Exploring Publicity Rights For Virtual Avatars

By **Matthew Savare** (October 3, 2022)

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If you ask a dozen people — even self-proclaimed experts — to define what the metaverse is, you will likely get numerous vastly different answers. Although there is no universal definition as to what constitutes the metaverse, there is a general consensus of widespread expansion, adoption and usage of virtual worlds.

From the launch of the online game Second Life in 2003 to the exponential growth in online multiplayer games such as Fortnite, more people are spending more time and money in immersive online worlds. And, where people congregate — in real life or virtually — brands are soon to follow.

We have witnessed this phenomenon before, and we are seeing it again in the virtual realm. For example, Roblox, with its user base of over 52 million people, recently announced its plans to debut immersive ads next year. Similar online platforms have embraced advertising for some time.

With the increase in advertising in the virtual world comes a concomitant increase in the number and complexity of intellectual property issues, especially those involving trademarks and copyrights. One often overlooked area of the law — particularly with respect to user-generated avatars — is the right of publicity, which is the focus of this article.

What Is the Right of Publicity?

The right of publicity — or persona or image rights — refers generally to the right of individuals to control the commercial use of their name, image and likeness, and perhaps other indicia of their persona, such as voice or signature.

In the U.S., there is no federal law governing persona rights. Instead, the right is a creation of state law, with 31 states recognizing the right of publicity: 19 by statute, 21 by common law and nine by a combination of the two.

Over the years, there have been hundreds of cases involving right of publicity claims. A key issue in many of these cases turned on the scope of protection afforded to individuals. Some cases are straightforward.

For example, in the 2015 Michael Jordan v. Dominick's Finer Foods LLC case, the U.S. District Court for the Northern District of Illinois **held** that the defendants' unauthorized full-page ad featuring the name "Michael Jordan" and Jordan's jersey number, 23, violated the star's publicity rights.

Many cases, however, are complex and do not involve the usage of the actual name or image of the person. Although courts in early cases adopted a relatively narrow definition of publicity rights — i.e., a literal depiction of a person's name and/or image — the trend has been an expansion of what constitutes a protectable persona.

Over the years, courts have protected the following, among other indicia of an individual's identity:

- Sound-alikes, in the 1988 U.S. Court of Appeals for the Ninth Circuit case Midler v. Ford Motor Co.;

- Look-alikes, in the 1978 U.S. District Court for the Southern District of New York case Ali v. Playgirl Inc.;

- Catchphrases, in the 1980 U.S. District Court for the Eastern District of Michigan case Carson v. Here's Johnny Portable Toilets Inc.;

- Caricatures, in the 2003 Supreme Court of Missouri case John Doe a/k/a Tony Twist v. TCI Cablevision;

- Screen personas, in the 1994 U.S. Court of Appeals for the Third Circuit case McFarland v. Miller;

- Performance characteristics, in the 1986 Los Angeles County Superior Court case Apple Corps Limited v. Lebe;

- Nicknames, in the 1977 Supreme Court of New York Appellate Division, Second Department case Lombardo v. Doyle, Dane & Bernbach, Inc.; and

- The individual's car, in the 1974 Ninth Circuit case Motschenbacher v. R. J. Reynolds Tobacco Co.

In two of the more famous and controversial cases, courts expanded the scope of protection to uses that merely evoked the individual.

In White v. Samsung Electronics America Inc., a Samsung advertisement depicted various Samsung products with various, humorous predictions. The commercial was to illustrate that Samsung's products would still be used 20 years in the future.

The image in question involved a robot, dressed to look like Vanna White, beside a game board reminiscent of "Wheel of Fortune," with the caption "Longest running game show. 2012 A.D."

The Ninth Circuit held in 1992 that although the ad did not make use of White's name or image, the robot was a sufficient likeness to White to support a common law right of publicity claim.

Similarly, in Wendt v. Host Internation Inc., the Ninth Circuit held in 1997 that robots depicting the "Cheers" characters, Norm and Cliff, were sufficiently similar to the plaintiffs' physical likenesses to potentially state a right of publicity claim.

Should Avatars Have a Right of Publicity?

All of these cases, though disparate in their facts, share one common thread: They all involve the personas of individual, natural people.

In light of existing case law, if a user were to create an avatar using his or her name, image, likeness or other protectable indicia of his or her identity, it is virtually certain that the user would have a cognizable right of publicity claim if a third party were to exploit the avatar for commercial purposes without such user's permission. After all, such usage would

invoke, and commercially exploit, that individual's persona.

What happens, however, if a user generates an avatar and does not use any characteristics of a natural person and that avatar develops an identity either in the real or virtual world? It does not appear that a court in the United States has answered this question.

There are, however, other ways to protect an avatar. Assuming that a user-generated avatar is imbued with the minimum creative spark — e.g., a distinctive appearance — required to demonstrate originality under the Copyright Act, such avatar would likely qualify as a work eligible for copyright protection.[1] Similarly, if an avatar indicates a particular source of goods and services, it may be eligible for trademark protection.

But what recourse, if any, would the owner of an avatar have if the avatar did not function as a source identifier — and was thus not eligible for trademark protection — and the avatar, for whatever reason, was found ineligible for copyright protection[2] and a third party utilized the avatar in an advertisement without the owner's permission?

As noted, if the avatar resembled a real person — in appearance, mannerisms, name, etc. — the owner would likely have a reasonable basis to assert a right of publicity claim.

However, if the avatar did not evoke the identity of a human being in some way, even the most expansionist interpretation of existing state statutes and common law would not support a publicity claim.

Where to Next?

With all the other challenges surrounding the metaverse — such as interoperability, user privacy, mental health and addiction, law and jurisdiction, digital currencies, regulation, and others — you may be asking if affording virtual avatars a right of publicity ranks in the top 100 issues. The answer is, probably not, at such a granular level.

However, ownership and intellectual property rights in the metaverse certainly rank in the top 10, and the right of publicity is a significant — yet often overlooked — property right, particularly in the virtual world.

Brands are already using virtual avatars in influencer and advertising campaigns. If a brand or other third party uses a third party's virtual avatar to sell its products and services without permission, the principles enumerated to justify granting human beings a persona right seem generally applicable.

As the metaverse continues to expand, it is only a matter of time before an aggrieved third party will assert a right of publicity claim based on the unauthorized use of his or her avatar.

Although existing case law does not address this scenario and no state statute recognizes a persona right for an avatar, it is not unreasonable to believe that a court — especially in light of the doctrinal expansion discussed above — will soon afford such a right.

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[1] For an interesting article regarding ownership and copyright issues involving avatars, see Tyler T. Ochoa and Jaime Banks, Licensing & Law Who Owns an Avatar? (2018), available at: https://digitalcommons.law.scu.edu/facpubs/960.

[2] If the avatar were copyrighted and the owner brought a copyright claim too, it is possible that a right of publicity claim would be preempted by the Copyright Act. Although the majority rule is that there is no federal copyright preemption of state right of publicity claims, that rule is premised on the fact that the right of publicity protects human identity, which is not the subject matter protected by copyright. Such is not the case in our hypothetical, which addresses the identity of a virtual avatar.