It Isn’t Personal: In California, You Can Assign Your Right of Publicity

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A recent California Court of Appeal decision in Timed Out, LLC v. Youabian, Inc.,1 resolves the simmering debate regarding whether a person’s “right of publicity” can be assigned to another party, who may then enforce such rights on that person’s behalf. This decision is significant to the licensing industry as it is possible that the ability to assign these publicity rights may spur the growth of a commercial market for third-party right-of-publicity clearinghouses and institutional right-of-publicity litigants.

California Law and the Right of Publicity

The Timed Out dispute has its origin in 1971, when the California legislature enacted Civil Code § 3344. This statute provides that:

any person who knowingly uses another’s name, voice, signature, photograph, or likeness, in any manner, on or in products, merchandise, or goods, or for purposes of advertising or selling, or soliciting purchases of, products, merchandise, goods or services, without such person’s prior consent… shall be liable for any damages sustained by the person or persons injured as a result thereof.

Accordingly, Section 3344 established the right to protect one’s likeness against third-party commercial use—and, by extension, the exclusive right to profit from one’s image—as a complement to the existing private tort for misappropriation of likeness.

Since Section 3344 was enacted, litigants and scholars have argued over the extent to which such publicity rights can be controlled by people other than the personal holder of those rights. For example, in Lugosi v. Universal Pictures,2 the parties disputed whether such rights were akin to traditional property rights, and therefore inheritable upon death by the holder’s heirs. While the trial court ruled for the heirs, the ruling was overturned on appeal by the Supreme Court of California, which held that “the right to exploit name and likeness is personal to the artist and must be exercised, if at all, by him during his lifetime.”3 This ruling was later superseded by statute when the California legislature passed Section 3344.1, which specifically provided that “[t]he rights recognized under this section are property rights, freely transferable or descendible, in whole or in part, by contract or by means of any trust or any other testamentary instrument.”

Given the statutory landscape prior to the Timed Out decision, including Section 3344.1 and similar laws, that any debate remained over whether the right of publicity was assignable may be surprising. However, as the Timed Out court observed, the argument that such right could not be assigned maintained some force based on discussions by Dean Prosser and other scholars about the related “right to privacy.” The right to privacy is described as “the right to live one’s life in seclusion, without being
subjected to unwarranted and undesired publicity. In short it is the right to be let alone.” Courts have held that the right to privacy, and therefore the right to enforce it, is “personal,” that is, not assignable. On this basis, commentators argued that the right of publicity, which derives from the right to privacy, was similarly unassignable.

The Court’s Rulings

The case arose from Timed Out, Inc.’s lawsuit on behalf of two models who had assigned to Timed Out (a company specializing in the protection of personal image rights) their “rights to sue” for unauthorized use of their respective images by Defendants Youabian, Inc. and Kambiz Youabian. Specifically, Defendants had been using the models’ images on Web sites, without authorization, to promote cosmetic medical services. In its opinion, the Court of Appeal addressed whether the models’ rights were validly assignable.

The court began by holding that a claim for “misappropriation of likeness,” which concerns the monetary benefits derived from the use of a person’s likeness, is an assignable right, contrary to the trial court’s ruling.

Turning to the statutory right of publicity, the Court noted that “[n]othing in [S]ection 3344 [of the California Civil Code] expressly prohibits assignment of the rights and remedies established by the statute.” Rejecting application of the Lugosi decision to preclude assignment of the statutory right of publicity, the court noted that Lugosi had, in fact, expressly observed that right of publicity is assignable during the lifetime of the owner of those rights—even if not inheritable. Furthermore, the court noted in its analysis that the California legislature later established that such rights also passed to the owner’s heirs upon the owner’s death.

The court explained that the focus in Lugosi about the personal nature of the right of publicity was related to ownership and the ability to transfer the right, not any limitation on the assignability of the right. The court explained, “the personal nature of the right restricts who can assign it—not whether the right of publicity can be assigned.”

Next, the court addressed whether the trial court’s ruling should nevertheless be upheld because, as Defendants argued, “Plaintiff was assigned only ‘the naked right to bring suit for misappropriation of the models’ image, and received no other rights or duties along with the assignment.’” The court rejected this argument, noting that California law, specifically, Section 954 of the Civil Code, allows for the transfer of a party’s right to pursue a cause of action. Because Timed Out sought “to recover only pecuniary damages for Defendants’ alleged commercial misappropriation of the Models’ image…[a]nd the complaint does not allege emotional distress or disturbance to the Models’ peace of mind,” the right to transfer under Section 954 applied and the models’ right to bring suit was properly assignable.

Finally, the court held that federal copyright law did not preempt Timed Out’s claims. Defendants argued that the protection of what they described as copyrighted photographs should be preempted by Section 301 of the Copyright Act, which provides for exclusive federal jurisdiction over rights that are equivalent to rights within the scope of the Copyright Act. The court disagreed, noting that “it is not the publication of the photographs themselves that is the basis for the Plaintiff’s claims. Rather, it is Defendants’ use of the Models’ likenesses pictured in the photographs to promote Defendants’ business that constituted the alleged misappropriation.” The court found that neither prong of the two-part test for copyright preemption under Section 301 was satisfied, because (1) the likenesses were not copyrightable works (unlike photographs, recordings and the like), and (2) the right asserted under state law, that is, the right of publicity, was not within the scope of rights afforded under the Copyright Act.

Takeaways from the Decision

This case likely will prove to be a landmark decision for the many people, including celebrities, public figures and others, who wish to protect against the unauthorized use of their image and likeness, but who do not have the time or resources to invest in prosecuting many of those violations. These rights can be assigned to, and therefore protected by, a third party, allowing such party to shoulder the burden of undertaking a lawsuit. Such a mechanism may open the door to a commercial market for third-party right-of-publicity clearinghouses and institutional right-of-publicity litigants. In the case of third-party assignees who look to enforce the rights of publicity of deceased celebrities, it is important to note that such assignees may still need to comply with certain statutory requirements imposed on such successors (e.g., Section 3344.1 of the California Civil Code requires that a successor in interest to a decedent’s right of publicity must first register such right of publicity claim with the California Secretary of State prior to recovering any damages based on such a claim).

Further, Timed Out put to rest several other important disputes. In its wake, a person faces no
impediment to assigning, by itself, such person's right to sue for violation of his or her right of publicity—even where that right is limited to just one instance of misuse of an image. In addition, these rights are not superseded by federal copyright law, provided the asserted rights arise from use of an image or likeness to promote goods or services in commerce.

3. Id. at 823.