



## June 2017

A newsletter brought to you by the Sports Law Group at Proskauer.

Welcome to Three Point Shot, a newsletter brought to you by the Sports Law Group at Proskauer. Three Point Shot brings you the latest in sports law-related news and provides you with links to related materials. In this issue, we feature contributions from our talented group of summer associates. Thanks to Charles Peskowitz, Monique Curry, and Evan Zepfel for their hard work on these articles.

Your feedback, thoughts and comments on the content of any issue are encouraged and welcome. We hope you enjoy this and future issues.

Edited by **Robert E. Freeman**

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### **“12th Man” Suit Forces Aggies to Call an Audible on Traditional Copyright Defenses**

Texas A&M University’s “12th Man” is at the center of a legal blitz facing the University’s Athletic Department. On January 19, 2017, Michael J. Bynum and his publisher, Epic Sports, filed a copyright infringement [suit](#) against the Texas A&M Athletic Department, three university employees, and the university’s athletic booster organization, the Texas A&M University 12th Man Foundation, for allegedly posting a copy of a written account of the Texas A&M “12th Man” story on the Athletic Department’s website without permission. (*Bynum v. Texas A&M University Athletic Dept.*, No. 17-00181 (S.D. Tex. filed Jan. 19, 2017)). A&M has responded with a gadget play of sorts to hold off the legal rush.

According to Texas A&M lore, the [“12th Man” tradition](#) was inspired by an individual named E. King Gill, whose actions during the 1922 “Dixie Classic” football game between A&M and the undefeated Centre College came to symbolize the university’s devotion to unity and service. The game was not going well for the Aggies, and several of the team’s players had been knocked out of the game because of injuries. Gill, a practice squad player watching from the stands, was called down to the sidelines by Coach Dana X. Bible and asked to suit up. Ever-ready to serve his team, Gill quickly changed into his teammate’s uniform and returned to the sideline, where he remained standing for the rest of the game, as the only player left on the team’s bench (hence, the “12th Man,” as there are 11 football players on each side during play). Not only did Gill display an unbridled willingness to serve his team, but the Aggies also ended up miraculously winning the game 22-14, giving rise to the “12th Man” legend.

In an [amended complaint](#), Bynum claims that the Athletic Department copied a written biography of E. King Gill and published “a pirated version” without Bynum’s authorization, under the title “The Original 12th Man,” on the Texas A&M Athletics website.

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Bynum contends that several years earlier he commissioned sports author Whit Canning to write the biography to be included in Bynum's book about Gill and the history of the "12th Man" tradition, thus giving Bynum copyright ownership of the Gill biography under the [work made for hire doctrine](#). According to the complaint, Bynum sent a copy of the unpublished 5,000-word biography to the Texas A&M Athletic Department in June 2010 "for the limited purpose of fact-checking, to locate certain additional photos for the book, and an option to purchase copies for alumni." However, the university elected not to purchase any copies, and Bynum did not license any copyrights to the university. After sitting idle in a file drawer for four years, the biography was ultimately found and posted on the A&M Athletics website during a stadium fundraising drive and subsequently promoted on the University's Twitter account, giving sole credit to Canning. Several days later, after receiving a note from Bynum, the post containing the Gill biography was taken down—the bio had been on the Athletic Department's website for only 72 hours.

In his lawsuit, Bynum asserted direct copyright infringement claims against the Texas A&M Athletic Department and its individual employees based upon the alleged unauthorized copying and profiting off of the Gill biography, and contributory infringement claims against the Athletics Department and the Texas A&M 12th Man Foundation for allegedly inducing and assisting others to copy and distribute the infringing copy of the biography.

Calling an audible that departs from more typical copyright infringement defenses (e.g., fair use, lack of valid copyright), the university's goal line defense centers around two forms of immunity afforded to public officials (Texas A&M is a public university). In its [motion to dismiss the claims](#), the university argues first that the Athletic Department cannot be sued in its individual capacity because it is an unincorporated division within the larger university. The defense argues that "the institutional structures and controls...do not permit the conclusion that the Texas A&M Athletic Department is an entity separate from the University, capable of being sued in its own right," and thus dismissal is warranted. The University points out that even if the court could substitute the correct party —Texas A&M—dismissal is

still the correct result because Texas A&M, as a state university, enjoys [sovereign immunity](#) from suit and it believes that, absent waiver by the state or congressional override, none of the copyright or related claims can be pursued against a state entity in federal court under the Eleventh Amendment.

Next, the University argues that Bynum's claims against the Athletic Department and university employees involved in the posting of the biography are barred by sovereign immunity under Texas state law. Generally speaking, sovereign immunity deprives a court of subject matter jurisdiction for suits where the state or governmental entity has been sued unless the state consents to the suit (e.g., the Texas Tort Claims Act proves a limited waiver of sovereign immunity). In the University's view, while the Texas statute permits a limited number of claims to be advanced against state agencies, "immunity will be extended to individual state employees who act within the course and scope of their employment." In support of this assertion, the defense cites the fact that all of the alleged activities of the employees were done at the direction of and for the benefit of the university, thus falling within the scope of the state's sovereign immunity.

Joining the halftime parade of motions, the Texas A&M University 12th Man Foundation also [moved to dismiss](#) the action, arguing that Bynum's claims against the Foundation are but "bare legal conclusions." Citing a lack of factual support for the allegations and a lack of concrete evidence of the Foundation's knowledge of the alleged infringement, as well as the minimal discussion of the Foundation in the complaint (the Foundation claims that it is only mentioned by name three times in the 18-page complaint), this defendant contends that their inclusion in this suit is far afield. In [response](#), Bynum argues that he has alleged sufficient facts that connect the actions of the Foundation to the infringement claims, and it would not be "facially implausible that the Foundation worked in concert with the A&M Athletic Department to solidify Texas A&M's ownership of the '12th Man' and ultimately infringe Plaintiffs' copyright."

The Aggies are known for their high-powered offense on the field and here, to avoid getting sacked by a large damage award, they have mounted a strong defense. It

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is very possible that A&M's unconventional defensive scheme may throw Bynum off guard and secure a quick victory for the Athletic Department—but if not, both sides appear willing to grind it out for four quarters and leave it all out on the field to protect the legacy of the 12th Man.

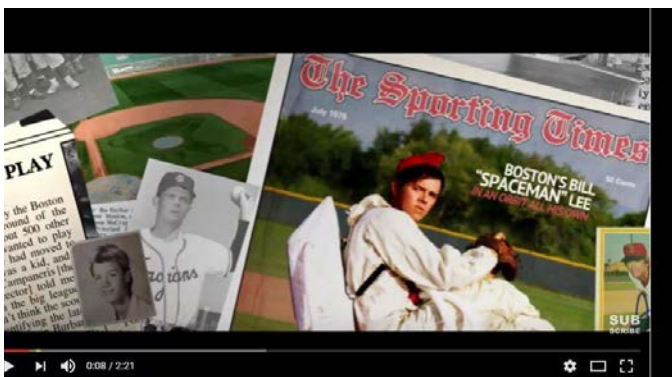
### **The Sporting Times Throws the “Spaceman” a Curveball**

Kentucky based sports magazine, [The Sporting Times](#), is looking to hit a homerun in their [recent lawsuit](#) against [Metro-Goldwyn-Mayer Studios](#) (“MGM Studios”) and others for trademark infringement. *The Sporting Times* is suing MGM Studios, production companies and distributors for trademark infringement over use of the magazine's logo for a fictitious headline that appeared in a news clipping montage in the documentary film *Spaceman*. ([The Sporting Times, LLC v. Orion Pictures, Inc.](#), No. 17-33 (W.D. Ky. filed Feb. 24, 2017)).

*Spaceman*, which opened in theaters August 2016, is a documentary about Bill “Spaceman” Lee, the colorful former left-handed pitcher for the Boston Red Sox and Montreal Expos in the 1970s, famous for his high arcing [Eephus pitch](#) (or Space Ball) and for being outspoken on politics and cultural issues like the legalization of marijuana.

In a short clip—lasting only nine seconds—the magazine cover appeared in the film with a headline, dated July 1976, reading “Boston’s Bill ‘Spaceman’ Lee: In An Orbit All His Own.” It is the only use of the plaintiff's mark in the film.

Take a Look.



*The Sporting Times*, a publication targeted to youth sports and families, alleges that its “squeaky clean” brand was injured by MGM Studios' use of the company's name in the clip about the iconoclastic Lee.

While the magazine cover depicted in the film makes no mention of drug use or alcohol addiction, *The Sporting Times* claims that use of their name “seemingly sensationalizes and promotes drug and alcohol addiction and has-been middle-aged sports figures.”

It should be noted that the news article is dated July 1976, which is 28 years before *The Sporting Times* began publication and 32 years before the trademark was registered, and was a fictional publication created by the production (and perhaps inspired by the look and feel of the former, venerable baseball weekly periodical, [The Sporting News](#)).

After a mound conference, MGM Studios and co-defendants decided to play hardball and filed a [motion to dismiss](#).

MGM Studios' principal defense is that the “fleeting” use in the film of the plaintiff's mark in a “non-trademark way” as the masthead of a fictitious magazine is protected by the First Amendment. Under application of the so-called *Rogers* test, courts construe the Lanham Act to apply to artistic works only where the public interest in avoiding consumer confusion outweighs the public interest in free expression. As such, the First Amendment bars Lanham Act claims unless the use of the mark has no artistic relevance to the underlying work whatsoever, or, if it has some artistic relevance, unless the use of the mark explicitly misleads as to the source or the content of the work. Here, according to the defendants, the use of the magazine title has artistic relevance to a film about a professional athlete, and the film does not mislead the public about its source or origin.

Additionally, defendants believe that that plaintiff's theory for a Lanham Act violation is well outside the strike zone. Defendants contend that the non-trademark use of a mark in a film or trailer is not sufficient to state a Lanham Act claim, as the brief appearance of the plaintiff's mark in the film would not confuse consumers as to any sponsorship of the film or somehow harm the plaintiff's business reputation. In the defendant's view, if such claims were upheld, characters in a film couldn't ask for a particular potato chip or mention traveling to a specific venue without first obtaining consent from the trademark owner.

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At this point, plaintiff's lawyers are in the on-deck circle awaiting their chance to step up and file their reply to the motion.

### **Athletic Tape Maker Feels the Pain, Settles Misleading Advertising Suit**

Seeking to “wrap up” a misleading advertising class action suit, a class of plaintiffs and athletic tape maker KT Health Holdings LLC and KT Health, LLC (“KT Tape”) have agreed to a proposed \$1.75 million settlement. In a complaint filed in October 2015, the proposed class (“Plaintiffs”), led by Alexander Vuckovic (“Lead Plaintiff”), alleged that KT Tape’s advertisements, photographs of athletes wearing KT Tape, and other marketing practices, created the false impression that its “kinesio tape” product relieves pain and prevents injury during exercise, contentions that plaintiffs deemed “pseudoscience.” Two years after the original complaint was filed, and many strained muscles later, the parties await the judge’s approval of the settlement terms and related class certification issues in an effort to finally put this matter on ice. (See [Vuckovic v. KT Health Holdings, LLC](#), No. 15-13696 (D. Mass. Memorandum in Support May 25, 2017)).

KT Tape differs from standard white cotton athletic tape (which is wound around areas of the body, such as sprained ankles) in that it relies on a concept known as “kinesiology taping” to microscopically lift the skin, thus alleviating pain and promoting drainage in the area. Those not familiar with it might recall the number of Olympic athletes last summer (including volleyball, water polo, and basketball players) that displayed colorful strips of athletic tape crisscrossed over aching shoulders, thighs, abs and arms in an effort to alleviate muscle strains and compete at the highest level. The tape is attached to the skin adhesively on the affected areas of the body, creating tension that is designed to relieve pain, offer support and alleviate lymphatic fluid buildup due to injury or over-use. According to [KT Tape’s website](#), the tape “lifts the skin, decompressing the layers of fascia, allowing for greater movement of lymphatic fluid which transports white blood cells throughout the body and removes waste products, cellular debris, and bacteria.” All those sponsorships cost a pretty penny, and KT Tape is sold as a premium product, priced significantly higher than traditional athletic tape.

In short, the plaintiffs in their complaint alleged that KT Tape simply does not work as advertised and that consumers paid a premium for the tape because of those misleading statements. In fact, plaintiffs posit that KT Tape’s creative marketing has helped to give rise to a new category of premium fitness products named “kinesiology tape,” a term which plaintiffs have deemed “a scientific-sounding, made up word.” ([Vuckovic v. KT Health Holdings, LLC](#), No. 15-13696 (D. Mass. Second Amended Complaint July 7, 2017)). According to the complaint, KT Tape had represented that use of the tape could treat a variety of chronic minor sports conditions (e.g., tennis elbow, shin splints). Plaintiffs took issue with such assurances of pain relief as well as other claims about the product made on KT Tape’s website. The plaintiffs also claim that the supposed restorative effects of kinesio tape don’t stick and that KT’s claims that the tape relieves pain and prevents injury during exercise are “not supported by scientific evidence, and [are] not accepted by the medical community.” More specifically, the Plaintiffs allege that KT Tape knew that claims about the product’s health benefits were sufficiently material to lead people to purchase a product at a premium price that did not warrant pricing above traditional athletic tape. As such, the complaint asserted claims under Massachusetts law of unjust enrichment, untrue and misleading advertising, and violations of state consumer protection laws.

In anticipation of a settlement, KT Tape sought coverage under its general liability insurance policy. The policy provided coverage for damages resulting from “bodily injury” or “property damage.” Its insurer denied coverage and brought a separate action against KT Tape seeking a declaratory judgment of non-coverage. In March 2017, the court found that since the class allegations sought only economic remedies to redress economic harms and did not seek damages due to “bodily injury,” there was no coverage for the class claims (the insurer was not disputing its duty to defend the minor claim by the Named Plaintiff of personal injury due to skin irritation caused by the application of KT Tape). (See [The Cincinnati Insurance Co. v. KT Health Holdings](#), No. 16-11722 (D. Mass. Mar. 27, 2017)).

Several months after the coverage ruling, KT Tape hopped off the trainer’s table and sat down at the settlement table. Under the proposed settlement, KT

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Tape would pay \$1.75 million into a settlement fund, in addition to making certain changes to their packaging and marketing. Beyond paying attorney's fees and expenses, the settlement fund is intended to provide a cash refund of 50% of the retail price of KT Tape products purchased during the class period in Massachusetts, subject to adjustments as specified in the agreement. Under the terms, claimants can claim one package of KT Tape (without proof of purchase), and up to five packages with proof. KT Tape also agreed to strip the phrases "it will keep you pain free," "prevents injury," and "provides 24-hour pain relief per application" from its packaging, and enlarge disclaimers

on the package ("not clinically proven for all injuries") and to recast them in bold print, among other things.

After years of promising "pain relief," KT Tape is feeling the pain of a sizeable settlement that will also require changes to its marketing practices. Moreover, this Massachusetts-specific settlement could potentially expose KT Tape to further claims from consumers in other states. Outside the courtroom, at least from this weekend warrior's anecdotal observation of gym rats and budding triathletes wrapped in kinesio tape, it seems that any purported issues with the effectiveness of the product have not lessened demand one strip.

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Proskauer has more than 50 years of experience counseling the world's premier sports organizations on their most critical and complex matters.

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