

Dallal vs. NY Times

The Graphic Arts Guild and ASMP [American Society of Media Photographers] have jointly submitted an amicus curiae brief to the Second Circuit Court of Appeals in support of Thomas Dallal's copyright infringement lawsuit against the New York Times. In that suit, ASMP member Dallal claims that The NY Times violated his copyrights by publishing his photos online without his permission between May 2001 and May 2003. As an amicus, the Guild's and ASMP's role is not to help argue Dallal's case, but rather to call the court's attention to the broader issues at stake in the case.

The case.

Thomas Dallal worked as a freelance photographer for the New York Times from 1994-2002. During that time, he submitted an estimated 1400 assignments to them, all under the long standing customary terms of one time only print use. Each time Dallal submitted photos to The Times, he sent them his "Invoice/License of Rights," which licensed The Times, "contingent upon receipt of payment in full," to use his photos "...one time only, ... first exclusive use, ...[in] a print run...". Each license also stated that "All rights not specifically granted in writing, including copyright, remain the exclusive property of the photographer." Each time, an editor and a senior photo manager at the newspaper would sign his Invoice/License of Rights and issue a check for payment.

Starting in 1996, the Times began to use his pictures beyond the scope of Dallal's licenses by publishing them in its online edition (for which he was not paid). When Dallal became aware of these unauthorized uses in 1997, he notified The Times photo editors verbally and in writing that they had violated the terms of his written license and could not publish his photos on the internet without his permission and without paying him an additional usage fees. Dallal continued to object to the unauthorized online use of his photos during the years that followed. The Times liked his work, however, and continued to offer him new assignments, which he accepted and performed under the same terms in his Invoice/ License of Rights.

The issue of internet usage of by publishers was an unsettled legal question at that time. However, in late 1999 the United States Court of Appeals for the Second Circuit issued its decision in *Tasini v. The New York Times*, stating that the New York Times could not utilize authors works on the internet without their consent. The United States Supreme Court affirmed that decision in June 2001. Once the legal question was settled Dallal renewed his objections. By November 2002, Dallal realized that the Times' assurances that it would address the electronic-use issue in good faith were fatuous. Concluding he had been misled, Dallal sent the Times a letter demanding that it immediately halt all of its unauthorized website publications and that it provide an accounting for all of its unauthorized publications of his photos. In response, the newspaper's senior photo editor apologized to Dallal, claimed not to have been aware that the Times' web site was publishing his photos without his permission, and assured him that the website had been instructed to remove his work. The Times removed some of Dallal's images from its websites -- and stopped giving him assignments. Many of Dallal's images were not removed, however, until five months later, after Dallal had sent The Times' two additional letters demanding that these continuing internet uses must stop and again demanding that The Times provide him with an accounting.

Dallal wrote several more letters to the NY Times photo editors to no avail. They never provided him with any accounting of their electronic usage of his photos. Rather than providing an accounting, the Times erased any record of its unauthorized internet uses, and now claims to have no physical evidence. After a year of futile attempts to convince the Times to account and pay for its unauthorized uses, Dallal filed suit for copyright infringement in December 2003.

Court action so far.

This lawsuit was originally brought before Judge Hellerstein of the US District Court, Southern District of New York, beginning in December 2003. In May 2005, Judge Hellerstein dismissed the

case, siding with The NY Times' arguments. Photographer Thomas Dallal is now appealing Judge Hellerstein's decision to the US Court of Appeals for the Second Circuit. The amicus curiae brief, written by Lisa Shaftel of the Graphic Artists Guild and Victor Perlman of the ASMP, and filed by Robert Clarida, Esq. (of Cowan, Liebowitz, & Latman, P.C.), is part of Dallal's appeal.

The Times' defenses in this lawsuit are:

- a) The Times was not bound by Dallal's written license agreements, and that despite the fact that the photos were submitted subject to these licenses, and despite Dallal's continuous objections, the Times asserts that they had an "implied" license.
- b) The Times interpreted Dallal's license agreements as merely bills for payment due, and believed that the licensing language was not binding. In other words, although The Times signed and paid Dallal's Invoices/License of Rights, they were only paying his fee as if they were paying a bill, and they were not agreeing to the licensing terms on the agreement.
- c) The Times further asserted that notwithstanding Dallal's consistent attempts to retain rights in his photos, and the rulings of the 2nd Circuit Court of Appeals and the United States Supreme Court ruling against the Times on this issue, that they nevertheless had internet rights because Dallal continued to accept new assignments from the newspaper.
- d) Finally the Times asserted that it did not know and had no reason to know that its electronic uses of Dallal's photos were infringing.

Dallal's attorney, Eric Vaughn-Flam, asked Judge Hellerstein to sanction the Times for failing to preserve physical evidence and internal records of the Times' online uses of Dallal's photos. The Times said they could not because they had purged their servers, and countered by asking the judge to dismiss the case, which he did.

Tom Dallal is appealing this dismissal to a higher court. He has asked the Guild and the ASMP to be an amicus curiae [friend of the court] on his behalf. Oral arguments on the appeal are slated to be heard on Friday, January 27, 2006.

Our amicus curiae brief:

Freelance artists and photographers have a crucial interest in this case. The interest is shared by all independent creators of intellectual property: that their clients will respect and adhere to the licensing and usage terms in their contracts, and that the courts will uphold those terms in accordance with basic contract law. A court's interpretation of industry-standard contract terms is of concern to all professionals working in that industry.

This case is about more than just violation of basic copyright law. It is about a defendant with deep pockets and tremendous clout in the publishing industry flagrantly and knowingly violating not only copyright law, but also customs and practices of the trade that had been established for decades.

This freelancer did all the right things, using a standard written agreement with industry-standard licensing terms, and made a proper paper trail of cease-usage demands. The NY Times does not deny that its photo editors signed Tom's agreements or claim that they were unaware of Tom's objections and letters. In this case, the photographer did not want to stop working for the Times; he simply wanted to be paid fairly -- and according to his agreement -- for their use of his photos.

The gist of our amicus brief is to bring to the court's attention that the agreement/invoice with copyright and licensing terms used by photographer Tom Dallal is not atypical or unclear, but is the standard used by freelancers. This is exactly the type of contract that is in The Graphic Artists Guild Handbook of Pricing and Ethical Guidelines (published since 1973), the boilerplate "Invoice" agreement in ASMP's Professional Business Practices in Photography book, and attorney Tad Crawford's 1990 book, Business and Legal Forms for Illustrators, and the "Contract With Illustrator or Photographer," as well as Tad Crawford & Eva Dorman Bruck's 1990 book, Business

and Legal Forms for Graphic Designers.

The fee stated in Tom's Invoices/License of Rights constituted his fee for professional service plus his fee for the license of the specific limited rights stated in that agreement. Tom's invoice/agreements were not simple invoices for payment due for the sale of photographic prints. There was no stated or implied transfer of all rights to the NY Times. The trial court's interpretation of Dallal's Invoices/License of Rights as being an invoice only, disregarding the validity of the licensing terms as non-binding, is a gross error on both factual and policy levels. The dismissal of the photographer's lawsuit in favor of the publisher makes a clear statement that the industry-standard Invoices/License of Rights agreements should legally be interpreted only as an invoice, and that the licensing & usage terms on those agreements are not legally binding and can be renegotiated at a later date after additional usage, if the author/creator pursues it in court.

If left standing, the lower court's decision will set a precedent for encouraging publishers and other buyers of copyrighted works to agree to pay a low fee to the author or creator for one-time or specifically limited rights of usage when they actually intend to use the works for additional usages right from the inception of the assignment. This decision has demonstrated to publishers and other buyers that the licensing terms in photographers' and artists' agreements may not be upheld, even where the photographers and artists protest the violations of those agreements.

The legal backstory:

This case is directly related to three precedent copyright-infringement [unauthorized use] lawsuits: Tasini vs. NY Times [1999] , Greenberg vs. National Geographic [2001] and Faulkner vs. National Geographic [2005]. In all of them, the ASMP and Guild filed amicus curiae briefs on behalf of the plaintiffs (free-lance writers and photographers).

The Tasini case went all the way to the Supreme Court. It established that when the writers licensed the publisher to use their work "one time only in the print publication edition," that 'one time only' and 'print' specifically meant the printed newspaper (printed on paper) and did not include using the work online; meaning that the internet is a separate publication/use/medium, and that the publisher needed to get permission from the author for that additional use and pay an additional license fee.

The National Geographic cases dealt with the question of whether a publisher can compile a digital version of its print publications without specific permission from the owners of the copyrighted materials in those publications. The issues were basically the same as Tasini, but the "digital version" was National Geographic's CD collection of its past magazine photographs. Greenberg won his case in the Florida appeals court. Faulkner, however, lost in the New York appeals court. Recently, the Supreme Court declined to review the cases.