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The Content.

Publications develop articles, illustrations and photographs at great expense. When you do, depending on whether they are developed by staff or freelancers, you own or license this content. Regardless of how or by whom developed, it has value, and many publications use it for monetization purposes ancillary to the actual publication. For example, commemorative plaques featuring your published content, sold to the subject of the content.

In some cases, you will cause these plaques to be manufactured or you will license others. The plaques will be advertised and sold to the people or businesses featured in the articles. You will retain the net proceeds, or you will be paid a license fee. In other words, in exchange for developing content, you will receive an additional return on your investment in content. Or will you?

The Problem.

You are not the only one using your content, and your trademarks, to sell commercial products. If you are selling ancillary products, like plaques, you may be competing with businesses that help themselves to your content, reproduce it and sell it to your readers – some of which readers are made to believe by your competitors that you are the actual seller.

How do your competitors do this? How do they compete with you using your own content? What they do is pretty simple, actually.

1. Some of these plaque sellers subscribe to thousands of publications, just like yours.

2. They have marketing arms that go through the issues and isolate the articles you publish about people and businesses in your communities. They may use software to do this. But the point is, your competitors choose from among your content to select what they will use to compete with you.

3. They take and copy your content to create a digital visual image of a plaque containing your content, your photos, and often your trademarks.

4. They identify the subject of your content and send him, her or it an email inviting the recipient to view on a website the plaque as it would appear if manufactured. And they of course offer to sell their plaques, containing your content and often your trademark, to your customers and readers.

5. And if the customer bites, they manufacture the real thing using your content and fulfill the order, often for hundreds of dollars.

The Results.

1. Your so-called competitor helps itself to your content – your intellectual property – without permission or payment.

2. If you are also selling plaques, or other items with your content, you have lost a sale because your customer is not buying twice. And these competitors are organized and act quickly.

3. Often your trademark is used to make the sale of the product. This confuses your readers, and if they don't like the sales tactics or the product does not satisfy, your reputation – your valuable goodwill – suffers.

Consider that these content infringers – what they are called under U.S. copyright and trademark laws – subscribe to thousands of publications and you can begin to understand the enormity of their businesses and the level of their profits. Remember, they pay nothing to develop the content they sell; you pay to develop it and make it available to them, and they compete head-to-head with you using your own content. This is simply wrong and not fair.

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The Solution.

Some of these content takers – lets call them by their technical name – infringers – claim they have the legal right to take and sell your content, and use your name, but they do not have this right.

And when sued for copyright and trademark infringement, they settle by paying damages and they stop their infringing activities. Why? Because they are taking content from thousands of publications and are only challenged by a few. They will not risk their business model by not resolving cases short of a trial that will create a public record showing they acted illegally.

The Copyright Law.

Publishers have very specific legal rights. U.S. copyright law very clearly protects literary works – your written content – and your pictorial and graphic works. Newspapers, magazines and their articles are literary works. And while the names of your publications are not protected by copyright, they are protected by trademark laws – state and federal.

What follows next is of critical importance and often escapes some publishers: the copyright belongs to the "author." That can be the publication because a staff reporter or photographer created the work, and is an employee. The copyright to that work belongs to the publication – it's a work made for hire by an employee acting within the scope of his or her employment.

Often, though, a publication engages a freelancer – someone not employed who works for others too – to create the content. When the freelancer creates content, he or she is the author for copyright purposes, and must assign in writing all rights in the work to the publication, including the copyright. If the photographer wants the right to use his or her photo, you can license that right for purposes unrelated to competition with your publication. This is important because the U.S. copyright law grants exclusive rights to the "author." These rights include:

The Exclusive Rights.

1. The right to reproduce the copyrighted work;

2. The right to prepare derivative rights based on the copyrighted work; and

3. The right to distribute copies.

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Enforcement of Exclusive Rights.

Generally speaking, a copyright owner enforces rights granted under U.S. copyright law by bringing an infringement action. This must be brought in a U.S. District Court.

What follows is also of great importance. A prerequisite to the filing of an action for infringement is the actual registration of the copyright, not merely the filing of the completed application. This was the holding of the U.S. Supreme Court in Spring 2019.

Registration.

Not only is registration a prerequisite to the ability to bring an infringement suit, but the timing of your registration will determine your remedies under the copyright law; and whether an infringement action is even worthwhile, or not. Registration may be done online at www.copyright.gov.

Registration Within 90 Days of First Publication.

What follows is also of critical importance. If registration occurs within 90 days following first publication of your publication, you are entitled to seek "statutory damages" of up to $150,000 per publication infringed and attorney's fees.

Registration After 90 Days.

But if your registration occurs after 90 days, and the infringement occurs before registration, you probably cannot recover enough money to even recover your costs.

Register your issue right after it is published. Or register 2 at a time if monthly. But do not delay.

In all cases you may be able to stop the infringer by asking the court to enjoin the infringer – legalese for "stop" – but you want to make the infringer pay for your costs of doing so. And note, if you lose your case, the defendant will ask for legal fees and a court can award them. And, always place a copyright notice on your publication and a statement that content must not be reproduced or copied without your written consent.

There can never be an assurance these cases will settle without a trial, but the copyright infringer is always caught red-handed selling the content, and settlement becomes a matter of

what defendant and its insurance company, if it is insured, can get away with in order to save the infringer's business model. Remember, some infringers are taking content from thousands, so they will settle with the few who call them out. I have settled at least a half-dozen of these cases, but settlement amounts are confidential.

Your Trademarks.

Some of you have federally registered trademarks; some of you rely on the laws of your state to keep others from using and infringing your trademarks.

Unlike copyright infringement, trademark infringement occurs when someone uses your mark in a way that is likely to cause confusion among the people who see the use. Confusion is usually over who is the source of the product – the plaque. Is it you or someone else? But confusion can arise over affiliation between the parties or endorsement.

Many of these people who take content and violate copyright laws also use the content owner's trademark in their advertising, and worse on the plaques they sell. Often, they don't just use the name; they duplicate the design of the mark adding to the likelihood of confusion.

Enforcement.

There is no registration requirement to sue for trademark infringement, but you must show a likelihood of confusion, either through anecdotal evidence, or survey – sometime a more difficult burden than proving copyright infringement.

And, the damages for trademark infringement are only the infringers profits, your damages and perhaps a multiple of your damages. Attorney's fees can be awarded, especially where the infringer is a frequent flyer and knew better.

It is best to combine copyright and trademark actions in one federal suit, and ask the court to award damages and order that the infringement cease. And your notice relating to copyright should include a statement that your trademarks must not be used without your consent.

If you have questions, feel free to reach out to me: Jim Astrachan, jastrachan@agtlawyers.com, or 410-783-3520.