



## Intellectual Property Litigation **ALERT**

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### **Motion Picture Studios Prevail in Action Against Purveyors of Unauthorized Edited Versions of Copyrighted Films**

In a closely watched copyright action, the major Hollywood motion picture studios recently prevailed on their infringement claims against several companies that edited the studios' motion pictures without the owners' permission. The ruling confirmed the rights of copyright owners to control the forms in which their works are disseminated and sold to the public.

At issue in the litigation was the defendants' practice of deleting content that they considered objectionable from copies of the studios' movies and then renting or selling the edited versions to consumers. U.S. District Judge Richard Matsch in Colorado found that these practices constituted unauthorized copying, editing and distribution of the studios' films, and granted the studios' motion for summary judgment. The court also permanently enjoined the defendants' conduct.

In finding that the defendants' unauthorized editing of the studios' pictures violated copyright law, the court rejected the editing companies' assertion that their activities constituted fair use under the federal Copyright Act. The defendants argued that their conduct was a form of criticism of content in contemporary motion pictures that some people find objectionable, and they further claimed to be enabling families to view films together by providing

more socially acceptable alternatives to the unedited films. The court found that these assertions did not support a fair use defense under existing copyright law, and reasoned: "This court is not free to determine the social value of copyrighted works. What is protected are the creator's rights to protect its creation in the form in which it was created."

The court also rejected the editing companies' contention that their unauthorized film editing should have been allowed on the basis that it purportedly resulted in more sales of the studios' films by causing viewers who would not have watched the unedited versions to purchase copies of the movies (albeit in edited form). While acknowledging the "superficial appeal" of this argument, the court held that it "ignores the intrinsic value of the right to control the content of the copyrighted work which is the essence of the law of copyright. Whether these films should be edited in a manner that would make them acceptable to more of the public playing them on DVD in a home environment is more than merely a matter of marketing; it is a question of what audience the copyright owner wants to reach."

*The studios were represented in this litigation by Loeb & Loeb LLP.*

Loeb & Loeb LLP is a multi-service national law firm with 240 attorneys, and offices in Los Angeles, New York, Chicago and Nashville, and is a nationally recognized leader in intellectual property and entertainment litigation, among other areas. Loeb & Loeb LLP's Intellectual Property and Entertainment Litigation Group includes:

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