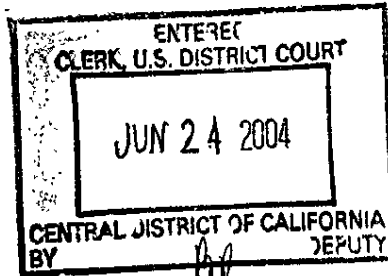


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UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

MATTEL, INC., a  
Delaware Corporation,

Plaintiff,

v.

WALKING MOUNTAIN  
PRODUCTIONS, a  
business entity, TOM  
FORSYTHE, an individual,  
and DOES 1 through 10,  
inclusive,

Defendant.

CV 99-8543 RSWL (RZx)

ORDER GRANTING  
DEFENDANT'S MOTION FOR  
ATTORNEY'S FEES AND  
EXPENSES

On April 26, 2004, the Court heard Defendant Thomas Forsythe dba WALKING MOUNTAIN PRODUCTIONS' motion for attorney's fees and expenses. This Court has considered all papers and argument submitted.

Plaintiff brought various Copyright Act, Lanham Act, and state law claims against Defendant. These claims are intertwined and involve a common core of facts.

1 **A. Attorney's Fees and Costs for Copyright Claims**

2 Under the Copyright Act, a district court may exercise  
3 its discretion to "award a reasonable attorney's fee to the  
4 prevailing party as part of costs." 17 U.S.C. § 505.

5 "Courts may look to the nonexclusive Lieb factors as guides  
6 and may apply them so long as they are consistent with the  
7 purposes of the Copyright Act and are applied evenly to  
8 prevailing plaintiffs and defendants." Fantasy, Inc. v.  
9 Fogerty, 94 F.3d 553, 560 (1996); Fogerty v. Fantasy, Inc.,  
10 510 U.S. 517, 535 n.19 (1994). The Lieb factors include  
11 "[f]rivolousness, motivation, objective unreasonableness  
12 (both in the factual and in the legal components of the  
13 case) and the need in particular circumstances to advance  
14 considerations of compensation and deterrence." Lieb v.  
15 Topstone Industries, Inc., 788 F.2d 151, 156 (3d Cir. 1996).

16 **1. Purposes of the Copyright Act**

17 Defendant's defense of this action furthered the  
18 purposes of the Copyright Act. Defendant's defense was  
19 meritorious; it demarcated more clearly the boundaries of  
20 copyright law; and it publicized Defendant's work, possibly  
21 leading to further creative pieces. See Fogerty, 510 U.S.  
22 at 526-27.

23 **2. Objective Unreasonableness of Plaintiff's Claims**

24 The fair use exception excludes from copyright  
25 protection work that criticizes and comments on other work.  
26 17 U.S.C. § 107; see also Dr. Seuss Enterprises, L.P. v.

1 Penguin Books USA, Inc., 109 F.3d 1394, 1399 (9th Cir.  
2 1997). To determine whether an item falls within this  
3 exception, courts, on a case by case basis and in light of  
4 the purposes of the Copyright Act, consider four factors:  
5 "(1) the purpose and character of the use, including whether  
6 such use is of a commercial nature or is for nonprofit  
7 educational purposes; (2) the nature of the copyrighted  
8 work; (3) the amount and substantiality of the portion used  
9 in relation to the copy-righted work as a whole; and (4) the  
10 effect of the use upon the potential market for or value of  
11 the copyrighted work." Mattel, Inc. v. Walking Mountain  
12 Productions, 353 F.3d 792, 800 (9th Cir. 2003) (citing Dr.  
13 Seuss Enterprises, 109 F.3d at 1399-1404).

14 When determining the purpose and character of use when  
15 fair use is raised in defense of parody, "[t]he threshold  
16 question . . . is whether a parodic character may reasonably  
17 be perceived." Cambell v. Acuff-Rose Music, Inc., 510 U.S.  
18 569, 582 (1994). The parodic character of Defendant's work  
19 was clear, especially in light of the dearth of legal  
20 authority Plaintiff proffered to support any argument to the  
21 contrary. The Ninth Circuit concluded, "It is not difficult  
22 to see the commentary that [Defendant] Forsythe intended or  
23 the harm that he perceived in Barbie's influence on gender  
24 roles and the position of women in society. However one may  
25 feel about his message--whether he is wrong or right,  
26 whether his methods are powerful or banal--his photographs

1 parody Barbie and everything Mattel's doll has come to  
2 signify." Mattel, 353 F.3d at 802. Plaintiff also  
3 inappropriately relied upon surveys of public opinion to  
4 establish that Defendant's work was not parodic in  
5 character. Finally, the Ninth Circuit also found that  
6 Defendant "created the sort of social criticism and parodic  
7 speech protected by the First Amendment and promoted by the  
8 Copyright Act." Id. at 803. Thus, the parodic character of  
9 Defendant's work is reasonably perceived and Plaintiff was  
10 objectively unreasonable to make any other claim.

11 As to the nature of Defendant's work, "'creative works  
12 are 'closer to the core of intended copyright protection'  
13 than informational and functional works.'" Id. (quoting Dr.  
14 Suess, 109 F.3d at 1402). Plaintiff's Barbie is a creative  
15 work. Although this factor weighs slightly in Plaintiff's  
16 favor, the factor "'typically has not been terribly  
17 significant in the overall fair use balancing.'" Id.  
18 (quoting Dr. Suess, 109 F.3d at 1402). Thus, Plaintiff  
19 would have been objectively unreasonable to rely upon it.

20 Plaintiff also asserts that the amount and  
21 substantiality of the portion of Barbie that Defendant used  
22 was more than required to convey his message. But the Ninth  
23 Circuit rebuffed Plaintiff's argument, finding that the  
24 claim "is completely without merit and would lead to absurd  
25 results." Mattel, 353 F.3d at 804. This Court agrees and  
26 finds it objectively unreasonable that Plaintiff argued

1 otherwise..

2 As to the factor of the effect of the use on the  
3 potential market, Plaintiff's argument that Defendant's work  
4 could impair the value of Barbie and other licensed Mattel  
5 products is also objectively unreasonable. The Ninth  
6 Circuit found it "highly unlikely" due to the parodic nature  
7 of Defendant's work. Mattel, 353 F.3d at 805. At the time  
8 Plaintiff filed suit, the Supreme Court had established that  
9 "[t]he fact that a parody may impair the market for  
10 derivative uses by the very effectiveness of its critical  
11 commentary is no more relevant under copyright than the like  
12 threat to the original market . . . ." Cambell, 510 U.S. at  
13 593. Most of Plaintiff's arguments, therefore, lack factual  
14 or legal support, making Plaintiff's copyright claims  
15 objectively unreasonable and frivolous in light of the fair  
16 use exception.

### 17 3. Plaintiff's Frivolousness

18 A claim or defense is not frivolous if it is brought in  
19 good faith, in an unsettled area of law, or with a  
20 reasonable likelihood of success. See Lotus Development  
21 Corporation v. Borland International, 140 F.3d 70, 74 (1st  
22 Cir. 1998). Plaintiff's copyright claims were objectively  
23 unreasonable. Plaintiff is a sophisticated entity with  
24 access to good legal representation. Plaintiff's claims  
25 were not in an unsettled area of law and had little  
26 likelihood of success. Plaintiff's copyright claims,

1 therefore, were frivolous.

#### 2 **4. Plaintiff's Motivation**

3 Plaintiff's conduct also does not appear to be  
4 motivated by the protection of a valid interest. Plaintiff  
5 had access to sophisticated counsel who could have  
6 determined that such a suit was objectively unreasonable and  
7 frivolous. Instead, it appears Plaintiff forced Defendant  
8 into costly litigation to discourage him from using Barbie's  
9 image in his artwork.

#### 10 **5. Compensation and Deterrence**

11 As to the factors of compensation and deterrence,  
12 Mattel (a large corporation) brought objectively  
13 unreasonable copyright claims against an individual artist.  
14 This is just the sort of situation in which this Court  
15 should award attorneys fees to deter this type of litigation  
16 which contravenes the intent of the Copyright Act. See  
17 Lotus Development Corporation, 140 F.3d at 74; Earth Flag  
18 Ltd. v. Alamo Flag Co., 154 F. Supp. 2d 663, 666 (S.D.N.Y.  
19 2001). Thus, the Court **GRANTS** Defendant's motion for  
20 attorney's fees and costs under the Copyright Act.

#### 21 **B. Attorney's Fees for Lanham Act Claims**

22 Defendant also requests fees for his defense of  
23 Plaintiff's three claims under the Lanham Act: trademark,  
24 trade dress, and dilution. But the Lanham Act only allows  
25 for an award of attorney's fees in "exceptional cases." 15  
26 U.S.C. § 1117(a). Cases are exceptional when a plaintiff

1 has brought a case that is "groundless, unreasonable,  
2 vexatious, or pursued in bad faith." Stephen W. Boney, Inc.  
3 v. Boney Services, Inc., 127 F.3d 821, 827 (9th Cir. 1997).

#### 4       **1. Trademark Claim**

5       A trademark claim exists under the Lanham Act "where  
6 the public interest in avoiding consumer confusions  
7 outweighs the public interest in free expression." Mattel,  
8 353 F.3d at 807 (quoting Rodgers v. Grimaldi, 875 F.2d 994,  
9 999 (2d Cir. 1989)). There was little risk of consumer  
10 confusion from Defendant's work. Defendant's parodic intent  
11 was clear. Mattel, 353 F.3d at 802. The titles of the  
12 photographs "do not explicitly mislead." Id. at 807.  
13 Defendant's use of the "Barbie mark is clearly relevant to  
14 his work." Id. Plaintiff's claim, therefore, is groundless  
15 and unreasonable such that Defendant should receive  
16 attorney's fees for its defense.

#### 17       **2. Trade Dress Claim**

18       Nominative fair use of trade dress is not a violation  
19 of the Lanham Act if (1) "the plaintiff's product or  
20 service in question [is] one not readily identifiable  
21 without the use of the trademark;" (2) "only so much of  
22 the mark or marks [is] used as is reasonably necessary to  
23 identify the plaintiff's product or service;" and (3) "the  
24 user [does] nothing that would, in conjunction with the  
25 mark, suggest sponsorship or endorsement by the trademark  
26 holder." Id. at 810 (quoting Cairns v. Franklin Mint Co.,

1 292 F.3d 1139,,1151 (9th Cir. 2002)).

2 Defendant's use "easily satisfies the first element"  
3 for nominative fair use. Matell, 353 F.3d at 810. "[H]is  
4 use of the Barbie figure and head are reasonably necessary  
5 in order to conjure up the Barbie product in a photographic  
6 medium." Id. Additionally, "[i]t would have been extremely  
7 difficult for [Defendant] Forsythe to create a photographic  
8 parody of Barbie without actually using the doll." Id. As  
9 to the second element, "[i]t would be very difficult for  
10 [Defendant] to represent and describe his photographic  
11 parodies of Barbie without using the Barbie likeness." Id.  
12 Finally, Defendant "used only so much as was necessary to  
13 make his parodic use of Barbie readily identifiable, and it  
14 is highly unlikely that any reasonable consumer would have  
15 believed that Mattel sponsored or was affiliated with his  
16 work." Id. Thus, Plaintiff's trade dress claim was  
17 groundless and unreasonable.

### 18 3. Dilution Claim

19 Because of the free speech protections of the First  
20 Amendment, a trademark is not diluted through tarnishment by  
21 editorial or artistic parody that satirizes plaintiff's  
22 product or its image. Id. at 812. A dilution action only  
23 applies to purely commercial speech. Id. Parody that does  
24 more than propose a commercial transaction is noncommercial  
25 speech. Id. Defendant's parody does more than propose a  
26 commercial transaction not only because many would classify

1 his work as humorous, but also because his work provides a  
2 visual commentary on a cultural icon--Barbie. See Mattel,  
3 Inc. v. MCA Records, 296 F.3d 894, 906 (9th Cir. 2002);  
4 Virginia State Board of Pharmacy v. Virginia Citizens  
5 Consumer Council, 425 U.S. 748, 772 (1976). Thus,  
6 Defendant's work is noncommercial speech and it was  
7 exceptional for Mattel, a sophisticated plaintiff, to bring  
8 this groundless and unreasonable dilution claim.

9 **C. Reasonableness of Requested Attorney's Fees and Costs**

10 The fees and costs Defendant requests are reasonable.  
11 The motion includes adequate records and support for the  
12 fees and costs requested. At the hearing on the motion,  
13 Defendant's attorney stated that he did not spend the  
14 anticipated \$200 for a hotel stay. This Court, therefore,  
15 **GRANTS** Defendant \$1,584,089 in attorney's fees and  
16 \$241,797.09 in costs.

17 **IT IS SO ORDERED.**

18 **RONALD S.W. LEW**

19 DATED: 6-21-04

20 **RONALD S.W. LEW**  
21 United States District Judge

22 (Order/MattelAttorneysFees.wpd/z)  
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