

Morgan Lewis

**INTERNET LAW UPDATE – 2016
COPYRIGHTS AND TRADEMARKS**

**PBI Seminar
Pittsburgh, PA – April 18, 2016**

Peter M. Watt-Morse



Introduction

- Background Materials
 - Yellow Book / Thumb Drive
 - Pages A-59 - A-85
 - Blog:
<http://blogs.morganlewis.com/sourcingatmorganlewis>



Introduction

- Updates
 - Copyright Law
 - *Internet White Paper – Remixes, First Sale, Statutory Damages*
 - *Additions to Copyright Compendium*
 - *Google Books / You Tube Licensing*
 - *DCMA*
 - Trademark Law
 - *TM Issues*
 - Google Adwords; Use on EBay
 - *Domain Name Activity*
 - New domain names
 - Dispute Resolution Decisions

Internet White Paper

White Paper on Remixes, First Sale, and Statutory Damages

Copyright Policy, Creativity, and Innovation in the Digital Economy

<http://www.uspto.gov/sites/default/files/documents/copyrightwhitepaper.pdf>

- Department of Commerce Internet Policy Task Force
- Task Force launched in 2010
- Green Paper issued in 2014
- White Paper issued in January 2016

White Paper - Remixes

- **Remixes**
- Use of Pre-existing Works to create New Works
 - Music Remix, UCG Videos; Digital Photo Collages, Fan Fiction
- Fair Use
 - Non-Commercial
 - *Non-commercial promotes commercial; Platform advertising revenue*
 - Commercial
 - *Licensing Issues*

White Paper - Remixes

- **Recommendations**
- No Changes to Statutory Law
 - Fair Use Statutory / Judicial balance appropriate
- No Fair Use Guidelines / Best Practices
 - American University Guidelines / Library Legislative History
- No Compulsory Licensing
 - ASCAP/BMI
- Encourage Voluntary Licensing
 - You Tube

White Paper – First Sale

- **Should First Sale Doctrine Apply to Digital Works?**

- Section 109

"the owner of a particular copy or phonorecord lawfully made under this title, or any person authorized by such owner, is entitled without the authority of the copyright owner, to sell or otherwise dispose of the possession of that copy or phonorecord"

- Licensing render Section 109 meaningless for many digital works

- 2001 Copyright Office Report – Do not include digital works based on piracy fear and impact on market

White Paper – First Sale

- **Pros**

- Introduce competition to limit prices
- Creates leasing market - library access
- Enhances privacy and preservation

- **Cons**

- Piracy concerns – damage to primary market
- Streaming / wide availability makes less relevant
- Licensing allows flexibility – new business models

White Paper – First Sale

- **Recommendations**

- No change in law
- Piracy issues same as 2001
- New models since 2001 provide similar consumer options
- Issue – Consumers do not understand new models
 - *Recommend alternative to "Buy" button (e.g. "View", "License")*
 - *Recommend best practices guidelines for EULA terms to reduce confusion*

White Paper – Statutory Damages

- **Section 504**
 - Raised amounts over years to combat on-line piracy:
 - *\$750-\$30,000 per violation*
 - *\$150,000 for willful infringement*
 - Large inconsistent awards against individuals:
 - *Capital Records awarded \$3.6 million (Clark)*
 - *Sony BMG awarded \$675,000 (Tennenbaum)*
 - Chills new models for copyright distribution

White Paper – Statutory Damages

- **Recommendations**

- Add factors for court to consider regarding size of award
- Expand use of “innocent infringement” defense for statutory damage awards
- For non-wilful violations, courts given discretion to award overall damage amount rather than per violation.

Copyright Compendium

- U.S. Copyright Office released the third edition of the Copyright Compendium on December 22, 2014:
<http://copyright.gov/comp3/>
- Compendium serves as a guide to copyright law and copyright registration for U.S. Copyright Office.
- Last edition of the Compendium was published 20 years ago – many provisions updated to apply copyright law to the Internet.

Copyright Compendium

- Electronic Publication

- Temporary digital copying of a work insufficient authorization for a work to be deemed “Published” for copyright purposes.
 - *E-mail, pdf,, internal networks etc.*
- Copyright owner must clearly authorize the reproduction or distribution of that work.
 - *Posting content to a website accessible to general public*

- Rights to Comments

- Website users are “authors” of their user generated content (“UGC”).
- To obtain copyright, website needs written assignment of user’s rights
 - *Include an assignment in “click-through” terms of service.*

Copyright Compendium

- Registration Issues

- Website registration only covers material perceptible to users - content perceptible only after download not included.
- Website registration only covers content must exist at the time the application is received - applicant should identify version.
- Domain names and hyperlinks are not protected by copyright and cannot be registered – however website content that contains URLs can be protected and registered.
- Website photographs and graphics can be registered - copyright office will not register lay-out of website (arrangement of text boxes, windows and borders) - not original works of authorship.

Copyright Law – Google

- Google Library
 - Create Digital Copies of books in libraries (including Michigan, Harvard, Princeton, Stanford, Cornell, Oxford) to allow search and create electronic card catalog
- YouTube – Content ID
 - Videos uploaded to YouTube are scanned against YouTube database and copyright owners notified when content in a video on YouTube matches a work they own.

Google Books – Full View No Copyright Protection

Google Book Search Search Books

Geronimo's Story of His Life By Geronimo, Stephen Melvil Barrett

Page 21 Full screen

GERONIMO

sacrifice was deemed necessary. Sometimes the offending one was punished.

If an Apache had allowed his aged parents to suffer for food or shelter, if he had neglected or abused the sick, if he had profaned our religion, or had been unfaithful, he might be banished from the tribe.

The Apaches had no prisons as white men have. Instead of sending their criminals into prison they sent them out of their tribe. These faithless, cruel, lazy, or cowardly members of the tribe were excluded in such a manner that they could not join any other tribe. Neither could they have any protection from our unwritten tribal laws. Frequently these outlaw Indians banded together and committed depredations which were charged against the regular tribe. However, the life of an outlaw Indian was a hard lot, and their bands never became very large; besides, these bands frequently provoked the wrath of the tribe and secured their own destruction.

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THE CONQUERED WEAPON

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Summary

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CHAPTER 3

Light



THE FUNDAMENTAL MIRACLE of life—the process that makes it all possible—is photosynthesis, that ability of plants to transform the energy in sunlight into stored chemical energy. Aside from a few bacteria and the deep sea organisms around volcanic vents, all living things on earth depend directly or indirectly on this basic process. Plants photosynthesize by collecting sunlight and channeling it to chloroplasts in leaves and stems—and even roots in the case of many orchids. Through a series of chemical reactions, water molecules are split into oxygen and hydrogen, and the hydrogen combines with carbon obtained from CO₂ to form sugar and, from that, everything else the plant needs. Chlorophyll molecules and photosynthetic enzymes within the chloroplasts operate most efficiently at certain temperatures and light intensities, using mostly the red and blue parts of the visible spectrum.

When temperatures and light levels are too low, photosynthesis never really gets going, and when temperatures are too high and light too strong, the reactions speed up so much that

ABOVE: *Phragmipedium besseae* "Don't Know". It takes a tremendous amount of energy to produce the dazzling flowers of this South American slipper orchid.

Light 23
Copyrighted material

Summary



Orchids are the largest family of plants in the world. With 30,000 known species, you could acquire a different orchid every day for eighty years and still not grow them all. Back in the realm of reality, readers of this...
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A History of Psychology

By Erwin Allen Esper

Summary

By Erwin Allen Esper
Published 1964
WB Saunders
368 pages

Key words and phrases
aristotle, social psychology, psychology, biological organism, plato, biological analysis, sechenov, psychol rev, biological, max meyer, protagoras, bois reymond, empedocles, experimental psychology, neurophysiology, clarendon press, biologisches centralblatt, chicago press, johannes miller, francis bacon

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References from books

[A History of Western Psychology](#)
By David J. Murray - Psychology - 1983 - 428 pages
Includes indexes

Related books

[Adventures in Public Service: the careers of...](#)
By Delia Kuhn, Ferdinand Kuhn - 1963
INTRODUCTION | Dryden | FROM KITTY HAWK TO THE MOON | by Howard Simons i | Llewellyn EThompson THE DIPLOMAT AND THE ENIGMA by Wallace Carroll | Sterling B Hendricks AT...
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By Edwin Garrigues Boring - 1929 - 699 pages
Maps on lining-papers
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[Crucibles: The Story of Chemistry from](#)

Google Books – No Preview Available No Scan/DCMA Response

Google Book Search Search Books

A Dictionary of Zoology

By A. W. Leftwich

Summary

By A. W. Leftwich London ed. (Constable) has title: A student's dictionary of zoology.
Published 1963
Van Nostrand
290 pages

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By Michael Allaby - Science - 1992 - 512 pages
The Concise Oxford Dictionary of Zoology is the first book of its kind to be published in many years, and the only such dictionary available in English.
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References from books

 [The correspondence of Charles Darwin](#)
By Charles Darwin, Frederick Burkhardt, Sydney Smith - 1985
Includes bibliography and index
Limited preview - [Table of Contents](#) - [About this book](#)

Google Books - Litigation

- 2005 Authors Guild (as a class action) and Association of American Publishers file copyright infringement lawsuits vs. Google.
 - Creating digital copies without author/publisher permission is massive copyright infringement.
 - Google argues that is fair use since required to provide searching capabilities and only showing snippets unless have permission from author ad suspends scanning.
- Original Settlement Rejected by District Court - 3/2011
- October, 2012 – Publishers enter into settlement with Google
 - Settlement confidential and outside of court approval.

Google Books – HathiTrust Decision

Authors Guild v. HathiTrust
**902 F.Supp.2d 445 (S.D.N.Y. 2012);
affirmed 755 F.3d 87 (2d Cir. 2014)**

- Libraries form HathiTrust, consortium to hold digital copies from Google Book
- Court approves - libraries meets four part test for Fair Use –
 - *Transformative use (allows search, disabled access)*
 - *Nature of Work (Library purposes - research and scholarship)*
 - *Amount of Use (Search impossible unless copy entire work)*
 - *Effect of Use on Market for Work (Not distributing copies)*
 - *Section 108 permits libraries to make copies for preservation, damaged works, orphaned, out of print works, serving disabled patrons and providing transformative uses*

Google Books – Decision

Authors Guild v. Google

954 F.Supp. 282 (S.D.N.Y. 2013);

Affirmed ____ F.3d ____ (2d Cir. 2015)

- Held Google’s use of copyrighted book is fair use: the scanning for search was “highly transformative”; “provides significant public benefits”, is a “invaluable research tool,” “preserves out-of-print books,” “facilitates access to books for print-disabled” and “creates new sources of income for authors and publishers.”
- Authors Guild filed Writ of Certiorari to U.S. Supreme Court – 12/31/15
- Authors Guild lobbying Congress to create a non-profit organization similar to ASCAP for libraries paying subscription fee.

YouTube – Content ID

- Program started in 2007
- Infringing videos identified through “fingerprinting”
- Copyright owners can choose different actions to take on material that matches theirs:
 - **Mute** audio that matches their music
 - **Block** a whole video from being viewed
 - **Monetize** the video by running ads against it
 - **Track** the video’s viewership statistics

YouTube – Content ID

- 8,000+ copyright owners use Content ID
 - Over 1 billion YouTube users
 - 35 million active references
 - 400 million claimed videos
- As of October 2014, paid over \$1 billion in advertising revenue to Content ID users

DMCA – YouTube

***Viacom Int'l v. YouTube, Inc.*
2010 WL 2532404(S.D.N.Y. 2010);
Rev in part 2010 WL 1130851 (2nd. Cir. 2012);
Affd 2013 WL 1689071 (S.D.N.Y. 2013).**

- District Court dismissed Viacom's complaint - while YouTube had general knowledge that copyright materials was uploaded by users, it did not know which clips had been uploaded with permission and which had not
- Specifically held that requiring sites to police every uploaded video would contravene operation of DMCA, noting that YouTube had successfully addressed a mass take-down notice issued by Viacom in 2007 for specific videos cited in a DMCA notice.

DMCA – YouTube

- Second Circuit reverses stating that knowledge of specific infringing activity not necessary – YouTube can be liable if “willfully blind” to specific infringement – facts precluded summary judgment.
- On remand, District Court again finds for YouTube - no actual knowledge of specific infringements and did not have ability to control infringing activity – You Tube’s response to DMCA notices was proper and Viacom’s evidence were You Tube quotes taken out of context.
- March 18, 2014 – Viacom and YouTube settle seven year lawsuit with no money exchanging hands – other terms confidential.
- Lesson: Be careful if setting up policing activities.

Digital Millennium Copyright Act (DMCA)

- Section 512 Protections
 - Service Providers
 - Registration of Agents
 - <http://www.copyright.gov/onlinesp/agent.pdf>
 - *Filing Fee - \$105 for first agent/ \$35 for up to 10 additional*

DMCA – False Notices

- Section 512(f):
 - Any person who knowingly materially misrepresents in a DCMA notice that material is infringing or that material was removed by mistake is liable for damages, including costs and attorneys' fees, incurred based on the notice.

Crossfit v. Alvies

2014 U.S. Dist. LEXIS 7930 (N.D.Cal 2014)
(submitted copyright notice for trademark dispute)

Flava Works v. Gunter,

2013 U.S. Dist. LEXIS 125294 (N.D.Ill. 2013)
(submitted DCMA notice for removed items)

Trademarks on Internet

- Internet Issues
 - International issues:
 - *Unlike copyright, trademark protection does not extend outside country*
 - *Individual country registrations*
 - *First to file system*
- Lesson: Obtain O.U.S. protection
- Trademark Use Issues:
 - *Some use not protected by trademark law:*
 - Descriptive Use vs. Trademark Use
 - Use in Domain names
- Lesson: Domain name part of trademark protection

Internet Trademark Infringement

Rosetta Stone v. Google
730 F. Supp.2d 531 (E.D. Vir. 2010);
Rev. in Part 676 F.3d 144 (4th Cir. 2012);
Settled (10/31/2012)

- Claim of trademark infringement in allowing purchase of competitors trademarks as keywords as part of AdWords program (Program started in 2000) Google claims use functional.
- 4th Circuit – potential claims of contributory trademark infringement and dilution allowed to go forward – no need to prove actual confusion.

Internet Trademark Infringement

- Settled on October 31, 2012 with Joint Announcement
- Current Google Adword Policy:
 - <https://support.google.com/adwordspolicy/answer/6118>
 - Allows purchases of trademarks as keywords without restriction
 - Reviews use of trademarks in text of advertisements
 - *Complaint process for trademark owner*
 - *Investigate whether permitted use of trademark (Informational, Descriptive, Distributors, etc.)*

Internet Trademark Infringement

Tiffany Inc. v. eBay Inc. *600 F.3d 93 (2d Cir. 2010)*

- Tiffany brought a trademark infringement action against eBay
 - Sold Tiffany jewelry using the Tiffany trademark. Purchased sponsored links that advertised eBay listings for Tiffany items and assisted sellers to sell fake Tiffany products.
 - Study showed that of Tiffany items for sale on eBay, 73% were fake, 5% were authentic and 22% were not identifiable.

Internet Trademark Infringement

- Second Circuit holds:
 - The fair use defense protected eBay activities because eBay needed to reference the Tiffany name to identify the jewelry
 - eBay did not have the requisite level of knowledge of specific counterfeit activity for contributory infringement and when specific sellers were identified, eBay suspended them.
 - eBay had no affirmative duty to search for potentially infringing items without specific knowledge –Tiffany was responsible to police its own mark
 - eBay was not liable for trademark dilution because eBay did not try to confuse the Tiffany trademark with its own product

Domain Names

- Add Top Level Domains –
 - 8 Prior (1980's): .com, .edu, .gov, .org, .net, .int, .mil, .arpa –
 - 7 added in 2000: .aero, .biz, .coop, .info, .museum, .name, .pro
 - 6 added in 2009: .asia, .cat, .jobs, .mobi, .tel, .travel
 - .xxx added 2011
 - *Not much – 50 domain names used more than xxx*

Domain Names

- 2014 - Add over 60 additional Top Level Domains
 - Including .christmas, .coffee, .email, .house, .photo, .shoes, .today, and .wiki.
 - Experience – Majority use original 8 - over 50% use .com
- 2015 - .bank to be added in Summer 2015
 - Only banks can use name – allow for enhanced security
 - 70% of phishing attacks are using .com bank domain names

Domain Names

- Uniform Domain-Name Dispute Resolution Policy – use Arbitration Panel
 - Issues – “Bad Faith” – Limited Remedy
 - Panels concerned will be Pro-Trademark Owner
 - *Experience – generally not pro-trademark owner*
 - *Appeal – file lawsuit in 10 days to prevent transfer*

Domain Names

- “_____sucks” / “f***_____” are not confusingly similar and are not transferred to TM owner.
- “SpeedTest” and “Reliance” not exclusive to trademark owner.
- Needs evidence of bad faith: “DeltaDentalofPA” “Snickersclothing”
- Decision records:

<http://arcive.ican.org/en/udrp/proceedings-list-name.htm>

Contact Information



Peter Watt-Morse, Partner

pwatt-morse@morganlewis.com

Tel. 412-560-3320

Morgan, Lewis & Bockius LLP
One Oxford Centre, 32nd Floor
Pittsburgh, PA 15219-6401