US court rules that unlicensed reproduction of NBA players' tattoos in their videogame avatars is not a copyright infringement

United States District Court for the Southern District of New York, *Solid Oak Sketches, LLC v 2K Games, Inc. and Take-Two Interactive Software, Inc.*, 16-CV-724-LTS-SDA, 26 March 2020

In this summary judgment opinion, the United States District Court for the Southern District of New York (SDNY) ruled that the unlicensed reproduction of three NBA players' tattoos in their videogame avatars: (1) was to be regarded as *de minimis*; (2) was subject to an implied licence from the tattoo artists to the players; and (3) qualified as fair use under §107 of the US Copyright Act.

Facts and legal context

The ruling came at the end of longstanding proceedings initiated by a company (Solid Oak), which seemingly holds an exclusive copyright licence in the tattoos of NBA players Eric Bledsoe, LeBron James, and Kenyon Martin, against videogame developer and publisher Take-Two. Solid Oak's exclusive copyright licence to each of the tattoos was granted by the respective tattoo artists. However, Solid Oak is not licensed to apply the tattoos to a person's skin, nor does it hold any publicity or trade mark rights to the aforementioned players' likeness. Bledsoe, James, and Martin had licensed use of their likeness to NBA and had also granted Take-Two their consent to use such likeness for use in their respective avatars in the NBA 2K videogame (2K14, 2K15, and 2K16 editions).

The 2K videogame contains features that "are designed to most accurately simulate the look and feel of an actual NBA game", including the actual physical likeness of real-world players. In any case, viewers of the game do not see the tattoos clearly (if at all) during gameplay. The tattoos "comprise only a miniscule proportion of the video game data: only 0.000286% to 0.000431% of the NBA 2K game data is devoted to the Tattoos." Furthermore, the tattoos were not depicted separately from the players, nor were they relevant to the marketing of the videogame. In other words: the tattoos were not the reason why people purchased the videogame. Hence, according to the defendants, there would be no market for licensing use of the tattoos in a videogame.

The SDNY addressed whether: (1) the use made by Take-Two of the copyright works (the tattoos) could be regarded as *de minimis*; (2) an implied licence to use the copyright works and granted by the tattoo artists to the players could be deemed to subsist; and (3) the use at issue could be regarded in any case as fair use.

Analysis

(1) *De minimis* use

Under US law, *de minimis* copyright infringement is not actionable. To this end, the alleged infringer must prove that the copying is "so trivial 'as to fall below the quantitative threshold of substantial similarity, which is always a required element of actionable copying.'" 'Substantial similarity' is to be assessed through the 'ordinary observer test', which considers "whether an average lay observer would recognize the alleged copy as having been appropriated from the copyrighted work." The court found that application of this test would lead to an answer in the negative in the present case. As such, the use made of the tattoos, which - when visible (though consistently out of focus and always moving together with the avatar) - are 4.4% to 10.96% of their real life size, would qualify as *de minimis* use: the works, stated the court, "are indiscernible to the average game users."

(2) Implied licence

In addition, the court found that the defendants had argued "persuasively" that there was an implied licence on the side of the tattoo artists to feature the tattoos as part of the players' likenesses. It recalled that an

implied non-exclusive licence can be found “where one party created a work at the other’s request and handed it over, intending that the other copy and distribute it.”. A “reasonable inference [would follow] that the tattooists necessarily granted the Players nonexclusive licenses to use the Tattoos as part of their likenesses, and did so prior to any grant of rights in the Tattoos to Plaintiff”. In sum, if the players had granted Take-Two the permission to reproduce their likeness, this would also be entitled to reproduce the tattoos covering their bodies.

(3) Fair use

Take-Two had counterclaimed that in any case the use of the tattoos in the videogame would constitute fair use. The SDNY reviewed the 4 fair use factors – (1) purpose and character of the use; (2) nature of the copyrighted work; (3) amount and substantiality of the use; (4) effect on the market – and sided with Take-Two. With particular regard to (1), “the undisputed evidence demonstrates that Defendants’ use of the Tattoos is transformative” for a number of reasons, including *inter alia* with regard to the purpose of displaying the tattoos, which – in the videogame – is to represent the likeness of the players accurately.

Practical significance

The outcome of this long-running dispute appears sensible. The conclusion concerning *de minimis* use and fair use have particular relevance to videogame developers wishing to feature avatars of real-life sportspeople, celebrities, etc. The conclusion concerning the implied non-exclusive licence has more general and broader significance. The court stated in fact that “the tattooists necessarily granted” non-exclusive licences to use the tattoos as part of the customers’ own likenesses, because the costumers: (a) requested the creation of the tattoos; (b) the tattooists created the tattoos and delivered them to their customers by inking the designs onto their skin; and (c) the tattooists intended their customers to copy and distribute the tattoos as elements of their likenesses, each knowing that - in the case at hand - the players were likely to appear “in public, on television, in commercials, or in other forms of media.” The customers were not requested nor did they agree to limit the display or depiction of the images tattooed onto their bodies, so that they had implied licences to use the tattoos as elements of their likenesses. A finding of this kind has two effects. First, it appears to close the door on any copyright-rooted requests from tattoo artists, their representatives or exclusive licensees concerning unauthorized reproductions of tattoos attached to the bodies of celebrities, athletes, etc. Second, it clearly swings the pendulum in favour of protecting one’s own ability to control the use (and exploitation) of their image as they see fit, at least when the reproduction of one’s own image is the means through which the reproduction of a tattoo also occurs (things would be different if a tattoo was reproduced in isolation, as the court also noted).

In addition to the above, it is also worth noting that, by reasoning along the lines of *de minimis* use, implied licence, and fair use, the court also implicitly accepted that tattoos are eligible for copyright protection. This was not necessarily a given, considering the particular medium (human body) to which this type of artistic work is attached. All this said, however the peculiarities of the medium clearly display their effects when it comes to the actual enforceability of the underlying copyright, as this decision clearly demonstrates.

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