



**Community Arts Q&A Series:
Common Intellectual Property Issues for Community Arts Organizations**

Nonprofits should be aware that they both need to protect their own intellectual property as well as be mindful of not infringing others' intellectual property rights. This Q&A addresses common intellectual property issues that may be of particular concern to nonprofit community arts organizations, including: trademarks, domain names, copyrights, and the right of publicity.

Questions Preview

- **Trademarks**
 - We just formed a nonprofit community arts organization and heard that some of our intellectual property can be protected through trademark. What is a trademark?
 - Our organization wants to protect our name from unauthorized use. Is the name of our organization a trademark?
 - We are a community arts organization located in New York City that operates afterschool programs and just learned that a technology startup working in app development in California is using a name similar to ours. Unfortunately, we never registered our name as a trademark. Do we still have trademark rights in our name?
 - Our organization recently designed a new logo and would like others to know that our logo is trademarked. We are unsure, however, whether to embed the "TM" symbol or the "(R)" symbol into our logo.
 - Our community arts organization was formed over twenty years ago. Is our organization's name and logo still trademarked?
 - How do we register our trademark?
 - Is trademark registration necessary?
 - If our name and logo are already trademarked, why should our organization spend the time and money registering them as trademarks?
 - What does trademark clearance entail? How much does it cost?
 - We already cleared our business name with our state of incorporation. Do we still need to clear our trademark?
 - Our organization's name is very unique and unlikely to be trademarked by any other organization that provides similar services to ours. Must we still "clear" our trademark prior to registration?
 - How much does it cost to register our trademark?
 - What are the key issues that should be addressed in the licensing agreement?

- Are royalty payments subject to UBIT?
- We just learned that another organization is using our logo without our authorization. What should we do?
- **Domain Names**
 - What is a domain name?
 - What do we do if we discover a third party is using a domain name that is confusingly similar to our trademark?
- **Copyrights**
 - Our organization operates a community arts afterschool program. Every week, various creative materials (i.e., watercolors, fictional writings, and crafts) are created by students and instructors. Are these materials protected by copyright?
 - Does our website qualify for copyright protection?
 - My nonprofit theater group is selling t-shirts with very short phrases on the front and back. Each letter is in a large block font. We just discovered that a clothing store is selling an identical t-shirt. Was my t-shirt design copyrighted?
 - We recently contracted an artist to teach our afterschool workshop. During the course of the workshop, the artist created her own paintings and now is asking we do not use her paintings in future workshops. Who owns the copyright in these paintings—the artist or our organization?
 - Our organization just hired a web developer to create our website. How does the organization retain the copyright in the website?
 - In the same afterschool workshop mentioned above, several middle-school students collaborated on a painting with the contracted artist. Who owns the copyright in that painting?
 - We are a nonprofit theater group that has many artists contributing to the same play- whether it be the actors, playwrights, musical composers, directors, and costume designers. Who owns the copyright in this play?
 - Must original works be registered for copyright protection to apply?
 - What are the advantages of copyright registration?
 - How do we register a copyright?
 - How much does it cost to register a copyright?
 - How long will copyright protection last?
 - My nonprofit theater group is producing a play licensed to us by a local playwright. Part of the play incorporates scenes and music from several well-known films. Can we use these film materials, especially since we are a nonprofit that serves low-income neighborhoods?
 - How will I know if my use of another's copyrighted material is "fair use"?

- My theater arts organization created a musical based off a popular Broadway musical that takes place in eighteenth century London. In the new musical, the setting is changed to modern-day New York City. In the new play, we are making fun of the impact of technology on the lives of everyday New Yorkers. Is this a parody, and hence likely a “fair use?” Or is this a satire?
- If our theater’s use of another’s copyrighted work is not fair use, how do we go about obtaining each of the author’s permission?
- What is the “public domain”?
- Our nonprofit is partnering with a local high school to create a performance of Shakespeare. For the brochure, we have incorporated a portrait of William Shakespeare we found online in our playbill. Since the image was freely available on the internet, does that mean it is in the public domain?
- What is a Creative Commons license?
- How do you prevent others from reposting your organization’s intellectual property on social media?
-
- **Right of Publicity**
 - My organization’s online brochure incorporates pictures of middle-school students who have participated in our afterschool workshop, and we are concerned about violating their publicity right. What is the right of publicity, and does it apply to school students?
 - How does the right of publicity in a photo differ from the copyright in a photo?
 - Is there a posthumous right of publicity?

* * *

I. Trademark

We just formed a nonprofit community arts organization and heard that some of our intellectual property can be protected through trademark. What is a trademark?

- A trademark is a word, short phrase, or logo that designates the source of goods or services in the minds of consumers. In other words, when a consumer sees the trademark, he or she thinks of the company that is the source of the goods or services associated with the trademark.

Our organization wants to protect our name from unauthorized use. Is the name of our organization a trademark?

- It depends. Generic and merely descriptive terms cannot be trademarks (although descriptive terms can be trademarks if they acquire “secondary meaning,” *i.e.*, if they

become well-known over a period of time as designating the source of goods or services). On the other hand, if the name of your organization is suggestive, arbitrary, or fanciful (with respect to the types of goods or services your company associates it with), then it may be a trademark. For example, “cola” is generic, whereas “Pepsi” is arbitrary or fanciful. For more information, please visit the United States Patent and Trademark Office’s website at <https://www.uspto.gov/trademarks-getting-started/trademark-basics>.

We are a community arts organization located in New York City that operates afterschool programs and just learned that a technology startup working in app development in California is using a name similar to ours. Unfortunately, we never registered our name as a trademark. Do we still have trademark rights in our name?

- In the first instance, it is important to understand that trademark protection is limited to the particular “classes” of goods or services that they are used in connection with (e.g., the same trademark could be used for sponges and jet engines, so long as consumers would not be confused into thinking that the two goods come from the same source). Here, it seems unlikely that the uses of an afterschool nonprofit program and a technology startup that is developing will be using the name in a similar class, so the nonprofit's use may be okay on this basis alone.
- Furthermore, trademark rights are limited geographically. Unregistered trademarks are generally only protected within the geographic area in which they are used, whereas registered trademarks are generally protected throughout the United States. (International protection is a separate issue not covered by this Q&A.) If the technology startup does not have a federal registration in the nonprofit's class, then the technology startup's trademark protection will be limited to the geographic area and class in which it is using the trademark.
- Moreover, it is also important to understand that just because a term has attained trademark protection, this does not prevent others from using the term in its generic sense, or for purposes of journalism, commentary, or certain comparative advertising purposes.

Our organization recently designed a new logo and would like others to know that our logo is trademarked. We are unsure, however, whether to embed the “TM” symbol or the “(R)” symbol into our logo.

- The “TM” symbol may be used in association with any term or logo in which you have a good faith basis for claiming trademark rights, regardless of whether that trademark is registered. The “(R)” symbol, however, may only be used after a trademark registration has been issued by the United States Patent and Trademark Office.

Our community arts organization was formed over twenty years ago. Is our organization's name and logo still trademarked?

- Trademark protection lasts, potentially, forever, so long as the trademark continues to be used in commerce. Trademark registration, however, requires periodic maintenance. Since this is a complex issue, it is advisable that your organization seeks the advice of an attorney.

How do we register our trademark?

- It is recommended that you seek the advice of counsel with respect to the trademark registration process, which is highly technical and subject to review by a trademark examiner at the USPTO.

Is trademark registration necessary?

- Trademark rights in the United States arise from use of the trademark, not from registration. However, registration confers many benefits upon trademark owners (see next question).

If our name and logo are already trademarked, why should our organization spend the time and money registering them as trademarks?

- There are several advantages to registering your trademark. First, registration gives you nationwide priority with respect to the classes of goods or services for which you register. Second, it puts other potential trademark users on notice of your rights in the trademark. Third, after being registered for a period of five years your trademark is presumed to be valid (*i.e.*, it becomes harder for a third party to challenge your trademark registration and get it cancelled).

What does trademark clearance entail? How much does it cost?

- A preliminary search can be done for free on the USPTO website and through Internet search engines. If these searches do not return any conflicting trademarks, then the next step is to order a full trademark clearance search from a third party vendor, which could cost over \$750. While this vendor clearance search is not legally required, it can help identify any potential conflicting uses and a court may make negative inferences if such a search is not conducted.

We already cleared our business name with our state of incorporation. Do we still need to clear our trademark?

- Clearance of a business name merely means that no other business in your home state is currently operating under that name. Trademark rights, on the other hand, often

cross state borders. For example, a company based in New Jersey may be selling its products throughout the Tri-State Area. Business name searches in New York and Connecticut may not turn up any record of this company, whereas a trademark clearance search would.

Our organization's name is very unique and unlikely to be trademarked by any other organization that provides similar services to ours. Must we still "clear" our trademark prior to registration?

- Yes. Before using a trademark you should always consult with counsel and make sure that the trademark is available for the types of goods and services with which you desire to use it. Otherwise, your use of the trademark may constitute infringement and could result in litigation.

How much does it cost to register our trademark?

- The current fee schedule is available on the USPTO's website, at <https://www.uspto.gov/trademark/trademark-fee-information>. The registration fee will be per class of goods or services. For example, if you plan to use your trademark both to provide a written curriculum and on t-shirts, you would need to register in two different classes.

We wish to license our trademark to a third party. What are the key issues that should be addressed in the licensing agreement?

- While there are many considerations that go into a licensing agreement, you should pay particular attention to:
 - Quality control
 - Term/Termination
 - Royalties
 - Geographic Scope
 - Products/Services Covered

Are royalty payments subject to UBIT?

- No.

We just learned that another organization is using our logo without our authorization. What should we do?

- Trademark owners have a duty to police unauthorized uses of their trademarks. Therefore, if you discover a third party using your trademark in a manner that you believe in good faith will cause consumer confusion, you should contact counsel and discuss whether you should send the third party a cease and desist letter. Generally

speaking, if you knowingly fail to police your trademark, then you may be deemed to have acquiesced to the third party use of the trademark.

* * *

II. Domain Names

What is a domain name?

- A domain name is the Internet address for a website (e.g., www.lawyersalliance.org).

What do we do if we discover a third party is using a domain name that is confusingly similar to our trademark?

- Oftentimes, the first step is to send a cease and desist letter. If the improper use continues, the second step would be to file an administrative proceeding called a “UDRP” proceeding, or a lawsuit. UDRP proceedings generally cost significantly less than lawsuits. If you win your UDRP challenge, or lawsuit, then the offending party’s domain name registration will either be cancelled or transferred to your organization. Generally, transfer is preferable, otherwise a different bad actor could register the infringing domain name and the process would start all over again.

* * *

III. Copyright

Our organization operates a community arts afterschool program. Every week, various creative materials (i.e., watercolors, fictional writings, and crafts) are created by students and instructors. Are these materials protected by copyright?

- A copyright attaches to original works of expression that are fixed in a tangible medium (e.g., novels, photographs, movies, sheet music, essays, etc.). If the work does not contain the requisite originality or is merely an idea, method, or process, then it will not be copyrightable. This is, however, a highly complex issue that depends on a variety of factors. For a more detailed explanation of what qualifies for copyright, please read the Copyright Office’s circular, which is available online at <https://www.copyright.gov/circs/circ01.pdf>.

Does our website qualify for copyright protection?

- Yes, websites are copyrightable. (See previous question).

My nonprofit theater group is selling t-shirts with very short phrases on the front and back. Each letter is in a large block font. We just discovered that a clothing store is selling an identical t-shirt. Was my t-shirt design copyrighted?

- As mentioned above, copyright can be a complex issue as there are numerous factors that go into determining whether the t-shirt design was copyrightable. For example, if the phrases (made of stock font) were short and commonplace, then the design likely did not contain enough originality for copyright to attach. However, copyright is not necessarily foreclosed, depending on factors such as the design's uniqueness, its selection and arrangement, and the level of overall artwork. For a more detailed explanation of what qualifies for copyright, please read the Copyright Office's circular, which is available online at <https://www.copyright.gov/circs/circ01.pdf>.

We recently contracted an artist to teach our afterschool workshop. During the course of the workshop, the artist created her own paintings and now is asking we do not use her paintings in future workshops. Who owns the copyright in these paintings—the artist or our organization?

- Generally, the owner of the copyright in a work is the author of the work (e.g., the artist who puts pen to paper, brush to canvas, image to film, etc.). However, in certain situations, an artist's work may be a work-for-hire, in which case the employer or commissioning organization would be considered the author. A work-for-hire occurs either when the artist is an employee of the organization and the work is deemed to have been created within the scope of the employment, or if the artist is an independent contractor and is specially commissioned by the organization (as defined in the Copyright Act) pursuant a work-for-hire provision in the contract.
- The work-for-hire doctrine is particularly complex, as questions about who is an employee (as opposed to independent contractor) or what works can be specially commissioned highly depend on the circumstances of each case. Sometimes, an independent contractor may be considered to have an employment relationship even though the contract specifically states that the employee is an independent contractor. In other cases, a work-for-hire provision in a contract may not be enough in establishing that an independent contractor was specially commissioned as defined in the Copyright Act. **Therefore, since copyright ownership may differ depending on the circumstances of each case, it is advisable to have artists agree upfront in the contract to either assign ownership to your organization or otherwise permit it to use their works in the way your organization so desires.**
- If your organization needs clarity on ownership in the work, it is recommended to seek the counsel of an attorney who has expertise in copyright. For a more detailed analysis about what qualifies as a work-for-hire please read the Copyright Office's circular, which is available at <https://www.copyright.gov/circs/circ09.pdf>.

Our organization just hired a web developer to create our website. How does the organization retain the copyright in the website?

- The answer is the same as above. If the web developer is an independent contractor, as opposed to an employee of the organization, then you must include a work-for-hire provision in the contract to ensure that the organization will own the copyright in the website. As mentioned above, it is advisable to include an assignment provision in the contract, in case the work-for-hire provision proves inadequate in establishing a work-for-hire arrangement.

In the same afterschool workshop mentioned above, several middle-school students collaborated on a painting with the contracted artist. Who owns the copyright in that painting?

- This painting may be a joint work, depending on the intentions of the authors. Though minors may own the copyright in a work, state laws may prevent minors from entering into contracts that assign the copyright away. Therefore, it is advisable to consult an attorney with expertise in copyright. For a more detailed analysis on joint works as it relates to community arts organizations, please read the Lawyers Alliance for New York's Legal Alert, *Collaborative Creations: Development and Use of Joint Works*, which is available at http://www.lawyersalliance.org/pdfs/news_legal/Joint_Works_Legal_Alert_Feb_2018_FINAL.pdf.

We are a nonprofit theater group that has many artists contributing to the same play—whether it be the actors, playwrights, musical composers, directors, and costume designers. Who owns the copyright in this play?

- Again, the answer is the same as the questions above regarding works-for-hire and joint works. This is a highly complex issue, and there could be several authors' copyrights at interest. For example, in some situations a playwright may own the copyright in the underlying story while the theater group owns the copyright in the musical composition. Therefore, ***in addition to providing assignment and work-for-hire provisions in the contracts***, it is recommended that an organization consult an attorney who has expertise in copyright to determine who owns the copyright in each work.

Must original works be registered for copyright protection to apply?

- No. Copyright protection applies automatically as soon as a work is fixed in a tangible medium.

What are the advantages of copyright registration?

- There are several benefits to copyright registration. First, registration is required in order to bring a lawsuit for copyright infringement. Second, if you register your copyright prior to the infringement occurring, you may be able to recover damages that are set by statute, even if you cannot prove that you suffered actual monetary damages. Third, registration creates an official record of the date and contents of your work.

How do we register a copyright?

- Most copyright registrations must be filed electronically at www.copyright.gov.

How much does it cost to register a copyright?

- The current fee structure is available on the Copyright Office's website at <https://www.copyright.gov/docs/fees.html>.

How long will copyright protection last?

- In most cases, copyright protection lasts for the life of the author, plus 70 years. However, copyright duration may vary depending on the circumstance. For example, copyright in a work-for-hire lasts for 95 years from the date of first publication (or 120 years from the date of creation). For a more detailed discussion, please read the Copyright Office's circular, which is available at <https://www.copyright.gov/circs/circ15a.pdf>.

My nonprofit theater group is producing a play licensed to us by a local playwright. Part of the play incorporates scenes and music from several well-known films. Can we use these film materials, especially since we are a nonprofit that serves low-income neighborhoods?

- You will generally need to obtain permission from all of the copyright owners in the film materials, unless the use is classified as "fair use," or if a particular film material has fallen into the public domain (see questions below).

How will I know if my use of another's copyrighted material is "fair use"?

- When a work is copied for purposes such as criticism, reporting, scholarship, teaching or research, it may constitute a fair use, which is considered a defense to a claim of copyright infringement. For example, a parody (as opposed to a satire) is normally considered a "fair use." However, before relying on the doctrine of fair use, you should understand that a "fair use" analysis is highly fact specific and the outcome of the analysis is difficult to predict. Courts will take into account the following factors

and may weigh them each differently: (1) the purpose and character of the use, (2) the nature of the copyrighted work, (3) the amount and substantiality of the portion used, and (4) the effect of the use upon the potential market for the copyrighted work. Consult with counsel before using a copyrighted work without permission. For more information about “Fair Use,” please visit the Copyright Office’s website at <https://www.copyright.gov/fair-use/more-info.html>.

My theater arts organization created a musical based off a popular Broadway musical that takes place in eighteenth century London. In the new musical, the setting is changed to modern-day New York City. In the new play, we are making fun of the impact of technology on the lives of everyday New Yorkers. Is this a parody, and hence likely a “fair use?” Or is this a satire?

- Generally, parody is when you use a copyrighted work to mock or comment upon the copyrighted work itself, whereas satire is when you use a copyrighted work to mock or comment upon something unrelated to the copyrighted work. Parody is often considered a fair use, satire is not. Here, the new play will likely be considered satire because we are commenting on something unrelated to the copyrighted work, and we would be unlikely to be able to argue that the use of the underlying Broadway musical is under the umbrella of "fair use." As a result, we should likely get permission from the owners of the Broadway musical to create the new work.

If our theater’s use of another’s copyrighted work is not fair use, how do we go about obtaining each of the author’s permission?

- Obtaining permission may be a difficult task (especially if the author is unknown or if the work is an adaptation from a prior work). In addition, the required permissions may be multi-layered and complex for various works. For example, obtaining all of the necessary permission to use a film scene may require permission from both the film studio and the author of the novel in which the film was based. For more information about obtaining an author’s permission, please read the Copyright Office’s circular, which is available at <https://www.copyright.gov/circs/circ16a.pdf>.

What is the “public domain”?

- The public domain refers to works that are not protected by copyright, either because the copyright term has expired (*e.g.*, Shakespeare), because the work does not rise to the level of copyrightability (*e.g.*, the double-entry bookkeeping method), or because the author has chosen to forego copyright protection in whole or in part (*e.g.*, certain Creative Commons licenses). For more information about investigating the copyright status of a work, please read the Copyright Office’s circular, which is available at <https://www.copyright.gov/circs/circ22.pdf>.

Our nonprofit is partnering with a local high school to create a performance of Shakespeare. For the brochure, we have incorporated a portrait of William Shakespeare we found online in our playbill. Since the image was freely available on the internet, does that mean it is in the public domain?

- No. Taking a copyrighted work from the Internet without authorization is legally no different than walking into a bookstore and stealing a book or DVD. A copyright owner's choice to publish a work electronically does not imply that they are renouncing their copyright.

What is a Creative Commons license?

- A Creative Commons license is a way to retain your copyright in a work while at the same time allowing others to use the work without contacting you to negotiate an individual license. Creative Commons licenses come in six different varieties, each more or less restrictive than the others and are explained at the following website: <https://creativecommons.org/licenses/>

How do you prevent others from reposting your organization's intellectual property on social media?

- Most social media sites have an intellectual property infringement complaint form built-in, which can be filled out and submitted through the website. Alternatively, or in addition, you can retain counsel to send a cease and desist letter to the infringer. Ultimately, if your initial efforts are unsuccessful, you can retain counsel to file a lawsuit against the infringer.

* * *

III. Right of Publicity

My organization's online brochure incorporates pictures of middle-school students who have participated in our afterschool workshop, and we are concerned about violating their publicity right. What is the right of publicity, and does it apply to school students?

- The right of publicity is an individual's right to use his or her own image or likeness for commercial purposes. Generally, you cannot use a person's image or likeness in a commercial advertisement or to promote a product without their permission. The right of publicity is based on state law, and thus varies from state to state. Also, since the students are minors, a parent's consent may be required. Therefore, it is advisable to seek an attorney who has knowledge of the relevant state law to make sure someone's right of publicity will not be violated.

How does the right of publicity in a photo differ from the copyright in a photo?

- The copyright in a photo is owned by the author of the photo (usually the photographer), whereas the right of publicity is controlled by the person who appears in the photo.

Is there a posthumous right of publicity?

- Only in a handful of states. You should confer with counsel to determine which state laws apply and whether they currently recognize a posthumous right of publicity.

* * *

This memo is meant to provide general information only, not legal advice. Please contact Judith Moldover at Lawyers Alliance for New York at (212) 219-1800 x 250 or visit our website www.lawyersalliance.org for further information.

Lawyers Alliance for New York is the leading provider of business and transactional legal services for nonprofit organizations and social enterprises that are improving the quality of life in New York City neighborhoods. Our network of pro bono lawyers from law firms and corporations and staff of experienced attorneys collaborate to deliver expert corporate, tax, real estate, employment, intellectual property, and other legal services to community organizations. By connecting lawyers, nonprofits, and communities, Lawyers Alliance for New York helps nonprofits to develop and provide housing, stimulate economic opportunity, improve urban health and education, promote community arts, and operate and advocate for vital programs that benefit low-income New Yorkers of all ages.