INTERNET GENERATION

Internet Generation: Your Business. Your Web Site. User Content: What You Need to Know About the DMCA

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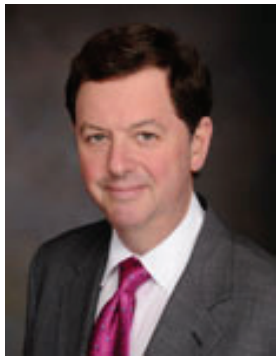

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What is User-Generated Content?

- "User-generated content (UGC) refers to various kinds of media content that is produced or primarily influenced by end-users; as opposed to traditional media producers, licensed broadcasters, and production companies."

  Wikipedia.com

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Digital Millennium Copyright Act "Safe Harbor" Provisions

- Section 512 of the Copyright Act
- Protects "Internet service providers" (ISPs) from monetary liability for copyright infringement if certain requirements are met
- No safe harbor for other violations, e.g., trademark, libel, right of publicity

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What Is an ISP?

- "a provider of online services or network access, or the operator of facilities therefor" (§512(k)(1)(B))
- Since 1998, the statutory definition has not changed, but the meaning has
- Currently, anyone maintaining a website which allows posting of UGC is likely to qualify
  - *Corbis Corp. v. Amazon.com, Inc.*, 351 F. Supp.2d 1090 (W.D. Wash. 2004)
  - *Hendrickson v. Ebay, Inc.*, 165 F. Supp.2d 1082 (C.D. Cal. 2001)

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Section 512 Protects Four Types of Information

- Section 512(a) – "transitory digital network communications"
- Section 512(b) – "system caching"
- Section 512(c) – "information residing on systems or networks by reason of the storage at direction of users"
- Section 512(d) – "information location tools"

Section 512(c) is where the action is

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By Reason of Storage At Direction of Users

- What about reformatting or other copying by ISP to facilitate access?
- ISP still qualifies since its copying is done "by reason of" user's direction

  UMG Recordings, Inc. et. al. v. Veoh Networks, Inc. et al., 2008 U.S. Dist LEXIS 104980 (C.D. Cal 12/29/08)

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Basic Requirements For Immunity

- "no knowledge" of infringement (512(c)(1)(A))
- No direct financial benefit from infringement (512(c)(1)(B))
- Appointment of designated agent (512(c)(2))
- Prompt removal of infringement after notice (512(c)(1)(C))
- Publicize/implement policy to terminate repeat infringers (512(i)(1)(A))
- No interference with standard technical measures to protect copyrighted works (512(i)(1)(B))

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"No Knowledge" (§512(c)(1)(A))

- No Knowledge:
  - (i) no actual knowledge and
  - (ii) "not aware of facts or circumstances from which infringing activity is apparent"
- Did the ISP turn a "blind eye" to red flags' of obvious infringement?

  Corbis, 351 F. Supp. 2d at 1108
- Generalized awareness that users have uploaded copyrighted material is not enough to raise red flag
- "Professional look" is not enough to raise red flag

  Io Group, Inc. v. Veoh Networks, Inc., 586 F. Supp.2d 1132 (N.D. Cal. 2008)
- Is copyright notice enough?

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Control and Financial Benefit (§512(c)(1)(B))

- No safe harbor if ISP has
  - right and ability to control infringing activity and
  - receives financial benefit directly attributable to such activity
- Vicarious infringer standard

  Grokster, 545 U.S. 913, 930 (2005)
- Reasonable policies to control infringement on system does not demonstrate "control"
- Removal after notice does not demonstrate "control"
- "Something more" is required, e.g., expressly encouraging infringement

  Napster, 239 F.3d 1004 (9th Cir. 2001)

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Repeat Infringers (§512(i)(1)(A))

- No safe harbor unless ISP
  - adopts,
  - reasonably implements, and
  - informs account holders

  of policy to terminate repeat infringers
- No affirmative obligation to police

  Perfect 10, Inc. v. ccBill LLC, 488 F.3d 1102 (9th Cir. 2007)
- No obligation to track IP addresses to prevent opening of new accounts by terminated infringers

  Io Group, Inc., 586 F. Supp. 2d at 1144

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Designated Agent (§512(c)(1)(A)(2))

- No safe harbor unless ISP has
  - designated agent to receive notices, and
  - provided name, address, phone number and email address of agent on website, and
  - provided agent contact info to Copyright Office
- Copyright Office registration at

  www.copyright.gov./onlinesp/

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Notice and Takedown (§512(c)(1)(C))

- No safe harbor unless ISP "expeditiously" removes infringing material after proper notice
- Elements of notice (§512(c)(3))
  - identification of complainant's copyrighted work
  - identification of infringing work
  - URL where infringing work may be found
  - contact information for complaining party
  - statement of good faith belief that accused material "is not authorized by the copyright owner, its agent, or the law"
  - physical or electronic signature of authorized person
  - statement that information in notice is accurate
  - statement under penalty of perjury that complaining party is authorized to act on behalf of copyright owner

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Response to Notice (§512(g))

- ISP immunity from claims from subscriber for takedown if
  - promptly notifies subscriber that her material has been removed
  - upon receipt of counter-notice, promptly provides copy to complainant
  - informs complainant that access will be restored in ten business days
  - restores access to accused work 10-14 business days after receipt of counter-notice, unless ISP receives timely notice that complainant has filed suit

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Counter-Notification (§512(g)(3))

- Identification of removed material
- URL at which it appeared
- Sworn statement that respondent has good faith belief that accused material was removed "as a result of mistake or misidentification"
- Respondent name, address, phone number
- Consent to jurisdiction of Federal District Court
- Consent to service of process
- Physical or electronic signature

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Misrepresentation of Rights

- Liability for damages for knowing misrepresentation that material infringes
- Subjective good faith is good enough

  Rossi v. MPAA, 391 F.3d 1000 (9th Cir. 2004)
- Bad faith misuse of notice to inhibit expression

  Online Policy Group v. Diebold, 337 F.Supp.2d 1195 (N.D. Cal. 2004)
- Failure to consider fair use may constitute misrepresentation claim

  Lenz v. Universal Music Group, 2008 U.S. Dist LEXIS 91890 (N.D. Cal. 2008)

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Best Practices for Website Owners

- Appoint and register agent for receipt of notices
- TOU includes
  - warranty that uploaded material does not infringe
  - repeat infringer policy
- Require click-acknowledgement of TOU before allowing upload
- Use filtering technology to identify suspect content?

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Practice Pointers

- If you receive a takedown notice:
  - Review for required elements and DMCA-appropriate subject matter
  - "Expeditiously" remove or disable access to the content
  - If UGC, advise subscriber of takedown and check for recidivism

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Practice Pointers

- If you receive a counter notification:
  - Review for required elements
  - Forward to sender of original notice and advise of restoration within 10 business days
  - Replace content 10-14 business days after receipt of counter notification, *unless* first receive notice from such sender that s/he has filed an action to restrain the subscriber from engaging in the infringing activity at issue

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Practice Pointers

- If you send a takedown notice:
  - Ensure DMCA is appropriate vehicle
  - Ensure notice is compliant with statutory elements

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Subpoena to Identify Infringer (Section 512(h))

- **Request** - Copyright owner or person authorized to act on owner's behalf may request U.S. District Clerk to issue subpoena to an ISP for identification of alleged infringer. Unless otherwise provided by Section 512(h), Rule 45 of Federal Rules Civil Procedure applies.
- Contents of Request to Clerk
  i. Copy of notification described in subsection 512(c)(3)(A)
  ii. Proposed subpoena
  iii. Sworn declaration stating that purpose of subpoena is to obtain identity of alleged infringer and that information will only be used for the purpose of protecting rights under Section 512

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Contents of Subpoena

- Subpoena shall order the ISP to expeditiously disclose information sufficient to identify alleged infringer
  I. How much notice do you give?

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John Doe Lawsuits as a Means to Obtain Information about those who post your trade secrets or engage in libel

- Filing John Doe Lawsuit
  - I. Move for expedited discovery to take discovery in advance of Rule 26(f) conference
  - II. Movant must demonstrate "good cause" or alternatively,
    - 1) Irreparable injury;
    - 2) Probability of success on the merits;
    - 3) Some connection between the expedited discovery and the avoidance of irreparable injury; and
    - 4) Some evidence that the injury that will result without expedited discovery outweighs the injury to defendants if expedited discovery is permitted.

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John Doe Lawsuits as a Means to Obtain Information about those who post your trade secrets or engage in libel

iii. First Amendment Considerations in indentifying subscriber information of ISP require Court's to consider:

a) Whether there has been a concrete showing of a *prima facie* claim of actionable harm

b) The specificity of the discovery request

c) The absence of alternative means to obtain the subpoenaed information

d) Whether there is a central need for the subpoenaed information to advance the claim

e) The party's expectation of privacy

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John Doe Lawsuits as a Means to Obtain Information about those who post your trade secrets or engage in libel

iv. In John Doe action seeking identity of person who posted company trade secrets may be necessary to move for sealing Order pursuant to Rule 5.2 Fed R. Civ. P. (Privacy Protection for Filings Made with the Court)

a) Decision to seal documents rests within sound discretion of trial court to be exercised in light of the relevant facts and circumstance of particular case

b) Presumption of public access to judicial documents is not absolute and may be overcome by existence of "countervailing factors"

c) Potential damage caused by release of trade secrets is a legitimate basis for sealing documents

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Questions?

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