

HEATHER DONAHUE, et al., Plaintiffs, - against - ARTISAN ENTERTAINMENT, INC., et al., Defendants.

00 Civ. 8326 (JGK)

UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK

2002 U.S. Dist. LEXIS 5930

April 3, 2002, Decided

April 5, 2002, Filed

DISPOSITION: [*1] Defendants' motion for summary judgment denied.

COUNSEL: For HEATHER DONAHUE, MICHAEL C. WILLIAMS, JOSHUA G. LEONARD, plaintiffs: Philip R. Hoffman, Pryor, Cashman, Sherman & Flynn, New York, NY.

For ARTISAN ENTERTAINMENT, INC., ARTISAN PICTURES INC., defendants: Andrew J. Frackman, O'Melveny & Myers, NY, NY.

JUDGES: John G. Koeltl, United States District Judge.

OPINION BY: John G. Koeltl

OPINION:

OPINION AND ORDER

JOHN G. KOELTL, District Judge:

Plaintiffs Heather Donahue, Michael C. Williams, and Joshua G. Leonard bring this action against defendants Artisan Entertainment, Inc., and Artisan Pictures Inc. (collectively, "Artisan") for breach of contract and violations of New York Civil Rights Law § 51, § 43(a) of the Lanham Act, 15 U.S.C. § 1125(a), and New York common law regarding unfair competition. The plaintiffs, who played the three central characters in the film "The Blair Witch Project" ("Blair Witch 1"), complain that their names and likenesses from that film, or other images of them, have been used without their approval in a sequel called "Blair Witch 2: Book of Shadows" ("Blair Witch 2"), as well as in promotions for that sequel and in other unauthorized [*2] ways. The defendants claim that each of the plaintiffs authorized these uses in their origi-

nal acting contracts. The defendants now move for summary judgment on all claims.

I

The standard for granting summary judgment is well established. Summary judgment may not be granted unless "the pleadings, depositions, answers to interrogatories, and admissions on file, together with the affidavits, if any, show that there is no genuine issue as to any material fact and that the moving party is entitled to a judgment as a matter of law." Fed. R. Civ. P. 56(c); see also *Celotex Corp. v. Catrett*, 477 U.S. 317, 322, 91 L. Ed. 2d 265, 106 S. Ct. 2548 (1986); *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 247-48, 91 L. Ed. 2d 202, 106 S. Ct. 2505 (1986); *Gallo v. Prudential Residential Servs., Ltd. Partnership*, 22 F.3d 1219, 1223 (2d Cir. 1994). 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., Ltd. v. Zenith Radio Corp.*, 475 U.S. 574, 587, 89 L. Ed. 2d 538, 106 S. Ct. 1348 (1986) (citing *United States v. Diebold, Inc.*, 369 U.S. 654, 655, 8 L. Ed. 2d 176, 82 S. Ct. 993 (1962)); [*3] see also *Gallo*, 22 F.3d at 1223. 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). "In considering the motion, the court's responsibility is not to resolve disputed issues of fact but to assess whether there are factual issues to be tried." *Knight v. U.S. Fire Ins. Co.*, 804 F.2d 9, 11 (2d Cir. 1986).

On a motion for summary judgment, once the moving party meets its initial burden of demonstrating the absence of a genuine issue of material fact, the nonmov-

ing party must come forward with specific facts to show there is a factual question that must be resolved at trial. See Fed. R. Civ. P. 56(e). The non-moving 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 *Scotto v. Almenas*, 143 F.3d 105, 114-15 (2d Cir. 1998) (collecting [*4] cases); *Wylar v. United States*, 725 F.2d 156, 160 (2d Cir. 1983).

II

There is no dispute as to the following facts except where specifically noted.

In October, 1997, each of the plaintiffs entered into a separate written agreement (collectively, the "acting contracts") with Haxan Films, Inc. ("Haxan"). (Declaration of Andrew J. Frackman, dated July 17, 2001 ("Frakman Decl."), Ex. 1 at 1983-88.) The acting contracts were prepared by Greg Hale, based on a form contract, and signed by him on behalf of Haxan. (Affidavit of Philip R. Hoffman, dated Aug. 23, 2001 ("Hoffman Aff."), Ex. 4 at 11; Frackman Decl., Ex. 1 at 1984, 1986, 1988.)

The second paragraph of Donahue's acting contract contains the following clause:

Heather shall perform the role of "Heather" in the feature film, "The Blair Witch Project" and agrees that Haxan shall have the right to use her full name as the character's name for purposes of this film.

(Frackman Decl., Ex. 1 at 1983.) The fifth paragraph provides that:

It is agreed and understood that Haxan retains all rights to the results and proceeds of Heather's services to Haxan. Haxan retains the rights to dub into any language [*5] and to hire another actress for this purpose. Haxan retains control of all tie-ins and merchandising rights. It is understood that as long as Haxan pays Heather, Haxan is not obligated to play Heather.

(Id.) The sixth paragraph of Donahue's acting contract includes the following provision:

...Heather agrees to provide Haxan with at least ten photos of her ranging from age one to present day and to make a reasonable effort to secure releases from individuals in said photo's [sic] with her.

(Id.) Williams' and Leonard's acting contracts contain identical language, except that each plaintiff's contract substitutes his first name for "Heather," and "her" is replaced by "his" or "him." (Id. at 1985, 1987.)

"The Blair Witch Project" (Blair Witch 1) purports to be the recovered footage of three student filmmakers named Heather Donahue, Michael Williams, and Joshua Leonard, who had traveled to the Maryland woods to investigate a local legend about the "Blair Witch" and disappeared. (Frackman Decl., Ex. 3; Hoffman Aff., Ex. 16 at 1.) The Blair Witch legend is a fictional "mythology" that begins in 1785 and includes multiple accounts of witchcraft, murder, [*6] and other mysterious events in the township of Blair, Maryland. (Hoffman Aff., Ex. 16 at 6-10.)

On January 25, 1999, Artisan acquired certain rights to Blair Witch 1 pursuant to a licensing agreement with Haxan. n1 (Frackman Decl., Ex. 2.) The agreement granted "to [Artisan] exclusively all rights in and to [Blair Witch 1] under copyright in any and all media..., n2 languages and versions...", and specifically included "the exclusive right to cause to finance, produce or exploit...any and all remakes, prequels, sequels and spinoffs and any other derivative productions, whether based upon, derived from or inspired by [Blair Witch 1] or its underlying material or any part or parts thereof..." (Id. at §§ 5, 5(f).)

n1 Although the license agreement refers to the licensor as "Blair Witch Film Partners, Ltd.," the plaintiffs and defendants characterize the agreement as one between Haxan and Artisan. (Pl. 56.1 Stmt P 24; Def. 56.1 Stmt PP 18-19.)

n2 Under the terms of the agreement, Haxan retained certain "interactive rights" not relevant to the current action. (Frackman Decl., Ex. 2 § 5(g).)

[*7]

Artisan released Blair Witch 1 in the summer of 1999. (Hoffman Aff., Ex. 16 at 11 & Ex. 18 at 1100.) The film has produced some \$ 140 million in domestic box office receipts and over \$ 100 million in foreign box office receipts. (Compl. P 13; Am. Ans. P 13; Hoffman

Aff., Ex. 9 at 11.) Blair Witch 1 cost approximately \$ 30,000 to produce. (Hoffman Aff., Ex. 9 at 10.)

On October 27, 2000, Artisan released Blair Witch 2. (Pl. 56.1 Stmt. P 101; Def. 56.1 Stmt. P 20.) Blair Witch 2 portrays a group of fans of Blair Witch 1 who understand that the first movie is fiction. (Frackman Decl., Ex. 4; Hoffman Aff., Ex. 14 at 23 & Ex. 43.) Nevertheless, gory misfortune befalls the Blair Witch 2 characters on a visit to the Maryland woods that Blair Witch 1 made famous. (Frackman Decl., Ex. 4.) Blair Witch 2 includes a clip from Blair Witch 1, an audio-only clip and still image from Blair Witch 1, two scenes in which the plaintiffs' images appear on a "Missing" poster, and a joke involving the name "Heather Donahue." (Pl. 56.1 Stmt. P 101; Def. 56.1 Stmt. PP 35, 36, 38-39.) The "Missing" poster did not appear in Blair Witch 1. (Hoffman Aff., Ex. 9 at 97.) The defendants claim that images of the [*8] plaintiffs appear in Blair Witch 2 for a total of seven seconds. (Def. 56.1 Stmt. P 37.)

To promote Blair Witch 2, Artisan created a trailer, standard-length television commercials, and advertisements for placement in print media, none of which contained the plaintiffs' names or likenesses. (Frackman Decl., Exs. 10-12.) Artisan included a clip of the "Heather Donahue" joke among other excerpts and materials in an "electronic press kit" that it shipped to media outlets nationwide. (Hoffman Aff., Ex. 9 at 95 & Ex. 41.)

Artisan distributed cardboard stand-up displays ("standees") to approximately 973 cinemas during the summer of 2000. (Id., Ex. 9 at 38 & Ex. 28.) The standees came in two sizes: approximately four feet by four feet and six feet by eight feet. (Id., Ex. 9 at 34.) The standees feature several photographs and descriptions, including a photograph of the plaintiffs accompanied by text reading: "in October of 1994 three student filmmakers, Heather Donahue, Mike Williams and Joshua Leonard, disappeared in the woods...." (Frackman Decl., Ex. 13.) In a letter to Artisan dated October 10, 2000, the plaintiffs objected to the use of their names and likenesses on the standees [*9] and in other media, and expressed their concern that their names and likenesses might appear in Blair Witch 2. (Compl., Ex. E.)

Two Blair Witch-related television shows were released in 2000. In the summer of 2000, a national cable channel aired an hour-long program called "The Burkittsville 7," which had been developed by Artisan. (Frackman Decl., Ex. 9 at 47; Pl. 56.1 Stmt. P 55; Def. 56.1 Stmt. P 51.) "The Burkittsville 7" includes clips from Blair Witch 1, as well as the photograph of the plaintiffs used on the standee. (Pl. 56.1 Stmt. P 59; Def. 56.1 Stmt. PP 49-50; Frackman Decl., Ex. 14.) In October, 2000, "Shadow of the Blair Witch," another hour-long television program developed by Artisan, was aired.

(Hoffman Aff., Ex. 9 at 39; Pl. 56.1 Stmt. P 63; Def. 56.1 Stmt. P 56.) "Shadow of the Blair Witch" includes clips from Blair Witch 1, and some scenes incorporate a poster featuring Donahue. (Pl. 56.1 Stmt. P 64; Def. 56.1 Stmt. PP 54, 57; Frackman Decl., Ex. 15.)

Artisan has also made use of the plaintiffs' images, and their names or the names of their characters, in books and on websites. The plaintiffs' images, associated with the names Heather Donahue, Mike Williams, and [*10] Joshua Leonard, appear numerous times on Artisan's blairwitch.com website. (Hoffman Aff., Exs. 30-32.) A book called Blair Witch - Book of Shadows, published in 2000 under Artisan's copyright, contains references to Heather Donahue, Mike Williams, and Joshua Leonard, and an image of Donahue. (Frackman Decl., Ex. 18.) A series of books called "The Blair Witch Files," also copyrighted by Artisan, is written from the perspective of Cade Merrill, supposedly a cousin of the missing student filmmaker Heather Donahue. (Hoffman Aff., Exs. 35-39.) Each of the "Blair Witch Files" books contains an introduction referring to "my cousin, Heather Donahue." (Id.) The "Blair Witch Files" series has an associated website, theblairwitchfiles.com, that contains references to Heather Donahue, Michael Williams, and Joshua Leonard; a photograph of Donahue; and an image of the "Missing" poster containing the plaintiffs' photographs. (Id., Ex. 40.)

III

The defendants move for summary judgment on the basis that all of Artisan's uses of the plaintiffs' images, names, and voices were expressly permitted by the terms of the acting contracts. Specifically, Artisan contends that the reference to "all [*11] rights to the results and proceeds of [the plaintiffs'] services" in P 5 of each acting contract constitutes "a broad and unlimited grant to and reservation by Haxan of all rights to the fruit of the actors' services," including all uses at issue in this case. (Def. Letter dated Mar. 18, 2002 ("Frackman Letter"), at 1.) Haxan in turn conveyed these broad rights to Artisan pursuant to the January 25, 1999 licensing agreement. Therefore, according to Artisan, there is no breach of contract and the plaintiffs' other claims must fail because the plaintiffs consented to the uses at issue.

The plaintiffs do not dispute that if they authorized such uses in the acting contracts, Haxan's rights would pass to Artisan under the licensing agreement between Haxan and Artisan. Rather, the plaintiffs argue that the grant of rights in the acting contracts only relates to Blair Witch 1 and the promotion of Blair Witch 1. Therefore, according to the plaintiffs, the defendants' use of the plaintiffs' images, names, and voices in Blair Witch 2, the electronic press kit associated with Blair Witch 2, the cinema standees, "The Burkittsville 7," "Shadow of the

Blair Witch," blairwitch.com, Blair Witch [*12] - Book of Shadows, the "Blair Witch Files" book series, and theblairwitchfiles.com are not authorized by the acting contracts.

Under New York law, n3 "the initial interpretation of a contract 'is a matter of law for the court to decide.'" *K. Bell & Assocs., Inc. v. Lloyd's Underwriters*, 97 F.3d 632, 637 (2d Cir. 1996) (quoting *Readco, Inc. v. Marine Midland Bank*, 81 F.3d 295, 299 (2d Cir. 1996)). "Included in this initial interpretation is the threshold question of whether the terms of the contract are ambiguous." *Alexander & Alexander Servs. v. These Certain Underwriters at Lloyd's, London*, 136 F.3d 82, 86 (2d Cir. 1998); see also *Curry Road Ltd. v. K Mart Corp.*, 893 F.2d 509, 511 (2d Cir. 1990). A court should construe a contract as a matter of law only if the contract is unambiguous on its face. See *Metropolitan Life Ins. Co. v. RJR Nabisco Inc.*, 906 F.2d 884, 889 (2d Cir. 1990). A contract is unambiguous if it "has 'a definite and precise meaning, unattended by danger of misconception in the purport of the [contract] itself, and concerning which there is no reasonable basis for a difference [*13] of opinion.'" *Sayers v. Rochester Tel. Corp. Supplemental Management Plan*, 7 F.3d 1091, 1095 (2d Cir. 1993) (quoting *Breed v. Insurance Co. of North America*, 46 N.Y.2d 351, 385 N.E.2d 1280, 413 N.Y.S.2d 352 (N.Y. 1978)); see also *Alexander & Alexander*, 136 F.3d at 86; *United Nat'l Ins. Co. v. Waterfront New York Realty*, 994 F.2d 105, 109 (2d Cir. 1993); *Metropolitan Life*, 906 F.2d at 889.

n3 The defendants assert that New York law applies to the contract claims in this case. (Def. Mem. at 9 n.6.) The plaintiffs do not contest this assertion, and also cite New York law in their papers. (Pl. Mem. at 7.) Therefore, the Court will apply New York law to these claims. See *3 Com Corp. v. Banco Do Brasil, S.A.*, 171 F.3d 739, 743 (2d Cir. 1999) ("the parties rely exclusively on New York substantive law, and 'where the parties have agreed to the application of the forum law, their consent concludes the choice of law inquiry.'" (quoting *American Fuel Corp. v. Utah Energy Dev. Co.*, 122 F.3d 130, 134 (2d Cir. 1997)); *Estate of Hogarth v. Edgar Rice Burroughs, Inc.*, 2002 U.S. Dist. LEXIS 4219, No. 00 Civ. 9569, 2002 WL 398696, at *28 (S.D.N.Y. Mar. 15, 2002); *Kosower v. Gutowitz*, 2001 U.S. Dist. LEXIS 19111, No. 00 Civ. 9011, 2001 WL 1488440, at *4 n.1 (S.D.N.Y. Nov. 21, 2001).

[*14]

If a contract is unambiguous, a court is "required to give effect to the contract as written and may not consider extrinsic evidence to alter or interpret its meaning." *Consarc Corp. v. Marine Midland Bank, N.A.*, 996 F.2d 568, 573 (2d Cir. 1993); see also *Alexander & Alexander*, 136 F.3d at 86; *K. Bell & Assocs.*, 97 F.3d at 637. Contractual language "whose meaning is otherwise plain is not ambiguous merely because the parties urge different interpretations in the litigation." *Metropolitan Life Ins. Co.*, 906 F.2d at 889; see also *United States Trust Co. of New York v. Jenner*, 168 F.3d 630, 632 (2d Cir. 1999); *Wards Co. v. Stamford Ridgeway Assocs.*, 761 F.2d 117, 120 (2d Cir. 1985). Where the contractual language is subject to more than one reasonable meaning and where extrinsic evidence of the parties' intent exists, the question of the proper interpretation should be submitted to the trier of fact. See *Alexander & Alexander*, 136 F.3d at 86; *Consarc*, 996 F.2d at 573; *Simpson v. Mutual of Omaha Ins. Co.*, 2000 U.S. Dist. LEXIS 3814, No. 97 Civ. 1339, 2000 WL 322780, [*15] at *3-*4 (S.D.N.Y. Mar. 28, 2000).

In this case, the parties agree that the interpretation of P 5 of the acting contracts is pivotal. It is true that, as the defendants assert, the phrase "all rights to the results and proceeds of [the plaintiff's] services" appears to contemplate an unlimited grant or retention of rights when read in isolation, and courts often refuse to read limitations into broad grants of rights. See *Boosey & Hawkes Music Publishers, Ltd. v. The Walt Disney Co.*, 145 F.3d 481, 486-87 (2d Cir. 1998) (grant of right to use music in film includes use in film in video format); *Bartsch v. Metro-Goldwyn-Mayer, Inc.*, 391 F.2d 150, 155 (2d Cir. 1968) (grant of right to use play in film includes television broadcast of film). However, the Court should "examine the entire contract" in order to "safeguard against adopting an interpretation that would render any individual provision superfluous." *Sayers*, 7 F.3d at 1095; *Random House, Inc. v. Rosetta Books LLC*, 150 F. Supp. 2d 613, 620 (S.D.N.Y. 2001), *aff'd*, 283 F.3d 490, 2002 WL 373276 (2d Cir. 2002). The "all...results and proceeds" clause [*16] in P 5 is immediately followed by three more specific sentences, reserving to Haxan the right "to dub into any language and to hire another actress for this purpose" and to "control...tie-ins and merchandising rights," as well as establishing that "as long as Haxan pays [a plaintiff], Haxan is not obligated to play [that plaintiff]."

Despite these additional provisions, the defendants urge the Court to read the first sentence of P 5 as a grant of "unlimited rights to exploit the property as the copyright owner would expect" (Frackman Letter at 1). But the defendants do not deny that such a broad grant would necessarily include all merchandising and tie-in rights. n4 Hence, in the defendants' interpretation, the third sen-

tence of P 5 is mere "emphasis" of the effects of a grant which has already taken place. (Id. at 2.) The sentence, however, contains no indication that it is there to emphasize an existing grant; nor does it purport, by its terms, to further specify, explain, or give an example of the rights supposedly granted in the first sentence of the paragraph.

n4 Nor do the defendants explain why such a broad grant would not also include the right to alter the soundtrack by dubbing in another voice, apart from asserting that dubbing is "different in kind" from the rights contained in a broad grant. Yet the defendants would surely agree that even without specific grants, Haxan had the right to edit the movie, add music and titles, and alter the plaintiffs' performances in other ways after filming them.

[*17]

The plaintiffs, on the other hand, argue that the parties' inclusion of specific supplemental grants in the contract indicates that they did not intend the first sentence of P 5 to be a broad and unlimited grant. Since that contention is reasonable and the defendants' interpretation would render some language in the contract superfluous, the Court cannot determine as a matter of law that the defendants' interpretation of P 5 is correct for purposes of a motion for summary judgment. Furthermore, both sides have presented extrinsic evidence, although of varying probative value, that they claim would illuminate the intent of the parties. Thus, the proper interpretation of the contract is a question for the finder of fact that cannot be resolved on this motion. See *Alexander & Alexander*, 136 F.3d at 86 ("If the court must resort to extrinsic evidence to ascertain the correct and intended meaning of a term, material questions of fact necessarily exist."). Accordingly, the defendants' motion for summary judgment is denied as to the breach of contract claim.

IV

The defendants argue that they are entitled to summary judgment on the plaintiffs' claim under § 51 of the New [*18] York Civil Rights Law because the plaintiffs consented in writing to the use of their names, images and voices when they signed the acting contracts. In addition, the defendants argue that the uses fall within a statutory exception to liability. Finally, the defendants argue that any otherwise actionable uses are de minimis and incidental.

A

Section 50 of the New York Civil Rights Law requires that a person using the name, portrait or picture of any living person for advertising purposes or for pur-

poses of trade first obtain written consent. Section 51 provides that a person whose name, portrait, picture or voice is used within New York for advertising purposes or for purposes of trade without the written consent required under § 50 may "sue and recover damages for any injuries sustained by reason of such use." N.Y. Civ. Rights Law § 51; *Weber v. Multimedia Entertainment, Inc.*, 2000 U.S. Dist. LEXIS 5688, No. 97 Civ. 682, 2000 WL 526726, at *5 (S.D.N.Y. May 2, 2000).

Since the meaning of the acting contracts in this case is a question for the finder of fact, the Court cannot determine whether the contract terms constitute written consent to the various uses at issue. Moreover, it is [*19] clear that some of the uses involve images of the plaintiffs that do not appear in *Blair Witch 1*. The record is largely undeveloped as to such issues as the origin of these images; whether their use is governed by any separate contract; and whether any of them is among the photographs that the plaintiffs were required to provide by P 6 of the acting contracts. Without such information it is impossible to determine whether any particular image could properly be considered a "result," even in the broadest sense, of a plaintiff's "services to Haxan" under the plaintiff's acting contract.

B

Section 51 provides that "nothing contained in this article shall be so construed as to prevent any person, firm or corporation...from using the name, portrait, picture or voice of any author, composer or artist in connection with his literary, musical or artistic productions which he has sold or disposed of with such name, portrait, picture or voice used in connection therewith." N.Y. Civ. Rights Law § 51. For this exception to apply, three conditions must be met: first, the objectionable use must be a use in connection "with [the plaintiff's] literary...or artistic production[]"; second, the [*20] production must have been "sold or disposed of"; and third, the sale must have been "with such name[, portrait, picture or voice] used in connection therewith." *Geisel v. Poynter Prods., Inc.*, 295 F. Supp. 331, 356 (S.D.N.Y. 1968).

The plaintiffs in this case object to several different uses of their names, pictures and voices. Some of these are re-uses of their performances in *Blair Witch 1*, in the form of clips and still photos. Others are less directly connected with those performances. For example, a photo of Donahue -- the provenance of which is uncertain -- appears on theblairwitchfiles.com, which is a website associated with a book series that draws on the *Blair Witch* "mythology." In some circumstances, the use of a name, picture or voice may constitute a use in sufficient "connection" with the original artistic production which has been sold or disposed of such that the subsequent use is excepted from liability under § 51, even

though the use is not contained within or attached to the original production. See Geisel, 295 F. Supp. 331, 356. Given the panoply of uses at issue in this case and the lack of factual information regarding some [*21] of those uses, however, the Court cannot determine as a matter of law that all of the uses are "connected with" the plaintiffs' original performances within the meaning of § 51. Therefore, the statutory exception to liability cited by the defendants does not support a grant of their summary judgment motion with respect to the plaintiffs' § 51 claim.

C

"It is well-settled that where...a reference to an individual is fleeting and incidental, it will not be actionable as a nonconsensual use of that person's name for the purpose of advertising or trade." Marks v. Elephant Walk, Inc., 156 A.D.2d 432, 548 N.Y.S.2d 549, 551-52 (App. Div. 1989) (punctuation and citation omitted); see also Shaw v. Rizzoli Int'l Pubs., 1999 U.S. Dist. LEXIS 3233, No. 96 Civ. 4259, 1999 WL 160084, at *7 (S.D.N.Y. Mar. 23, 1999); Man v. Warner Bros. Inc., 317 F. Supp. 50, 53 (S.D.N.Y. 1970).

The defendants claim that their use of the plaintiffs' names, images, and voices constitutes such a de minimis use. However, the plaintiffs have submitted evidence from which a jury could conclude that the defendants' use of the plaintiffs' names, images, and voices are, taken as a whole, more [*22] than "fleeting and incidental." For example, the record indicates that the plaintiffs' pictures and names are used dozens of times on multiple pages of multiple websites. Some uses of the plaintiffs' names and/or voices come at the immediate beginning of a book or film, which could make them more prominent. Additionally, while the plaintiffs may appear for only a few seconds of Blair Witch 2 and the television specials, they appear in one of seven panels on the standee (Frackman Decl., Ex. 13) and a reference to Donahue appears in one clip of ten on the electronic press kit for Blair Witch 2. Because the significance or insignificance of the uses at issue is a material issue of fact, and because the Court cannot conclude as a matter of law that the plaintiffs consented to the uses or that they fall within the statutory exception, the defendants' motion to dismiss the plaintiffs' § 51 claim is denied. n5

n5 The defendants also state, in passing, that their uses of the plaintiffs' names, pictures and voices are protected expression, and therefore not actionable under § 51. The defendants have cited only one case in support of this proposition, and that case analyzes the interaction between concerns for artistic speech and the use of a famous actress's name in a fictional movie. See Rogers v.

Grimaldi, 695 F. Supp. 112, 121-24 (S.D.N.Y. 1988). However, in that case, the court found, among other things, that the use of the actress's first name was an exercise of artistic expression, and that the movie did not meet the requirements for a use for trade or advertising. In this case, it is undisputed that there are uses of the plaintiffs' names and images for trade and advertising (Am. Ans. P 43) and the defendants have argued that those uses were authorized.

[*23]

V

Section 43(a) of the Lanham Act establishes a private right of action against

any person who, on or in connection with any goods or services...uses in commerce any word, term, name, symbol, or device..or any false designation of origin, false or misleading description of fact, or false or misleading representation of fact, which...is likely to cause confusion, or to cause mistake, or to deceive as to the affiliation, connection, or association of such person with another person, or as to the origin, sponsorship, or approval of his or her goods...by another person, or...in commercial advertising or promotion, misrepresents the nature, characteristics, qualities, or geographic origin of his or her or another person's goods...

15 U.S.C. § 1125(a). The plaintiffs claim that the use of their names, images and voices in Blair Witch 2 and the advertising and promotion thereof creates the impression that they are involved with Blair Witch 2 or Artisan or that they endorse Blair Witch 2, or is at least likely to cause confusion regarding their relationship to Blair Witch 2 and/or Artisan.

The defendants move for summary judgment on this claim on [*24] the grounds that the plaintiffs have consented to the use of their names, images and voices; that the plaintiffs have not presented evidence of actual confusion; and that the plaintiffs cannot show that the defendants' use is false or misleading.

The defendants' consent defense, which is based on the language of the acting contract, fails for the reasons explained above.

A

Under the Lanham Act, evidence of actual consumer confusion is not required to justify a finding of a likelihood of confusion, although the presence of actual confusion supports such a finding. *Cache, Inc. v. M.Z. Berger & Co.*, 2001 U.S. Dist. LEXIS 226, No. 99 Civ. 12320, 2001 WL 38283, at *9 (S.D.N.Y. Jan. 16, 2001); *Les Ballets Trockadero de Monte Carlo, Inc. v. Trevino*, 945 F. Supp. 563, 571 (S.D.N.Y. 1996). "In order for a Lanham Act plaintiff to receive an award of damages the plaintiff must prove either actual consumer confusion or deception resulting from the violation,...or that the defendant's actions were intentionally deceptive thus giving rise to a rebuttable presumption of consumer confusion." *Boosey*, 145 F.3d at 493 (quoting *George Basch Co. v. Blue Coral Inc.*, 968 F.2d 1532, 1537 (2d Cir. 1992)) [*25] (ellipsis and emphasis in original).

The plaintiffs have each testified that numerous people asked them if they were in *Blair Witch 2*. (Hoffman Aff., Ex. 5 at 23-24; Ex. 6 at 138, 143; Ex. 7 at 85-86.) Leonard further testified that he was asked, "why did you guys make a second film?" and told that "you should never have made a sequel to that film." (Id., Ex. 6 at 143.) Williams testified that people told him that they "thought you were going to be in the film." (Id., Ex. 7 at 87-88.) The fact that the plaintiffs, whose participation in *Blair Witch 1* was widely known, were asked about whether they were involved in *Blair Witch 2* does not necessarily indicate that Artisan's uses of their names, images, or voices caused confusion. However, Leonard has testified about statements that indicate actual confusion, and those statements are admissible to show the declarant's state of mind. *Fed. R. Evid.* 803(3); *Fundamental Too Ltd. v. Gemmy Indus. Corp.*, 111 F.3d 993, 1003-04 (2d Cir. 1997); *Cache*, 2001 U.S. Dist. LEXIS 226, 2001 WL 38283, at *9.

In this case, although the evidence of actual confusion submitted by the plaintiffs is minimal, drawing all inferences in the plaintiffs' [*26] favor, a trier of fact could conclude that there was actual confusion. See *Cache*, 2001 U.S. Dist. LEXIS 226, 2001 WL 38283, at *10; *Something Old, Something New, Inc. v. QVC, Inc.*, 1999 U.S. Dist. LEXIS 18878, No. 98 Civ. 7450, 1999 WL 1125063, at *9 (S.D.N.Y. Dec. 8, 1999) (finding that the plaintiffs' submission of a single declaration of a person detailing her confusion, albeit slight evidence of actual confusion, was sufficient to create a genuine issue of fact); *Bear U.S.A., Inc. v. Kim*, 71 F. Supp. 2d 237, 252 (S.D.N.Y. 1999), *aff'd*, 216 F.3d 1071 (2d Cir. 2000) (finding that one piece of anecdotal evidence constituted some evidence of actual confusion); *Gayle Martz, Inc. v. Geo Global Group, Inc.*, 1998 U.S. Dist. LEXIS 6295, at

*7, No. 96 Civ. 4650 (S.D.N.Y. Apr. 30, 1998) (finding that evidence of one instance of actual confusion may satisfy the actual consumer confusion standard, shifting the burden to the defendant to show the absence of consumer confusion); *Russian Kurier, Inc. v. Russian American Kurier, Inc.*, 899 F. Supp. 1204, 1206 (S.D.N.Y. 1995) (concluding that actual confusion existed on the basis of five affidavits submitted [*27] by the plaintiffs from individuals claiming to have mistaken the defendant's product as the plaintiff's).

B

The defendants claim that their uses of the plaintiffs' names, images, and voices refer exclusively to the plaintiffs' characters from *Blair Witch 1*, and therefore cannot be considered false or misleading. However, a jury could find that the appearance of a photograph of the plaintiffs on a standee headed, in large type, "Book of Shadows: *Blair Witch 2*" is likely to cause confusion as to whether the plaintiffs actually appear in *Blair Witch 2*, particularly considering that the standees do not list or otherwise identify the cast of *Blair Witch 2*. (*Frackman Decl.*, Ex. 13.) Similarly, the continued presence on Artisan's websites of images of the plaintiffs which did not appear in *Blair Witch 1* could cause confusion as to the plaintiffs' ongoing affiliation with or endorsement of Artisan and the *Blair Witch* "franchise." Whether the defendants' conduct was false or misleading is a question for the finder of fact.

VI

The defendants state that the arguments they make in support of summary judgment on the plaintiffs' Lanham Act claim also apply to the plaintiffs' common law unfair [*28] competition claim. Because summary judgment cannot be granted on the Lanham Act claim, the Court also denies the defendants' motion with respect to the unfair competition claim.

Conclusion

For the reasons explained above, the defendants' motion for summary judgment is denied.

SO ORDERED.

Dated: New York, New York

April 3, 2002

John G. Koeltl

United States District Judge