to how such contracts are drafted and legal advice should be sought by all parties to the contract to ensure that each party is obtaining or reserving the appropriate rights.

#### PRACTICAL TIPS

From the producer's point of view:

- Where the producer has commissioned and paid for an original script, the agreement should contain a clause expressly prohibiting the author >

---

*Baigent & anor v The Random House Group Ltd [2007] EWCA Civ 247*

---

*Conan Doyle v London Mystery Magazine Ltd [1949] 66 RPC 312*

---

*Harman Pictures NV v Osborne [1967] 2 All ER 324*

---

*Kelly v Cinema Houses Ltd [1928-35] MacG CC 362*

---

*King Features Syndicate Inc v Kleeman Ltd [1941] AC 417*

---

*Metro-Goldwyn-Mayer Inc v American Honda Motor Co [1995] 900 F Supp 1287*

---

*Ravenscroft v Herbert [1980] RPC 193*

---

*Rees v Melville [1914] MacG CC 168*

---

*Suntrust Bank v Houghton Mifflin Company [2001] 136 F Supp 2d 1357*

---

*Tyburn Productions Ltd v Conan Doyle [1991] Ch 75*

---

from writing any further scripts based on the characters contained in the original work.

- The agreement should state that only the producer is entitled to exploit those characters, whether in future productions or otherwise. This will prevent the author from writing a script for a sequel based around the central character and then selling it to a different producer for a higher price.
- By way of compensation for this restriction, the author will often be paid a fee called a 'passive payment' each time a subsequent production is produced featuring their original characters or settings.
- Where the producer acquires audiovisual rights in a pre-existing novel, the author will generally want to retain the right to write prequel and sequel novels containing the same character. It is therefore important to remember to insert a provision stating that if the author writes any prequel or sequel novel using any of the characters or settings contained in the original novel, then it will grant the producer a first right of refusal and last matching right (that is, a right granted to the producer to match any offer made by a third party which, if matched by the producer, the author is obliged to accept) to acquire similar audiovisual rights in that prequel/sequel. If the producer does not exercise that right, then the

audiovisual rights in the sequel/prequel should be held back for a lengthy period, so that it does not interfere with the exploitation of the original film.

From the author's point of view:

- If the author wishes to retain control over the exploitation of their characters, they should limit the grant of rights to the producer to the right to produce one film only based on the original novel.
- The author should expressly prohibit the producer from producing further films containing the characters, unless they are directly based on subsequent novels written by the author and the rights have been acquired and paid for pursuant to the first and last matching right clause referred to above. This will prevent spin-off productions being produced that are based on the characters but not on the novels themselves.

*By Caroline Turner and Alys Lewis, lawyers in the publishing group of Harbottle & Lewis LLP.  
E-mail: caroline.turner@harbottle.com;  
alys.lewis@harbottle.com.*

*Harbottle is hosting a seminar on this topic in autumn 2008 as part of its series of 'Law and Reality' seminars. Other seminars in the series include format rights and personality rights. Please contact Caroline Renton at Harbottle & Lewis if you are interested in attending.*