

Warhol Case Appeal Reignites Fair Use Debate After Google

By **Tiffany Hu**

Law360 (March 28, 2022, 10:33 PM EDT) -- A copyright dispute over the late artist Andy Warhol's prints of the music icon Prince was picked up by the U.S. Supreme Court on Monday, and attorneys say the case offers the justices a chance to clarify the fair use test after their *Google v. Oracle* ruling last year.

The high court on Monday agreed to review a Second Circuit decision that Warhol's work was not a "transformative" fair use of a copyrighted photograph of Prince by photographer Lynn Goldsmith, overturning a lower court judge who had declared Warhol's works a legal fair use. Warhol's work retained the "essential elements of its source material" and did not have a "fundamentally different and new artistic purpose and character" from the original, the appeals court found.

The Andy Warhol Foundation's petition argued that the high court has "repeatedly made clear" that a work is transformative if it conveys a different meaning or message from the source material. It cited the high court's 1994 *Campbell v. Acuff-Rose Music* ruling, which held that a work is transformative if it has a different meaning from the preexisting work.

"This clearly will be the most important copyright case of the year and the most important case on fair use since [Campbell] nearly three decades ago," David H. Bernstein of Debevoise & Plimpton LLP said on Monday, pointing out that society increasingly relies on "the power of referential communications," particularly in the art world, where artists build on earlier works to create new ones.

The issue of fair use also came up in the recent Supreme Court case involving Google, albeit in a different context. After the Second Circuit ruled in Goldsmith's favor, the high court last April ruled that Google made fair use of Oracle's Java software language to build the Android smartphone platform.

The foundation had quickly asked the Second Circuit to reconsider the Warhol ruling in light of *Google v. Oracle*, but the appeals court in August issued an amended opinion that was barely altered other than adding a few citations to the Google ruling.

The justices seem likely to address the Google ruling in assessing the present case, but "the question will be how," according to Kirkland & Ellis LLP partner Dale Cendali, who had helped represent Oracle at the high court. The Google ruling was in a "very specific" context and involved underlying issues regarding the copyrightability of computer programs, as well as a jury verdict finding fair use, she noted.

"The Warhol case will be a chance for the Supreme Court to potentially clarify some of its reasoning and

to address to what extent [the Google ruling] applies outside the computer programming context," Cendali said.

Because both parties are artists, Cendali said she expects the high court will recognize the artistic value of their respective contributions consistently with the U.S. Constitution, which offers creators "copyright protection to incentivize them to create new works," she said.

Although *Google v. Oracle* was a case focused on functionality rather than art, like the current dispute, the high court's ruling for Google may signal a possible reversal here, according to Bernstein.

"If the court believes that Google had the right to literally copy thousands of lines of code to improve the functionality of its software, surely Warhol should have the right to use Goldsmith's photo as an inspiration on which to build his transformative image of Prince," Bernstein said.

The high court also clearly emphasized the protection of artistic speech through fair use through the *Campbell* ruling, according to Bernstein. But the Second Circuit's inconsistent decisions — in the *Warhol* case and others — "muddy the fair use waters, fail to provide clear guidance to artists and the public and eviscerate the protections on which artists rely," he said.

Attorneys have been eager for more guidance from the high court on what constitutes "transformative" fair use, but the justices may still keep the ruling "context-specific" — unless they acknowledge the evolving platforms in which copyrighted materials can be used in the future — according to Preetha Chakrabarti of Crowell & Moring LLP.

"Questions like these are all the more important and challenging given the emerging platforms where copyrighted materials may be used, such as in the metaverse, in creative works underlying [non-fungible tokens], and so forth," Chakrabarti said.

--Editing by Nicole Bleier.