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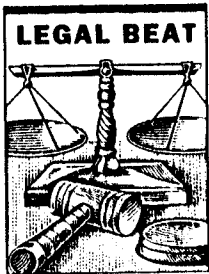
Proxy-Expert Carter Faces Suit by VPI

By WADE LAMBERT
And EDWARD FELSENTHAL

Staff Reporters of THE WALL STREET JOURNAL

VPI Group PLC, which acquired Donald Carter's proxy solicitation firm in 1987, sued Mr. Carter in federal court in Manhattan, N.Y., accusing the former proxy king of racketeering, fraud and breach of contract.

The British company, formerly known as Valin Pollen International, claimed Mr. Carter's alleged misconduct inflated the price VPI paid when it acquired Carter Organization. The suit charges that because of the alleged improprieties, Carter Organization's credibility and business prospects were hurt. The suit seeks unspecified damages.



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COPYRIGHTED WRITINGS can be used in critical biography, court rules.

A federal appeals court in New York reversed a lower court ruling that appeared to signify tighter restrictions on the use of copyrighted materials by authors and journalists.

The appeals court ruled that Carol Publishing Group's critical biography of L. Ron Hubbard, founder of the Church of Scientology, doesn't violate federal law by including copyrighted quotations from Mr. Hubbard's published writings.

The plaintiff was New Era Publications

International, a Copenhagen publisher of Scientology books which holds the license on all of Mr. Hubbard's works. Mr. Hubbard died in 1986.

Coming after a series of decisions in New York federal courts that placed copyright concerns ahead of free-press interests, the opinion seems to reflect a broader interpretation of what constitutes fair use of copyrighted materials. The decision "reaffirms the vitality of the fair-use doctrine where material is being used for journalistic scholarly purposes," said Melvin Wulf, a lawyer with the New York law firm Beldock Levine & Hoffman, which represented Carol Publishing.

The court's opinion relies in part on the fact that Mr. Hubbard's works had already been published. The U.S. Supreme Court has granted copyright protection to unpublished works. And in a much publicized 1986 case, the New York appeals court created a strong presumption against the use of unpublished works when it forbade a biography of J.D. Salinger to quote from unpublished letters.

New Era Publications hasn't decided whether to appeal to the U.S. Supreme Court, says its lawyer, Michael Hertzberg of Rabinowitz, Boudin, Standard, Krinsky & Lieberman in New York.

DU PONT WINS ROUND in unusual dispute over rights to corn seeds.

Du Pont Co. and two co-plaintiffs won an early round in a complicated legal battle over who owns the rights to seeds developed by the University of Illinois.

Du Pont and Pfister Hybrid Corn Co. signed an exclusive licensing agreement with the university to develop seeds used for the production of corn that is high in oil. They sued Pioneer III-Bred International Inc., after the company obtained some seeds from a professor.

In recent years more companies have defended their legal claims to specific plant varieties. But this case is one of the first to address the issue of what rights seed breeders retain to novel varieties when they don't have a patent or a certificate issued by the Department of Agriculture, according to William T. Cahill of Chi-

The Pioneer lawyer said he is concerned that the company might have to dig up the seeds it had planted.

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ACLU PRESIDENT will step down.

American Civil Liberties Union President Norman Dorsen said he won't seek another term as president of the 70-year-old public-interest legal organization.

Mr. Dorsen is a constitutional scholar and a professor at New York University Law School. In his 14 years as president of the ACLU, he headed its efforts to oppose the confirmation of Supreme Court nominee Robert Bork and successfully argued U.S. Supreme Court cases that established constitutional rights of illegitimate children and the right of juveniles to fair hearings in delinquency proceedings.

His successor will be chosen this fall.

-Amy Dockser Marcus contributed to this article.

Resorts' Debtholder Committees Approve Revised Revamp Plan

By a WALL STREET JOURNAL Staff Reporter
NEW YORK — Resorts International Inc.'s debtholder committees approved a revised reorganization plan with terms slightly sweeter than outlined in a plan the company filed in April.

The hotel casino company, which entered bankruptcy-law proceedings last December, plans to file the revisions to the plan with the bankruptcy court next Thursday. Resorts has said it expects to emerge from Chapter 11 proceedings by summer's end. Under Chapter 11, a company is protected from creditors while it seeks to work out a plan for paying its debts.

The revisions essentially kept intact the April plan, which calls for the swap of a total of about \$930 million of debt. The latest plan continues to give debtholders a 78% equity stake in the company. Merv