

No. _____

In the
Supreme Court of the United States

THE ANDY WARHOL FOUNDATION FOR THE VISUAL
ARTS, INC.,

Petitioner,

v.

LYNN GOLDSMITH AND LYNN GOLDSMITH, LTD.,

Respondents.

ON PETITION FOR A WRIT OF CERTIORARI
TO THE UNITED STATES COURT OF APPEALS
FOR THE SECOND CIRCUIT

PETITION FOR A WRIT OF CERTIORARI

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QUESTION PRESENTED

This Court has repeatedly made clear that a work of art is “transformative” for purposes of fair use under the Copyright Act if it conveys a different “meaning[] or message” from its source material. *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 579 (1994); *Google LLC v. Oracle Am., Inc.*, 141 S. Ct. 1183, 1202 (2021). In the decision below, the Second Circuit nonetheless held that a court is in fact forbidden from trying to “ascertain the intent behind or meaning of the works at issue.” App. 22a-23a. Instead, the court concluded that even where a new work indisputably conveys a distinct meaning or message, the work is not transformative if it “recognizably deriv[es] from, and retain[s] the essential elements of, its source material.” *Id.* at 24a. The question presented is:

Whether a work of art is “transformative” when it conveys a different meaning or message from its source material (as this Court, the Ninth Circuit, and other courts of appeals have held), or whether a court is forbidden from considering the meaning of the accused work where it “recognizably deriv[es] from” its source material (as the Second Circuit has held).

PARTIES TO THE PROCEEDINGS BELOW

Petitioner The Andy Warhol Foundation for the Visual Arts, Inc. was a plaintiff-counter-defendant-appellee in the U.S. Court of Appeals for the Second Circuit.

Respondents Lynn Goldsmith and Lynn Goldsmith, Ltd. were defendants-counter-plaintiffs-appellants in the U.S. Court of Appeals for the Second Circuit.

RULE 29.6 DISCLOSURE STATEMENT

Petitioner The Andy Warhol Foundation for the Visual Arts, Inc. has no parent corporation, and no publicly held corporation owns 10 percent or more of its stock.

RELATED PROCEEDINGS

The proceedings directly related to this case are:

Andy Warhol Foundation for the Visual Arts, Inc. v. Goldsmith, No. 19-2420, U.S. Court of Appeals for the Second Circuit. Amended judgment entered on August 24, 2021. Petition for rehearing en banc denied on September 10, 2021.

Andy Warhol Foundation for the Visual Arts, Inc. v. Goldsmith, No. 1:7-cv-02532-JGK, U.S. District Court for the Southern District of New York. Judgment entered July 15, 2019. Notice of appeal filed August 7, 2019.

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PETITION FOR A WRIT OF CERTIORARI

Petitioner asks this Court for a writ of certiorari to review the judgment of the United States Court of Appeals for the Second Circuit in this case.

OPINIONS BELOW

The amended panel decision (App. 1a-52a) is reported at 11 F.4th 26 (2d Cir. 2021), while the original panel decision, which was withdrawn and superseded by the amended panel decision, is reported at 992 F.3d 99 (2d Cir. 2021). The order denying rehearing en banc (App. 84a-85a) is not published. The district court's order granting summary judgment to petitioner (App. 53a-83a) is published at 382 F. Supp. 3d 312 (S.D.N.Y. 2019).

JURISDICTION

On March 26, 2021, the Second Circuit reversed the judgment of the district court. 992 F.3d 99 (2d Cir. 2021). On August 24, 2021, the Second Circuit granted petitioner's timely petition for panel rehearing, withdrew the original opinion and issued an amended opinion. App. 1a-52a. On September 10, 2021, the Second Circuit denied petitioner's timely petition for rehearing en banc. App. 84a-85a. This Court has jurisdiction under 28 U.S.C. § 1254(1).

STATUTORY PROVISIONS INVOLVED

The relevant statutory provisions are set out in the appendix to this petition. App. 86a-90a.

INTRODUCTION

This petition raises a question of exceptional importance regarding the scope of the Copyright Act's fair use defense. The Second Circuit's decision below creates a circuit split and casts a cloud of legal uncertainty over an entire genre of visual art, including canonical works by Andy Warhol and countless other artists. This Court should grant review to vindicate its precedent, resolve the confusion in the lower courts, and resurrect protections for free expression that the Second Circuit's ruling now imperils.

Under this Court's precedent, the fair use inquiry requires ascertaining whether one creative work that draws from another conveys a different meaning or message from the original. A follow-on work that deploys preexisting content in the service of saying something new and distinct is much more likely to be fair use. The Second Circuit's test, however, *forbids* ascertaining whether the follow-on work conveys a different meaning or message from the original, where both pieces are works of art that share a visual resemblance. Certiorari is warranted to prevent the untenable result that creative works of tremendous cultural significance could be lawful in one jurisdiction, and unlawful in another, depending on whether a court is permitted to ascertain the meaning of the new work.

At issue in this case is the legality of Andy Warhol's Prince Series—a set of portraits that transformed a preexisting photograph of the musician Prince into a series of iconic works commenting on celebrity and consumerism. Applying this Court's seminal opinion in *Campbell v. Acuff-Rose Music*,

Inc., 510 U.S. 569 (1994), the district court concluded that the Prince Series was “transformative” because it incorporated a new meaning and message, distinct from the Prince photograph from which it drew. Despite agreeing that Warhol’s new work “give[s] a different impression” than the original, the Second Circuit nonetheless concluded that the work was not transformative (and thus not fair use) because the photograph “remain[ed] the recognizable foundation upon which the Prince Series is built.” App. 26a.

That decision threatens a sea-change in the law of copyright. As this Court has explained, a new work is “transformative” if it has a new “meaning or message” distinct from that of the preexisting work. *See Google LLC v. Oracle Am., Inc.*, 141 S. Ct. 1183, 1202-03 (2021) (quoting *Campbell*, 510 U.S. at 579). The decision below holds, however, that even where a new work indisputably conveys a distinct meaning or message, the work is *not* transformative if it “recognizably deriv[es] from, and retain[s] the essential elements of, its source material.” App. 23a-24a. That approach is unheard-of among the courts of appeals, and squarely contravenes this Court’s decisions in *Google* and *Campbell*. The Second Circuit’s imposition of a novel framework displacing this Court’s precedent plainly warrants review.

The decision below also creates a circuit conflict between the two most important forums for copyright litigation in the country. Contrary to the Second Circuit, the Ninth Circuit has held that “even where” a new “work *makes few physical changes to the original*,” it can be transformative if “new expressive content or [a new] message is apparent.” *Seltzer v. Green Day, Inc.*, 725 F.3d 1170, 1177 (9th Cir. 2013) (emphasis added). Well over *half* the copyright cases

in the nation arise in the Second and Ninth Circuits. The fact that those courts now use entirely different frameworks for assessing transformativeness is a recipe for inconsistent results and forum shopping. And the Second Circuit’s approach also conflicts with decisions by other courts of appeals as well.

Finally, the decision below will have drastic and harmful consequences for free expression. The Second Circuit’s rule chills artistic speech by imposing the threat of ruinous penalties on artists who must predict—*ex ante*—whether their new work will be deemed too “recognizable” to merit fair use protection. By the same token, it may now be unlawful for collectors to sell—and museums to display—a large swath of works of art that derive inspiration from other works without fear of draconian consequences.

This Court has long recognized that copyright law cannot be used to stifle innovation and creativity—even when that innovation recognizably builds on the achievements of others. This Court should clarify the fair use doctrine and reaffirm its historical commitment to free artistic expression. The petition should be granted.

STATEMENT OF THE CASE

A. Legal Background

Copyright law strikes a balance between incentivizing the creation of new works and ensuring that the public can access and benefit from those works. “Creative work is to be encouraged and rewarded, but private motivation must ultimately serve the cause of promoting broad public availability of literature, music, and the other arts.” *Twentieth*

Century Music Corp. v. Aiken, 422 U.S. 151, 156 (1975).

Because “rigid application” of the copyright laws “would stifle the very creativity which [they are] designed to foster,” *Stewart v. Abend*, 495 U.S. 207, 236 (1990) (citation omitted), the Copyright Act grants the public the right to make “fair use” of copyrighted content. 17 U.S.C. § 107. The fair use defense to copyright infringement turns on consideration of four factors: (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 or value of the copyrighted work.” *Id.*

Works that are “transformative” under the first factor “lie at the heart of the fair use doctrine’s guarantee of breathing space within the confines of copyright.” *Campbell*, 510 U.S. at 579. “[T]he more transformative the new work, the less will be the significance of other factors, like commercialism, that may weigh against a finding of fair use.” *Id.* In practice, the transformativeness inquiry is virtually always dispositive of the fair use question. See David Shipley, *A Transformative Use Taxonomy: Making Sense of the Transformative Use Standard*, 63 Wayne L. Rev. 267, 276-77 (2018), https://digitalcommons.law.uga.edu/cgi/viewcontent.cgi?article=2174&context=fac_artchop.

A work is “transformative” if it “adds something new” by “altering [the source material] with new expression, meaning, or message.” *Campbell*, 510 U.S. at 579. That is so even where portions of the original work are copied “precisely” and “for the same

reason” as the original work. *See Google*, 141 S. Ct. at 1203.

By allowing the creation of works that use preexisting content in the service of expressing new meaning or message, the fair use defense provides a critical “First Amendment safeguard[],” *Eldred v. Ashcroft*, 537 U.S. 186, 220 (2003), and ensures that the Copyright Act does not stymie legitimate creative expression. Without such protection, many works would be subject to the Act’s harsh remedies for copyright infringement—including impoundment, prohibiting display of the work, and even requiring the destruction of all physical objects in which the work is embodied. 17 U.S.C. § 503.

B. Fair Use And Warhol’s Transformative Works Of Art

Thanks to the fair use doctrine, artists have long drawn inspiration from prior, protected works without incurring copyright liability. Consider the “pop art” movement—one of the most important contributions of twentieth century American art. Artists who created pop art “made art that mirrored, critiqued, and, at times, incorporated everyday items, consumer goods, and mass media messaging and imagery.” Museum of Modern Art Learning, *Pop Art*, https://www.moma.org/learn/moma_learning/themes/pop-art/ (last visited Dec. 8, 2021).

One of the most prominent pop artists is Andy Warhol, whose life’s work consists of approximately 10,000 paintings. CA2 Joint Appendix (“JA”) 2372. For example, among Warhol’s most famous creations is the Campbell’s Soup Cans series, which borrows Campbell’s ubiquitous brand and (copyrighted) advertising logo to comment on consumerism.



Whitney Museum of American Art, *Andy Warhol Black Bean*, 1968, <https://whitney.org/collection/works/5627> (last visited Dec. 8, 2021); *see also* Museum of Modern Art Learning, *Campbell's Soup Cans*, https://www.moma.org/learn/moma_learning/andy-warhol-campbells-soup-cans-1962/ (last visited Dec. 8, 2021). No one has seriously questioned that these types of follow-on works constitute fair use. *See Google*, 141 S. Ct. at 1203 (alluding to Soup Cans series as paradigmatic example).

Many of Warhol's other leading pieces—including his iconic portrayals of politicians and celebrities such as Marilyn Monroe, Jackie Kennedy, Mao Zedong, and others—likewise draw from preexisting works. Warhol created his depictions of those recognizable subjects through “distortion” and “careful manipulation” of photographs, often taken by others. *Comedy III Prods., Inc. v. Gary Saderup, Inc.*, 21 P.3d 797, 811 (Cal. 2001), *cert. denied*, 534 U.S. 1078 (2002). As one prominent art historian has explained,

the resulting works of art conveyed a distinct message about the use and meaning of images of famous people in our culture—commenting on the respects in which they “function as masks, function in terms of cultural language rather than [as] actual individual[s].” JA1391-92 (Expert Deposition of Thomas Crow). That is what differentiates a Warhol rendition of, say, Marilyn Monroe, from a tabloid magazine image of Marilyn Monroe: the latter *is* an image of a celebrity; the former *comments* on the role of celebrity imagery in popular culture, by subtly altering the photo-realistic source material in a variety of ways that dehumanize the person depicted—and thus imbue the preexisting content with a new meaning.

Warhol’s “typical” process for creating such works involved painting, pencil drawing, and silkscreen printing to: (1) transform the “detailed, three-dimensional being” depicted in a photograph into “a flat, two-dimensional figure,” (2) soften, outline, or shade “bone structure that appear[ed] crisply in the photograph,” (3) add “loud, unnatural colors,” (4) change the composition to remove the subject’s “torso,” and (5) obscure the subject’s facial expression “almost entirely.” App. 59a, 71a-72a Below are ten silkscreen portraits of Monroe that Warhol created in 1967 using that technique, beneath the original photograph:



JA1314; *see also* Masterworks Fine Art Gallery, Andy Warhol Marilyn Monroe, <https://www.masterworksfineart.com/artists/andy-warhol/marilyn-monroe> (last visited Dec. 7, 2021).

C. The Proceedings In This Case

1. This case involves Warhol's Prince Series, a collection of portraits portraying the iconic musician Prince. In 1984, *Vanity Fair* commissioned Warhol to create an image of Prince for a magazine article, entitled "Purple Fame." App. 58a. *Vanity Fair* licensed a black-and-white photograph of Prince taken three years earlier by respondent Lynn Goldsmith. *Id.* at 57a. Goldsmith characterized her photograph as portraying Prince as "a really vulnerable human being," concerned with "immense fears" about his stardom. JA1553, 1557-58.

Warhol produced the first image in the Prince Series, using Goldsmith's photograph as source material. Warhol cropped the image to remove Prince's torso, resized it, altered the angle of Prince's

face, and changed tones, lighting, and detail. JA1370. Warhol also added layers of bright and unnatural colors, conspicuous hand-drawn outlines and line screens, and stark black shading that exaggerated Prince's features. JA1371. The result is a flat, impersonal, disembodied, mask-like appearance. App. 77a-78a. The original Goldsmith photograph is shown here on the left, with Warhol's transformation of it on the right:



App. 62a; *see* App. 58a.

Warhol then created fifteen more images of Prince using Goldsmith's photograph, all of them similarly overhauled. App. 58a-60a. That process, as the district court aptly found, "transformed" Goldsmith's intimate depiction into "an iconic, larger-than-life figure," stripping Prince of the "humanity . . . embodie[d] in [the] photograph" to comment on the manner in which society encounters and consumes celebrity. App. 72a; *see* JA1373.



Since 1984, the Prince Series works have been displayed in museums, galleries, and other public places dozens of times. App. 61a.

2. In 2016, Prince died and *Condé Nast* magazine published a tribute issue with one of Warhol's Prince

Series works on the cover. After seeing the cover, Goldsmith threatened to sue petitioner, The Andy Warhol Foundation (“AWF”)—which holds (or, before the Second Circuit’s decision, held) the rights to the Prince Series—for copyright infringement of her photograph if she was not paid a substantial sum of money. JA474.

AWF sued Goldsmith for a declaration of non-infringement. *Id.* Goldsmith countersued for copyright infringement under 17 U.S.C. § 101 *et seq.* JA521. Goldsmith sought a number of remedies, including “permanent injunctive relief, enjoining [AWF] from further reproducing, modifying, preparing derivative works from, *selling, offering to sell, publishing or displaying* the [Prince Series]” and “[f]inding that [AWF] cannot assert copyright protection in the [Prince Series].” *Id.* (emphasis added).

3. The district court granted AWF summary judgment based on the fair use defense. App. 82a-83a. As to the first factor (purpose and character of use), the court concluded that the Prince Series was “transformative” because it communicated a different meaning and message from Goldsmith’s original. *Id.* at 69a, 71a. Whereas her photograph portrayed Prince as “uncomfortable” and “vulnerable,” the district court explained, the Prince Series “reflect[ed] the opposite” message. *Id.* at 71a-72a; *see* JA1373.

After determining that the second factor (nature of the copyright work) favored “neither party,” the district court concluded that the third factor (amount and substantiality of the preexisting work used) favored fair use. App. 73a-79a. The court found that “Warhol removed nearly all the photograph’s protectible elements,” observing that neither

“Prince’s facial features” nor his “pose” are “copyrightable.” *Id.* at 78a-79a. Finally, as to the fourth factor (market effects), the court concluded that Warhol’s heavily stylized images were far from a “market substitute[]” for Goldsmith’s “intimate and realistic photograph of Prince.” *Id.* at 82a.

4. The Second Circuit reversed. *Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith* (“*Warhol I*”), 992 F.3d 99, 105, 125 (2d Cir. 2021). As to the first factor, the panel held that courts “should not . . . seek to ascertain the intent behind or meaning of the works at issue.” *Id.* at 114. Like the district court, the Second Circuit expressly acknowledged that Goldsmith’s photograph and Warhol’s Prince Series embodied different messages: Whereas Goldsmith “portray[ed] Prince as a ‘vulnerable human being,’” the court observed, Warhol deliberately “strip[ped] Prince of that humanity and instead display[ed] him as a popular icon.” *Id.* at 113.

Nonetheless, the court held that Warhol’s concededly different “meaning [and] message,” *Campbell*, 510 U.S. at 579, were beside the point, *Warhol I*, 992 F.3d at 113-14. What mattered instead was that the Prince Series “recognizably deriv[ed] from, and retain[ed] the essential elements of, its source material”—that is, each of Warhol’s images remained “a recognizable depiction of Prince.” *Id.* at 114 & n.4. The court thus adopted a test whose outcome depends on visual similarities between works, irrespective of whether the later-in-time piece adds a new meaning or message.

The Second Circuit reasoned that, at least where the works in dispute serve the same general “function,” follow-on works like the Prince Series cannot be transformative unless they sufficiently

obscure the “foundation upon which [they are] built.” *Id.* at 114-15. And the court defined the “function” of the two works at a very high level of generality. Rather than assess the specific meaning or message that each artist sought to convey, the court found that “the overarching purpose and function of the two works at issue here [wa]s identical,” because both were “created as works of visual art,” and both were “portraits of the same person.” *Id.* at 114.

Having defined the works’ purposes as identical on these criteria, the court limited its focus to the visual similarities between the works, concluding that the Goldsmith photograph “remain[ed] the recognizable foundation upon which the Prince Series is built.” *Id.* at 115. Thus, even though the Prince Series gave “a different impression of its subject” and admittedly conveyed a different message than Goldsmith’s photograph, the court concluded that Warhol had, in substance, “present[ed] the same work [as Goldsmith].” *Id.*

After concluding that the Prince Series was not transformative as a matter of law, the court held that the remaining fair use factors favored Goldsmith. *Id.* at 117, 120, 122. The court thus concluded that the “defense of fair use fails as a matter of law” and held that Warhol could no longer “claim” the Prince Series “as his own.” *Id.* at 123, 116.

Judge Jacobs wrote a concurrence asserting that the “opinion of the Court does *not necessarily* decide” whether the “*original* works infringe,” and may instead be limited to commercial licenses to reproduce the originals. *Id.* at 127 (Jacobs, J., concurring) (emphasis added). But he identified nothing in the opinion that would preclude application of the court’s holding to the original Prince Series. And he

explicitly recognized the chilling effect of the court’s decision on artists, noting that “our holding may alarm or alert possessors of other artistic works,” and that “uncertainty about an artwork’s [legal] status can inhibit the creativity that is a goal of copyright.” *Id.*

5. Ten days after the panel’s decision, this Court issued its decision in *Google*, which considered the application of the fair use doctrine to the “precise[]” copying of computer code. 141 S. Ct. at 1203. As part of that inquiry, the Court explored whether the “copying was transformative.” *Id.* at 1204.

Notwithstanding that the new work precisely copied the code “in part for the same reason” as the original work was created, the Court looked to its longstanding test for transformativeness, reiterating that the inquiry was “whether the copier’s use” “alter[s] the copyrighted work ‘with new expression, meaning or message.’” *Id.* at 1202-03 (quoting *Campbell*, 510 U.S. at 579).

Explaining how that principle functions in the context of visual art, the Court observed—in an unmistakable allusion to Warhol’s Campbell’s Soup Cans—that “[a]n ‘artistic painting’ might, for example, fall within the scope of fair use even though it *precisely replicates* a copyrighted advertising logo to make a comment about consumerism.” *Id.* at 1203 (citation omitted) (emphasis added).

6. AWF petitioned the Second Circuit for panel rehearing and rehearing en banc based on the conflict between the panel’s opinion and this Court’s decision in *Google* and the decisions of other circuits.

The Second Circuit granted panel rehearing and issued an amended opinion. *First*, the court brushed

Google aside, stating that the “unusual context of that case, which involved copyrights in computer code, may well make its conclusions less applicable to contexts such as ours.” App. 44a.

Second, the Second Circuit generally asserted that it was not adopting a bright-line categorical rule for analyzing whether a work is transformative. *Id.* at 43a-44a. But it did not revise the substance of its opinion, and still adhered to the same test that (1) forbids courts from “seek[ing] to ascertain the intent behind or meaning of the works at issue”; (2) treats portraits of the same person as necessarily having the same purpose and function; and (3) evaluates transformativeness principally by a comparison of visual similarities. *Id.* at 22a-24a, 26a-27a.

Finally, the court picked up on Judge Jacobs’s purported distinction between the creation of the Prince Series and the licensing of the Series. Even though the court recognized that the Prince Series and the Goldsmith photograph do not share the same market (under the fourth fair use factor), the court asserted that “what encroaches on Goldsmith’s market is AWF’s commercial licensing of the Prince Series, not Warhol’s original creation.” *Id.* at 42a. But with respect to the “transformativeness” inquiry under the first fair use factor, the court did not back away from its prohibition on judicial inquiry into meaning or message, which by its terms is directed to the meaning or message of the *original* second-in-time work, not *licensed reproductions* of it.

REASONS FOR GRANTING THE WRIT

This petition readily satisfies the traditional criteria for review. The Second Circuit’s narrow

conception of transformative use breaks sharply with this Court’s decisions in *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569 (1994), and *Google LLC v. Oracle America, Inc.*, 141 S. Ct. 1183 (2021), and creates a square circuit conflict with the Ninth Circuit, the other leading circuit for copyright cases, as well as with other courts of appeals. Its new test will have far-reaching and harmful consequences across the law of copyright—threatening to strip protection from thousands of storied works of art and to chill expressive activity and artistic creation. Certiorari is warranted.

I. The Second Circuit’s Transformativeness Test Conflicts With *Campbell* And *Google*

The Second Circuit’s ruling clearly conflicts with this Court’s precedent. The Court has repeatedly stated that whether a new work is transformative turns on whether that work “adds something new . . . [by] altering’ the copyrighted work ‘with new expression, meaning or message.’” *Google*, 141 S. Ct. at 1202 (quoting *Campbell*, 510 U.S. at 579). Departing from that principle, the Second Circuit applied a brand-new test of its own invention—holding that a new work of visual art *cannot* be transformative if it “remains both recognizably deriving from, and retaining the essential elements of, its source material.” App. 23a-24a. Moreover, the court held that for purposes of the transformativeness inquiry, the “purpose and function” of two works are “identical” whenever both are “works of visual art” that are “portraits of the same person.” *Id.* at 24a-25a. And it forbade courts from seeking to determine the “meaning of the works at issue” when assessing transformativeness. *Id.* at 22a-23a. The Second

Circuit's imposition of a novel framework that entirely displaces this Court's traditional test requires urgent correction.

1. This Court has made clear that the transformative-use test hinges on whether the artist's use of a work "*adds something new and important*"—in particular, its own "expression, meaning, or message." *Google*, 141 S. Ct. at 1202-03 (emphasis added) (quoting *Campbell*, 510 U.S. at 579). This is true even where the new work contains elements that are similar or even identical to the protected material.

In *Campbell*, this Court found that a rap group's use of the 1960s song "Oh, Pretty Woman" was transformative because of the new message and meaning the new work conveyed. The Court explicitly acknowledged that the new work involved the "use of some elements of a prior author's composition to create a new one," 510 U.S. at 580, including by "cop[ying] the characteristic opening bass riff (or musical phrase) of the original, and . . . the words of the first line." *Id.* at 588. But notwithstanding that exact copying, this Court found the new work transformative because, in contrast to "the naiveté of the original," the rapper's song conveyed "a rejection of [the original's] sentiment," which had "ignore[d] the ugliness of street life and the debasement that it signifies." *Id.* at 583. Crucially, the Court's inquiry focused *directly* on the respective "meaning[s]" of the two songs at issue. Because the later work "c[ould] reasonably be perceived," App. 22a, to convey a different meaning from the original, it was deemed transformative.

In *Google*, this Court reaffirmed that transformativeness does not turn on whether the two works at issue are of the same genre (there, computer

software), or include verbatim identical components. There, Google “precisely” copied a portion of a computer program “that enables a programmer to call up prewritten software that, together with the computer’s hardware, carries out a large number of specific tasks.” *Google*, 141 S. Ct. at 1190, 1203. Despite Google’s “precise” copying of the code, this Court held that Google’s work was transformative because it “add[ed] something new and important” by developing “a new platform” for the “smartphone environment.” *Id.* at 1202-03. Once again, the Court focused on whether the defendant used the original copyrighted work in the service of conveying a different meaning or message, not on the degree to which that work was altered.

2. The Second Circuit’s decision in this case directly contravenes the guiding principle of *Google* and *Campbell*—that the transformativeness inquiry turns on whether the new work add its own “expression, meaning, or message.”

The district court here found that the Prince Series conveyed a different message from Goldsmith’s original photograph by portraying Prince as “an iconic, larger-than-life figure.” App. 72a. Importantly, Goldsmith herself conceded on appeal that the Prince Series “[a]dds [n]ew [e]xpression.” CA2 Appellants Br. 31. The Second Circuit accepted that fact, expressly acknowledging that (1) the Prince Series “display[s] the distinct aesthetic sensibility that many would immediately associate with Warhol’s signature style,” which was “absent from the Goldsmith photo,” App. 24a, and (2) that Warhol’s artistic choices “change the Goldsmith Photograph in ways that give a different impression,” by “strip[ping] Prince of [his] humanity and instead display[ing] him

as a popular icon.” *Id.* at 26a, 22a; *cf.* JA1373 (“Unlike Goldsmith’s focus on the individual subjects’ unique human identity, . . . Warhol’s portraits of Prince, as with his celebrity portraits generally, sought to use the flattened, cropped, exotically colored, and unnatural depiction of Prince’s disembodied head to communicate a message about the impact of celebrity and defining the contemporary conditions of life.”).

Nonetheless, the Second Circuit thought it *irrelevant* that Warhol’s artistic expression “give[s] a different impression,” because “the Goldsmith Photograph remains the recognizable foundation upon which the Prince Series is built.” App. 26a. To be transformative, the Second Circuit opined, a new work “*must, at a bare minimum, comprise something more than the imposition of another artist’s style on the primary work such that the secondary work remains both recognizably deriving from, and retaining the essential elements of, its source material.*” *Id.* at 23a-24a (emphasis added).

That test, by its express terms, turns on the visual and aesthetic differences between two works—*not* their different message or meaning. Indeed, the Second Circuit could not have been clearer that, under its newly-minted approach, a court should “*not . . . seek to ascertain the intent behind or meaning of the works at issue.*” *Id.* at 22a-23a (emphasis added). That is because, in the Second Circuit’s view, “whether a work is transformative cannot turn merely on . . . the meaning or impression that a critic—or for that matter, a judge—draws from the work.” *Id.* at 22a. Instead, a “judge must examine whether the secondary work[] . . . stands apart from the ‘raw material’ used to create it,” by inspecting the

differences between the two works to determine the degree to which the source material is “recognizable.” *Id.* at 23a-24a (citations omitted). In other words, the Second Circuit’s approach expressly *forbids* courts from inquiring into the message or meaning an artist sought to convey or that a relevant audience might reasonably perceive.

Underscoring its departure from the governing message-or-meaning standard, the Second Circuit then distinguished one of its own leading precedents by focusing on the visual similarities between the works at issue in that case. *Id.* at 15a (distinguishing images in *Cariou v. Prince*, 714 F.3d 694, 706 (2d Cir. 2013), because the new works there used the original photographs in “crude and jarring works . . . [that] incorporate[d] color, feature[d] distorted human and other forms and settings, and measure[d] between ten and nearly a hundred times the size of the photographs” (alterations in original)). It was those visual differences—*not* the introduction of a new meaning or message—that rendered the new works transformative according to the court. *Id.*

3. The notion that visual or aesthetic “recognizability” is the touchstone for transformativeness is irreconcilable with *Campbell* and *Google*. In both those cases, the later work “recognizably deriv[ed] from, and retain[ed] the essential elements of, [the] source material.” *Id.* at 24a. In *Campbell*, this Court determined that the new work borrowed essential elements of the original’s composition, including the recognizable opening riff and the opening line. 510 U.S. at 588. Those are clearly “essential elements” of the original song—indeed, the very *point* of the second work in *Campbell* was that it “recognizably derived from” the

former, but placed those same essential elements in a distinctive context, in order to convey how the original “ignore[d] the ugliness of street life.” *Id.* at 583; *id.* at 580-81 (noting that the later work “need[ed] to mimic [the] original to make its point”).

Similarly, in *Google*, there was no dispute that the second work “recognizably deriv[ed] from, and retain[ed] the essential elements of,” the former. App. 24a. There, Google had “precisely” “copied roughly 11,500 lines of code” and “for the same reason” as the original work, specifically to “enable programmers to call up implementing programs” that would accomplish particular tasks. 141 S. Ct. at 1191, 1203. Yet, again, the Court found that this “precise[]” copying was not dispositive—what mattered was that Google’s work nonetheless embodied a distinct creative innovation, by developing “a new platform” for the “smartphone environment.” *Id.* at 1203.

And the Court in *Google* made clear that, in the artistic context, an artist could “precisely replicate[]” an “advertising logo” and yet still fall within the scope of fair use protection if the new work created added a new meaning or message, such as a comment about consumerism.” *Id.* (citation omitted). Again, the focus *was not* on visual similarity but instead on the meaning or message conveyed by the new work.

In neither *Campbell* nor *Google* did this Court even *hint* at a framework that turns on the “recognizability” of the first work in the second. Rather, the Court mandated a different analysis turning on the purpose for which the successor work used the original’s content. It is simply impossible to determine whether a new work adds “something new,” including “new expression, meaning or message”—the inquiry required by the decisions in

Google, 141 S. Ct. at 1202 and *Campbell*, 510 U.S. at 579—if a court is *forbidden* from trying to “ascertain the intent behind *or meaning of* the works at issue,” as the Second Circuit now holds, App. 22a-23a (emphasis added).

4. The Second Circuit also ignored this Court’s message-or-meaning framework in another respect—by defining the “function” of the respective works as being “identical” simply because they were both “works of visual art” that are “portraits of the same person.” *Id.* at 24a-25a. But virtually any new work seeking to make use of an earlier one can be described as having an “identical” function in that broad sense. In *Google*, there was no dispute that the works had the same function in the sense that they both “enable[d] programmers to call up implementing programs that would accomplish particular tasks.” 141 S. Ct. at 1203. And, likewise in *Campbell*, both works were popular songs. App. 24a-25a; *see* 510 U.S. at 572-73.

In *Google* and *Campbell*, however, what mattered was not the broadly defined “function” of the two works, but the message and meaning they conveyed. Here, Goldsmith and Warhol *used* a portrayal of Prince to convey very different messages and meaning. *See supra* at 19-20. By defining “function” at such a high level of generality, the Second Circuit’s test limits the required analysis to a judge’s visual inspection while at the same time omitting the required inquiry into the originality of an artwork’s message and meaning.

5. Unable to substantively distinguish *Google*, the Second Circuit simply (and wrongly) interpreted the case as limited to computer code. The panel acknowledged that this Court found “precise copying

and incorporation of copyrighted code into a new program . . . constitute[d] fair use,” but dismissed that holding as inapplicable to “traditional area[s] of copyrighted artistic expression,” because of the “novel and unusual context” of computer code. App. 44a.

The panel’s dismissal of *Google* was improper and incorrect. This Court’s opinion was grounded in general principles of copyright law—including, most importantly, the Court’s prior decision in *Campbell* applying those principles to an artistic work. *Google*, 141 S. Ct. at 1202. Indeed, the Court directly analogized to Warhol’s visual art—the Campbell’s Soup Cans work—to illustrate its *core point*. See *id.* at 1203. As this Court made clear, fair use could protect an “artistic painting” that used a “copyright[] ‘advertising logo to make a comment about consumerism’” even where the artist precisely replicates the protected logo. *Id.* (citation omitted).

Google cannot so easily be limited to its facts. The Second Circuit’s treatment of *Google* as irrelevant to visual art strongly supports review.

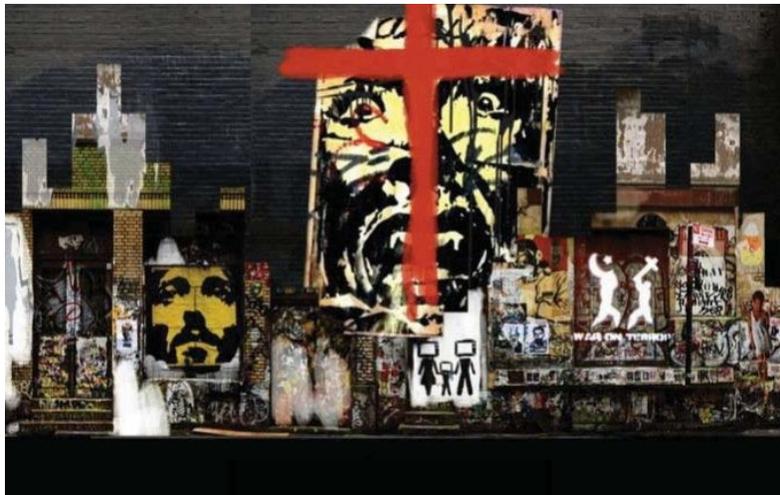
II. The Second Circuit’s Holding Creates A Circuit Split And Implicates Deeper Confusion Over The Transformative Use Test

1. The Second Circuit’s approach squarely conflicts with the established test for ascertaining transformative use in the Ninth Circuit. Following this Court’s precedent, the Ninth Circuit has made clear that new works are “typically viewed as transformative as long as new expressive content or message is apparent.” *Seltzer v. Green Day, Inc.*, 725 F.3d 1170, 1177 (9th Cir. 2013). “That is so,” the Ninth Circuit held, “even where . . . the allegedly

infringing work makes few physical changes to the original or fails to comment on the original.” *Id.*

In *Seltzer*, the Ninth Circuit considered a video that played during a performance of a song by the rock band Green Day. *Id.* at 1173-75. That video contained images of a preexisting illustration called the *Scream Icon*, “a drawing of a screaming, contorted face.” *Id.* at 1173. The illustrator who created the *Scream Icon* sold and distributed posters and prints of the image and used the *Icon* “to identify himself and his work’s presence by placing it on advertisements for his gallery appearances, and at some point . . . licens[ing] it for use in a music video.” *Id.* at 1173-74. The creator of the video, by contrast, described his stated goal as “convey[ing]” the theme of Green Day’s song, which was about “the hypocrisy of some religious people who preach one thing but act otherwise” and the “violence that is done in the name of religion.” *Id.* at 1174. The *Scream Icon* remained “clearly identifiable in the middle of the screen throughout the video.” *Id.* Below are reproductions of the works at issue in *Seltzer*:





Id. at 1182 (Appendix A); Roger Staub Decl. Ex. 11, *Seltzer v. Green Day, Inc.*, No. 2:10-cv-02103 (C.D. Cal.), ECF No. 53.

The Ninth Circuit recognized that “whether a work is transformative is a[n] often highly contentious topic” and “there is no shortage of language from other courts elucidating (or obfuscating) the meaning of transformation.” 725 F.3d at 1176. “To navigate these treacherous waters,” the Ninth Circuit looked to this Court’s “definitive formulation” in *Campbell*, under which “one work transforms another when ‘the new work . . . adds something new, with a further purpose or different character, altering the first with new expression, meaning, or message.’” *Id.* (omission in original) (quoting 510 U.S. at 579).

In light of that inquiry, the Ninth Circuit looked beyond the visual similarities to evaluate the *message* of each work. *Seltzer*, 725 F.3d at 1177. The message of the *Scream Icon* was “debatable,” but it appeared to the court “to be a directionless anguished

screaming face.” *Id.* The court also looked to the original artist’s statement of the message, noting that he intended it to “address[] themes of youth culture, skateboard culture, insider/outsider culture.” *Id.* The court thus concluded that the *Scream Icon* “clearly says nothing about religion.” *Id.* In contrast, the court concluded that the Green Day video, which incorporated the *Scream Icon*, was focused on “religion,” “especially . . . Christianity.” *Id.* at 1176. In the court’s estimation, the subsequent work could reasonably be perceived to convey “new information, new aesthetics, new insights and understandings” about “the hypocrisy of religion.” *Id.* at 1177.

Making clear its focus was on the message and meaning conveyed, the Ninth Circuit held that “an allegedly infringing work is typically viewed as transformative as long as new expressive content or message is apparent.” *Id.* This “is so even where—as here—the allegedly infringing work makes few physical changes to the original or fails to comment on the original.” *Id.*

Under the Second Circuit’s test, the fact that the original work remained “prominent” and identifiable in the new work would dictate the opposite result. *Id.* at 1177-78. In the Second Circuit’s conception of transformativeness, as long the source material remained “recognizable,” App. 23a (citation omitted), as it undoubtedly did in *Seltzer*, the new work could not be transformative. The new meaning and message embodied in the new work would be beside the point and, indeed, could not even be considered.

A comparison of the works at issue in *Seltzer* and the Second Circuit’s prior decision in *Cariou*, which is discussed at length in the decision below, drives home the point. Below are images (original on the left, new

work on the right) that the Second Circuit considered in *Cariou*:



714 F.3d at 702-03.

As the images show, the degree of alteration in the *Cariou* works is materially identical to that at issue in *Seltzer*: Both fully replicate the original image, with a new image (a cross in *Seltzer*, a guitar in *Cariou*) superimposed over a portion of the original. But whereas the new work was deemed transformative in *Seltzer*, the panel here cited the *Cariou* work as an *illustration* of one that would be considered *non*-transformative under its test. *See* App. 16a-17a, 21a (using this work as an example of one that did not sufficiently “obscure the original image” to qualify as fair use as a matter of law).

These irreconcilable results on similar facts confirm the circuit split. The decision below thus creates a clear conflict between the two principal forums for copyright litigation in the United States. The potential for inconsistent results based on

geographic happenstance alone warrants this Court’s review.¹

2. The Second Circuit’s transformativeness analysis also conflicts with the approach used by other circuits. Whereas the Second Circuit emphasized that a court should *not* “seek to ascertain the intent behind or meaning of the works at issue,” App. 22a-23a, most other circuits *require* that inquiry. Indeed, those other circuits regularly consider whether the second work incorporates new meaning or message, regardless of the extent of visual alteration.

For example, in *Balsey v. LFP, Inc.*, the Sixth Circuit considered whether a magazine’s use of a preexisting photograph was transformative. 691 F.3d 747, 759 (6th Cir. 2012). It held the use was *not* transformative—not because the photograph was virtually “unaltered” (as the Second Circuit might have found), but rather because (1) the defendant “did not add any creative message or meaning to the photograph”; (2) the purpose of the “[d]efendant’s use of the photograph was the same as [the plaintiff’s] original use—to shock, arouse, and amuse”; and (3) the photograph was not being used “as a social commentary.” *Id.* (citation omitted). The Sixth Circuit’s inquiry was thus trained on “ascertain[ing]

¹ The Ninth Circuit recently re-affirmed that the transformativeness inquiry turns on the difference in meaning and message between the original and new work, *not* simply aesthetic similarity/dissimilarity. *See Tresóna Multimedia, LLC v. Burbank High Sch. Vocal Music Ass’n*, 953 F.3d 638, 649-50 (9th Cir. 2020) (holding that new musical work incorporating a fully recognizable portion of a preexisting song was fair use because new work added “new expressive content and meaning”).

the intent behind or meaning of the works at issue,” App. 22a-23a—precisely the inquiry that the Second Circuit now forbids.

The First Circuit applied the same logic in *Núñez v. Caribbean International News Corp.*, 235 F.3d 18 (1st Cir. 2000). There, the court considered the exact reproduction of salacious photographs, originally taken to be used in a modeling portfolio for Miss Puerto Rico Universe 1997, and later reproduced in a newspaper alongside articles addressing whether Miss Puerto Rico should be stripped of her crown. *Id.* at 21. The court concluded the use was transformative based on the intent and meaning of the new pictures—which “were shown not just to titillate, but also to inform” in the second work. *Id.* at 22.

The Fourth Circuit has likewise recognized that “even a wholesale reproduction may be transformed when placed in a ‘new context to serve a different purpose,’” so long as the secondary use “imbu[es] the original with new . . . meaning.” *Brammer v. Violent Hues Prods., LLC*, 922 F.3d 255, 263 (4th Cir. 2019) (citation omitted); see also *Bouchat v. Baltimore Ravens Ltd. P’ship*, 737 F.3d 932, 947 (4th Cir. 2013), *cert. denied*, 572 U.S. 1117 (2014).

The Federal Circuit similarly focused on the addition of a new meaning or message—not on the degree of visual alteration—in *Gaylord v. United States*, 595 F.3d 1364 (Fed. Cir. 2010). There, the court generally explained that a second work “transform[s] the purpose or character of the [first] work” by “transform[ing]” that work “into a larger commentary or criticism.” *Id.* at 1373. It held that a postage stamp depicting certain Korean War sculptures was not transformative—even though the

stamp “altered the appearance” of the sculptures—because it did not use the sculptures “as part of a commentary or criticism.” *Id.* Again, that approach is simply irreconcilable with the Second Circuit’s test that turns on visual appearances, and prohibits a court from “ascertain[ing] the intent behind or meaning of the works at issue,” App. 22a-23a.

Finally, the Third Circuit reached the same conclusion—for essentially the same reason—in *Murphy v. Millennium Radio Group LLC*, 650 F.3d 295 (3d Cir. 2011). It held that reproduction of a photograph on a website was not transformative because there was an “absence of any broader commentary—whether explicit or implicit” in the second work, which undercut the defendants’ claim that the second work included “any new meaning.” *Id.* at 307.

3. For the reasons noted, the Second Circuit’s approach is at odds with the decisions of multiple courts of appeals. But there is also confusion about how to conduct the transformativeness inquiry more generally. According to the leading copyright treatise, the inquiry into whether “the meaning or message” of the original works has been transformed “suffers from [the] absence of rules for how broad the categories of expressive uses should be” and has led to the “standard . . . becom[ing] all things to all people.” 4 Melville Nimmer & David Nimmer, *Nimmer on Copyright* § 13.05[1][b] (2019).

The confusion is widely acknowledged—and bemoaned. In *Seltzer*, the Ninth Circuit noted that “[a]lthough transformation is a key factor in fair use, whether a work is transformative is a[n] often highly contentious topic” and that “there is no shortage of language from other courts elucidating (or

obfuscating) the meaning of transformation.” See 725 F.3d at 1176. Scholars have observed that “[t]he transformative use standard . . . has been confusing and uncertain since [*Campbell*],” David Shipley, *A Transformative Use Taxonomy: Making Sense of the Transformative Use Standard*, 63 Wayne L. Rev. 267, 267 (2018), and that “further judicial clarification” is warranted, Mark S. Lee, *Entertainment and Intellectual Property Law* § 1:49 (Sept. 2021 update, Westlaw).

Without predictability or consistent application, the transformative-use doctrine cannot provide “security” to artists, who need to know whether their creations are lawful. Shoshana Rosenthal, Note, *A Critique of the Reasonable Observer: Why Fair Use Fails to Protect Appropriation Art*, 13 Colo. Tech. L.J. 445, 450 (2015). “The problem is that transformation, and its companion words . . . are a family of concepts that are difficult to define and even more difficult to use to predict whether certain uses are transformative or not.” 1 Leonard D. DuBoff et al, *Art Law Deskbook: Ch. 1 Copyright, Part 9 Fair Uses* (2018, Lexis).

Only this Court can restore clarity and predictability to this exceptionally important issue of copyright law.

III. The Second Circuit’s Holding Is Unworkable And Will Inflict Serious Harm On Artistic Expression

The Second Circuit’s approach runs counter to the very purpose of the fair use defense. If left undisturbed, that approach will chill artistic expression and undermine First Amendment values.

1. The Second Circuit’s visual similarity test undercuts the core purpose of the fair use doctrine, which is to protect the rights of innovators to create new works building—even heavily—on the insights as well as the imagery of others. Artists routinely draw inspiration from both the form and substance of earlier works across a wide variety of artistic media.

But whether a new work makes a genuine and distinctive contribution—and thus is transformative—does not turn on the extent to which its source material is recognizable. On the contrary, much creative expression “*needs to mimic an original to make its point.*” *Campbell*, 510 U.S. at 580-81.

Take the “pop art” movement discussed above, and exemplified in the Warhol Soup Cans work adverted to in *Google*. *See supra* at 6-7. Warhol’s work used a copyrighted logo to convey a message about consumerism. To do so, the protected material *had* to be recognizable. As one commentator has explained when discussing Warhol’s larger body of work, “[i]f Warhol had introduced all sorts of fussy new aesthetics . . . [his work] would have *failed* to signify as . . . transformative art. The sameness, the act of ‘retaining the essential elements’ of an extant image, is Warhol’s entire m.o. as one of the most important of all modern artists.” Blake Gopnik, *Warhol a Lame Copier? The Judges Who Said So Are Sadly Mistaken*, N.Y. Times (updated Sept. 24, 2021), <https://www.nytimes.com/2021/04/05/arts/design/warhol-copyright-appeals-court.html>.

The Second Circuit below seemed to acknowledge that in some contexts visual replication might be necessary. But it sought to artificially to limit those scenarios to situations where the “secondary work . . . *comments on the original* in some fashion.” App. 14a

(emphasis added). That purported cabining makes little sense. A secondary work need not specifically comment *on* the original in order to offer a distinctive “meaning[] or message.” *Campbell*, 510 U.S. at 579; *Seltzer*, 725 F.3d at 1177 (holding a work can be transformative “even where . . . [it] fails to comment on the original”). Here, for example, Warhol transformed Goldsmith’s photograph by turning it into a comment on society’s tendency to magnify and reify celebrities and their images. The fact that Warhol’s message was a comment about society—instead of about the Goldsmith image—does not make his work any less transformative or worthy of protection.

The Second Circuit’s visual similarity approach is also incoherent in another respect: It conflates the transformativeness and substantial similarity inquiries. To be susceptible to liability for copyright infringement, a new work must be substantially similar to the protected material. The primary question in that inquiry is whether “an average lay observer would recognize the alleged copy as having been appropriated from the copyrighted work.” *Knitwaves, Inc. v. Lollytogs, Ltd.*, 71 F.3d 996, 1003 (2d Cir. 1995) (citation omitted). But fair use operates as a defense, *notwithstanding* a finding of substantial similarity.

By focusing on visual similarities between the new and protected work, the Second Circuit has collapsed the transformativeness inquiry into the antecedent substantial similarity analysis. *Compare* App. 49a (stating the Prince Series and the Goldsmith photograph were substantially similar because of the “degree to which Goldsmith’s work remains recognizable within Warhol’s”), *with id.* at 23a-24a

(stating that the Prince Series was not transformative because it “remains both recognizably deriving from, and retaining the essential elements of, its source material”). The court’s rule therefore has the effect of hollowing out Congress’s duly enacted fair use defense in the context of visual art.

2. The Second Circuit’s rule narrowing the scope of transformative use will adversely affect free expression and chill the creation of new art.

First, the Second Circuit’s approach renders unlawful a large number of works of art that borrow from—but *add to*—preexisting creations. As one commentator has noted, “[m]any great modern artists” do not make the “kind of aesthetic change” required by the Second Circuit’s decision in this case. Gopnik, *supra*, N.Y. Times. Indeed, “the intentional borrowing, copying, and alteration of existing images and objects,” has been “used by artists for *millennia*.” Museum of Modern Art Learning, *Pop Art: Appropriation*, https://www.moma.org/learn/moma_learning/themes/pop-art/appropriation/ (last visited Dec. 8, 2021) (emphasis added); *see also* CA2 Corrected Amici Rehearing Br. of the Robert Rauschenberg Found. et al. 2-15, ECF No. 257 (discussing several of the countless works potentially impacted by the Second Circuit’s decision).

Under the Copyright Act, a new work that “employ[s] preexisting material” cannot receive copyright protection for “any part of the work in which such [copyrighted] material has been used unlawfully.” *See* 17 U.S.C § 103(a). As a result, countless seminal works of contemporary art, particularly in the “pop art” movement, might suffer the same fate as the Prince Series. Creators of such works may be unable to reap the rewards of their

creations, and may be unable to prevent others from exploiting them.

Second, the Second Circuit's approach will discourage countless artists (and artists-to-be) from creating new works where those works cannot be protected, lawfully displayed, or sold. Indeed, it is likely that much of the work in the last century's most transformative artistic movement might *never have been created* under the legal framework imposed by the Second Circuit. That extraordinary harm to creative expression—and to core First Amendment values—alone makes this a case of exceptional importance.

Third, the Second Circuit's rule may block museums and foundations, like AWF, the Metropolitan Museum of Art (the "Met"), and the Smithsonian, from displaying artwork, like the Prince Series, of incalculable cultural importance. Section 109(c) of the Copyright Act authorizes the owner of a copyrighted painting or print to display it publicly, but only if it was "lawfully made" in the first place. *Id.* § 109(c). And because individuals and institutions cannot easily predict, under the Second Circuit's new test, whether a work will be deemed transformative (and thus "lawfully made"), museums and collectors could be forced to err on the side of removing pieces from display to avoid incurring copyright liability—robbing society of the opportunity to view many works of immense artistic value.

Fourth, owners of paintings and prints, may not be able lawfully resell them. *See id.* § 109(a) (limiting application of the "first sale" doctrine only to "lawfully made" objects). For both institutions and private collectors, the Second Circuit's ruling thus holds the prospect of immediately stripping value from pieces

they hold, and which they may have purchased for enormous sums. Moreover, institutions like AWF and the Met may be unable to purchase certain works in order to preserve them.

Fifth, the Second Circuit's rule could literally lead to the "impoundment" and "destruction" of seminal works of art. *See id.* § 503 (authorizing these remedies for copyright infringement). The Second Circuit's ruling thus jeopardizes the very existence of existing works of arts like the Prince Series. In particular, as noted above, the "pop art" movement, in which Warhol participated, was well-known for using common images and likenesses to deliver a new message. It is difficult to see how all such images would not at least be imperiled by the Second Circuit's rule.

3. Perhaps recognizing that its opinion would have serious and sweeping consequences for countless canonical works of art (as well as the creation of future works), the Second Circuit attempted to draw an artificial distinction between the *creation* of the Prince Series and the *licensing* of the Prince Series. *See App.* 42a. The Second Circuit's tortured explanation was that, while the licensing of the Prince Series was definitively not fair use, the initial creation of the Prince Series might somehow have been defensible. In other words, the court opined that an artist protected by the fair use doctrine in his use of another artist's imagery might nonetheless be barred from reaping the ordinary benefits of licensing his non-infringing work. But the court did not explain the basis for that entirely novel principle.

To be clear: Nothing in the court's broad rule for distinguishing between transformative uses and non-transformative uses is based on whether the allegedly

infringing work is the original second-in-time piece (the Prince Series) or a licensed copy of that piece. To the contrary, the Second Circuit’s novel and incorrect prescription for the transformativeness inquiry revolves entirely around the visual differences in the works themselves. The court made no effort to explain how that inquiry could ever apply differently to the initial creation of a new work that visually resembles a preexisting one—and indeed none is logically possible. And the art world understands as much. As a result, the court’s opinion will undoubtedly chill the creation of new works that incorporate or are inspired by preexisting works or protected material. It will likewise leave owners and museums seeking to display such works clueless as to what—if anything—they may lawfully do with respect to the display and sale of those works.

* * *

This petition presents an ideal vehicle to resolve those thorny questions. The “material facts are not in dispute” in this case. App. 11a. And the issue of transformativeness is squarely teed up with both the district court and the Second Circuit concluding that Warhol’s work “change[d] the Goldsmith Photograph in ways that give a different impression of its subject.” *Id.* at 26a; *see also id.* at 27a. This Court should seize this opportunity to clarify the proper standard for transformativeness in the context of artistic works.

CONCLUSION

The petition for certiorari should be granted.

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December 9, 2021

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UNITED STATES COURT OF APPEALS,
SECOND CIRCUIT

August Term, 2020

Argued: September 15, 2020

Decided: March 26, 2021

Amended: August 24, 2021

Docket No. 19-2420-cv

THE ANDY WARHOL FOUNDATION FOR THE VISUAL
ARTS, INC.,

*Plaintiff-Counter-
Defendant-Appellee,*

— v. —

LYNN GOLDSMITH, LYNN GOLDSMITH, LTD.,

*Defendants-Counter-
Plaintiffs-Appellants.*

11 F.4th 26

Before:

JACOBS, LYNCH, and SULLIVAN, *Circuit Judges.*

OPINION

GERARD E. LYNCH, *Circuit Judge.*

This case concerns a series of silkscreen prints and pencil illustrations created by the visual artist Andy Warhol based on a 1981 photograph of the musical artist Prince that was taken by Defendant-Appellant

Lynn Goldsmith in her studio, and in which she holds copyright. In 1984, Goldsmith's agency, Defendant-Appellant Lynn Goldsmith, Ltd. ("LGL"), then known as Lynn Goldsmith, Inc., licensed the photograph to Vanity Fair magazine for use as an artist reference. Unbeknownst to Goldsmith, that artist was Warhol. Also unbeknownst to Goldsmith (and remaining unknown to her until 2016), Warhol did not stop with the image that Vanity Fair had commissioned him to create, but created an additional fifteen works, which together became known as the Prince Series.

Goldsmith first became aware of the Prince Series after Prince's death in 2016. Soon thereafter, she notified Plaintiff-Appellee The Andy Warhol Foundation for the Visual Arts, Inc. ("AWF"), successor to Warhol's copyright in the Prince Series, of the perceived violation of her copyright in the photo. In 2017, AWF sued Goldsmith and LGL for a declaratory judgment that the Prince Series works were non-infringing or, in the alternative, that they made fair use of Goldsmith's photograph. Goldsmith and LGL countersued for infringement. The United States District Court for the Southern District of New York (John G. Koeltl, *J.*) granted summary judgment to AWF on its assertion of fair use and dismissed Goldsmith and LGL's counterclaim with prejudice.

Goldsmith and LGL contend that the district court erred in its assessment and application of the four fair-use factors. In particular, they argue that the district court's conclusion that the Prince Series works are transformative was grounded in a subjective evaluation of the underlying artistic message of the works rather than an objective assessment of their purpose and character. We agree. We further agree that the district court's error in

analyzing the first factor was compounded in its analysis of the remaining three factors. We conclude upon our own assessment of the record that all four factors favor Goldsmith and that the Prince Series works are not fair use as a matter of law. We further conclude that the Prince Series works are substantially similar to the Goldsmith Photograph as a matter of law.¹

BACKGROUND

The relevant facts, which we draw primarily from the parties' submissions below in support of their respective cross-motions for summary judgment, are undisputed.

Goldsmith is a professional photographer primarily focusing on celebrity photography, including portrait and concert photography of rock-and-roll musicians. Goldsmith has been active since the 1960s, and her work has been featured widely, including on over 100 record album covers. Goldsmith also founded LGL, the first photo agency focused on celebrity portraiture. LGL represents the work of

¹ After our initial disposition of this appeal, *see Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 992 F.3d 99 (2d Cir. 2021), the Supreme Court issued its decision in *Google LLC v. Oracle America, Inc.*, 141 S. Ct. 1183, 209 L.Ed.2d 311 (2021), which discussed the fair-use factors implicated in this case. Shortly thereafter, Plaintiff-Appellee filed a "Petition for Panel Rehearing and Rehearing En Banc" (the "petition"). Apart from its reliance on the *Google* opinion, the petition mostly recycles arguments already made and rejected, and requires little comment. Nevertheless, in order to carefully consider the Supreme Court's most recent teaching on fair use, we hereby GRANT the petition, conclude that additional oral argument is unnecessary, *see* Fed R. App. P. 40(a)(4)(A), withdraw our opinion of March 26, 2021, and issue this amended opinion in its place.

over two hundred photographers worldwide, including Goldsmith herself.

Andy Warhol, né Andrew Warhola, was an artist recognized for his significant contributions to contemporary art in a variety of media. Warhol is particularly known for his silkscreen portraits of contemporary celebrities. Much of his work is broadly understood as “comment[ing] on consumer culture and explor[ing] the relationship between celebrity culture and advertising.” *Cariou v. Prince*, 714 F.3d 694, 706 (2d Cir. 2013). AWF is a New York not-for-profit corporation established in 1987 after Warhol’s death. AWF holds title to and copyright in much of Warhol’s work, which it licenses to generate revenue to further its mission of advancing the visual arts, “particularly work that is experimental, under-recognized, or challenging in nature.” J. App’x at 305.

On December 3, 1981, while on assignment from Newsweek magazine, Goldsmith took a series of portrait photographs of (then) up-and-coming musician Prince Rogers Nelson (known through most of his career simply as “Prince”) in her studio. Goldsmith testified that, prior to Prince’s arrival at her studio, she arranged the lighting in a way to showcase his “chiseled bone structure.” *Id.* at 706. Goldsmith also applied additional makeup to Prince, including eyeshadow and lip gloss, which she testified was intended both to build a rapport with Prince and to accentuate his sensuality. Goldsmith further testified that she was trying to capture Prince’s “willing[ness] to bust through what must be [his] immense fears to make the work that [he] wanted to [make].” *Id.* at 1557. Goldsmith took black-and-white and color photographs using a Nikon 35-mm camera

and a mixture of 85- and 105-mm lenses, which she chose to best capture the shape of Prince's face.

Prince, who according to Goldsmith appeared nervous and uncomfortable, retired to the green room shortly after the session began and ultimately left without allowing Goldsmith to take any additional photographs. During the truncated session, Goldsmith took 23 photographs, 12 in black and white and 11 in color. Goldsmith retained copyright in each of the photographs that she took. Most relevant to this litigation is the following photograph, hereinafter referred to as the "Goldsmith Photograph":

6a



In 1984, Goldsmith, through LGL, licensed the Goldsmith Photograph to Vanity Fair magazine for use as an artist reference. Esin Goknar, who was photo editor at Vanity Fair in 1984, testified that the term “artist reference” meant that an artist “would create a work of art based on [the] image reference.”

Id. at 783. The license permitted Vanity Fair to publish an illustration based on the Goldsmith Photograph in its November 1984 issue, once as a full page and once as a quarter page. The license further required that the illustration be accompanied by an attribution to Goldsmith. Goldsmith was unaware of the license at the time and played no role in selecting the Goldsmith Photograph for submission to Vanity Fair.

Vanity Fair, in turn, commissioned Warhol to create an image of Prince for its November 1984 issue. Warhol's illustration, together with an attribution to Goldsmith, was published accompanying an article about Prince by Tristan Vox and appeared as follows:



In addition to the credit that ran alongside the image, a separate attribution to Goldsmith was included elsewhere in the issue, crediting her with the

“source photograph” for the Warhol illustration. Vanity Fair did not advise Goldsmith that Warhol was the artist for whom her work would serve as a reference, and she did not see the article when it was initially published.

Unbeknownst to Goldsmith and LGL, Warhol created 15 additional works based on the Goldsmith Photograph, known collectively, and together with the Vanity Fair image, as the “Prince Series.”² The Prince Series comprises fourteen silkscreen prints (twelve on canvas, two on paper) and two pencil illustrations, and includes the following images:



Although the specific means that Warhol used to create the images is unknown (and, perhaps, at this point, unknowable), Neil Printz, the editor of the

² Though it acknowledged that the depiction of Prince in the Prince Series is similar to that in the Goldsmith Photograph, AWF did not concede below that the Goldsmith Photograph was the source image for the Prince Series, arguing instead that “somehow, Warhol created” it. Dist. Ct. Dkt. 55 at 18. In its brief before this Court, however, AWF describes the Goldsmith Photograph as the “source image” for the Prince Series. Appellee’s Br. at 6-7.

Andy Warhol Catalogue Raisonné, testified that it was Warhol's usual practice to reproduce a photograph as a high-contrast two-tone image on acetate that, after any alterations Warhol chose to make, would be used to create a silkscreen. For the canvas prints, Warhol's general practice was to paint the background and local colors prior to the silkscreen transfer of the image. Paper prints, meanwhile, were generally created entirely by the silkscreen process without any painted embellishments. Finally, Warhol's typical practice for pencil sketches was to project an image onto paper and create a contoured pencil drawing around the projected image.

At some point after Warhol's death, AWF acquired title to and copyright in the Prince Series. Between 1993 and 2004, AWF sold or otherwise transferred custody of 12 of the original Prince Series works to third parties, and, in 1998, transferred custody of the other four works to The Andy Warhol Museum. AWF retains copyright in the Prince Series images and, through The Artist Rights Society (a third-party organization that serves as AWF's agent), continues to license the images for editorial, commercial, and museum usage.

On April 22, 2016, the day after Prince died, Condé Nast, Vanity Fair's parent company, contacted AWF. Its initial intent in doing so was to determine whether AWF still had the 1984 image, which Condé Nast hoped to use in connection with a planned magazine commemorating Prince's life. After learning that AWF had additional images from the Prince Series, Condé Nast ultimately obtained a commercial license, to be exclusive for three months, for a different Prince Series image for the cover of the planned tribute magazine. Condé Nast published the tribute

magazine in May 2016 with a Prince Series image on the cover. Goldsmith was not given any credit or attribution for the image, which was instead attributed solely to AWF.

It was at that point that Goldsmith first became aware of the Prince Series. In late July 2016, Goldsmith contacted AWF to advise it of the perceived infringement of her copyright. That November, Goldsmith registered the Goldsmith Photograph with the U.S. Copyright Office as an unpublished work. On April 7, 2017, AWF sued Goldsmith and LGL for a declaratory judgment of non-infringement or, in the alternative, fair use. Goldsmith countersued for copyright infringement under 17 U.S.C. §§ 106, 501.

On July 1, 2019, the district court granted summary judgment for AWF on its fair-use claim. *See Andy Warhol Found. for the Visual Arts, Inc. v. Goldsmith*, 382 F. Supp. 3d 312, 316 (S.D.N.Y. 2019). Upon evaluating the four statutory fair-use factors set forth in 17 U.S.C. § 107, the court concluded that: (1) the Prince Series was “transformative” because, while the Goldsmith Photograph portrays Prince as “not a comfortable person” and a “vulnerable human being,” the Prince Series portrays Prince as an “iconic, larger-than-life figure,” *id.* at 326; (2) although the Goldsmith Photograph is both creative and unpublished, which would traditionally weigh in Goldsmith’s favor, this was “of limited importance because the Prince Series works are transformative works,” *id.* at 327; (3) in creating the Prince Series, Warhol “removed nearly all [of] the [Goldsmith] [P]hotograph’s protectible elements,” *id.* at 330; and (4) the Prince Series works “are not market substitutes that have harmed – or have the potential

to harm – Goldsmith,” *id.* at 331. This appeal followed.

DISCUSSION

I. Standard of Review

“We review a grant of summary judgment *de novo*,” applying the standards set forth in Federal Rule of Civil Procedure 56(c). *Cariou*, 714 F.3d at 704. While fair use presents a mixed question of law and fact, it may be resolved on summary judgment where, as here, the material facts are not in dispute. *See, e.g., Google LLC v. Oracle Am., Inc.*, — U.S. —, 141 S. Ct. 1183, 1199-1200 (2021) (“[T]he ultimate question whether . . . facts show[] a ‘fair use’ is a legal question for judges to decide *de novo*.”).

II. Copyright, Derivative Works, and Fair Use

The Constitution empowers Congress to enact copyright laws “[t]o promote the Progress of Science and useful Arts.” U.S. Const. art. I, § 8, cl. 8. Congress has exercised this delegated authority continuously since the earliest days of the nation, beginning with the Copyright Act of 1790 and, more recently, through the Copyright Act of 1976. Under the 1976 Act, copyright protection extends both to the original creative work itself and to derivative works, which it defines as, in relevant part, “a work based upon one or more preexisting works, such as a[n] . . . art reproduction, abridgement, condensation, or any other form in which a work may be recast, transformed, or adapted.” 17 U.S.C. § 101.

The doctrine of fair use has developed along with the law of copyright. “[A]s Justice Story explained, ‘in truth, in literature, in science and in art, there are, and can be, few, if any, things, which in an abstract

sense, are strictly new and original throughout. Every book in literature, science and art, borrows, and must necessarily borrow, and use much which was well known and used before.’” *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 575 (1994), quoting *Emerson v. Davies*, 8 F. Cas. 615, 619 (No. 4,436) (C.C.D. Mass. 1845) (alterations adopted). The fair-use doctrine seeks to strike a balance between an artist’s intellectual property rights to the fruits of her own creative labor, including the right to license and develop (or refrain from licensing or developing) derivative works based on that creative labor, and “the ability of [other] authors, artists, and the rest of us to express them- or ourselves by reference to the works of others.” *Blanch v. Koons*, 467 F.3d 244, 250 (2d Cir. 2006).

Though it developed as a creature of common law, the fair-use defense was formally codified with the passage of the 1976 Act. The statute provides a non-exclusive list of four factors that courts are to consider when evaluating whether the use of a copyrighted work is “fair.” These factors are:

- (1) the purpose and character of the use, including whether such use is of a commercial nature or is for nonprofit educational purposes;
- (2) the nature of the copyrighted work;
- (3) the amount and substantiality of the portion used in relation to the copyrighted work as a whole; and
- (4) the effect of the use upon the potential market for or value of the copyrighted work.

17 U.S.C. § 107.

As the Supreme Court has held, fair use presents a holistic, context-sensitive inquiry “not to be

simplified with bright-line rules[.] . . . All [four statutory factors] are to be explored, and the results weighed together, in light of the purposes of copyright.” *Campbell*, 510 U.S. at 577-78; *see also*, *e.g.*, *Google*, 141 S. Ct. at 1197 (fair use “is flexible” and “its application may well vary depending upon context”); *Cariou*, 714 F.3d at 705 (“[T]he fair use determination is an open-ended and context-sensitive inquiry.”). Indeed, the Supreme Court has explained that courts must “apply [fair use] in light of the sometimes conflicting aims of copyright law” and that “copyright’s protection may be stronger where the copyrighted material . . . serves an artistic rather than a utilitarian function.” *Google*, 141 S. Ct. at 1197.

With those competing goals in mind, we consider each factor to determine whether AWF can avail itself of the fair-use defense in this case. We hold that it cannot.

A. The Purpose and Character of The Use

This factor requires courts to consider the extent to which the secondary work is “transformative,” as well as whether it is commercial. We address these considerations separately below.

1. Transformative Works and Derivative Works

Following the Supreme Court’s decision in *Campbell*, our assessment of this first factor has focused chiefly on the degree to which the use is “transformative,” *i.e.*, “whether the new work merely supersedes the objects of the original creation, or instead adds something new, with a further purpose or different character, altering the first with new expression, meaning, or message.” 510 U.S. at 579 (internal quotations marks and citations omitted)

(alterations adopted); *see also Google*, 141 S. Ct. at 1203 (“[W]e have used the word ‘transformative’ to describe a copying use that adds something new and important.”). We evaluate whether a work is transformative by examining how it may “reasonably be perceived.” *Cariou*, 714 F.3d at 707, quoting *Campbell*, 510 U.S. at 582; *see also, e.g., Leibovitz v. Paramount Pictures Corp.*, 137 F.3d 109, 113-15 (2d Cir. 1998). Paradigmatic examples of transformative uses are those Congress itself enumerated in the preamble to § 107: “criticism, comment, news reporting, teaching . . . , scholarship, or research.” 17 U.S.C. § 107. And, as the Supreme Court recognized in *Campbell*, parody, which “needs to mimic an original to make its point,” 510 U.S. at 580-81, is routinely held transformative. *See, e.g., Brownmark Films, LLC v. Comedy Partners*, 682 F.3d 687, 693 (7th Cir. 2012). These examples are easily understood: the book review excerpting a passage of a novel in order to comment upon it serves a manifestly different purpose from the novel itself. *See Authors Guild v. Google, Inc.*, 804 F.3d 202, 215-16 (2d Cir. 2015) (“[C]opying from an original for the purpose of criticism or commentary on the original . . . tends most clearly to satisfy *Campbell’s* notion of the ‘transformative’ purpose involved in the analysis of Factor One.”).

Although the most straightforward cases of fair use thus involve a secondary work that comments on the original in some fashion, in *Cariou v. Prince*, we rejected the proposition that a secondary work *must* comment on the original in order to qualify as fair use. *See* 714 F.3d at 706. In that case, we considered works of appropriation artist Richard Prince that incorporated, among other materials, various black-

and-white photographs of Rastafarians taken by Patrick Cariou. *See id.* at 699. After concluding that the district court had imposed a requirement unsupported by the Copyright Act, we conducted our own examination of Prince’s works and concluded that twenty-five of the thirty at issue were transformative of Cariou’s photographs as a matter of law. *See id.* at 706. In reaching this conclusion, we observed that Prince had incorporated Cariou’s “serene and deliberately composed portraits and landscape photographs” into his own “crude and jarring works . . . [that] incorporate[d] color, feature[d] distorted human and other forms and settings, and measure[d] between ten and nearly a hundred times the size of the photographs.” *Id.* Thus, we concluded that these works “used [Cariou’s photographs] as raw material, transformed in the creation of new information, new aesthetics, new insights and understandings,” and were transformative within the meaning of this first factor. *Id.*, quoting *Castle Rock Ent. v. Carol Publ’g Grp.*, 150 F.3d 132, 142 (2d Cir. 1998).

In adjudging the Prince Series transformative, the district court relied chiefly on our decision in *Cariou*, which we have previously described as the “high-water mark of our court’s recognition of transformative works.” *TCA Television Corp. v. McCollum*, 839 F.3d 168, 181 (2d Cir. 2016). And, as we have previously observed, that decision has not been immune from criticism. *See id.* (collecting critical authorities). While we remain bound by *Cariou*, and have no occasion or desire to question its correctness on its own facts, our review of the decision below persuades us that some clarification is in order.

As discussed *supra*, both the Supreme Court and this Court have emphasized that fair use is a context-sensitive inquiry that does not lend itself to simple bright-line rules. *See, e.g., Google*, 141 S. Ct. at 1196-97; *Campbell*, 510 U.S. at 577-78; *Cariou*, 714 F.3d at 705. Notwithstanding, the district court appears to have read *Cariou* as having announced such a rule, to wit, that any secondary work is *necessarily* transformative as a matter of law “[i]f looking at the works side-by-side, the secondary work has a different character, a new expression, and employs new aesthetics with [distinct] creative and communicative results.” *Warhol*, 382 F. Supp. 3d at 325-26 (internal quotation marks omitted) (alterations adopted). Although a literal construction of certain passages of *Cariou* may support that proposition, such a reading stretches the decision too far.

Of course, the alteration of an original work “with ‘new expression, meaning, or message,’” *Cariou*, 714 F.3d at 706, quoting *Campbell*, 510 U.S. at 579, whether by the use of “new aesthetics,” *id.*, quoting *Blanch*, 467 F.3d at 253, by placing the work “in a different context,” *Perfect 10, Inc. v. Amazon.com, Inc.*, 508 F.3d 1146, 1165 (9th Cir. 2007) (internal quotation marks omitted), or by any other means is the *sine qua non* of transformativeness. It does not follow, however, that any secondary work that adds a new aesthetic or new expression to its source material is necessarily transformative.

Consider the five works at issue in *Cariou* that we did *not* conclude were transformative as a matter of law. Though varying in degree both amongst themselves and as compared to the works that we did adjudge transformative, each undoubtedly imbued

Cariou's work with a "new aesthetic" as that phrase might be colloquially understood. Prince's *Canal Zone* (2007) is a collage of thirty-six of Cariou's photographs, most of which Prince altered by, for example, painting over the faces and bodies of Cariou's subjects, in some instances altering them significantly. See *Cariou*, 714 F.3d at 711. In *Graduation*, Prince added blue "lozenges" over the eyes and mouth of Cariou's subject and pasted an image of hands playing a blue guitar over his hands. *Id.* Both of these works certainly imbued the originals from which they derive with a "new aesthetic;" notwithstanding, we could not "confidently . . . make a determination about their transformative nature as a matter of law." *Id.*

Moreover, there exists an entire class of secondary works that add "new expression, meaning, or message" to their source material, *Campbell*, 510 U.S. at 579, but may nonetheless fail to qualify as fair use: derivative works. There is some inherent tension in the Copyright Act between derivative works, reserved to the copyright holder, which are defined in part as works that "recast[], transform[], or adapt[]" an original work, 17 U.S.C. § 101 (emphasis added), and "transformative" fair uses of the copyrighted work by others. Thus, as we have previously observed, an overly liberal standard of transformativeness, such as that employed by the district court in this case, risks crowding out statutory protections for derivative works. See *Authors Guild*, 804 F.3d at 216 n.18 ("[T]he word 'transformative,' if interpreted too broadly, can also seem to authorize copying that should fall within the scope of an author's derivative rights.").

We addressed derivative works in *Cariou*, characterizing them as secondary works that merely present “the same material but in a new form” without “add[ing] something new.” 714 F.3d at 708 (citation omitted); *see also Authors Guild*, 804 F.3d at 215-16 (“[D]erivative works generally involve transformations in the nature of *changes of form*.”) (emphasis in original). While that description may be a useful shorthand, it is likewise susceptible to misapplication if interpreted too broadly. Indeed, many derivative works that “add something new” to their source material would *not* qualify as fair use.

Consider, for example, a film adaptation of a novel. Such adaptations frequently add quite a bit to their source material: characters are combined, eliminated, or created out of thin air; plot elements are simplified or eliminated; new scenes are added; the moral or political implications of the original work may be eliminated or even reversed, or plot and character elements altered to create such implications where the original text eschewed such matters. And all of these editorial modifications are filtered through the creative contributions of the screenwriter, director, cast, camera crew, set designers, cinematographers, editors, sound engineers, and myriad other individuals integral to the creation of a film. It is for that reason that we have recognized that “[w]hen a novel is converted to a film . . . [t]he invention of the original author combines with the cinematographic interpretive skills of the filmmaker to produce something that neither could have produced independently.” *Authors Guild*, 804 F.3d at 216 n.18. Despite the extent to which the resulting movie may transform the aesthetic and message of the underlying literary work, film adaptations are

identified as a paradigmatic example of derivative works. See, e.g., *Authors Guild, Inc. v. HathiTrust*, 755 F.3d 87, 95 (2d Cir. 2014) (“Paradigmatic examples of derivative works include . . . the adaptation of a novel into a movie or a play.”).

In evaluating the extent to which a work is transformative in the fair use context, we consider the “purpose and character” of the primary and secondary works. *Google*, 141 S. Ct. at 1204. In *Bill Graham Archives v. Dorling Kindersley Ltd.*, for example, we held that the reproduction in a book about the Grateful Dead of images of posters originally created to advertise Grateful Dead concerts was transformative because that use was “plainly different from the original purpose for which they were created.” 448 F.3d 605, 609-10 (2d Cir. 2006). Likewise, in *HathiTrust* we held that the defendants’ creation of a searchable “digital corpus” comprising scanned copies of tens of millions of books that enabled researchers, scholars, and others to pinpoint the exact page of any book in the catalogue on which the searched term was used was a “quintessentially transformative use.” 755 F.3d at 97. In *Authors Guild*, we reached the same conclusion when faced with a larger digital corpus complete with tools that enabled researchers to track how a specific word or phrase has been used throughout the development of the English language, despite the fact that, unlike the database in *Hathitrust*, Google’s database also permitted the searcher to view a “snippet” from the original text showing the context in which the word or phrase had appeared. 804 F.3d at 216-17. And most recently, in *Google*, the Supreme Court held that fair use protected Google’s “precise[]” copying of certain computer programming language in part because

Google sought “to create new products . . . [and] expand the use and usefulness of . . . smartphones” with it. *Google*, 141 S. Ct. at 1203. Thus, the Supreme Court concluded, “the ‘purpose and character’ of Google’s copying was transformative.” *Id.* at 1204.

But purpose is perhaps a less useful metric where, as here, our task is to assess the transformative nature of works of visual art that, at least at a high level of generality, share the same overarching purpose (*i.e.*, to serve as works of visual art). While this is not the first time we have had to conduct this inquiry, our cases on such works are considerably fewer in number, and a brief review of them yields conflicting guidance. In *Blanch v. Koons*, for example, we adjudged transformative a Jeff Koons painting that incorporated a copyrighted photograph drawn from a fashion magazine where Koons had testified that he intended to “us[e] Blanch’s image as fodder for his commentary on the social and aesthetic consequences of mass media.” 467 F.3d at 253. Some time earlier, however, in *Rogers v. Koons*, we denied Koons’s fair-use defense as applied to a three-dimensional sculpture recreating a photograph, notwithstanding his claim that he intended his sculpture to serve as a commentary on modern society. 960 F.2d 301, 309-11 (2d Cir. 1992).³ And, in *Cariou*, we held twenty-five of Richard Prince’s works transformative as a matter of law even though Prince

³ We note that *Rogers* predates the Supreme Court’s formal adoption of the “transformative use” test and thus does not phrase its inquiry in precisely the same manner as the cases that have followed. However, it remains a precedential decision of this Court, and we believe it particularly relevant in this case.

had testified that he “was not ‘trying to create anything with a new meaning or a new message.’” 714 F.3d at 707.

Matters become simpler, however, when we compare the works at issue in each case against their respective source materials. The sculpture at issue in *Rogers* was a three-dimensional colorized version of the photograph on which it was based. See 960 F.2d at 305. In *Blanch*, however, Koons used Blanch’s photograph, depicting a woman’s legs in high-heeled shoes, as part of a larger work in which he set it alongside several other similar photographs with “changes of its colors, the background against which it is portrayed, the medium, the size of the objects pictured, [and] the objects’ details.” 467 F.3d at 253. In so doing, Koons used Blanch’s photograph “as raw material for an entirely different type of art . . . that comment[ed] on existing images by juxtaposing them against others.” *Id.* at 262 (Katzmann, J., concurring). And in *Cariou*, the copyrighted works found to have been fairly used were, in most cases, juxtaposed with other photographs and “obscured and altered to the point that Cariou’s original [was] barely recognizable.” 714 F.3d at 710. The works that were found potentially infringing in *Cariou*, however, were ones in which the original was altered in ways that did not incorporate other images and that superimposed other elements that did not obscure the original image and in which the original image remained, as in the Koons sculpture at issue in *Rogers*, a major if not dominant component of the impression created by the allegedly infringing work. See *id.* at 710-11.

A common thread running through these cases is that, where a secondary work does not obviously

comment on or relate back to the original or use the original for a purpose other than that for which it was created, the bare assertion of a “higher or different artistic use,” *Rogers*, 960 F.2d at 310, is insufficient to render a work transformative. Rather, the secondary work itself must reasonably be perceived as embodying a distinct artistic purpose, one that conveys a new meaning or message separate from its source material. While we cannot, nor do we attempt to, catalog all of the ways in which an artist may achieve that end, we note that the works that have done so thus far have themselves been distinct works of art that draw from numerous sources, rather than works that simply alter or recast a single work with a new aesthetic.

Which brings us back to the Prince Series. The district court held that the Prince Series works are transformative because they “can reasonably be perceived to have transformed Prince from a vulnerable, uncomfortable person to an iconic, larger-than-life figure.” *Warhol*, 382 F. Supp. 3d at 326. That was error.

Though it may well have been Goldsmith’s subjective intent to portray Prince as a “vulnerable human being” and Warhol’s to strip Prince of that humanity and instead display him as a popular icon, whether a work is transformative cannot turn merely on the stated or perceived intent of the artist or the meaning or impression that a critic – or for that matter, a judge – draws from the work. Were it otherwise, the law may well “recogniz[e] any alteration as transformative.” 4 Melville B. Nimmer & David Nimmer, *Nimmer on Copyright* § 13.05(B)(6).

In conducting this inquiry, however, the district judge should not assume the role of art critic and seek

to ascertain the intent behind or meaning of the works at issue. That is so both because judges are typically unsuited to make aesthetic judgments and because such perceptions are inherently subjective.⁴ As Goldsmith argues, her own stated intent notwithstanding, “an audience viewing the [Goldsmith] [P]hotograph today, across the vista of the singer’s long career, might well see him in a different light than Goldsmith saw him that day in 1981.” Appellants’ Br. at 40. We agree; it is easy to imagine that a whole generation of Prince’s fans might have trouble seeing the Goldsmith Photograph as depicting anything other than the iconic songwriter and performer whose musical works they enjoy and admire.

Instead, the judge must examine whether the secondary work’s use of its source material is in service of a “fundamentally different and new” artistic purpose and character, such that the secondary work stands apart from the “raw material” used to create it. *Cariou*, 714 F.3d at 706 (internal quotation marks omitted). Although we do not hold that the primary work must be “barely recognizable” within the secondary work, as was the case with the works held transformative in *Cariou*, *id.* at 710, the secondary work’s transformative purpose and character must, at a bare minimum, comprise something more than the imposition of another artist’s style on the primary

⁴ As the Supreme Court observed over a century ago, “[i]t would be a dangerous undertaking for persons trained only [in] the law to constitute themselves final judges of the worth of pictorial illustrations, outside of the narrowest and most obvious limits.” *Bleistein v. Donaldson Lithographing Co.*, 188 U.S. 239, 251 (1903).

work such that the secondary work remains both recognizably deriving from, and retaining the essential elements of, its source material.

With this clarification, viewing the works side-by-side, we conclude that the Prince Series is not “transformative” within the meaning of the first factor. That is not to deny that the Warhol works display the distinct aesthetic sensibility that many would immediately associate with Warhol’s signature style – the elements of which are absent from the Goldsmith photo. But the same can be said, for example, of the Ken Russell film, from a screenplay by Larry Kramer, derived from D.H. Lawrence’s novel, *Women in Love*: the film is as recognizable a “Ken Russell” as the Prince Series are recognizably “Warhols.” But the film, for all the ways in which it transforms (that is, in the ordinary meaning of the word, which indeed is used in the very definition of derivative works, see 17 U.S.C. § 101) its source material, is also plainly an adaptation of the Lawrence novel.

As in the case of such paradigmatically derivative works, there can be no meaningful dispute that the overarching purpose and function of the two works at issue here is identical, not merely in the broad sense that they are created as works of visual art,⁵ but also in the narrow but essential sense that they are

⁵ The fact that the Goldsmith Photograph and the Prince Series were both created for artistic purposes makes this a different case from, for example, “[a]n artistic painting . . . precisely replicat[ing] a copyrighted advertising logo to make a comment about consumerism” (such as Warhol’s well-known depictions of Campbell’s soup cans), which “might . . . fall within the scope of fair use.” *Google*, 141 S. Ct. at 1203 (internal quotation marks omitted).

portraits of the same person.⁶ See *Gaylord v. United States*, 595 F.3d 1364, 1372-73 (Fed. Cir. 2010) (photograph of Korean War Memorial used on stamp not transformative despite “different expressive character” brought about by subdued lighting and snow since sculpture and stamp shared purpose of “honor[ing] veterans of the Korean War”). Although this observation does not *per se* preclude a conclusion that the Prince Series makes fair use of the Goldsmith Photograph, the district court’s conclusion rests significantly on the transformative character of Warhol’s work. But the Prince Series works can’t bear that weight.

Warhol created the series chiefly by removing certain elements from the Goldsmith Photograph, such as depth and contrast, and embellishing the flattened images with “loud, unnatural colors.” *Warhol*, 382 F. Supp. 3d at 326. Nonetheless, although we do not conclude that the Prince Series works are necessarily *derivative* works as a matter of law, they are much closer to presenting the same work in a different form, that form being a high-contrast screenprint, than they are to being works that make a transformative use of the original. Crucially, the Prince Series retains the essential

⁶ As much as art critics might distinguish Warhol’s aesthetic intentions from those of portrait photographers, Warhol’s celebrity prints are invariably identifiable likenesses of their subjects. The district court’s description of the Prince Series works as transformative because they “can reasonably be perceived to have transformed Prince from a vulnerable, uncomfortable person to an iconic, larger-than-life figure,” 382 F. Supp. 3d at 326, rests implicitly on the Warhol depiction being perceived as a recognizable depiction of Prince.

elements of the Goldsmith Photograph without significantly adding to or altering those elements.

Indeed, the differences between the Goldsmith Photograph and the Prince Series here are in many respects less substantial than those made to the five works that we could not find transformative as a matter of law in *Cariou*. Unlike the Prince Series, those works unmistakably deviated from Cariou's original portraiture in a manner that suggested an entirely distinct artistic end; rather than recasting those photographs in a new medium, Richard Prince added material that pulled them in new directions. *See, e.g., Cariou*, 714 F.3d at 711 (“Where [Cariou’s] photograph presents someone comfortably at home in nature, [Prince’s] *Graduation* combines divergent elements to present a sense of discomfort.”). Nevertheless, we could not confidently determine whether those modest alterations “amount[ed] to a substantial transformation of the original work[s] of art such that the new work[s] were transformative,” and remanded the case to the district court to make that determination in the first instance. *Id.*

In contrast, the Prince Series retains the essential elements of its source material, and Warhol's modifications serve chiefly to magnify some elements of that material and minimize others. While the cumulative effect of those alterations may change the Goldsmith Photograph in ways that give a different impression of its subject, the Goldsmith Photograph remains the recognizable foundation upon which the Prince Series is built.

Finally, we feel compelled to clarify that it is entirely irrelevant to this analysis that “each Prince Series work is immediately recognizable as a ‘Warhol.’” *Warhol*, 382 F. Supp. 3d at 326.

Entertaining that logic would inevitably create a celebrity-plagiarist privilege; the more established the artist and the more distinct that artist's style, the greater leeway that artist would have to pilfer the creative labors of others. But the law draws no such distinctions; whether the Prince Series images exhibit the style and characteristics typical of Warhol's work (which they do) does not bear on whether they qualify as fair use under the Copyright Act. As Goldsmith notes, the fact that Martin Scorsese's recent film *The Irishman* is recognizably "a Scorsese" "do[es] not absolve [him] of the obligation to license the original book" on which it is based. Appellants' Br. at 37.

In reaching this conclusion, we do not mean to discount the artistic value of the Prince Series itself. As used in copyright law, the words "transformative" and "derivative" are legal terms of art that do not express the simple ideas that they carry in ordinary usage. We do not disagree with AWF's contention that the cumulative effect of Warhol's changes to the Goldsmith Photograph is to produce a number of striking and memorable images. And our conclusion that those images are closer to what the law deems "derivative" (and not "transformative") does not imply that the Prince Series (or Warhol's art more broadly) is "derivative," in the pejorative artistic sense, of Goldsmith's work or of anyone else's. As Goldsmith succinctly puts it, "[t]here is little doubt . . . that the Prince Series reflects Andy Warhol's talent, creativity, and distinctive aesthetic." Appellants' Br. at 36. But the task before us is not to assess the artistic worth of the Prince Series nor its place within Warhol's oeuvre; that is the domain of art historians, critics, collectors, and the museum-going public. Rather, the question we must answer is simply

whether the law permits Warhol to claim it as his own, and AWF to exploit it, without Goldsmith's permission. And, at least as far as this aspect of the first factor is concerned, we conclude that the answer to that question is "no."

2. Commercial Use

The statutory language of the first factor also specifically directs courts to consider "whether [the] use is of a commercial nature or is for nonprofit educational purposes." 17 U.S.C. § 107(1). Although finding that a secondary use is commercial "tends to weigh against" finding that it is fair, we apply the test with caution since "nearly all of the illustrative uses listed in the preamble paragraph of § 107 . . . are generally conducted for profit in this country." *Campbell*, 510 U.S. at 584-85 (citation and internal quotation marks omitted).⁷ And, since "[t]he crux of the profit/nonprofit distinction is . . . whether the user stands to profit from exploitation of the copyrighted material without paying the customary price," *Harper & Row Publishers, Inc. v. Nation Enters.*, 471 U.S. 539, 562 (1985), the commercial nature of a secondary use is of decreased importance when the use is sufficiently transformative such that the primary author should not reasonably expect to be compensated. *See, e.g., Blanch*, 467 F.3d at 254.

⁷ To recognize this is not to read the commercial/non-profit factor out of the statute. There are other situations in which the absence or presence of a commercial motive may be highly significant. Producing a small number of copies of a short story to be distributed for free to a high school English class may be quite different from producing a similar number of copies for a lavishly bound and illustrated "limited edition" of the work to be sold in the marketplace at a high price.

We agree with the district court that the Prince Series works are commercial in nature, but that they produce an artistic value that serves the greater public interest. *See Warhol*, 382 F. Supp. 3d at 325. We also agree that, although more relevant to the character of the *user* than of the *use*, the fact that AWF's mission is to advance the visual arts, a mission that is doubtless in the public interest, may militate against the simplistic assertion that AWF's sale and licensing of the Prince Series works necessarily derogates from a finding of fair use. Nevertheless, just as we cannot hold that the Prince Series is transformative as a matter of law, neither can we conclude that Warhol and AWF are entitled to monetize it without paying Goldsmith the "customary price" for the rights to her work, even if that monetization is used for the benefit of the public.

Of course, even where the secondary use is not transformative, the extent to which it serves the public interest, either in and of itself or by generating funds that enable the secondary user to further a public-facing mission, may be highly relevant when assessing equitable remedies, including whether to enjoin the distribution or order the destruction of infringing works.⁸ But just as the commercial nature of a transformative secondary use does not itself preclude a finding that the use is fair, the fact that a commercial non-transformative work may also serve the public interest or that the profits from its

⁸ Goldsmith does not seek such remedies, and it is highly unlikely that any court would deem them appropriate in this case. *See Campbell*, 510 U.S. at 578 n.10, 114 S.Ct. 1164 ("[T]he goals of the copyright law . . . are not always best served by automatically granting injunctive relief when parodists are found to have gone beyond the bounds of fair use.").

commercial use are turned to the promotion of non-commercial ends does not factor significantly in favor of finding fair use under the circumstances present here.

B. The Nature of the Copyrighted Work

The second factor directs courts to consider the nature of the copyrighted work, including (1) whether it is “expressive or creative . . . or more factual, with a greater leeway being allowed to a claim of fair use where the work is factual or informational, and (2) whether the work is published or unpublished, with the scope of fair use involving unpublished works being considerably narrower.” *Blanch*, 467 F.3d at 256 (citation omitted).

The district court correctly held that the Goldsmith Photograph is both unpublished and creative but nonetheless concluded that the second factor should favor neither party because LGL had licensed the Goldsmith Photograph to Vanity Fair and because the Prince Series was highly transformative. *See Warhol*, 382 F. Supp. 3d at 327. That was error. That Goldsmith, through LGL, made the Goldsmith Photograph available for a single use on limited terms does not change its status as an unpublished work nor diminish the law’s protection of her choice of “when to make a work public and whether to withhold a work to shore up demand.” *Id.*, citing 4 *Nimmer on Copyright* § 13.05(A)(2)(b). Further, though we have previously held that this factor “may be of limited usefulness where the creative work is being used for a transformative purpose,” *Bill Graham Archives*, 448 F.3d at 612, this relates only to the weight assigned to it, not whom it favors. *See also Blanch*, 467 F.3d at 257 (“[T]he second fair-use factor has limited weight in our

analysis because Koons used Blanch's work in a transformative manner.”).

Having recognized the Goldsmith Photograph as both creative and unpublished, the district court should have found this factor to favor Goldsmith irrespective of whether it adjudged the Prince Series works transformative within the meaning of the first factor. And, because we disagree that the Prince Series works are transformative, we would accord this factor correspondingly greater weight.

C. The Amount and Substantiality of the Use

The third factor considers “the amount and substantiality of the portion used in relation to the copyrighted work as a whole.” 17 U.S.C. § 107(3). “In assessing this factor, we consider not only ‘the quantity of the materials used’ but also ‘their quality and importance’ ” in relation to the original work. *TCA Television*, 839 F.3d at 185, quoting *Campbell*, 510 U.S. at 587. The ultimate question under this factor is whether “the quantity and value of the materials used are reasonable in relation to the purpose of the copying.” *Campbell*, 510 U.S. at 586 (citation and internal quotation marks omitted). To that end, there is no bright line separating a permissible amount of borrowing from an impermissible one; indeed, we have rejected the proposition that this factor necessarily favors the copyright holder even where the secondary user has copied the primary work *in toto* in service of a legitimate secondary purpose. See *Swatch Grp. Mgmt. Servs. Ltd. v. Bloomberg L.P.*, 756 F.3d 73, 89-90 (2d Cir. 2014); see also *Rogers*, 960 F.2d at 310-11 (“Sometimes wholesale copying may be permitted, while in other cases taking even a small percentage of the original work has been held unfair use.”).

In this case, AWF argues, and the district court concluded, that this factor weighs in its favor because, by cropping and flattening the Goldsmith Photograph, thereby removing or minimizing its use of light, contrast, shading, and other expressive qualities, Warhol removed nearly all of its copyrightable elements. We do not agree.

We begin with the uncontroversial proposition that copyright does not protect ideas, but only “the original or unique way that an author expresses those ideas, concepts, principles, or processes.” *Rogers*, 960 F.2d at 308. As applied to photographs, this protection encompasses the photographer’s “posing the subjects, lighting, angle, selection of film and camera, evoking the desired expression, and almost any other variant involved.” *Id.* at 307. The cumulative manifestation of these artistic choices – and what the law ultimately protects – is the image produced in the interval between the shutter opening and closing, *i.e.*, the photograph itself. This is, as we have previously observed, the photographer’s “particular expression” of the idea underlying her photograph. *Leibovitz*, 137 F.3d at 115-16.

It is thus easy to understand why AWF’s contention misses the mark. The premise of its argument is that Goldsmith cannot copyright Prince’s face. True enough. Were it otherwise, nobody else could have taken the man’s picture without either seeking Goldsmith’s permission or risking a suit for infringement. But while Goldsmith has no monopoly on Prince’s face, the law grants her a broad monopoly on its image as it appears in her photographs of him,

including the Goldsmith Photograph.⁹ *Cf. Mattel, Inc. v. Goldberger Doll Mfg. Co.*, 365 F.3d 133, 136-37 (2d Cir. 2004) (vacating summary judgment where district court had concluded that “defendant could freely copy the central facial features of the Barbie dolls” and holding that Mattel could not monopolize the idea of a doll with “upturned nose, bow lips, and wide eyes,” but the law protected its specific rendition thereof). And where, as here, the secondary user has used the photograph itself, rather than, for example, a similar photograph, the photograph’s specific depiction of its subject cannot be neatly reduced to discrete qualities such as contrast, shading, and depth of field that can be stripped away, taking the image’s entitlement to copyright protection along with it.

With that in mind, we readily conclude that the Prince Series borrows significantly from the Goldsmith Photograph, both quantitatively and qualitatively. While Warhol did indeed crop and flatten the Goldsmith Photograph, the end product is not merely a screenprint identifiably based on a

⁹ It is for this reason that the cases that AWF cites in support of its position (and on which the district court relied) are not particularly instructive; each involves a claim in which a second, distinct work was alleged to infringe the protected expression of the original work, and each such claim was rejected on the basis that the second work copied only the unprotected idea of the original. *See, e.g., Bill Diodato Photography, LLC v. Kate Spade, LLC*, 388 F. Supp. 2d 382, 393 (S.D.N.Y. 2005) (involving separate photographs of women in bathroom stalls with jauntily placed handbags); *see also infra* Section III. Had Warhol used a different photograph that Goldsmith alleged was similar enough to her own to render the Prince Series an infringement of her work, these cases might be more instructive. But he did not, so they are not.

photograph of Prince. Rather it is a screenprint readily identifiable as deriving from a *specific* photograph of Prince, the Goldsmith Photograph. A comparison of the images in the Prince Series makes plain that Warhol did not use the Goldsmith Photograph simply as a reference or *aide-mémoire* in order to accurately document the physical features of its subject. Instead, the Warhol images are instantly recognizable as depictions or images of the Goldsmith Photograph itself.

To confirm this, one need look no further than the other photographs of Prince that AWF submitted in support of its motion below to evidence its contention that Prince's pose was not unique to the Goldsmith Photograph. Though any of them may have been suitable as a base photograph for Warhol's process, we have little doubt that the Prince Series would be quite different had Warhol used one of them instead of the Goldsmith Photograph to create it. But the resemblance between the Prince Series works and the Goldsmith Photograph goes even further; for example, many of the aspects of Prince's appearance in the Prince Series works, such as the way in which his hair appears shorter on the left side of his face, are present in the Goldsmith Photograph yet absent even from some other photographs that Goldsmith took of Prince during the same photo session. In other words, whatever the effect of Warhol's alterations, the "essence of [Goldsmith's] photograph was copied" and persists in the Prince Series. *Rogers*, 960 F.2d at 311. Indeed, Warhol's process had the effect of *amplifying*,

rather than minimizing, certain aspects of the Goldsmith Photograph.¹⁰

Nor can Warhol's appropriation of the Goldsmith Photograph be deemed reasonable in relation to his purpose. While Warhol presumably required a photograph of Prince to create the Prince Series, AWF proffers no reason why he required *Goldsmith's* photograph. See *TCA Television*, 839 F.3d at 181-82, 185 (wholesale borrowing of copyrighted comedy routine not reasonable where "defendants offer[ed] no persuasive justification" for its use). To the contrary, the evidence in the record suggests that Warhol had no particular interest in the Goldsmith Photograph or Goldsmith herself; Vanity Fair licensed *a* photograph of Prince, and there is no evidence that Warhol (or, for that matter, Vanity Fair) was involved in identifying or selecting the particular photograph that LGL provided.

To be clear, we do not hold that this factor will always favor the copyright holder where the work at issue is a photograph and the photograph remains identifiable in the secondary work. But this case is not *Kienitz v. Sconnie Nation LLC*, in which a panel of the Seventh Circuit held that a t-shirt design that incorporated a photograph in a manner that stripped

¹⁰ For example, the fact that Prince's mustache appears to be lighter on the right side of his face than the left is barely noticeable in the grayscale Goldsmith Photograph but is quite pronounced in the black-and-white Prince Series screenprints. Moreover, this feature of the Goldsmith Photograph is, again, not common to all other photographs of Prince even from that brief session. The similarity is not simply an artefact of what Prince's facial hair was like on that date, but of the particular effects of light and angle at which Goldsmith captured that aspect of his appearance.

away nearly every expressive element such that, “as with the Cheshire Cat, only the [subject’s] smile remain[ed]” was fair use. 766 F.3d 756, 759 (7th Cir. 2014). As discussed, Warhol’s rendition of the Goldsmith Photograph leaves quite a bit more detail, down to the glint in Prince’s eyes where the umbrellas in Goldsmith’s studio reflected off his pupils. Thus, though AWF urges this court to follow the Seventh Circuit’s lead, its decision in *Kienitz* would not compel a different result here, even if it were binding on us – which, of course, it is not.

The district court, reasoning that Warhol had taken only the unprotected elements of the Goldsmith Photograph in service of a transformative purpose, held that this factor strongly favored AWF. Because we disagree on both counts, we conclude that this factor strongly favors Goldsmith.

D. The Effect of the Use on the Market for the Original

The fourth factor asks “whether, if the challenged use becomes widespread, it will adversely affect the potential market for the copyrighted work.” *Bill Graham Archives*, 448 F.3d at 613. “Analysis of this factor requires us to balance the benefit the public will derive if the use is permitted and the personal gain the copyright owner will receive if the use is denied.” *Wright v. Warner Books, Inc.*, 953 F.2d 731, 739 (2d Cir. 1991) (internal quotation marks omitted). In assessing market harm, we ask not whether the second work would *damage* the market for the first (by, for example, devaluing it through parody or criticism), but whether it *usurps* the market for the first by offering a competing substitute. *See, e.g., Bill Graham Archives*, 448 F.3d at 614. This analysis embraces both the primary market for the work and

any derivative markets that exist or that its author might reasonably license others to develop, regardless of whether the particular author claiming infringement has elected to develop such markets. *See Salinger v. Colting*, 607 F.3d 68, 74, 83 (2d Cir. 2010) (affirming that fourth factor favored J.D. Salinger in suit over unauthorized sequel to *Catcher in the Rye* despite the fact that Salinger had publicly disclaimed any intent to author or authorize a sequel, but vacating preliminary injunction on other grounds). As we have previously observed, the first and fourth factors are closely linked, as “the more the copying is done to achieve a purpose that differs from the purpose of the original, the less likely it is that the copy will serve as a satisfactory substitute for the original.” *Authors Guild*, 804 F.3d at 223, citing *Campbell*, 510 U.S. at 591.

We agree with the district court that the primary market for the Warhol Prince Series (that is, the market for the original works) and the Goldsmith Photograph do not meaningfully overlap, and Goldsmith does not seriously challenge that determination on appeal. We cannot, however, endorse the district court’s implicit rationale that the market for Warhol’s works is the market for “Warhols,” as doing so would permit this aspect of the fourth factor always to weigh in favor of the alleged infringer so long as he is sufficiently successful to have generated an active market for his own work. Notwithstanding, we see no reason to disturb the district court’s overall conclusion that the two works occupy distinct markets, at least as far as direct sales are concerned.

We are unpersuaded, however, by the district court’s conclusion that the Prince Series poses no

threat to Goldsmith’s *licensing* markets. While Goldsmith does not contend that she has sought to license the Goldsmith Photograph itself, the question under this factor is not solely whether the secondary work harms an *existing* market for the specific work alleged to have been infringed. *Cf. Castle Rock*, 150 F.3d at 145-46 (“Although Castle Rock has evidenced little if any interest in exploiting this market for derivative works . . . the copyright law must respect that creative and economic choice.”). Rather, we must also consider whether “unrestricted and widespread conduct of the sort engaged in by [AWF] would result in a substantially adverse impact on the potential market” for the Goldsmith Photograph. *Campbell*, 510 U.S. at 590 (internal quotation marks omitted) (alterations adopted); *see also Fox News Network, LLC v. TVEyes, Inc.*, 883 F.3d 169, 179 (2d Cir. 2018).

As an initial matter, we note that the district court erred in apparently placing the burden of proof as to this factor on Goldsmith. *See, e.g., Warhol*, 382 F. Supp. 3d at 330. While our prior cases have suggested that the rightsholder bears some initial burden of identifying relevant markets,¹¹ we have never held that the rightsholder bears the burden of showing actual market harm. Nor would we so hold. Fair use is an affirmative defense; as such, the ultimate burden of proving that the secondary use does not

¹¹ *See HathiTrust*, 755 F.3d at 96 (“To defeat a claim of fair use, the copyright holder must point to the market harm that results because the secondary use serves as a substitute for the original work.”); *Leibovitz*, 137 F.3d at 116 n.6 (“Leibovitz has not identified any market for a derivative work that might be harmed by the Paramount ad. In these circumstances, the defendant had no obligation to present evidence showing lack of harm in a market for derivative works.”).

compete in the relevant market is appropriately borne by the party asserting the defense: the secondary user. *See Campbell*, 510 U.S. at 590, 114 S.Ct. 1164 (“Since fair use is an affirmative defense, its proponent would have difficulty carrying the burden of demonstrating fair use without favorable evidence about relevant markets.”); *Infinity Broadcast Corp. v. Kirkwood*, 150 F.3d 104, 110 (2d Cir. 1998) (“As always, [the secondary user] bears the burden of showing that his use does not” usurp the market for the primary work); *Dr. Seuss Enters., L.P. v. ComicMix LLC*, 983 F.3d 443, 459 (9th Cir. 2020) (“Not much about the fair use doctrine lends itself to absolute statements, but the Supreme Court and our circuit have unequivocally placed the burden of proof on the proponent of the affirmative defense of fair use.”).

In any case, whatever the scope of Goldsmith’s initial burden, she satisfied it here. Setting aside AWF’s licensing of Prince Series works for use in museum exhibits and publications about Warhol, which is not particularly relevant for the reasons set out in our discussion of the primary market for the works, there is no material dispute that both Goldsmith and AWF have sought to license (and indeed have successfully licensed) their respective depictions of Prince¹² to popular print magazines to accompany articles about him. As Goldsmith succinctly states: “both [works] are illustrations of the same famous musician with the same overlapping customer base.” Appellants’ Br. at 50. Contrary to

¹² In Goldsmith’s case, photographs other than the Goldsmith Photograph, which she has withheld from the market.

AWF's assertions, that is more than enough. *See Cariou*, 714 F.3d at 709 (“[A]n accused infringer has usurped the market for copyrighted works . . . where the infringer’s target audience and the nature of the infringing content is the same as the original.”). And, since Goldsmith has identified a relevant market, AWF’s failure to put forth any evidence that the availability of the Prince Series works poses no threat to Goldsmith’s actual or potential revenue in that market tilts the scales toward Goldsmith.

Further, the district court entirely overlooked the potential harm to Goldsmith’s derivative market, which is likewise substantial. Most directly, AWF’s licensing of the Prince Series works to Condé Nast without crediting or paying Goldsmith deprived her of royalty payments to which she would have otherwise been entitled. Although we do not always consider lost royalties from the challenged use itself under the fourth factor (as any fair use necessarily involves the secondary user using the primary work without paying for the right to do so), we do consider them where the secondary use occurs within a traditional or reasonable market for the primary work. *See Fox News*, 883 F.3d at 180; *On Davis v. Gap, Inc.*, 246 F.3d 152, 176 (2d Cir. 2001). And here, that market is established both by Goldsmith’s uncontroverted expert testimony that photographers generally license others to create stylized derivatives of their work in the vein of the Prince Series, *see* J. App’x 584-99, and by the genesis of the Prince Series: a licensing agreement between LGL and Vanity Fair to use the Goldsmith Photograph as an artist reference.¹³

¹³ Of course, if a secondary work is sufficiently transformative, the fact that its “raw material” was acquired by

We also must consider the impact on this market if the sort of copying in which Warhol engaged were to become a widespread practice. That harm is also self-evident. There currently exists a market to license photographs of musicians, such as the Goldsmith Photograph, to serve as the basis of a stylized derivative image; permitting this use would effectively destroy that broader market, as, if artists “could use such images for free, there would be little or no reason to pay for [them].” *Barcroft Media, Ltd. v. Coed Media Grp., LLC*, 297 F. Supp. 3d 339, 355 (S.D.N.Y. 2017); *see also Seuss*, 983 F.3d at 461 (“[T]he unrestricted and widespread conduct of the sort ComicMix is engaged in could result in anyone being able to produce” their own similar derivative works based on *Oh, the Places You’ll Go!*). This, in turn, risks disincentivizing artists from producing new work by decreasing its value – the precise evil against which copyright law is designed to guard.

Finally, our analysis of the fourth factor also “take[s] into account the public benefits the copying will likely produce.” *Google*, 141 S. Ct. at 1206; *see also Wright*, 953 F.2d at 739 (“Analysis of this factor requires us to balance the benefit the public will derive if the use is permitted”) (internal quotation marks omitted). AWF argues that weighing the public benefit cuts in its favor because “[d]enying fair-use protection to works like Warhol’s will chill the creation of art that employs pre-existing imagery to convey a distinct message.” Reply in Supp. of Pet. for Reh’g at 7-8. We disagree. Nothing in this

means of a limited license will not necessarily defeat a defense of fair use. As discussed *supra*, however, that is not the case here.

opinion stifles the creation of art that may reasonably be perceived as conveying a new meaning or message, and embodying a new purpose, separate from its source material. AWF also lists the possible consequences that it contends will flow if we deny fair use in this case. As discussed *supra*, however, those consequences would be significant to a district court primarily when assessing appropriate equitable relief for a copyright violation. And here, Goldsmith expressly disclaims seeking some of the most extreme remedies available to copyright owners. *See* 17 U.S.C. 503(b). Moreover, what encroaches on Goldsmith's market is AWF's commercial licensing of the Prince Series, not Warhol's original creation. Thus, art that is not turned into a commercial replica of its source material, and that otherwise occupies a separate primary market, has significantly more "breathing space" than the commercial licensing of the Prince Series. *Campbell*, 510 U.S. at 579.

Thus, although the primary market for the Goldsmith Photograph and the Prince Series may differ, the Prince Series works pose cognizable harm to Goldsmith's market to license the Goldsmith Photograph to publications for editorial purposes and to other artists to create derivative works based on the Goldsmith Photograph and similar works. Further, the public benefit of the copying at issue in this case does not outweigh the harm identified by Goldsmith. Accordingly, the fourth factor favors Goldsmith.

E. Weighing the Factors

“[T]his court has on numerous occasions resolved fair use determinations at the summary judgment stage where there are no genuine issues of material fact.” *Cariou*, 714 F.3d at 704 (internal quotation marks omitted) (alteration adopted) (collecting cases). As no party contends that there exist any issues of material fact in this case, we believe it appropriate to exercise that discretion here.

Having considered each of the four factors, we find that each favors Goldsmith. Further, although the factors are not exclusive, AWF has not identified any additional relevant considerations unique to this case that we should take into account. Accordingly, we hold that AWF’s defense of fair use fails as a matter of law.

F. The Effect of Google

AWF’s petition relies heavily on the Supreme Court’s *Google* decision. As AWF notes, *Google* is the Supreme Court’s first major decision on fair use in some time, and we granted the petition for rehearing in large part to give careful consideration to that opinion. After such consideration, we emphatically reject AWF’s assertion that *Google* “comprehensively refutes the panel’s reasoning.” Pet. for Reh’g at 2. To the contrary, as an attentive reading of the discussion above will show, the principles enunciated in *Google* are fully consistent with our original opinion.

AWF’s argument that *Google* undermines our analysis rests on a misreading of both the Supreme Court’s opinion and ours, misinterpreting both opinions as adopting hard and fast categorical rules of fair use. To the contrary, both opinions recognize that determinations of fair use are highly contextual

and fact specific, and are not easily reduced to rigid rules. As the Supreme Court put it, both the historical background of fair use and modern precedent “make[] clear that the concept [of fair use] is flexible, that courts must apply it in light of the sometimes conflicting aims of copyright law, and that its applications may well vary depending upon context.” *Google*, 141 S. Ct. at 1197; *see also supra* at 37 (noting that “fair use presents a holistic, context-sensitive inquiry”).

In particular, the Supreme Court in *Google* took pains to emphasize that the unusual context of that case, which involved copyrights in computer code, may well make its conclusions less applicable to contexts such as ours. Thus, while *Google* did indeed find that the precise copying and incorporation of copyrighted code into a new program could (and did, on the particular facts of the case) constitute fair use, the opinion expressly noted that “copyright’s protection may be stronger where the copyrighted material . . . serves an artistic rather than a utilitarian function.” *Google*, 141 S. Ct. at 1197. The Court repeatedly emphasized that “[t]he fact that computer programs are primarily functional makes it difficult to apply traditional copyright concepts in that technological world.” *Id.* at 1208. If the application of traditional copyright concepts to “functional” computer programs is difficult, it follows that a case that addresses fair use in such a novel and unusual context is unlikely to work a dramatic change in the analysis of established principles as applied to a traditional area of copyrighted artistic expression. And indeed, the Supreme Court did not leave that conclusion to inference, expressly advising that in addressing fair use in this new arena, it “ha[d] not

changed the nature of those [traditional copyright] concepts.” *Id.*

Just as AWF misreads the fact- and context-specific finding of fair use in *Google* as dictating a result in the very different context before us, it misreads our opinion as “effectively outlawing” an entire “genre” of art “widely viewed as one of the great artistic innovations of the modern era.” Pet. for Reh’g at 17 (internal quotation marks omitted). As any fair reading of our opinion shows, we do not “outlaw” any form of artistic expression, nor do we denigrate any artistic genre; as we explicitly state, it is not the function of judges to decide the meaning and value of art, *see supra* at 29-30, still less to “outlaw” types of art.

We merely insist that, just as artists must pay for their paint, canvas, neon tubes, marble, film, or digital cameras, if they choose to incorporate the existing copyrighted expression of other artists in ways that draw their purpose and character from that work (as by using a copyrighted portrait of a person to create another portrait of the same person, recognizably derived from the copyrighted portrait, so that someone seeking a portrait of that person might interchangeably use either one), they must pay for that material as well. As the Supreme Court again recognized in *Google*, the aims of copyright law are “sometimes conflicting.” *Google*, 141 S. Ct. at 1197. The issue here does not pit novel forms of art against philistine censorship, but rather involves a conflict between artists each seeking to profit from his or her own creative efforts. Copyright law does not provide either side with absolute trumps based on simplistic formulas. Rather, it requires a contextual balancing based on principles that will lead to close calls in

particular cases. Like the Supreme Court in *Google*, we have applied those well-established principles to the particular facts before us to conclude that AWF’s fair-use defense fails.

III. Substantial Similarity

AWF asks this Court to affirm the district court’s decision on the alternate grounds that the Prince Series works are not substantially similar to the Goldsmith Photograph. We decline that invitation, because we conclude that the works are substantially similar as a matter of law.

The district court did not analyze the issue of substantial similarity because, in its view, “it [was] plain that the Prince Series works are protected by fair use.” *Warhol*, 382 F. Supp. 3d at 324. While “it is our distinctly preferred practice to remand such issues for consideration by the district court in the first instance,” *Schonfeld v. Hilliard*, 218 F.3d 164, 184 (2d Cir. 2000), we are not required to do so. In this case, because the question of substantial similarity is logically antecedent to that of fair use – since there would be no need to invoke the fair-use defense in the absence of actionable infringement – and because the factors we have already discussed with respect to fair use go a considerable way toward resolving the substantial similarity issue, we do not believe a remand to address that issue is necessary in this case.¹⁴

In general, and as applicable here, two works are substantially similar when “an average lay observer would recognize the alleged copy as having been

¹⁴ We express no view on the viability of AWF’s remaining defenses, which are appropriately considered by the district court in the first instance.

appropriated from the copyrighted work.” *Knitwaves, Inc. v. Lollytogs, Ltd.*, 71 F.3d 996, 1003 (2d Cir. 1995), quoting *Malden Mills, Inc. v. Regency Mills, Inc.*, 626 F.2d 1112, 1113 (2d Cir. 1980). “On occasion, . . . we have noted that when faced with works that have both protectable and unprotectable elements, our analysis must be more discerning and that we instead must attempt to extract the unprotectable elements from our consideration and ask whether the protectable elements, standing alone, are substantially similar.” *Peter F. Gaito Architecture, LLC v. Simone Dev. Corp.*, 602 F.3d 57, 66 (2d Cir. 2010) (internal citations and quotation marks omitted). AWF and its *amici* contend that this “more discerning observer” test should apply here because photographs contain both protectable and unprotectable elements. See Appellee’s Br. at 65; Law Professors’ Br. at 8. The same could be said, however, of any copyrighted work: even the most quintessentially “expressive” works, such as books or paintings, contain non-copyrightable ideas or concepts. See 4 *Nimmer on Copyright* § 13.03(B)(2).

Moreover, the cases in which we have applied the “more discerning observer” test involved types of works with much “thinner” copyright protection – *i.e.*, works that are more likely to contain a larger share of non-copyrightable elements. See, *e.g.*, *Zalewski v. Cicero Builder Dev., Inc.*, 754 F.3d 95, 102 (2d Cir. 2014) (architectural designs); *Tufenkian Import/Export Ventures, Inc. v. Einstein Moomjy, Inc.*, 338 F.3d 127, 136 n.13 (2d Cir. 2003) (Tibetan-style carpets); *Boisson v. Banian, Ltd.*, 273 F.3d 262, 272 (2d Cir. 2001) (quilts). By contrast, “photographs are ‘generally viewed as creative aesthetic expressions of a scene or image’ and have long

received thick copyright protection[,] . . . even though photographs capture images of reality.” *Brammer v. Violent Hues Prods., LLC*, 922 F.3d 255, 267 (4th Cir. 2019), quoting *Monge v. Maya Magazines, Inc.*, 688 F.3d 1164, 1177 (9th Cir. 2012). We therefore reject AWF’s contention that we should be “more discerning” in considering whether the Prince Series is substantially similar to the Goldsmith Photograph and apply the standard “ordinary observer” test. *See Knitwaves*, 71 F.3d at 1002-03.

Though substantial similarity often presents a jury question, it may be resolved as a matter of law where “access to the copyrighted work is conceded, and the accused work is so substantially similar to the copyrighted work that reasonable jurors could not differ on this issue.” *Rogers*, 960 F.2d at 307 (citation omitted); *see also Gaito*, 602 F.3d at 63 (“The question of substantial similarity is by no means exclusively reserved for resolution by a jury.”).

Here, AWF has conceded that the Goldsmith Photograph served as the “raw material” for the Prince Series works. *See* Appellee’s Br. at 6-7. AWF nevertheless attempts to compare this case to several decisions from our sister circuits concluding that the secondary works in question were not substantially similar to the original photographs on which they were based. *See, e.g., Rentmeester v. Nike, Inc.*, 883 F.3d 1111, 1121-23 (9th Cir. 2018) (Nike’s iconic “Jumpman” logo and the photograph used to create it were not substantially similar to a photograph of Michael Jordan dunking a basketball); *Harney v. Sony Pictures Television, Inc.*, 704 F.3d 173, 188 (1st Cir. 2013) (recreated image in made-for-TV movie was not substantially similar to the photograph that inspired it). But the secondary users in those cases

did not merely copy the original photographs at issue; they instead replicated those photographs using their own subjects in similar poses. By contrast, Warhol did not create the Prince Series by taking his own photograph of Prince in a similar pose as in the Goldsmith Photograph. Nor did he attempt to copy merely the “idea” conveyed in the Goldsmith Photograph. Rather, he produced the Prince Series works by copying the Goldsmith Photograph itself – *i.e.*, Goldsmith’s particular expression of that idea. This case therefore stands in sharp contrast to the situation presented by *Rentmeester*, for example, in which the court explained that “[w]hat [the original] photo and the [allegedly infringing] photo share are similarities in general ideas or concepts: Michael Jordan attempting to dunk in a pose inspired by ballet’s *grand jeté*; an outdoor setting stripped of most of the traditional trappings of basketball; a camera angle that captures the subject silhouetted against the sky.” 883 F.3d at 1122-23.

This is not to say that every use of an exact reproduction constitutes a work that is substantially similar to the original. But here, given the degree to which Goldsmith’s work remains recognizable within Warhol’s, there can be no reasonable debate that the works are substantially similar. *See Rogers*, 960 F.3d at 307-08. As we have noted above, Prince, like other celebrity artists, was much photographed. But any reasonable viewer with access to a range of such photographs including the Goldsmith Photograph would have no difficulty identifying the latter as the source material for Warhol’s Prince Series.

CONCLUSION

For the foregoing reasons, we REVERSE the grant of AWF’s motion for summary judgment, VACATE

the judgment entered below dismissing Lynn Goldsmith and LGL's amended counterclaim, and REMAND this case for further proceedings consistent with this opinion.

DENNIS JACOBS, Circuit Judge, concurring:

I concur in the opinion of the Court. I write briefly to make a single point.

It is very easy for opinions in this area (however expertly crafted) to have undirected ramifications. A sound holding may suggest an unsound result in related contexts.

So it is useful to emphasize that the holding does not consider, let alone decide, whether the infringement here encumbers the original Prince Series works that are in the hands of collectors or museums, or, in general, whether original works of art that borrow from protected material are likely to infringe.

The sixteen original works have been acquired by various galleries, art dealers, and the Andy Warhol Museum. This case does not decide their rights to use and dispose of those works because Goldsmith does not seek relief as to them. She seeks damages and royalties only for licensed reproductions of the Prince Series.

Although the Andy Warhol Foundation initiated this suit with a request for broader declaratory relief that would cover the original works, Goldsmith did not join issue. The Declaratory Judgment Act is reserved for disputes that are percolating over parties' rights and obligations while harm threatens to accrue. See United States v. Doherty, 786 F.2d 491, 498–99 (2d Cir. 1986) (Friendly, J.); see also

Broadview Chem. Corp. v. Loctite Corp., 417 F.2d 998, 1001 (2d Cir. 1969) (articulating the criteria for deciding whether to entertain a declaratory judgment action). But Goldsmith does not claim that the original works infringe and expresses no intention to encumber them; the opinion of the Court necessarily does not decide that issue.

The issue, however, still looms, and our holding may alarm or alert possessors or creators of other artistic works. Warhol's works are among many pieces that incorporate, appropriate, or borrow from protected material. Risk of a copyright suit or uncertainty about an artwork's status can inhibit the creative expression that is a goal of copyright. So it matters that a key consideration in this case is the harm that the *commercial licensing* of the Prince Series poses to Goldsmith's market to license her photograph.

As the opinion observes, the photograph and the original Prince Series works have distinct markets. See Majority Op. at 46–47. They are not “substitutes.” Castle Rock Ent., Inc. v. Carol Publ'g Grp., 150 F.3d 132, 145 (2d Cir. 1998). An original work of art is marked by the hand or signature of the artist, which is a preponderating factor in its value. But when a work is reproduced, it loses that mystique, as anyone who has browsed a gift shop can appreciate. Thus there is overlap in the licensing markets for the Prince Series and the photograph.

When one of the Prince Series works is licensed to a magazine, it functions as a portrait of the musician Prince--as does Goldsmith's photograph. The Prince Series retains the photograph's expressive capacity for Prince portraiture and is used for that purpose. It may well compete for magazine covers, posters, coffee

mugs, and other items featuring the late musician. If the Foundation had refuted the evidence of such market displacement, the weight of the analytical considerations would have changed.

The distinction between the original and licensed Prince Series works is likewise important when it comes to assessing the market effect alongside “the public benefits the copying will likely produce.” Google LLC v. Oracle Am., Inc., 141 S. Ct. 1183, 1206, 209 L.Ed.2d 311 (2021). The “public benefits” considered here are those associated with the only use at issue: the Foundation’s commercial licensing. This use has nothing to do with “copyright’s concern for the creative production of new expression.” Id. Had the use been Warhol’s use of the photograph to construct the modified image, we would need to reassess.

UNITED STATES DISTRICT COURT,
S.D. NEW YORK

The ANDY WARHOL FOUNDATION
FOR THE VISUAL ARTS, INC., Plaintiff,

v.

Lynn GOLDSMITH et. al., Defendants.

17-cv-2532 (JGK)

Signed July 1, 2019

OPINION AND ORDER

JOHN G. KOELTL, District Judge:

This case raises the question of whether Andy Warhol’s use of a photograph of an iconic singer as the basis for a series of artworks is protected as fair use.

More particularly, the Andy Warhol Foundation for the Visual Arts, Inc. (“AWF”), seeks a declaratory judgment declaring that works created by Andy Warhol based on a photograph of Prince Rogers Nelson, best known as “Prince,” taken by photographer Lynn Goldsmith do not constitute violations of the Copyright Act.¹ Goldsmith has filed a counterclaim against AWF claiming that the Warhol works do constitute copyright infringement. AWF moves for summary judgment granting its request for a declaratory judgment and dismissing Goldsmith’s counterclaim; Goldsmith moves for summary judgment denying AWF’s request for a declaratory judgment and holding that AWF

¹ The plaintiff seeks a declaratory judgment against both Lynn Goldsmith and Lynn Goldsmith Ltd., which is Lynn Goldsmith’s photography agency. For ease of reference, the Court refers to both parties as “Goldsmith.”

infringed her copyright. For the reasons discussed below, AWF's motion is **granted** and Goldsmith's motion is **denied**.

I.

The standard for granting summary judgment is well established. "The Court shall grant summary judgment if the movant shows that there is no genuine dispute as to any material fact and the movant is entitled to judgment as a matter of law." Fed. R. Civ. P. 56(a); see also Celotex Corp. v. Catrett, 477 U.S. 317, 322–23, 106 S.Ct. 2548, 91 L.Ed.2d 265 (1986); Gallo v. Prudential Residential Servs., Ltd. P'ship, 22 F.3d 1219, 1223 (2d Cir. 1994). "[T]he trial court's task at the summary judgment motion stage of the litigation is carefully limited to discerning whether there are any genuine issues of material fact to be tried, not to deciding them. Its duty, in short, is confined at this point to issue-finding; it does not extend to issue-resolution." Gallo, 22 F.3d at 1224. The moving party bears the initial burden of "informing the district court of the basis for its motion" and identifying the matter that "it believes demonstrate[s] the absence of a genuine issue of material fact." Celotex, 477 U.S. at 323, 106 S.Ct. 2548. The substantive law governing the case will identify those facts that are material and "[o]nly disputes over facts that might affect the outcome of the suit under the governing law will properly preclude the entry of summary judgment." Anderson v. Liberty Lobby, Inc., 477 U.S. 242, 248, 106 S.Ct. 2505, 91 L.Ed.2d 202 (1986).

In determining whether summary judgment is appropriate, a court must resolve all ambiguities and draw all reasonable inferences against the moving party. See Matsushita Elec. Indus. Co. v. Zenith

Radio Corp., 475 U.S. 574, 587, 106 S.Ct. 1348, 89 L.Ed.2d 538 (1986). Summary judgment is improper if there is any evidence in the record from any source from which a reasonable inference could be drawn in favor of the nonmoving party. See Chambers v. TRM Copy Ctrs. Corp., 43 F.3d 29, 37 (2d Cir. 1994). If the moving party meets its burden, the nonmoving party must produce evidence in the record and “may not rely simply on conclusory statements or on contentions that the affidavits supporting the motion are not credible.” Ying Jing Gan v. City of New York, 996 F.2d 522, 532 (2d Cir. 1993); see also Scotto v. Almenas, 143 F.3d 105, 114–15 (2d Cir. 1998). When there are cross motions for summary judgment, the Court must assess each of the motions and determine whether either party is entitled to judgment as a matter of law. Admiral Indem. Co. v. Travelers Cas. & Sur. Co. of Am., 881 F. Supp. 2d 570, 574 (S.D.N.Y. 2012).

II.

The following facts are undisputed unless otherwise noted.

A.

Lynn Goldsmith is a photographer who has photographed numerous rock, jazz, and R&B performers. AWF’s 56.1 Stmt. ¶¶ 37–38. Goldsmith’s work centers on helping others formulate their identities, which she aims to capture and reveal through her photography. Id. ¶¶ 41, 43. To expose and capture her subjects’ “true selves,” Goldsmith employs several interpersonal techniques to establish rapport with her subjects, as well as several photographic techniques with respect to lighting,

camera position, and other elements. See id. ¶¶ 44–63.

Andy Warhol, an “art-world colossus” who lived between 1928 and 1987, was an artist who contributed significantly to contemporary art across a variety of media. AWF’s 56.1 Stmt. ¶¶ 1–2; Goldsmith’s 56.1 Stmt. ¶¶ 71, 154. Warhol’s contemporary art brand has remained powerful. AWF’s 56.1 Stmt. ¶ 1. AWF is a New York not-for-profit corporation that was formed in 1987 after Warhol’s death and in accordance with his will. Goldsmith’s 56.1 Stmt. ¶¶ 4, 72. It was created for the purpose of advancing visual art, “particularly work that is experimental, under-recognized, or challenging in nature.” AWF’s 56.1 Counter Stmt. ¶ 238. AWF controls Warhol images and licenses them to fund its programs. Goldsmith’s 56.1 Stmt. ¶ 5.

On December 2, 1981, Goldsmith photographed Prince in concert at the Palladium in New York City. AWF’s 56.1 Stmt. ¶ 68. The next day, she photographed him in her New York City studio on assignment from Newsweek Magazine. Id. ¶¶ 69–70. Prince arrived at the studio wearing makeup, and Goldsmith applied more makeup “to connect with Prince physically and in recognition of her feeling [that] Prince was in touch with the female part of himself” while also being “very much male.” Id. ¶ 76 (quotation marks omitted, alteration in original). Prince was photographed in his own clothes, except for a black sash that he picked from Goldsmith’s clothing room and wore around his neck. Id. ¶¶ 78–79, 81. Goldsmith chose the photographic equipment she used for the shoot. Id. ¶ 83. She also decided to use a plain white background and lit the shoot in a

way that emphasized Prince's "chiseled bone structure." Id. ¶¶ 82, 84–85. Goldsmith first shot black and white photographs and then switched to color film. Goldsmith's 56.1 Stmt. ¶ 28.

Shortly after the shoot began – and after Goldsmith had taken approximately eleven photographs of Prince – Prince retreated to the studio's makeup room. AWF's 56.1 Stmt. ¶¶ 88–89. Goldsmith testified that Prince was "really uncomfortable" during the shoot. Id. ¶ 87. Prince remained in the makeup room for a while and then, following an exchange with Goldsmith in which she said he could leave if he wanted, he left the studio. Id. ¶ 88. According to Goldsmith, the photographs from her shoot with Prince show that he is "not a comfortable person" and that he is a "vulnerable human being." Id. ¶ 90. Newsweek published one of Goldsmith's photographs of Prince in concert a few weeks after the shoot but did not publish any photographs from the shoot in her studio. Id. ¶¶ 94–95.

In October 1984, Vanity Fair – which was at the time and is still owned by Condé Nast, Goldsmith's 56.1 Stmt. ¶ 91 – licensed one of Goldsmith's black-and-white studio portraits of Prince from her December 3, 1981 shoot (the "Goldsmith Prince Photograph") for \$400. AWF's 56.1 Stmt. ¶ 97; Goldsmith's 56.1 Stmt. ¶ 40. The Goldsmith Prince Photograph was licensed "for use as an artist's reference in connection with an article to be published in Vanity Fair Magazine." Goldsmith's 56.1 Stmt. ¶ 40. The invoice did not specify which photograph from the shoot was licensed and did not mention Andy Warhol. Id. ¶ 102; Goldsmith's 56.1 Counter Stmt. ¶ 105. Goldsmith's photography agency, through its

staff, submitted the Goldsmith Prince Photograph to Vanity Fair; Goldsmith herself did not know at the time that the photograph had been licensed for use as an artist's reference. Goldsmith's 56.1 Stmt. ¶ 47.

Vanity Fair commissioned Warhol to create an illustration of Prince for an article titled "Purple Fame," which was to be published in the November 1984 issue of its magazine. *Id.* ¶¶ 48–49. Warhol created a full-color illustration of Prince that ultimately appeared in the "Purple Fame" article and in the magazine's table of contents. *Id.* ¶¶ 49, 53. The article stated that it featured "a special portrait for Vanity Fair by ANDY WARHOL." *Id.* ¶ 49. The article contained a copyright attribution credit for the portrait as follows: "source photograph © 1984 by Lynn Goldsmith/LGI." *Id.* ¶ 51. Condé Nast's representative stated that the reference to "source photograph" meant the "underlying image that was used to create the artwork." *Id.* ¶ 52.



The "Purple Fame" article and accompanying Warhol illustration of Prince.

Based on the Goldsmith Prince Photograph, Warhol created the “Prince Series,” comprised of sixteen distinct works – including the one used in Vanity Fair magazine – depicting Prince’s head and a small portion of his neckline. Id. ¶¶ 57, 60; AWF’s 56.1 Stmt. ¶ 112. Twelve of the works are silkscreen paintings, two are screen prints on paper, and two are drawings. AWF’s 56.1 Stmt. ¶ 112. Goldsmith alleges that Warhol copied the Goldsmith Prince Photograph at some point during his process of creating the Prince Series; AWF does not concede this point and instead states equivocally that “[t]here is no evidence that [Warhol] was given the photograph itself” but, “somehow,” Warhol created the Prince Series. See Goldsmith’s Br. at 10–11; AWF’s Br. at 18. However, AWF fact witness Neil Printz testified that “typically” the Warhol silkscreen paintings and prints were “based on a photograph” and “[t]ypically for Warhol, since he worked with photographs, he would have his silkscreen printer create a high contrast half tone silkscreen from a photograph.” Goldsmith’s 56.1 Stmt. at ¶ 66; AWF’s 56.1 Counter Stmt. ¶ 66.



The sixteen Prince Series works.

After Warhol died in 1987, AWF obtained ownership of the Prince Series from Warhol's estate. AWF's 56.1 Stmt. ¶ 148. Twelve of the Prince Series works have since been auctioned or sold throughout the world, and AWF has given the remaining four to the Andy Warhol Museum in Pittsburgh,

Pennsylvania. Id. ¶¶ 149–51. The Prince Series works have also been displayed in museums, galleries, books, magazines, promotional materials, and other public locations more than thirty times since the November 1984 issue of *Vanity Fair*. Id. ¶ 152.

B.

Prince died on April 21, 2016. Goldsmith’s 56.1 Stmt. ¶ 87. The next day, *Vanity Fair* published an online copy of its November 1984 “Purple Fame” article, which had credited Warhol and Goldsmith for the Prince illustration in the article. Id. ¶ 88. Condé Nast then decided to issue a commemorative magazine titled “The Genius of Prince” and obtained a commercial license to use one of Warhol’s Prince Series works as the magazine’s cover. Id. ¶¶ 113, 119. The magazine contained a copyright credit to Warhol but not to Goldsmith. Id. ¶ 115. Condé Nast published the magazine in May 2016. Id. ¶ 113.

Goldsmith first learned that Warhol created the Prince illustration for *Vanity Fair* after Prince’s death. Id. ¶ 120. Before then, she had never seen any work in the Prince Series. Id. ¶ 121. Goldsmith contacted AWF and advised that she believed the Condé Nast magazine cover infringed one of her Prince photograph copyrights. Id. ¶ 122. Initially she told AWF that Condé Nast’s use infringed one of her colored Prince portraits but, after further comparison, notified AWF that Condé Nast’s use actually infringed one of her black-and-white portraits – the Goldsmith Prince Photograph. Id. ¶¶ 123–27. Following this exchange, Goldsmith obtained a copyright registration for the Goldsmith Prince Photograph as an unpublished work. Id. ¶ 159.

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The Condé Nast magazine cover and the Goldsmith Prince Photograph.

AWF has made each of the Prince Series works available for licensing to third parties for use in books, magazines, newspapers, and for other merchandizing purposes. *Id.* ¶¶ 128–37. Goldsmith licenses single images of her photography for various editorial and commercial uses, often to magazines and record companies. *Id.* ¶¶ 138–39. She also offers mosaic prints, which are composed by combining several of her images, and fine-art prints. *Id.* ¶¶ 140–42. But Goldsmith has not yet editioned or sold any prints of the Goldsmith Prince Photograph. *Id.* ¶ 143. Goldsmith testified that she has not done so “because she doesn’t edition all her work at once, and as she gets older she intends to start editioning her other works, anticipating that prices will then go up.” *Id.*

Goldsmith testified that in 2004, she sold a fine-art print of Prince that she created in 1993 to a private collector who also owns three Warhol works of

art. Id. ¶ 155. Moreover, between 2005 and 2016, Goldsmith issued ten or eleven licenses for other Goldsmith photographs of Prince – photographs not taken at the December 3, 1981 studio shoot but in other venues such as concerts – to various magazines and venues. Id. ¶¶ 144–45; AWF’s 56.1 Reply Stmt. ¶ 178. However, aside from the license to Vanity Fair in 1984, Goldsmith does not recall licensing the Goldsmith Prince Photograph or any other photograph that she took at the December 1981 studio shoot. AWF’s 56.1 Stmt. ¶ 182.

C.

AWF seeks a declaratory judgment declaring that none of the sixteen works in the Prince Series infringe the copyright of the Goldsmith Prince Photograph. AWF argues that the Prince Series works are not substantially similar to the Goldsmith Prince Photograph and, in any event, the Prince Series works are protected by the fair use doctrine. Goldsmith, on the other hand, seeks summary judgment denying AWF’s request for a declaratory judgment and holding that the Prince Series works infringe the copyright of the Goldsmith Prince Photograph. She contends that Warhol copied her photograph in creating the Prince Series, that the Prince Series works in their final forms are substantially similar to the photograph, and that AWF does not have a viable fair use defense.

AWF also raises a statute of limitations defense, arguing that the Copyright Act’s three-year statute of limitations bars Goldsmith from claiming infringement for acts that occurred more than three years before she brought her claim. See 17 U.S.C. § 507(b); Psihoyos v. John Wiley & Sons, Inc., 748 F.3d 120, 124 (2d Cir. 2014). Goldsmith counters that

under the “discovery rule,” “copyright infringement claims do not accrue until actual or constructive discovery of the relevant infringement.” See Psihoyos, 748 F.3d at 125. Goldsmith adds that, either way, her infringement claim is based on AWF’s licensing a Prince Series work to Condé Nast in 2016, which is well within the limitations period. Goldsmith’s Br. at 40. Similarly, any future licensing of the Prince Series would allegedly constitute new acts of infringement for which Goldsmith would have a remedy. AWF does not dispute that this particular claim is timely brought. AWF’s Opp. at 42.

III.

Photographs are generally considered creative works that merit copyright protection. Burrow-Giles Lithographic Co. v. Sarony, 111 U.S. 53, 60, 4 S.Ct. 279, 28 L.Ed. 349 (1884); see Mannion v. Coors Brewing Co., 377 F. Supp. 2d 444, 450 (S.D.N.Y. 2005) (“Almost any photograph may claim the necessary originality to support a copyright.” (quotation marks omitted)); Monster Commc’ns, Inc. v. Turner Broad. Sys., Inc., 935 F. Supp. 490, 494 (S.D.N.Y. 1996) (stating that “photographic images of actual people, places and events may be” copyrighted). The protectible, original elements of a photograph include “posing the subjects, lighting, angle, selection of film and camera, evoking the desired expression, and almost any other variant involved.” Rogers v. Koons, 960 F.2d 301, 307 (2d Cir. 1992). But “aspects of [a photograph] that necessarily flow” from the photograph’s idea or the photographer’s “choice of a given concept” are not protectible. Bill Diodato Photography, LLC v. Kate Spade, LLC, 388 F. Supp. 2d 382, 392 (S.D.N.Y. 2005). Thus, although the elements constituting a photographer’s original

expression of her subject are copyrightable, the subject itself – and general features of that subject – are not. Kisch v. Ammirati & Puris Inc., 657 F. Supp. 380, 382 (S.D.N.Y. 1987); see Mattel, Inc. v. Goldberger Doll Mfg. Co., 365 F.3d 133, 136 (2d Cir. 2004).

“To establish copyright infringement, ‘two elements must be proven: (1) ownership of a valid copyright, and (2) copying of constituent elements of the work that are original.’” Williams v. Crichton, 84 F.3d 581, 587 (2d Cir. 1996) (quoting Feist Publ’ns, Inc. v. Rural Tel. Serv. Co., 499 U.S. 340, 361, 111 S.Ct. 1282, 113 L.Ed.2d 358 (1991)). A party can pursue a copyright infringement claim in court once the copyright claimant has properly filed a registration application, and the Copyright Register has examined the application and registered the copyright. Fourth Estate Pub. Benefit Corp. v. Wall-Street.com, LLC, — U.S. —, 139 S. Ct. 881, 892, 203 L.Ed.2d 147 (2019). The parties here do not dispute that Goldsmith has a valid and registered copyright for the Goldsmith Prince Photograph.

The second element of a copyright claim has two subparts: Goldsmith must demonstrate first that AWF copied her work and then that such copying was unlawful because a “substantial similarity” exists between the allegedly infringing works (the Prince Series works) and the protectible elements of the copyrighted work (the Goldsmith Prince Photograph). See Knitwaves, Inc. v. Lollytogs Ltd. (Inc.), 71 F.3d 996, 1002 (2d Cir. 1995); see also Fisher–Price, Inc. v. Well–Made Toy Mfg. Corp., 25 F.3d 119, 123 (2d Cir. 1994). To establish the first subpart in the absence of proof of direct copying, a party “may establish copying circumstantially by demonstrating that the person

who composed the [allegedly infringing] work had access to the copyrighted material and that there are similarities between the two works that are probative of copying.” Jorgensen v. Epic/Sony Records, 351 F.3d 46, 51 (2d Cir. 2003) (quotation marks omitted). The similarity established at this stage to prove copying is referred to as “probative similarity.”² AWF does not deny for purposes of these motions that there was access and sufficient probative similarity to establish that Warhol “copied” the Goldsmith Prince Photograph – at least to some extent. June 10, 2019 Transcript (“Tr.”) at 4.

“Once actual copying has been established, the copyright owner must then satisfy the ‘improper appropriation’ requirement by demonstrating that ‘substantial similarities’ as to the protected elements of the work would cause an average lay observer to ‘recognize the alleged copy as having been appropriated from the copyrighted work.’” Kate Spade, 388 F. Supp. 2d at 389 (quoting Durham Indus., Inc. v. Tomy Corp., 630 F.2d 905, 911–12 (2d Cir. 1980)). This “ordinary observer test” asks “whether the ordinary observer, unless he set out to detect the disparities [between the two works], would be disposed to overlook them, and regard their aesthetic appeal as the same.” Folio Impressions, Inc. v. Byer Cal., 937 F.2d 759, 765 (2d Cir. 1991) (quotation marks omitted). When the protected work contains both protectible and unprotectible elements,

² The “probative similarity” inquiry and the subsequent “substantial similarity” inquiry are distinct. Thus, this Opinion uses the term “probative similarity” for the sake of clarity to refer to the test for copying that requires access and similarity probative of copying. See Porto v. Guirgis, 659 F. Supp. 2d 597, 608 n.3 (S.D.N.Y. 2009).

such as a photograph, courts must take on a more discerning comparison by extracting the unprotectible elements from consideration and then considering whether the remaining protectible elements of the works are substantially similar. Kate Spade, 388 F. Supp. 2d at 390 (citing Knitwaves, 71 F.3d at 1002). However, this comparison must not be so discerning that the protected work’s “total concept and feel” is ignored. See Boisson v. Banian, Ltd., 273 F.3d 262, 272–73 (2d Cir. 2001).

Goldsmith alleges as one theory of infringement that Warhol, or his agents, reproduced her entire photograph, including its protectible and unprotectible elements, without authorization at some point during Warhol’s process of creating the Prince Series. See Am. Counterclaim ¶¶ 1, 42; Goldsmith’s Br. at 10–11, 23. Although this a valid basis for an infringement claim,³ it relates to conduct that occurred nearly forty years ago and is well outside the Copyright Act’s statute of limitations. See Stone v. Williams, 970 F.2d 1043, 1049–50 (2d Cir. 1992) (“Recovery is allowed only for those acts occurring within three years of suit, and is disallowed for earlier infringing acts.”).⁴ Goldsmith appears to

³ See 17 U.S.C. § 106 (“[T]he owner of copyright under this title has the exclusive rights to reproduce the copyrighted work in copies”); Walker v. Univ. Books, Inc., 602 F.2d 859, 864 (9th Cir. 1979) (“[T]he fact that an allegedly infringing copy of a protected work may itself be only an inchoate representation of some final product to be marketed commercially does not in itself negate the possibility of infringement.”); 2 Nimmer on Copyright § 8.02[C] (2019) (“[R]eproduction standing alone constitutes a prima facie violation of the copyright owner’s rights.”).

⁴ Goldsmith does not contend that the “discovery rule” set out in Psihoyos, 748 F.3d 120, saves this claim.

recognize this, and focuses her infringement claim primarily on AWF's more recent licensing of the Price Series works – namely, the 2016 license to Condé Nast and the claim by AWF that it has the right to continue licensing the Prince Series works. See Am. Counterclaim ¶¶ 28–32, 42–43; Goldsmith Br. at 40.⁵

AWF argues that it did not infringe Goldsmith's copyright to her Prince photograph because none of Warhol's Prince Series works, including the work licensed to Condé Nast in 2016, are substantially similar to the Goldsmith Prince Photograph under the “ordinary observer test” for substantial similarity. But the Court need not address this argument because it is plain that the Prince Series works are protected by fair use.⁶

IV.

“Fair use” is a statutory exception to copyright infringement. 17 U.S.C. § 107. “Although the issue of fair use is a mixed question of law and fact, the court may resolve issues of fair use at the summary judgment stage where,” as here, “there are no genuine issues of material fact as to such issues.” Bill Graham Archives v. Dorling Kindersley Ltd., 448 F.3d 605, 608 (2d Cir. 2006). “The four factors identified by

⁵ Indeed, Goldsmith pleads, “Plaintiff Goldsmith does not presently know if the Foundation has made additional unauthorized infringing uses of the Goldsmith Photo within the past three years, and reserves the right to amend this Counterclaim to add any such additional acts of infringement.” Am. Counterclaim ¶ 32 (emphasis added); see also Tr. at 41–42.

⁶ Other courts have considered whether a work infringed the copyright of a photograph upon which the work was based solely on fair use grounds. See, e.g., Kienitz v. Sconnie Nation LLC, 766 F.3d 756, 757 (7th Cir. 2014); Cariou v. Prince, 714 F.3d 694, 705 (2d Cir. 2013).

Congress as especially relevant in determining whether the use was fair are: (1) the purpose and character of the use; (2) the nature of the copyrighted work; (3) the substantiality of the portion used in relation to the copyrighted work as a whole; (4) the effect on the potential market for or value of the copyrighted work.” Harper & Row Publishers v. Nation Enters., 471 U.S. 539, 560–61, 105 S.Ct. 2218, 85 L.Ed.2d 588 (1985). These factors must be weighed in a “an open-ended and context-sensitive inquiry.” Cariou v. Prince, 714 F.3d 694, 705 (2d Cir. 2013). The critical question in determining fair use is whether copyright law’s goal of “promot[ing] the Progress of Science and useful Arts would be better served by allowing the use than by preventing it.” Castle Rock Entm’t, Inc. v. Carol Pub. Grp., Inc., 150 F.3d 132, 141 (2d Cir. 1998) (citation and quotation marks omitted, alteration in original).

A.

The first factor, the purpose and character of the use, considers whether the secondary work “is of a commercial nature or is for nonprofit educational purposes.” 17 U.S.C. § 107(1). But the “[m]ost important” consideration under the first factor is the “transformative” nature of the work at issue. Bill Graham Archives, 448 F.3d at 608. The central purpose of this investigation is to determine “whether the new work merely supersede[s] the objects of the original creation or instead adds something new, with a further purpose or different character, altering the first with new expression, meaning, or message.” Campbell v. Acuff-Rose Music, Inc., 510 U.S. 569, 579, 114 S.Ct. 1164, 127 L.Ed.2d 500 (1994) (citations and quotation marks omitted, alteration in original). “The law imposes no requirement that a work comment on

the original or its author in order to be considered transformative” Cariou, 714 F.3d at 706. Generally, “the more transformative the new work, the less will be the significance of other factors, like commercialism” Campbell, 510 U.S. at 579, 114 S.Ct. 1164; see Cariou, 714 F.3d at 708.⁷

Warhol’s Prince Series works are commercial in nature. Indeed, twelve of the sixteen works have been auctioned or sold throughout the world, and AWF has made each of the sixteen works available for licensing to third parties for use in books, magazines, newspapers, and for other merchandizing purposes. However, AWF gave four of the works to the Andy Warhol Museum in Pittsburgh, and some of the other works have been exhibited at other galleries and museums. The Second Circuit Court of Appeals has commented that “[n]otwithstanding the fact that artists are sometimes paid and museums sometimes earn money, the public exhibition of art is widely and we think properly considered to have value that benefits the broader public interest.” Blanch v. Koons, 467 F.3d 244, 254 (2d Cir. 2006) (quotation marks omitted). Moreover, AWF is a not-for-profit entity that was created for the purpose of advancing visual art, and profits derived from licensing Warhol’s works help fund AWF’s programs. Thus, although the Prince Series works are commercial in nature, they also add value to the broader public interest.

⁷ Goldsmith points out that Cariou has been criticized for over-emphasizing transformative use. Goldsmith’s Br. at 29. However, Cariou remains binding law in this Circuit, and indeed this Circuit has a long tradition of recognizing transformative use dating back to Judge Leval’s landmark article, Toward A Fair Use Standard, 103 Harv. L. Rev. 1105 (1990), cited in Cariou.

In any event, the Prince Series works are transformative, and therefore the import of their (limited) commercial nature is diluted. If “looking at the [works] side-by-side,” the secondary work “ha[s] a different character, . . . a new expression, and employ[s] new aesthetics with creative and communicative results distinct” from the original, the secondary work is transformative as a matter of law. Cariou, 714 F.3d at 707–08. The Court must “examine how the [Prince Series works] may ‘reasonably be perceived’ in order to assess their transformative nature.” See id. at 707 (quoting Campbell, 510 U.S. at 582, 114 S.Ct. 1164).

Each of the Prince Series works may reasonably be perceived to be transformative of the Goldsmith Prince Photograph. As Goldsmith has confirmed, her photographic work centers on helping others formulate their identities, which she aims to capture and reveal through her photography. Her photoshoot illustrated that Prince is “not a comfortable person” and that he is a “vulnerable human being.” AWF’s 56.1 Stmt. ¶ 90. The Goldsmith Prince Photograph reflects these qualities.

Warhol’s Prince Series, in contrast, can reasonably be perceived to reflect the opposite. In all but one of the works, Prince’s torso is removed and his face and a small portion of his neckline are brought to the forefront. The details of Prince’s bone structure that appear crisply in the photograph, which Goldsmith sought to emphasize, are softened in several of the Prince Series works and outlined or shaded in the others. Prince appears as a flat, two-dimensional figure in Warhol’s works, rather than the detailed, three-dimensional being in Goldsmith’s photograph. Moreover, many of Warhol’s Prince Series works

contain loud, unnatural colors, in stark contrast with the black-and-white original photograph. And Warhol's few colorless works appear as rough sketches in which Prince's expression is almost entirely lost from the original.

These alterations result in an aesthetic and character different from the original. The Prince Series works can reasonably be perceived to have transformed Prince from a vulnerable, uncomfortable person to an iconic, larger-than-life figure. The humanity Prince embodies in Goldsmith's photograph is gone. Moreover, each Prince Series work is immediately recognizable as a "Warhol" rather than as a photograph of Prince – in the same way that Warhol's famous representations of Marilyn Monroe and Mao are recognizable as "Warhols," not as realistic photographs of those persons.⁸

In sum, the Prince Series works are transformative. They "have a different character, give [Goldsmith's] photograph[] a new expression, and employ new aesthetics with creative and communicative results distinct from [Goldsmith's]." See Cariou, 714 F.3d at 708. They add something new to the world of art and the public would be deprived of this contribution if the works could not be distributed. The first fair use factor accordingly weighs strongly in AWF's favor.

⁸ At the argument of the current motions, counsel for Goldsmith suggested that the fair use test is "almost like you know it when you see it." Tr. at 33. This calls to mind Justice Stewart's test for obscenity: "I know it when I see it." Jacobellis v. Ohio, 378 U.S. 184, 197, 84 S.Ct. 1676, 12 L.Ed.2d 793 (1964) (Stewart J., concurring). If that were the test, it is plain that the Prince Series works are "Warhols," and the Goldsmith Prince Photograph is not a "Warhol."

B.

The second fair use factor considers “the nature of the copyrighted work.” 17 U.S.C. § 107(2). “This factor calls for recognition that some works are closer to the core of intended copyright protection than others, with the consequence that fair use is more difficult to establish when the former works are copied.” Campbell, 510 U.S. at 586, 114 S.Ct. 1164. Courts consider whether the copyrighted work is (1) expressive or creative versus factual or informational and (2) unpublished versus published. Cariou, 714 F.3d at 709–10. Fair use of expressive or creative works is more difficult to establish than fair use of factual or informational works, and the fair use defense is narrower when applied to unpublished works than when applied to published works. Id. However, as with the first fair use factor, the second factor’s significance is diminished when the secondary work uses the copyrighted work for a transformative purpose. Id.

AWF does not dispute that the Goldsmith Prince Photograph is a creative work, and photographs are generally found to be creative works. See Rogers, 960 F.2d at 310 (stating that the photograph at issue was a creative and imaginative work); see also Cariou, 714 F.3d at 710 (“[T]here is no dispute that [the plaintiff’s photographic] work is creative . . .”). The photograph is also unpublished, which would ordinarily weigh in Goldsmith’s favor. However, the reasons unpublished works enjoy additional protection against fair use – including respect for the author’s choices of when to make a work public and whether to withhold a work to shore up demand⁹ –

⁹ See 4 Nimmer on Copyright § 13.05[A][2][b].

carry little force in this case, where Goldsmith's photography agency licensed the photograph for use as an artist's reference. Moreover, this factor is of limited importance because the Prince Series works are transformative works. Therefore, the second fair use factor favors neither party.

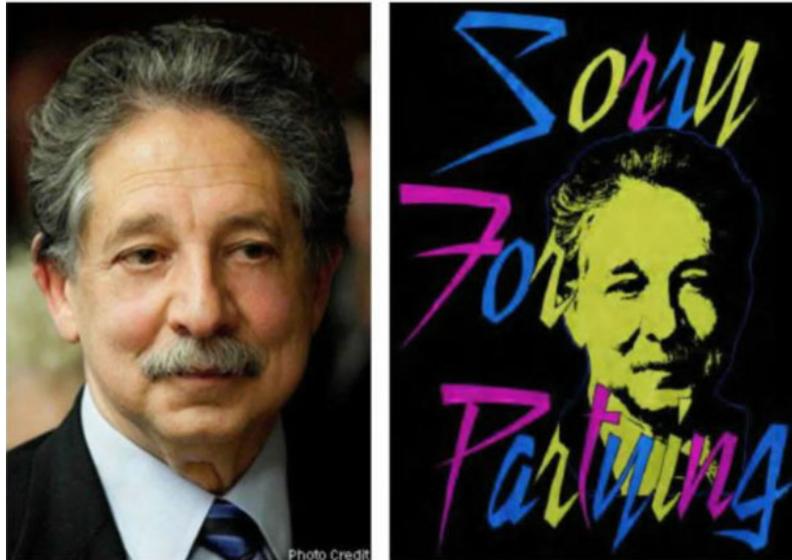
C.

Under the third factor of the fair use analysis, courts consider "the amount and substantiality of the portion used in relation to the copyrighted work as a whole." 17 U.S.C. § 107(3). This inquiry "must take into account that the 'the extent of permissible copying varies with the purpose and character of the use.'" Bill Graham Archives, 448 F.3d at 613 (quoting Campbell, 510 U.S. at 586–87, 114 S.Ct. 1164). Courts therefore ask "whether the quantity and value of the materials used are reasonable in relation to the purpose of the copying" while recognizing that substantial, key portions of a work may be taken for purposes of transforming that work. Cariou, 714 F.3d at 710 (alteration and quotation marks omitted).

Goldsmith contends that this factor weighs in her favor because Warhol's Prince Series works contain the essence of the entire Goldsmith Prince Photograph; that the photograph's core protectible elements remain in Warhol's works. Ostensibly in support of this argument, Goldsmith states that "Warhol had to use and incorporate the same expression of the Goldsmith Photo in creating the Warhol [Vanity Fair] image because he was commissioned by Vanity Fair to do just that." Goldsmith's Br. at 35. AWF counters that Warhol used only a portion of the Goldsmith Prince Photograph and that the Prince Series works, in their

final forms, contain none of the protectible elements of Goldsmith's photograph.

In Kienitz v. Sconnie Nation LLC, the Seventh Circuit Court of Appeals faced circumstances similar to those in this case, where the defendants took an entire photograph of the then-Mayor of Madison, Wisconsin, from a website without permission and altered it into a parody of the Mayor. 766 F.3d 756, 757 (7th Cir. 2014). The defendants then sold t-shirts and tank tops that displayed their altered image. Id.



The original photograph and the altered image in Kienitz.

The Kienitz court found that the defendant's work was protected by fair use¹⁰ and placed particular emphasis on the third fair use factor, stating:

¹⁰ The court reached this result after expressly criticizing Cariou's approach to transformative use.

Defendants removed so much of the original that, as with the Cheshire Cat, only the smile remains. Defendants started with a low-resolution version posted on the City’s website, so much of the original’s detail never had a chance to reach the copy; the original’s background is gone; its colors and shading are gone; the expression in [the Mayor’s] eyes can no longer be read; after the posterization (and reproduction by silk-screening), the effect of the lighting in the original is almost extinguished. What is left, besides a hint of [the Mayor’s] smile, is the outline of his face, which can’t be copyrighted.

Id. at 759. Moreover, the Kienitz court factored against the defendants the fact that they did not need to use the particular copyrighted photograph “when so many noncopyrighted alternatives (including snapshots they could have taken themselves) were available.”¹¹ Id. In this case, however, Goldsmith states that Warhol was required to use her photograph in his works.¹²

The Second Circuit Court of Appeals reached a similar result in Cariou, which involved a defendant-artist using the plaintiff’s photographs as a source for

¹¹ The court ultimately held that such “lazy appropriat[ion]” was “not enough to offset the fact that, by the time defendants were done, almost none of the copyrighted work remained.” Kienitz, 766 F.3d at 759–60.

¹² Goldsmith’s Br. at 35; see Goldsmith’s Opp. at 23 (“Warhol could not have achieved the same effect by a random snapshot and certainly not without referencing the Goldsmith Photo, in contrast to the low resolution website-posted snapshot in Kienitz.”).

several of the defendant's works. 714 F.3d at 699–704. The court held that although the defendant “used key portions” of the plaintiff's photographs – or sometimes, entire photographs – in creating his artwork, the third factor weighed “heavily” in the defendant's favor because the defendant “transformed those photographs into something new and different.” Id. at 710.¹³

This case is similar to both Kienitz and Cariou. The Goldsmith Prince Photograph contains several protectible elements. “Elements of originality in a photograph may include posing the subjects, lighting, angle, selection of film and camera, evoking the desired expression, and almost any other variant involved.” Rogers, 960 F.2d at 307. Goldsmith has presented evidence demonstrating that she incorporated these elements into her artistic process when shooting Prince, and they are apparent in her photograph. However, these creative elements are almost entirely absent from the Prince Series works.

All but one of Warhol's works include only Prince's head and a small portion of his neckline; Goldsmith's photograph captures much of Prince's torso. The sharp contours of Prince's face that Goldsmith emphasized in her photograph are softened in some Prince Series works and traced over or shaded in others. Moreover, the three-dimensional effect in the photograph, produced by the background and lighting

¹³ The Court of Appeals determined that twenty-five artworks by the defendant were transformative and summary judgment should be granted on the basis of fair use. The Court of Appeals remanded for consideration by the District Court whether five works were protected by fair use because the changes from the original photographs were “relatively minimal.” Cariou, 714 F. 3d at 711.

that Goldsmith chose, was removed by Warhol resulting in a flat, two-dimensional and mask-like figure of Prince's head. And in the majority of his Prince Series works, Warhol traded Goldsmith's white background for a loudly colored background. Indeed, unlike Goldsmith's photograph, most of Warhol's works are entirely in color, and the works that are black and white are especially crude and the creative features of the Goldsmith Prince Photograph are especially absent. Ultimately, Warhol's alterations wash away the vulnerability and humanity Prince expresses in Goldsmith's photograph and Warhol instead presents Prince as a larger-than-life icon.

Although the pose and angle of Prince's head were copied from the photograph to the Prince Series, "such a pose cannot be copyrighted" because copyright law "protect[s] only plaintiff's particular photographic expression of [a] pose[] and not the underlying ideas therefor." See Kate Spade, 388 F. Supp. 2d at 393 (quotation marks omitted). And several non-Goldsmith photographs capture Prince in a similar pose, indicating that the pose is not particularly original. See AWF 56.1 Stmt. ¶ 96. Finally, to the extent that Prince's facial features remain in Warhol's works, the features themselves are not copyrightable, see Mattel, 365 F.3d at 136, and the distinctive (and therefore copyrightable) way in which Goldsmith presented those features is absent from the Prince Series works. Each Prince Series work contains little, if any, of the copyrightable elements of the Goldsmith Prince Photograph.¹⁴

¹⁴ The two primary cases that Goldsmith relies upon to support her argument to the contrary are distinguishable. Both are

In short, although Warhol initially used Prince's head and neckline as they appear in the Goldsmith Prince Photograph, Warhol removed nearly all the photograph's protectible elements in creating the Prince Series. In doing so, Warhol transformed Goldsmith's work "into something new and different and, as a result, this factor weighs heavily" in AWF's favor. See Cariou, 714 F.3d at 710.

D.

The final fair use factor considers "the effect of the use upon the potential market for or value of the copyrighted work." 17 U.S.C. § 107(4). "This inquiry must take account not only of harm to the original but also of harm to the market for derivative works." Harper & Row, 471 U.S. at 568, 105 S.Ct. 2218.

unpublished decisions from the Central District of California involving a defendant's copying and then altering the plaintiff's photograph to create a new work based primarily on the original photograph. The court in each case found against the defendant in its fair use analysis. In the first case, Friedman v. Guetta, the defendant admitted to making only "small alterations" to a digital copy of the plaintiff's photograph, and the defendant "[did] not offer[] a transformative alternative use" of the photograph despite copying "the heart" of the photograph. No. CV10-14, 2011 WL 3510890, at *5-7 (C.D. Cal. May 27, 2011). And in the second case, Morris v. Guetta, it was "not apparent" that the defendants' works "add[ed] something new, ha[d] a further purpose or [were] of a different character due to a new expression, meaning, or message." No. CV12-684, 2013 WL 440127, at *8 (C.D. Cal. Feb. 4, 2013). The Morris court also weighed against the defendants the fact that they did not provide "a significant justification" for using the plaintiff's photograph in particular for "effecting [their] vision." Id. at *8-9.

Warhol, on the other hand, made significant alterations to the Goldsmith Prince Photograph to create transformative works of a character that is different from the original.

However, “[t]he market for potential derivative uses includes only those that creators of original works would in general develop or license others to develop.” Campbell, 510 U.S. at 592, 114 S.Ct. 1164.

The application of the fourth factor focuses primarily on whether the secondary use “usurps” the market or derivative markets for the original work. Cariou, 714 F.3d at 708. An accused infringer might “usurp[] the market for copyrighted works, including the derivative market, where the infringer’s target audience and the nature of the infringing content is the same as the original.” Id. at 709. Thus, at bottom, the fair use analysis “is concerned with only one type of economic injury to a copyright holder: the harm that results because the secondary use serves as a substitute for the original work.” Authors Guild, Inc. v. HathiTrust, 755 F.3d 87, 99 (2d Cir. 2014). “The more transformative the secondary use, the less likelihood that the secondary use substitutes for the original.” Castle Rock Entm’t, 150 F.3d at 145; see Campbell, 510 U.S. at 591, 114 S.Ct. 1164.

Goldsmith wisely does not contend that Warhol’s work has usurped her market for direct sales of the Goldsmith Prince Photograph. It is plain that the markets for a Warhol and for a Goldsmith fine-art or other type of print are different. Rather, Goldsmith argues that the Prince Series has harmed her licensing markets. She maintains that “[h]er licensing markets overlap the same markets into which AWF has licensed Warhol’s imagery for editorial and commercial uses, including magazines . . . [and] music album covers.” Goldsmith’s Br. at 36–37 (citation omitted). Even though Goldsmith has not editioned or licensed any of the Prince photographs from her December 3, 1981 shoot apart from the 1984

Vanity Fair artist's reference, she claims that "she has reserved" those rights "for the future when she expects the value of th[ose] photograph[s] to increase." Id. at 37.

Goldsmith's evidence and arguments do not show that the Prince Series works are market substitutes for her photograph. She provides no reason to conclude that potential licensees will view Warhol's Prince Series, consisting of stylized works manifesting a uniquely Warhol aesthetic, as a substitute for her intimate and realistic photograph of Prince. Although Goldsmith points out that her photographs and Warhol's works have both appeared in magazines and on album covers, this does not suggest that a magazine or record company would license a transformative Warhol work in lieu of a realistic Goldsmith photograph. Moreover, Goldsmith does not specify the types of magazines and album covers on which she and Warhol appear, and whether they are similar. Put simply, the licensing market for Warhol prints is for "Warhols." This market is distinct from the licensing market for photographs like Goldsmith's – a market which Goldsmith has not even attempted to enter into with her Prince photographs.¹⁵

¹⁵ Cf. Cariou, 714 F.3d at 709 ("[The defendant-artist's] audience is very different from [the plaintiff-photographer's], and there is no evidence that [the defendant's] work ever touched – much less usurped – either the primary or derivative market for [the plaintiff's] work. There is nothing in the record to suggest that [the plaintiff] would ever develop or license secondary uses of his work in the vein of [the defendant's] artworks."); Blanch, 467 F.3d at 258 (noting that the secondary work "had no deleterious effect upon the potential market for or

The evidence shows that the Prince Series works are not market substitutes that have harmed – or have the potential to harm – Goldsmith. The final fair use factor accordingly favors AWF.

* * *

The first, third, and fourth fair use factors favor AWF, and the second factor is neutral. A holistic weighing of these factors points decidedly in favor of AWF. Therefore, the Prince Series works are protected by fair use, and Goldsmith’s copyright infringement claim is dismissed.¹⁶

CONCLUSION

The Court has considered all the arguments raised by the parties. To the extent not specifically addressed, the arguments are either moot or without merit. For the reasons explained above, AWF’s motion for summary judgment is **granted**, and Goldsmith’s motion for summary judgment is

value of the copyrighted work” where the plaintiff acknowledged that she had not published or licensed her photograph).

Goldsmith points out that one collector who owned three of Warhol’s works of art also bought a fine-art print of Prince from her. But as AWF persuasively argues, this does not suggest that the collector “bought the works for the same reason, perceives the works similarly, or believes the works are substitutes for each other (the fact that the collector owns both of them suggests the opposite).” AWF Opp. at 38.

¹⁶ The Court did not rely on the report of AWF expert Dr. Thomas Crow or on the declaration of AWF fact witness Neil Printz in reaching this conclusion. Therefore, the Court need not address Goldsmith’s argument that these materials cannot be considered. AWF’s argument that the Court should exclude the opinions of Jeffrey Sedlik, Goldsmith’s expert on derivative markets for Goldsmith’s works, also need not be addressed. The fourth fair use factor favors AWF even taking Sedlik’s opinions into account.

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denied. Goldsmith's copyright infringement counterclaim is **dismissed**. AWF should submit a proposed judgment by **July 8, 2019**. Goldsmith may submit any objections or counter judgment by **July 10, 2019**.

The Clerk is directed to close all pending motions.
SO ORDERED.

**UNITED STATES COURT OF APPEALS
FOR THE
SECOND CIRCUIT**

At a stated term of the United States Court of Appeals for the Second Circuit, held at the Thurgood Marshall United States Courthouse, 40 Foley Square, in the City of New York, on the 10th day of September, two thousand twenty-one.

The Andy Warhol Foundation For
The Visual Arts, Inc.,

Plaintiff-Counter-Defendant-
Appellee,

v.

Lynn Goldsmith, Lynn Goldsmith,
Ltd.,

Defendants-Counter-Claimants-
Appellants.

ORDER

Docket No.
19-2420

Appellee, The Andy Warhol Foundation for the Visual Arts, filed a petition for panel rehearing, or, in the alternative, for rehearing *en banc*. The panel that determined the appeal granted the request for panel rehearing on August 24, 2021. The active members of the Court have considered the request for rehearing *en banc*.

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IT IS HEREBY ORDERED that the petition for rehearing *en banc* is denied.

FOR THE COURT:
Catherine O'Hagan Wolfe, Clerk

[seal omitted]

17 U.S.C. § 107**§ 107. Limitations on exclusive rights: Fair use**

Notwithstanding the provisions of sections 106 and 106A, the fair use of a copyrighted work, including such use by reproduction in copies or phonorecords or by any other means specified by that section, for purposes such as criticism, comment, news reporting, teaching (including multiple copies for classroom use), scholarship, or research, is not an infringement of copyright. In determining whether the use made of a work in any particular case is a fair use the factors to be considered shall include—

(1) the purpose and character of the use, including whether such use is of a commercial nature or is for nonprofit educational purposes;

(2) the nature of the copyrighted work;

(3) the amount and substantiality of the portion used in relation to the copyrighted work as a whole; and

(4) the effect of the use upon the potential market for or value of the copyrighted work.

The fact that a work is unpublished shall not itself bar a finding of fair use if such finding is made upon consideration of all the above factors.

17 U.S.C. § 109

§ 109. Limitations on exclusive rights: Effect of transfer of particular copy or phonorecord

(a) Notwithstanding the provisions of section 106(3), the owner of a particular copy or phonorecord lawfully made under this title, or any person authorized by such owner, is entitled, without the authority of the copyright owner, to sell or otherwise dispose of the possession of that copy or phonorecord. Notwithstanding the preceding sentence, copies or phonorecords of works subject to restored copyright under section 104A that are manufactured before the date of restoration of copyright or, with respect to reliance parties, before publication or service of notice under section 104A(e), may be sold or otherwise disposed of without the authorization of the owner of the restored copyright for purposes of direct or indirect commercial advantage only during the 12-month period beginning on—

(1) the date of the publication in the Federal Register of the notice of intent filed with the Copyright Office under section 104A(d)(2)(A), or

(2) the date of the receipt of actual notice served under section 104A(d)(2)(B),

whichever occurs first.

* * *

(c) Notwithstanding the provisions of section 106(5), the owner of a particular copy lawfully made under this title, or any person authorized by such owner, is entitled, without the authority of the copyright owner, to display that copy publicly, either directly or by the projection of no more than one image

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at a time, to viewers present at the place where the
copy is located.

* * *

17 U.S.C. § 503

§ 503. Remedies for infringement: Impounding and disposition of infringing articles

(a)(1) At any time while an action under this title is pending, the court may order the impounding, on such terms as it may deem reasonable—

(A) of all copies or phonorecords claimed to have been made or used in violation of the exclusive right of the copyright owner;

(B) of all plates, molds, matrices, masters, tapes, film negatives, or other articles by means of which such copies or phonorecords may be reproduced; and

(C) of records documenting the manufacture, sale, or receipt of things involved in any such violation, provided that any records seized under this subparagraph shall be taken into the custody of the court.

(2) For impoundments of records ordered under paragraph (1)(C), the court shall enter an appropriate protective order with respect to discovery and use of any records or information that has been impounded. The protective order shall provide for appropriate procedures to ensure that confidential, private, proprietary, or privileged information contained in such records is not improperly disclosed or used.

(3) The relevant provisions of paragraphs (2) through (11) of section 34(d) of the Trademark Act (15 U.S.C. 1116(d)(2) through (11)) shall extend to any impoundment of records ordered under paragraph (1)(C) that is based upon an ex parte application, notwithstanding the provisions of rule 65 of the Federal Rules of Civil Procedure. Any references in

paragraphs (2) through (11) of section 34(d) of the Trademark Act to section 32 of such Act shall be read as references to section 501 of this title, and references to use of a counterfeit mark in connection with the sale, offering for sale, or distribution of goods or services shall be read as references to infringement of a copyright.

(b) As part of a final judgment or decree, the court may order the destruction or other reasonable disposition of all copies or phonorecords found to have been made or used in violation of the copyright owner's exclusive rights, and of all plates, molds, matrices, masters, tapes, film negatives, or other articles by means of which such copies or phonorecords may be reproduced.