

# Legal Perils and Legal Rights of Internet Speakers

## an outline with citations

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### Resources – Information

There are some resources on issues relating to the Internet on the web site of the Media Law Defense Resource Center. Some are generally available, and some are available only to members:

Robinson, Legal Actions and Developments Involving Blogs,

<http://www.medialaw.org/bloggerlawsuits>

[http://www.medialaw.org/Content/NavigationMenu/Publications1/Articles\\_and\\_Reports1/Archive\\_by\\_Date1/Articles\\_and\\_Reports\\_Archive\\_by\\_Date.htm](http://www.medialaw.org/Content/NavigationMenu/Publications1/Articles_and_Reports1/Archive_by_Date1/Articles_and_Reports_Archive_by_Date.htm)

The Citizen Media Law Project at Harvard Law School has assembled a superlative collection of pithy summaries of various areas of the law relevant to online speech.

<http://www.citmedialaw.org/legal-guide>

It also hosts a database of many cases (or just situations) raising these issues, including copies of briefs, links to press and blog coverage, and analysis of each case

<http://www.citmedialaw.org/database>

This site features more generalized discussions, with more lay-oriented prose and fewer citations

Bitlaw, <http://www.bitlaw.com/>

Some good collections of links on this issue can be found at

<http://www.bitlaw.com/links/index.html>

Intellectual Property in Cyberspace 2000 (course offered by Harvard University's Berkman Center, <http://eon.law.harvard.edu/property/>

All About Trademarks, [http://www.ggmark.com/#IP And The Internet](http://www.ggmark.com/#IP_And_The_Internet)

Several groups with good resources on Internet free speech include:

Public Citizen Litigation Group, [www.citizen.org/litigation/briefs/IntFreeSpch/](http://www.citizen.org/litigation/briefs/IntFreeSpch/)

American Civil Liberties Union, <http://www.aclu.org/issues/cyber/hmcl.html>

Electronic Frontier Foundation, [http://www.eff.org/Legal/active\\_legal.html](http://www.eff.org/Legal/active_legal.html)

Center for Democracy and Technology, <http://www.cdt.org/>

Electronic Privacy and Information Center, [http://www.epic.org/free\\_speech/](http://www.epic.org/free_speech/)

John Does Anonymous Foundation, <http://www.johndoes.org/>

Chilling Effects Clearinghouse, <http://www.chillingeffects.org/>

Dan's Domain Site, <http://domains.dantobias.com/conflicts/whattodo.html>

Cyberslapp Coalition, <http://www.cyberslapp.org>

## Resources – Dealing with Litigation and the Threat of Litigation

If threatened with suit, take it seriously. Start planning for the possibility of litigation (and for its expense) even before you put your comments online.

### Demand letters

Normally you get a demand letter first (but no guarantees)

Don't panic

most threats never lead to litigation

sometimes they are sent to make the client feel better, or to be able to **say** that suits was threatened

don't give up your right to criticize just because you are threatened

But take threats seriously

Sometimes suit can be avoided without giving up your rights

Need to think through chances of success **or** loss **and** consider cost of defense worth paying for that sort of advice (without hiring lawyer for case)

think carefully about the demand letter though  
if it does not make sense to defend case, consider giving in now, while it's cheap

Need to respond

Failure to respond in domain name case may be factor allowing plaintiff to file in rem suit in jurisdiction where registrar is located (far from defendant's home)

and, response can accomplish several things

Response is the first stage of litigation; must be drafted with litigation in mind  
anything you say can be used against you  
judge and jury will see your response

Hence, legal advice is a good idea at this stage

Response might persuade the challenger that you are within your rights

If the challenger knows you will not just roll over, it may be more amenable to compromise

Response is also aimed at wider public

often, a good response can head off litigation by reminding the plaintiff how much the lawsuit will cost, not just in legal fees, but in bad publicity  
do a press release; communicate with the Internet community  
one young woman picketed, and it worked see the web site at [www.wallgreens.com/](http://www.wallgreens.com/)  
as it appeared in 2002:  
<http://web.archive.org/web/20020528141323/www.wallgreens.com/>

a good response may succeed in making the sender of the demand look silly:  
see <http://www.tabberone.com/Trademarks/HallOfShame/ReedSmith/ReedSmith.shtml>

at one point, this site was ranked second in Google when searching for Reed Smith LLC

Good collection of documents on the Chilling Effects web site

## Getting Legal Help

Tempting to try to represent yourself, but it's risky  
easy to make devastating procedural mistakes, miss good legal arguments

in theory, courts should treat pro se defendants and their procedural mistakes more leniently. *Haines v. Kerner*, 404 U.S. 519 (1972)  
but they often do not  
some courts are much better than others in helping pro se defendants cope  
Second Circuit is particularly careful

Hard to find a lawyer at an affordable price  
unlike plaintiffs, hard to finance these cases through contingent fees or attorney fee awards

cases are time consuming and expensive; and you have to pay your lawyer even if you win

some states have SLAPP statutes that provide for attorney fee awards when a suit against free speech is dismissed

there are a handful of public interest groups (listed above), but they have very limited resources

if they can help, though, they will often represent clients all over the nation

there are a few law school clinics interested in this area

some clinics help only in courts that are close enough for students to appear

American University (DC)

<http://www.wcl.american.edu/clinical/ipclinic.html>

Georgetown University, Institute for Public Representation

<http://www.law.georgetown.edu/clinics/ipr/>

Stanford University: Center for Internet and Society

<http://cyberlaw.stanford.edu/>

University of San Francisco, Internet and Intellectual Property Justice Clinic

<http://www.usfca.edu/law/html/iipjp.html>

University of California Berkeley, Samuelson Law, Public Policy and Technology Clinic

<http://boalt363-1.law.berkeley.edu/academics/samuelson/>

Harvard Law School, Berkman Center Clinical Program in Cyberlaw

<http://cyber.law.harvard.edu/clinical/>

Duke, <http://www.law.duke.edu/ip/programs.html> (not exactly a clinic)

University of Washington Center for Law and Technology

<http://www.law.washington.edu/lct/>

University of Southern California Intellectual Property Clinic

<http://law.usc.edu/academics/clinical/ip.cfm>

Consider insurance coverage

insurance can cover your legal defense **and** your liability if you lose

caution: all of these issues vary from state to state

the specific language of the insurance policy is key

first thing to do if challenged: look at your homeowner's or renter's policy

if you have the right coverage already, make a claim immediately

policies can not only pay your damages but, more important, pay for a lawyer to represent you

if you don't have the right coverage, think about whether to apply for the right coverage

once you get a demand letter, it may well be too late

you may have to disclose problem in application

demand letter probably counts as a "claim" that would not be within the coverage period

if have a site that may lead to litigation, this is something to consider to get coverage for libel, need coverage for “personal injury” rather than “bodily injury” or “property injury”

often not in the ordinary homeowners’ policy

this coverage can be very inexpensive

more expensive is a “personal liability umbrella policy” (“PLUP”)

if you have a business, you may get coverage under your comprehensive general liability policy (“CGL”) or the similar business owner’s policy (“BOP”)

these policies are more expensive

they cover trademark claims as well as libel

they may only provide coverage if the site is advertising your business’ goods and services

quite the opposite of your best arguments in trademark defense

## General Points

### **First Amendment rights apply with full force to the Internet.**

*Reno v. American Civil Liberties Union*, 521 U.S. 844, 853, 870 (1997).

much good, ringing language about its potential for letting ordinary citizens speak effectively

Given the First Amendment, think of First Amendment doctrines when you are sued For example, a preliminary injunction would be a prior restraint, which is almost always forbidden. *Procter & Gamble Co. v. Bankers Trust Co.*, 78 F.3d 219, 225 (6th Cir. 1996); *New York Times v. United States*, 403 U.S. 713(1971); *Auburn Police Union v. Carpenter*, 8 F.3d 886, 903 (1st Cir. 1993)

Note, however, these protections are much less if the speech is “commercial” speech. *Dun & Bradstreet v. Greenmoss Bldrs.*, 472 U.S. 749, 762-763 (1985)

The First Amendment regulates only actions by the government. But courts are government actors; so even in a lawsuit involving only a private parties, an injunction or an award of damages is government action, and so subject to the First Amendment. *New York Times v. Sullivan*, 376 U.S. 254 (1964) (damages); *Shelley v. Kraemer*, 334 U.S. 1 (1948) (injunction); *Organization for a Better Austin v. Keefe*, 402 U.S. 415, 418 (1971) (injunction).

If a private party uses its economic power to interfere with internet speech, without getting a court order, the question is whether a state or federal law protects speech in that instance. Employer action may be governed by section 7 of the National Labor Relations Act, 29 U.S.C. § 157, or by a specific federal anti-retaliation act, or by a state conscientious employee or similar law. *E.g.*, AB 1698, adopted 10/10/99 (California); C.G.S.A. § 31-51q (Connecticut); N.J.S.A. 34:19-3. Union action may be regulated by section 101 of the Labor-Management Reporting and Disclosure Act. 29 U.S.C. § 411.

Note the dangerous decision in *Intel Corp. v. Hamidi*, 94 Cal. App.4th 325, 114 Cal. Rptr. 244, 252-255 (2001) finding no state action because the defendant's emails were trespassing on private property.

### **Personal Jurisdiction Concerns (where you can be sued)**

Merely having a web site does not necessarily mean you can be sued anywhere in the country.

A newspaper or magazine can be sued for libel anyplace where it sends more than a handful of copies. *Keeton v. Hustler Magazine*, 465 U.S. 770 (1984).

But not necessarily true of a web site – it depends what kind of web site you have.

The courts speak of a continuum between merely passive sites and highly interactive ones.

To sue the operator of a passive site, the plaintiff must go to the operator's own state, while the operator of a highly interactive site can be sued wherever the site has been seen and used.

Some leading cases discussing this distinction are *Zippo Mfg. Co. v. Zippo Dot Com*, 952 F. Supp. 1119 (W.D. Pa. 1997); *Cybersell v. Cybersell*, 130 F.3d 414 (9<sup>th</sup> 1997).

These cases stress that the interactivity that makes one amenable to suit is **commercial** interactivity; that is, the fact that the site visitor can use the site to place commercial orders.

Some cases say that commercial interactivity combined with even a handful of sales to the forum state through the web site are enough to support jurisdiction. *Global 360 v. Spittin Image Software*, 2005 WL 625493 (N.D. Tex. 2005); *Mattel v. Procount Business Serv.*, 2004 WL 502190 (S.D.N.Y. 2004). Others hold that a few sales through the web site to the forum state are not sufficient. *Shamsuddin v. Vitamin Research Products*, 346 F. Supp.2d 804 (D. Md. 2004)

But a recent decision refusing to dismiss a complaint against an Internet file-sharer decided that the file-sharing software turned the defendant's computer into an interactive site for uploading and downloading copyrighted songs without any attention to whether the interactivity was commercial. *Virgin*

*Records American v. Does*, 2006 WL 1028956 (D.D.C. April 18, 2006)

in a libel suit over statements on a discussion site, a court decided that the interactivity of the discussion was to be considered under *Zippo*, with no attention to the question whether the interactivity was commercial. *Revell v. Lidov*, 317 F.3d 467, 472 (5th Cir. 2002)

Some cases that have refused to allow suit far from the defendant's home are *Cybersell; Neogen Corp. v. Neo Gen Screening*, 282 F.3d 883 (6th Cir. 2002); *Soma Medical Intern. v. Standard Chartered Bank*, 196 F.3d 1292 (10th Cir. 1999); *Mink v. AAAA Development*, 190 F.3d 333 (5th Cir. 1999) (Vermont company could not be sued in Texas because of a passive Internet site even though viewers could use site to send emails to the defendant); *Revell v. Lidov*, 2002 WL 31890992 (5th Cir. December 31, 2002) (former FBI official living in Texas could not sue New Yorker who posted article on web site bulletin board without focusing on Texas based activities and without awareness of official's current residence); *Young v. New Haven Advocate*, 2002 WL 31780988 (December 13, 2002) (Virginia prison warden could not sue Connecticut newspapers for allegedly defamatory reports about treatment of Connecticut prisoners incarcerated in Virginia); *Bensusan Restaurant Corp. v. King*, 126 F.3d 25, 29 (2d Cir. 1997); *Blackburn v. Walker Oriental Rug Galleries*, 999 F. Supp. 636, 639 (E.D. Pa. 1998); *Edberg v. Neogen Corp.*, 17 F. Supp. 2d 104, 113-115 (D. Conn. 1998); *Santana Prods. v. Bobrick Washroom Equip.*, 14 F. Supp. 2d 710, 714 (M.D. Pa. 1998); *Oasis Corp. v. Judd*, 132 F. Supp.2d 612, 623 (S.D. Ohio. 2001) (gripe site allowed visitors to generate automatic letters to media and target of criticism). See also *Toys "R" Us v. Step Two*, No. 01-3390 (3d Cir. Jan. 27, 2003) (applying sliding scale analysis but allowing jurisdictional discovery); An extreme case denying jurisdiction is *Berthold Types Ltd v. European Mikrograf Corp.*, 102 F. Supp.2d 928 (ND Ill. 2000)

Merely placing an email address or mailto link on the page is probably not enough to make the page sufficiently "interactive" to justify jurisdiction. *Mink, supra*; *Desktop Technologies v. Colorworks Reprod. & Design*, 1999 U.S. Dist. LEXIS 1934; *Osteotech, v. Gensci Regeneration Sciences*, 6 F. Supp. 2d 349, 356 (D.N.J. 1998); *Blackburn v. Walker Oriental Rug Galleries*, 999 F. Supp. 636, 639 (E.D. Pa. 1998) *Conseco, Inc. v. Hickerson*, 698 N.E.2d 816 (Ind. Ct. App. 1998). Similarly, a guest book feature or other means for visitors to communicate with each other is not sufficiently interactive. *Bible & Gospel Trust v. Wyman*, 354 F. Supp.2d 1025 (D. Minn. 2005)

Note some cases seem to go against the pattern: *Inset Systems v. Instruction Set*, 937 F. Supp. 161 (D. Conn. 1996).

State courts tend to be less friendly to this sliding scale analysis. *E.g., Pavlovich v. Superior*

*Court*, 91 Cal. App.4th 404, 109 Cal. Rptr. 2d 909 (2001); *Kubik v. Route 252, Inc.*, 762 A.2d 1119, 1124-1125 (Pa Super. 2000). This is also true in some federal courts. *Hy Cite. Corp. v. Badbusinessbureau.com LLC*, 297 F Supp.2d 1154 (E.D. Wis. 2004)

Some recent cases address only whether the speech on the web site was “intentionally directed to the forum,” ignoring or rejecting the sliding scale altogether, so that, for example, a libel plaintiff would be able to sue in his home state if the speaker knew that the plaintiff lived there and would be affected there. *Denenberg v. Ruder*, 2006 WL 379614 (D Neb. Feb. 15 2006); *Atkinson v. McLaughlin*, 343 F. Supp. 2d 868 (D. N.D. 2004). See also *Abiomed v. Turnbull*, 379 F. Supp.2d 90 (D. Mass. 2005) (posts on message board). Other cases refuse to allow jurisdiction just because defendant knew plaintiff was in the forum state, but where the tortious conduct was not deliberately aimed there. *Dailey v. Popma*, 662 S.E.2d 12 (N.C. App. 2008); *Novak v. Benn*, 896 So.2d 513 (Ala. Civ. App. 2004)

Note also: defendant’s non-internet contacts can also establish jurisdiction. *Heroes, Inc. v. Heroes Foundation*, 958 F. Supp. 1 (D.D.C. 1996). So, for example, a national group cannot avoid be sued throughout the US even if its web site is wholly passive.

Personal jurisdiction can be “waived” if the defense is not asserted at the very beginning of the case, in the very first papers filed in the case. *Taubman v. WebFeats*, 319 F.3d 770, 773 (6th Cir. 2003). A brief opposing emergency relief, or even a letter to the judge, might waive this defense if personal jurisdiction is not raised. But you can raise the issue properly without filing a motion to dismiss, while you consider the following.

Removing a case from state to federal court does not constitute a waiver of objections to personal jurisdiction. *Goldey v. Morning News of New Haven*, 156 U.S. 518, 526 (1895). Although you may avoid some questions about waiver if you specifically assert personal jurisdiction as a defense at the same time as the removal, strictly speaking even that is not needed. *Wabash Western Railway v. Brow*, 164 U.S. 271, 278-279 (1896).

Consider advantages of the forum before deciding to press this issue. Do not simply seek dismissal on this ground simply because you could. You could be giving up substantial advantages

**consider procedural advantages:** maybe a California plaintiff will give up if it has to come to Arkansas to sue you; but if you are sued in California, you can use the California SLAPP statute for defense against state law claims. The potential for attorney fee award provides a way to recruit private lawyer.

**consider differences in the law:** maybe an Illinois plaintiff will give up instead of coming to Delaware to sue you for libel, but in Illinois you can raise the “innocent construction” defense, the strongest innocent construction rule in the country. Maybe someone who sues you over trademark violations in Oregon may give up instead of coming to Arkansas to sue you, but the Court of Appeals for the Ninth Circuit is

considered by many to have an especially strong respect for First Amendment rights and fair use as a counterbalance to trademark rights. In deciding whether differences in state law should affect your decision, you need to take account the “choice of law” issues that determine what state’s laws will control which aspects of the case.

**consider the role of the individual decision-makers:** in many jurisdictions, the case is assigned to a single judge who controls all aspects of the case. If the judge is known to be inclined favorably to one side or the other because of something about the case, that should be considered, although a newly-appointed judge could get assigned part way through the case. And if the case is likely to get as far as trial, you must consider the “jury pool” – do juries in the area give big damages or not? what social prejudices will affect which side of the case?

**consider the cost and bother of defending far from home** This may be dispositive for some litigants.

### **Consider whether the case should be removed from state to federal court.**

Each forum may have its advantages.

A case filed in federal court may be removed if at least one claim by the plaintiff in the case could have been brought in federal court in the first place.

The suit may be removed if it presents a federal question in this sense – that the plaintiff’s claim is under federal laws that give jurisdiction to the federal courts (for example, claims under the Lanham Act for trademark violations, or copyright claims), 28 U.S.C. § 1331

The suit may be removed in “diversity” cases in which **all** of the defendants live in states different from **all** of the plaintiffs and more than \$75,000 is at stake (diversity jurisdiction), 28 U.S.C. § 1332.

Note that the existence of a federal defense (such as the defense that the First Amendment bars the plaintiff’s claim) is not enough to make a case a federal question case, and that the fact that even one defendant and one plaintiff live in the same state is enough to prevent diversity jurisdiction. The citizenship of a defendant sued as a Doe (for example, anonymous Internet speakers) is disregarded for the purpose of deciding whether there is diversity.

The rules governing federal question and diversity jurisdiction and removal can be extremely complicated. For example, removal must be effected within thirty days of the time when the defendants learn of that suit has been filed and that it is removable (service need not have been effected), and all

defendants must join the removal. Consult a good reference work on federal procedure on this subject.

## **Liable only for your own content**

Communications Decency Act, section 509 protects the “provider or user of an interactive computer service” from being held liable for “information provided by another information content provider” 47 U.S.C. §§ 230(c)(1), 230(d)(3)

The basic rule: on the Internet, you are liable only for your own content  
an essential part of the system of free speech online

The issue most commonly comes up with respect to the operators of web sites that allow the posting of user content; this includes commercial sites that facilitate sales by third-party sellers, such as eBay and Amazon

But it also protects those who sell web server space to those site operators, providers of email and other facilities for communication, providers of Internet access, and backbone providers: all depend on section 230

State law (and federal law as well) have various doctrines of secondary liability

As a general matter, tort law exposes any participant in the tort to liability

For example, under state defamation law, not only authors are liable for defamatory content, but also owners of newspapers, or book publishing companies, or broadcasters, where defamatory content is published. Different rules apply to “distributors” of printed defamation, such as booksellers. But the post office faces no liability for carrying defamatory printed material.

An early case applying such doctrines in the Internet context:

*Stratton Oakmont v. Prodigy Servs Co.*, 1995 WL 323710 (N.Y.Sup.Ct. May 24, 1995)

Prodigy was held liable for defamatory content placed on its servers by its customers, in light of the fact that it held itself out as reviewing content with a view to eliminating offensive material

It is not always easy for Internet providers carrying the work of authors to predict where they may be sued for what content — should the rules for their liability be set by state or federal law?

### **Statute’s Adoption and Language:**

Congress set a uniform federal rule in section 509 of the Telecommunications Act of 1996, 110 Stat. 137-139. It is the final section of Subtitle I of Title V, the Communications

Decency Act, codified at 47 U.S.C. § 230. Enacted in the course of regulating online pornography.

ISP's worried they would be held liable for users' pornographic content that they tried, but failed, to identify and block

Section title: "Protection for private blocking and screening of offensive material"

Subsection (c): "Protection for 'Good Samaritan' blocking and screening of offensive material"

does contain a Good Samaritan provision:

2) Civil liability

No provider or user of an interactive computer service shall be held liable on account of—

- (A) any action voluntarily taken in good faith to restrict access to or availability of material that the provider or user considers to be obscene, lewd, lascivious, filthy, excessively violent, harassing, or otherwise objectionable, whether or not such material is constitutionally protected; or
- (B) any action taken to enable or make available to information content providers or others the technical means to restrict access to the material described in paragraph (1).

But other provisions are much more significant:

§ 230(c)(1):

(1) Treatment of publisher or speaker

No provider or user of an interactive computer service shall be treated as the publisher or speaker of any information provided by another information content provider.

§ 230(e)(3)

(e) Effect on other laws

(3) State law

Nothing in this section shall be construed to prevent any State from enforcing any State law that is consistent with this section. No cause of action may be brought and no liability may be imposed under any State or local law that is inconsistent with this section.

Two of the definitions are especially significant:

§ 230(f) Definitions

As used in this section:

(2) Interactive computer service

The term “interactive computer service” means any information service, system, or access software provider that provides or enables computer access by multiple users to a computer server, including specifically a service or system that provides access to the Internet and such systems operated or services offered by libraries or educational institutions.

(3) Information content provider

The term “information content provider” means any person or entity that is responsible, in whole or in part, for the creation or development of information provided through the Internet or any other interactive computer service.

Gist of Communications Decency Act regulating online pornography was struck down under the First Amendment  
*Reno v ACLU*. 521 U.S. 844 (1997)

The one thing clear from the legislative history: Purpose was to overrule *Stratton Oakmont*

Courts rely heavily on the findings, § 230(a), and purpose, § 230(b)

Bottom line: Congress neither made providers of interactive computer services common carriers, obligated to carry all without exception, nor made them liable for the content they carry. In allowing discretion to screen out offensive or actionable matter, Congress chose to protect providers from legal consequences for the screening choices they make or don't make — Congress trusted the market to punish providers whose services carry too much offensive matter.

### **Basic Interpretive Issues**

Not being treated as “publisher or speaker” of content provided by another under § 230(c)(1) means:

can't be sued for their speech

“precludes courts from entertaining claims that would place a computer service provider in a publisher's role”

i.e., “lawsuits seeking to hold a service provider liable for its exercise of a publisher's traditional editorial functions – such as deciding whether to publish, withdraw, postpone or alter content”

courts rejected distinction between liability as “publisher” and liability as “distributor”  
§ 230 uses “publisher” in same general sense as defamation law under which defamation requires the “publication” of the words

*Zeran v AOL*, 129 F.3d 327 (4th Cir. 1997)  
*Ben Ezra, Weinstein & Co. v. AOL*, 206 F.3d 980 (10th Cir. 2000)  
*Green v. AOL*, 318 F.3d 465 (3d Cir. 2003)  
*Blumenthal v. Drudge*, 992 F. Supp. 44 (D.D.C. 1998) (AOL immune)

Although AOL is an Internet access provider, § 230 extends to web hosts that do not provide access:

*Universal Communications Sys v. Lycos*, 478 F.3d 413 (1st Cir. 2007)  
*Carafano v. Metrosplash.com*, 339 F.3d 1119 (9th Cir. 2003)  
*Doe v. MySpace*, 528 F.3d 413 (5th Cir. 2008)  
AOL cases above all involved AOL in its capacity as host, not as Internet access provider

Helpful table lists CDA cases, identifying the winner, the type of defendant, and the type of information at issue as of 2006. The defendant almost always wins (even since then)

*Myers, Wikimmunity: Fitting the Communications Decency Act to Wikipedia*, 20 Harv. J. Law & Tech. 163, 205-208 (2006)

Many federal protections get only grudging application in state courts; that is not true of § 230, which is applied just as expansively in state court:

*Austin v. CrystalTech Web Hosting*, 125 P.3d 389, 211 Ariz. 569 (2003)  
*Donato v. Moldow*, 374 N.J. Super. 475, 865 A.2d 711(2005)  
*Doe v. AOL*, 783 So.2d 1010 (Fla. 2001)  
*Schneider v. Amazon.com*, 31 P.3d 37 (Wash. App. 2001)  
*Barrett v. Rosenthal*, 40 Cal.4th 33 (2006)

### **Limits to Section 230**

No protection against federal criminal liability — § 230(e)(1)

but there is immunity against state criminal codes

Section does not affect intellectual property claims — § 230(e)(2)

the Digital Millennium Copyright Act (“DMCA”) provides its own form of protection for those who a bulletin board or other interactive service, but note possibility of liability for failure to remove material that infringes on copyright after receiving notice of its presence, or failure to provide reasonable means for such notification. *Ellison v. Robertson*, 357 F.3d 1072 (9<sup>th</sup> Cir. 2004). The Copyright Office must be notified of the means for registration. 15 U.S.C. § 512(c)(2). The statutory scheme is quite complex.

how broad is the scope of this phrase? the meaning is a question of federal law

can it be argued that trademarks are not “intellectual property” as a matter of federal law?

*Trade-Mark Cases*, 100 U.S. 82, 94 (1879); 11 U.S.C. § 101(35)(A);  
*In re Gucci*, 126 F.3d 380 (2d Cir. 1997).

courts routinely treat trademarks as intellectual property and apply § 230(e)(2) to deny immunity

Ninth Circuit has held that § 230 immunity extends to state law IP claims

*Perfect 10 v. CCBill*, 488 F.3d 1102 (9th Cir. 2007)

two district courts rejected this holding

*Doe v. Friendfinder Network*, 540 F.Supp.2d 288 (D.N.H. 2008)

*Atlantic Recording Corp. v. Project Playlist*, 603 F.Supp.2d 690 (S.D.N.Y. 2009)

Major limit:

even an interactive computer service provider is liable to the extent that information is information that **it** provided

in words of § 230(f)(3):

information for whose “creation or development” “the provider is responsible, in whole or in part”

But courts maintain a “robust” immunity by applying a “relatively expansive definition of ‘interactive computer service’ and a relatively restrictive definition of ‘information content provider.’”

*Carafano v. Metrosplash.com, Inc.*, 339 F.3d 1119, 1123 (9th Cir.2003)

### **Appellate cases exploring the limits of section 230 protection**

*Batzel v. Smith*: 333 F.3d 1018 (9th Cir. 2003)

remand of decision denying immunity for operator of a moderated discussion list

court treats the moderator, not as the operator of an interactive computer service, but as an “information content provider” who is held not responsible for content provided by a different “information content provider” so long as situation made clear that content was subject to posting in discussion

procedural issue:

interlocutory appeal of a denial of dismissal for § 230 immunity

*Barrett v. Rosenthal* , 40 Cal.4th 33, 51 Cal.Rptr.3d 55, 146 P.3d 510, 514, 525 (Cal. 2006),  
reversing *Barrett v. Rosenthal*, 114 Cal. App.4th 1379, 9 Cal. Rptr. 3d 142 (2004)

participant in news group is immune for posting email received from a third party  
*see also Sinclair v. TubeSockTedD*, 596 F. Supp.2d 128, 133 (D.D.C. 2009)

beyond *Barrett*:

should section 230 immunity apply to previously posted speech shown here?

<http://consumerist.com/5144296/10-confessions-of-a-cash4gold-employee>

*Fair Housing Council v. Roommates.com*, 521 F.3d 1157 (9th Cir. 2008) (*en banc*)

host of site is not immune from claims based on requiring answers to discriminatory questions, but it is immune from claims based on discriminatory content in open-ended comments box

*FTC v. Accusearch*, 570 F.3d 1187 (10th Cir. 2009)

host of site that sells telephone records or incoming and outgoing telephone calls, is not immune for procuring information gleaned unlawfully from confidential telephone records; knowing that its source would be unlawful

service provider responsible for offensive content only if it specifically encourages development of what is offensive about the content

*see Woodhull v. Meinel*, 145 N.M. 533, 540, 202 P.2d 126 (N. Mex. App. 2008)  
(defendant solicited defamatory material for the stated purpose of “making fun of” plaintiff)

*Barnes v. Yahoo!*, 570 F.3d 1096 (9th Cir. 2009)

site host who allegedly promised to remove offensive material to induce plaintiff not to appear in interviews after media showed interest in the situation, and not to testify before state legislature, is immune from claim based on negligent undertaking, but not from promissory estoppel pertaining to removal of content

procedural issue:

raising § 230 immunity by a motion to dismiss

original opinion said no; on rehearing, court deleted that part of its opinion

*see also Gibson v. Craigslist*, 2009 WL 1704355 (S.D.N.Y., June 15, 2009)

## **Other issues and cases**

Ripoff Report cases

*GW Equity v. XCentric Ventures*, 2009 WL 62173 (N.D.Tex. Jan. 9, 2009)

*GW Equity v. Xcentric Ventures*, 2009 WL 62168 (N.D.Tex., Jan. 9, 2009)

*Certain Approval Programs v. XCentric Ventures*, 2009 WL 596582 (D. Ariz. March 9, 2009)  
*Global Royalties v. XCentric Ventures*, 544 F. Supp.2d 929 (D. Ariz. 2008).  
*Global Royalties v. XCentric Ventures*, 2007 WL 2949002 D.Ariz. Oct. 10, 2007)  
*Energy Automation Systems v. XCentric Ventures*, 2007 WL 1557202 (M.D. Tenn. May 25, 2007)  
*Whitney Information Network v. XCentric Ventures*, 199 Fed. Appx. 738 (11th Cir. 2006)  
*George May Int'l Co. v. XCentric Ventures*, 409 F. Supp.2d 1052 (N.D. Ill. 2006)  
*Hy Cite Corp. v. badbusinessbureau.com*, 418 F. Supp.2d 1142 (D.Ariz. 2005)  
*Hy Cite Corp. v. badbusinessbureau.com*, 297 F. Supp.2d 1154 (W.D. Wis. 2004)  
*MCW, Inc. v. badbusinessbureau.com*, 2004 WL 833595 (N.D. Tex. Apr. 19, 2004)

Rip-off Report goes out of its way to proclaim that it will never settle suits brought over its content, and emphasizes that it has never lost a case on the merits (although there have been some adverse decisions on motions to dismiss. <http://www.ripoffreport.com/wantToSueRipoffReport.asp>  
This can be an expensive stance to maintain in the short run

beyond Ripoff Report:

*Video Professor v. Graziosi*, No. 1:09-cv-01025-RPM (D. Colo.)

Discussion of these issues here:

<http://pubcit.typepad.com/clpblog/2009/07/infomercialscamscom-is-no-more-a-sad-end-to-a-useful-consumer-web-site-.html>

Claims about postings using an employer's email or computer system

*Higher Balance v. Quantum Future Group*, 2008 WL 5281487 (D. Ore. Dec. 18, 2008)

*Delfino v. Agilent Technologies*, 145 Cal. App.4th 790, 52 Cal. Rptr.3d 376 (Cal. App. 6 Dist. 2006).

Interplay with user anonymity

*Donato v. Moldow*, 374 N.J. Super. 475, 865 A.2d 711(2005)

Interplay between interactivity for § 230 and interactivity for personal jurisdiction

Personal jurisdiction over web site operators turns, at least in part on the *Zippo* sliding scale that considers whether the web site is interactive

*Zippo Mfg. Co. v. Zippo Dot Com*, 952 F. Supp. 1119 (W.D. Pa. 1997)

*Soma Medical Int'l. v. Standard Chartered Bank*, 196 F.3d 1292 (10th Cir. 1999)

Procedural consequences of the fact that § 230 provides immunity from suit under state and local law, not just protection against liability

§ 230(e)(3): "No cause of action may be brought and no liability may be imposed"

Section 230 immunity includes immunity from suit:

*Carafano v. Metrosplash.com*, 339 F.3d 1119, 1125 (9th Cir.. 2003)

*Ben Ezra, Weinstein & Co. v. AOL*, 206 F.3d 980, 983 (10th Cir. 2000)

*Contra Energy Automation Sys. v XCentric Ventures*, 2007 WL 1557202, at \*12

Application of section 230(c)(2)(B)

*Zango v. Kapersky Lab*, 568 F.3d 1169 (9th Cir. 2009)

Excellent discussion of legislative history of CDA generally in amicus brief from Center for Democracy & Technology, [www.cdt.org/privacy/spyware/20080505amicus.pdf](http://www.cdt.org/privacy/spyware/20080505amicus.pdf)

### Some useful online resources

Two from law schools:

Eric Goldman's Tech and Marketing Law Blog

covers a number of issues, but detailed commentary on every section 230 ruling

<http://blog.ericgoldman.org/>

Citizen Media Law Project's Section 230 pages

<http://www.citmedialaw.org/section-230>

Two from private practitioners

Evan Brown, <http://blog.internetcases.com/>

Jeff Neuburger, <http://newmedialaw.proskauer.com/>

## Protecting the right to speak anonymously

Supreme Court precedent recognizes the right to speak anonymously.

*Buckley v. American Constitutional Law Found.*, 119 S. Ct. 636, 645-646 (1999); *McIntyre v. Ohio Elections Comm.*, 514 U.S. 334 (1995); *Talley v. California*, 362 U.S. 60 (1960)

Numerous cases now address how to strike the balance between the right to speak anonymously and the interest of a plaintiff in getting redress:

*Solers, Inc. v. Doe*, — A.2d —, 2009 WL 2460862 (DC August 13, 2009); *Independent Newspapers v. Brodie*, 407 Md. 415, 966 A.2d 432 (2009); *Sinclair v. TubeSockTedD*, 596 F.Supp.2d 128 (DDC 2009); *Quixtar v. Signature Management Team*, 2008 WL 2721265 (D. Nev. Jul. 7 2008); *Doe I and Doe II v. Individuals whose true names are unknown*, 561 F.Supp.2d 249 (D. Conn. 2008); *London-Sire Records v. Doe 1*, 542 F. Supp.2d 153, 164 (D. Mass. 2008); *Krinsky v. Doe 6*, 159 Cal.App.4th 1154, 72 Cal.Rptr.3d 231 (Cal.App. 6 Dist. 2008), *In re Does 1-10*, 242 S.W.3d 805 (Tex.App.-Texarkana 2007); *Mobilisa v. Doe*, 170 P.3d 712 (Ariz. App. Div. 1 2007); *Doe v. Cahill*, 884 A.2d 451 (Del. 2005); *Dendrite v. Doe*, 342 N.J. Super. 134, 775 A.2d 756 (N.J. App. 2001); *McMann v. Doe*, 460 F. Supp.2d 259 (D. Mass. 2006); *Highfields Capital Mgmt. v. Doe*, 385 F.Supp.2d 969 (N.D. Cal. 2005); *Sony Music Entertainment v. Does 1-40*, 326 F. Supp.2d 556 (S.D.N.Y. 2004); *In re 2TheMart.com, Inc. Securities Litigation*, 140 F. Supp.2d 1088 (W.D. Wash. 2001); *Columbia Insurance Company v. Seescandy.com*, 185 F.R.D. 573, 578 (N.D. Cal. 1999); *Greenbaum v. Google, Inc.*, 845 N.Y.S.2d 695 (N.Y. Sup. 2007); *Melvin v. Doe*, 49 PaD&C4th 449 (2000), *rev'd on other grounds*, 575 Pa. 264, 836 A.2d 42 (2003).

The better cases, such as *Dendrite* and *Highfields*, lay out a standard that requires:

- notification of the anonymous defendant so that she can enter an anonymous appearance to defend the right to remain anonymous
- articulation of the specific words that are alleged to be actionable, and of the cause(s) of action that the words are said to support
- judicial review of the complaint to ensure that it does, in fact, state a viable legal claim
- presentation of evidence sufficient to support the claim at an early stage of the case; cases differ about whether that amounts to a summary judgment standard or some other standard
- balancing of the right to speak anonymously and the right to obtain judicial redress for wrongs committed, considered in light of the entire record

*McMann v. Doe*, 460 F.Supp.2d 259 (D.Mass. 2006), raises the question of whether a suit based on state law only can be maintained in federal court (thus supporting a subpoena to identify the anonymous defendant) when the plaintiff cannot say with any confidence where the Doe lives, and thus whether there is “diversity of citizenship”)

The cases differ mostly about how much evidence must be presented, and whether to engage in any balancing once the requisite evidentiary standard has been met. In *Doe v. Cahill*, the court agreed to require the plaintiff to meet a summary judgment standard, but declined to engage in balancing, although it reversed a trial court’s decision enforcing a subpoena, so strictly speaking the discussion of balancing was not necessary to the result of the case. The summary judgment standard was also recently followed in *Best Western Int’l. v. Doe*, 2006 WL 2091695 (D. Ariz. July 25, 2006). *Krinsky v Doe 6* either adopts a very similar test or characterizes the same test differently – plaintiff must provide enough evidence to make out a prima facie case on each element of plaintiff’s claim.

One trial judge refused to follow this general consensus approach, holding instead that it is sufficient for the court to decide that plaintiff has shown that it has a good faith basis to believe the suit is meritorious. *Klehr Harrison Harvey Branzburg & Ellers v. JPA Development*, 2006 WL 37020 (Pa. Com. Pl. Jan 4, 2006). The case was settled during the appeal

The best articulation of the balance remains the briefs filed by the ACLU, the EFF, and Public Citizen on this issue. There is a collection of such briefs on Public Citizen’s web site, at <http://www.citizen.org/litigation/briefs/IntFreeSpch/cases/articles.cfm?ID=14267>

America Online’s legal department maintains an archive of decisions on this issue: <http://legal.web.aol.com/aol/aolpol/civilsubpoena.html>

In arguing under this standard, a variety of common libel defenses are incorporated:

Requirement that plaintiff in a case involving a labor dispute prove actual damages:  
*Linn v. Plant Guard Workers*, 383 U.S. 53 (1966)  
This is required for all defamation claims by the law of some states:  
*Global Telemedia v. Does*, 132 F. Supp.2d 1261 (C.D. Cal. 2001)

Fact / opinion distinction:

*Milkovich v. Lorain Journal Co.*, 497 U.S. 1 (1990)

Some states have more protective standards on this issue. E.g., *Vail v. Plain Dealer Pub. Co.*, 72 Ohio St. 3d 279, 281-282, 649 N.E.2d 182 (1995)

“Truth is a defense.” Actually, the plaintiff has to prove falsity.

Most libel cases involving public figures founder on the requirement that the defendant must have spoken with actual malice – knowledge of falsity, or reckless disregard of probably falsity. But it is hard to avoid identifying the defendant if the Court needs to reach this issue.

In California, criticism of a public corporation is treated as relating to an issue of public interest, and thus subject to a special motion to strike under the anti-SLAPP statute. *Computer Xpress v. Jackson*, 93 Cal. App.4th 993, 1007-1008, 113 Cal. Rptr.2d 625 (2001); *Global Telemedia v. Does*, 132 F. Supp.2d 1261 (C.D. Cal. 2001)

A claim based on “injurious falsehood” has to meet the constitutional requirements for defamation no matter what the label on the claim.. *Hustler v. Falwell*, 485 U.S. 46 (1988); *Blatty v. NY Times Co.*, 42 Cal.3d 1033, 1044-1045 (1986).

Good general discussion:

Lidsky, *Silencing John Doe: Defamation and Discourse in Cyberspace*, 49 Duke L.J. 855 (2000), <http://www.johndoes.org/html/lidsky.html>

Good source on how various states view the reporters’ privilege, to which useful analogies can be drawn in arguing for anonymity.

Reporters’ Committee for Freedom of the Press, *The Reporters’ Privilege*, <http://www.rcfp.org/privilege/>

Libel issues are treated at greater length later in this outline.

If the complaint is based on some theory other than injurious falsehood, the *Dendrite* standard for protecting anonymity is equally applicable, but the test is applied through the prism of whatever the substantive elements of that claim may be (for example, breach of contract by employees).

If you have a limited amount of money to spend on defending the suit, consider whether it is wise to spend it opposing identification as opposed to defending the merits of the case

in some cases that are defensible in the merits once the speaker is identified and submits an affidavit, and is deposed, could not easily avoid identification under the *Dendrite* standard because defense depends on facts only the sued speaker can put into the record

Note the discovery concerns here for the operator of a web message board. The hostile target of a message board can keep the host very busy serving subpoenas for the identity of the posters of hostile messages.

One host has configured his message board so that each message shows both the Internet Protocol number and the time of posting. Although original reason was simply to encourage posters to be more responsible, one result was that he had no “private” information about posters, and so could not be subpoenaed every time the company was unhappy about a message. NWA Flight Attendants Forum, <http://216.156.32.93/>

ISP’s have been held to have standing to raise their own customers’ First Amendment rights in opposing enforcement of Doe subpoenas. *In re Subpoena Duces Tecum to AOL*, 52 Va. Cir. 26, 2000 WL 1210372, *rev’d on other grounds, AOL v. Anonymous Publicly Traded Co.*, 261 Va. 350, 542 S.E.2d 377 (2001) and *In re Verizon Internet Services* 257 F. Supp.2d 244 (D.D.C.2003), *rev’d on another grounds, RIAA v. Verizon Internet Services*, 351 F.3d 1229, 1239 (D.C. Cir2003). However, a third-party witness who could not cite a comparable relationship with the Doe was denied standing to object in *Matrixx Initiatives v. Doe*, 138 Cal.App.4th 872, 42 Cal.Rptr.3d 79 (Cal. App. 6<sup>th</sup> Dist. 2006).

Taking the other tack, some web hosts go out of their way to limit access to the message board to “insiders.” A recent case held that an employer that snooped on a private web site message board could be sued for damages under the wiretap laws and the Railway Labor Act. *Konop v. Hawaiian Airlines*, 236 F.3d 1035 (9<sup>th</sup> Cir. 2001), but the portion of the opinion that invoked the wiretap laws was later reversed in response to a petition for rehearing. 302 F.3d 868 (2002). The Computer Fraud and Abuse Act, 18 U.S.C. § 1030, may provide an alternate cause of action for improper access to a password protected site. *See EF Cultural Travel v. Zefer Corporation*, 318 F.3d 58 (1<sup>st</sup> Cir. 2003). A web site taking this approach is <http://www.aercon.org/>.

Another approach to preserve anonymity of posters is to adopt a “no-logging” policy, whereby storage of identifying information about visitors to the web site (and about posted to online discussions) is kept to a minimum. Technical advice effecting such limitations can be found on EFF’s web site at <http://www.eff.org/osp/20040819 OSPBestPractices.pdf>.

Take care about promising more anonymity than you can deliver. A poster might well claim that violation of such a promise is a breach of contract. *Cf. Cohen v. Cowles Media*, 501 U.S. 663 (1991).

## **Libel Issues**

A web site (or Internet message board post) should be written with the possibility of libel litigation in mind.

Not enough to be able to win the case after going to trial.

Libel cases can involve intensive discovery

you give up privacy

but that is also true of the plaintiff  
many plaintiffs regret having sued

it is expensive

if the objective is to preserve anonymity, even the good standards described above allow the plaintiff to go forward (and identify the speaker) even if the statements will later prove to be true.

as a defendant it is hard to find a lawyer to take the representation on a contingent fee basis.

ACLU for example strongly defends good libel principles, but on appeal and in amicus briefs, but is not likely to take a case on merits

the best bet is to look for a lawyer who is interested in the subject of your criticism. For example, if you have been criticizing a local developer or other company, look for a lawyer who has been involved in other disputes with that developer – consumer, discrimination, labor or environmental disputes for example.

Here are tips – somewhat conflicting – to writing a web site with libel litigation in mind

Public Citizen’s free guide to “writing with libel in mind”

prepared by its main libel reviewer  
on Litigation Group web site  
<http://www.citizen.org/litigation/briefs/IntFreeSpch/articles.cfm?ID=18475>

libel is factual statement about identifiable entity or living individual which, if believed, would influence reader's opinion about person defamed

either by reflecting badly on person's character  
or harming person's reputation  
or diminishing person's respect in a community

the law distinguishes between statements that are inherently damaging to reputation if proved

accusation of a felony or other serious crime; acts of dishonesty; sexual misconduct

states lower burdens of proof  
**AND** they are more likely to produce a serious libel suit

should be extra careful about making such accusations

statements about policy, and statements about positions individuals take on policy

not defamatory

but if false statements about what individuals have done, given as a reason to change policy, could be actionable

statements about large groups, and or entire industry, are not defamatory

“all paid lobbyists are corrupt”: Jack Abramoff could not sue

there may be an exception for small groups  
“the Bush brothers are all corrupt”

and some recent cases recognize claims for what amounts to group defamation

*Ball v. Taylor*, 416 F.3d 915 (8th Cir. 2005) (employer said it had sued over the filing of 100 disability claims because the claims were

fraudulent)

only a statement of fact can be defamatory; opinions are protected; but only if they cannot be understood as stating actual facts.

*Milkovich v. Lorain Journal Co.*, 497 U.S. 1 (1990)

“there is no such thing as a false idea.”

*Gertz v. Robert Welch, Inc.*, 418 U.S. 323, 339-340 (1974)

but statements of fact cannot be masked just by calling it opinion (“in my opinion, Mr. X is a convicted felon)

the question whether a statement is opinion or fact is an issue the judge can decide on summary judgment (or on a motion to quash a subpoena to identify an anonymous speaker, for example)

*Riley v. Moyed*, 529 A.2d 248, 251 & n.2 (Del. 1987)

the best course is to state the facts that you can prove, and then make clear that you are expressing your opinion about what those facts signify

the opinion based on disclosed facts is protected

mere hyperbole and name-calling tend to be treated as opinion

*Bratt v. IBM Corp.*, 392 Mass. 508, 516, 467 N.E.2d 126, 133 (Mass. 1984).

but it may be unwise to make wild statements on the assumption that they will just be treated as opinion

the best course is to state the facts calmly, based on documents that prove what you say

the context may support characterization of a statement as opinion. For example, a newspaper commentator’s column will more readily be treated as opinion than a news report. *Riley v. Moyed*, 529 A.2d 248, 252 (Del. 1987). Some cases suggest that statements on message boards are likely to be more opinion than fact. *Global Telemedia v. Does*, 132 F. Supp.2d 1261 (C.D. Cal. 2001).

it is “safer” to criticize public officials because they cannot win a libel suit without proving that the defendant made false statements with “actual malice”

this does not mean ill will, but knowledge that the statements were false, or writing with “reckless disregard” of the probably falsity of the statements

*New York Times v. Sullivan*, 376 U.S. 254 (1964)

the same rule applies to “public figures” –

“For the most part those who attain this status have assumed roles of especial prominence in the affairs of society. Some occupy positions of such persuasive power and influence that they are deemed public figures for all purposes. More commonly, those classed as public figures have thrust themselves to the forefront of particular public controversies in order to influence the resolution of the issues involved.”

*Gertz v. Robert Welch, Inc.*, 418 U.S. 323, 345 (1974).

an involuntary public figure is someone who is dragged into the limelight unwillingly, such as by being indicted or arrested

actual malice must be proved by “clear and convincing evidence”

states generally recognize a qualified privilege for neutral reporting on a judicial or other public proceeding; but a biased report (for example, only telling party’s side of the story) will not be protected

there is also an absolute privilege against being sued for something said in testimony or in a court filing. But most states hold that distributing a court document outside the court, such as in a press conference (or on a web site) is outside that privilege

think carefully about the sources on which you rely – why have you decided that they are reliable ones?

just because someone says – or even reports in writing – that Joe Smith has committed a serious crime does not mean you can safely repeat it

republication of a libel can be equally a basis for liability as the original statement

consider whether **others** will deem the source reputable

if statements are based on your own experiences with a business or professional or anyone else:

you can base online statements on personal experiences, but be aware that if it is your word against the person you are criticizing

- it is likely impossible to get out of the case without going to trial, which is much more expensive
- remember that the judge or jury may believe them instead of you, in which case you could lose and have to pay damages

- if anonymity matters to you, it is hard to submit an anonymous affidavit as a basis for quashing a subpoena to identify you

**how to prepare to defend yourself when you rely on personal experiences**

did you document the experiences? for example, did you keep a diary of problems as they were occurring? do your claims go beyond what you have documented?

do you know whether the person disagrees with your claims? have you written to the business and given it a chance to explain why it disagrees? being about to produce your written complaints and the lack of any substantive response is not a guarantee against libel liability, but it can be good evidence

If the web site has been up for more than a year before suit was brought, the statute of limitations may afford a defense.

Even though the web site is in continued existence at the time of suit, the “single publication rule” may afford a defense. This rule holds that the first publication of a libel in a publication that is printed in quantity and distributed over a period of days or months (or years) is the event that starts the running of the limitations period. Several state and federal courts have held that the single publication rule applies to Internet publications.

*Oja v. Army Corps of Engineers*, 440 F.3d 1122 (9th Cir. 2006); *Van Buskirk v. New York Times Co.*, 325 F.3d 87, 89 (2d Cir.2003); *Atkinson v. McLaughlin*, 462 F.Supp.2d 1038, 1051-1052 (D.N.D. 2006); *Traditional Cat Ass'n v. Gilbreath*, 118 Cal.App.4th 392, 13 Cal.Rptr.3d 353 (Cal. App. 2004); *McCandliss v. Cox Enterprises*, 593 S.E.2d 856 (Ga. App.2004); *Firth v. New York*, 98 N.Y.2d 365, 370-371, 747 N.Y.S.2d 69, 72, 775 N.E.2d 463 (2002).

## **Trademark Issues**

### **Exclusion of non-commercial sites**

Exception for claims of dilution or cybersquatting:

Lanham Act Section 43(c)(3)(C), 15 U.S.C. § 1125(c)(3)(C)

Cybersquatting Act Savings Clause: Public Law 106-113, Section 3008, 113 STAT. 1501A-551.

Requirement of commercial use also applies to infringement claims, although the argument is more complex. *Made in the USA Foundation v. Phillips Foods*, 365 F.3d 278 (4th Cir.

2004), quoting *Colligan v. Activities Club of New York*, 442 F.2d 686, 692 (2d Cir. 1971). *Endoscopy-America v. Fiber Tech Medical* (4th Cir 02/05/2001) (unpublished opinion at <http://pacer.ca4.uscourts.gov/opinion.pdf/001032.U.pdf>).

S. Rep. 100-515, 100th Cong.2d Sess. 44 (1988), reprinted in 1988 U.S. Code Cong. Ad. News 5577, 5607: (“Amendment of the definition of ‘use in commerce’ [in section 45 of the Lanham Act) is one of the most far-reaching changes the legislation contains. . . . The committee intends that the revised definition of ‘use in commerce’ be interpreted to mean **commercial use** which is typical in a particular industry.”).

Trademark laws do apply to non-profits, at least where they are engaged in fundraising or sales: *United We Stand America v. United We Stand America, NY Chapter*, 128 F.3d 86 (2d Cir. 1997)

Many trademark lawyers believe that there is no requirement of commercial use for infringement. In early case holding that Lanham Act reaches infringement by company in Mexico that bought parts in US and whose products come back over the border, the Supreme Court reasoned that Lanham Act’s requirement that infringement be “in commerce” reaches to the full extent of Congress’ commerce power. *Steele v. Bulova Watch Co.*, 344 U.S. 280, 283 (1952). Supreme Court has never considered impact of the 1988 amendments on its dicta in *Bulova*.

But, several Internet **defendants** have won based on lack of commercial use. *Utah Lighthouse Ministry v. Foundation for Apologetic Information and Research*, 527 F.3d 1045, (10th Cir. 2008); *Bosley Medical v. Kremer*, 403 F.3d 672 (9<sup>th</sup> Cir. 2005); *TMI v. Maxwell*, 368 F.3d 433, 436-438 (5th Cir. 2004); *Taubman v. WebFeats*, 319 F3d 770 (6th Cir. 2003). The Fourth Circuit reviewed several aspects of the non-commercial use argument but declined to decide them. *Lamparello v. Falwell*, 420 F.3d 309 (4th Cir. 2005).

If trying to use this exception, don’t “play games” by trying to raise money through the web site on the side

Courts are reluctant to find wholly non-commercial use where there is a patent use of a trademark in a manner that seems confusing. For example, sites have been deemed “commercial” where web site helps sell the site owner’s books. *Jews for Jesus v. Brodsky*, 993 F. Supp. 282 (D.N.J. 1998); *Planned Parenthood v. Bucci*, 42 U.S.P.Q.2d 1430 (S.D.N.Y. 1997); *Christian Science Board v. Robinson*, 123 F. Supp.2d 965 (WDNC 2000), *aff’d* No. 00-2029 (4<sup>th</sup> Cir. 01/09/01). *See also Coca-Cola Co. v. Purdy*, 382 F.3d 774, (8th Cir. 2004). In *PETA v. Doughney* case, 113 F. Supp. 2d 915 (E.D. Va. 2000), *aff’d*, 263 F.3d 359 (4th Cir. 2001), the site was commercial because it contained links to commercial meat sellers apparently unconnected with the web site owner, although, on appeal, the court was more impressed

by the fact that the domain name registrant dropped broad hints to the effect that all PETA needed to do was pay him off. *See also Lamparello v. Falwell*, 360 F. Supp.2d 768 (E.D.Va. 2004) (site promoted a book at one time), *rev'd on other grounds*, 420 F.3d 309 (4th Cir. 2005).

Some cases go even further, and say that the impact of the web site on the business of a target of criticism is enough to make it “in commerce”. *Bihari v. Gross*, 119 F. Supp.2d 309 (S.D.N.Y. 2000) (this decision went on to find no violation). But this is plainly inconsistent with the statute. There is dictum to this effect in a number of decisions, where there actually **was** commercial content to site. The *Bosley* and *Utah Lighthouse* decisions noted above rejected this approach as unpersuasive. A recent Ninth Circuit decision, ruling only based on the First Amendment, points in the same direction. *Nissan Motor Co. v. Nissan Computer Co.*, 378 F.3d 1002, <http://caselaw.findlaw.com/data2/circs/9th/0257148P.pdf>.

A fair argument can be made that allowing banners on a site to get free web space, or merely linking to commercial sites, does not make the site “commercial”. The safest thing, however, is to eschew all of this.

Commercial character of web site may also come into play in another way  
FTC is currently considering revision of its advertising guidelines to require paid bloggers, or even bloggers who receive free samples to encourage comments, to disclose that fact or run afoul of its guidelines about misleading advertising  
<http://www.ftc.gov/os/2008/11/P034520endorsementguides.pdf>

### **Relevance of First Amendment even when site is deemed “commercial”**

Cases require narrow construction of trademark laws to avoid undue impingement on free speech. *Cliffs Notes v. Bantam Doubleday*, 886 F.2d 490, 494 (2d Cir. 1989).

If the plaintiff wins, an injunction has to be as narrow as possible to limit impact on speech. *Anheuser-Busch v. Balducci Publications*, 28 F.3d 769, 778 (8th Cir. 1994); *Better Business Bureau v. Medical Directors*, 681 F.2d 397, 404-405 (5th Cir. 1982)

### **Two basic kinds of trademark suits**

Infringement:

plaintiff claims that defendant’s use of its mark is likely to confuse viewers about whether the plaintiff is the source of the goods or services

Dilution:

plaintiff claims that the use of its mark will either tarnish the mark by associating it

with shoddy or offensive goods or services (for example, using trademark to identify a pornography web site), or weaken the mark by making it less distinctive as an indicator of the plaintiff as the source of the goods (think of how “ketchup” lost its trademark status)

**Checklist of things to check about a critical web site to minimize threat of infringement suit**

basic objective – go out of your way to be sure that no one can be confused about whether the site is pro- or anti- the TM owner

1. Be sure not to use type similar to trademark owner’s logo

if you use their logo, consider putting a red slash through it, etc

2. Don’t use their colors / color scheme

they might argue “trade dress” infringement; and besides, if you mimic their trade dress, it could look as if you **were** trying to confuse viewers

*See Peri Hall & Associates, Inc. v. Elliot Institute for Social Sciences Research*, 2006 WL 742912 (W.D.Mo. 2006)

3. Visit your target’s web site, and make sure yours doesn’t have same look and feel

4. Put something near the top of page to emphasize it is critical.

Using disclaimers of sponsorship is a common way of avoiding confusion  
They won’t do any good if site is genuinely confusing about sponsorship; but they can tilt a close case

5. If you get a demand letter, make reference to it on the web page:

“GM has sued to make me take down this page...”

Some recipients of trademark demand letters manage to forestall litigation by making fun of the trademark holder, and attracting media attention that makes would-be plaintiff think twice about whether it is worth suing. For one example of this sort of response, see <http://www.wired.com/news/business/0,1367,36210,00.html>; [http://www.verizonreallysucks.com/what\\_is\\_vep.html](http://www.verizonreallysucks.com/what_is_vep.html).

6. If you mimic target’s web site or trade dress, and decide to defend on grounds of parody, you may well prevail, but you will be in thick of likelihood of confusion or fair use analysis, which are the expensive cases

## Domain name cases

Anticybersquatting Act is Section 43(d) of the Lanham Act, 15 U.S.C. § 1125(d)

Directed at problem of those who registered domain names using trademarks as a way of shaking down trademark holder to get own name back. House Report 106-412, 106<sup>th</sup> Cong. 1<sup>st</sup> Sess (1999), at 5-6. Shakedowns took two forms: (1) register name, offer to sell it to owner or potential rivals, even threatening to auction name to highest bidder, *Virtual Works Inc v. Volkswagen of America*, 238 F.3d 264 (4th Cir. 2001); (2) register name, erect site with objectionable content, such as pornography, to give trademark owner an especial incentive to buy quickly and at high price, see *Ford Motor Co. v. Lapertosa*, 126 F. Supp.2d 463 (ED Mich 2000).

Plaintiff must establish **both** trademark element, that the domain name is “identical or confusingly similar to or dilutive of” a mark, section 1125(d)(1)(A)(ii), **and** a bad purpose, the “bad faith intent to profit” from the good will that the trademark holder has established in the mark. 1125(d)(1)(A)(i)

Statute recognizes that mere inclusion of the trademark of another in a domain name does not constitute objectionable conduct.

Cases upholding “sucks” names:

*Lucent Technologies v. LucentSucks.com*, 95 F. Supp.2d 528 (E.D. Va 2000); *Bally Total Fitness Holding Corp. v. Faber*, 29 F. Supp. 2d 1161 (C.D. Cal. 1998)

Cases finding legitimate registration of domain name with nothing more than name of a different company, because no bad faith: *Lighthouse Ministry v. Foundation for Apologetic Information and Research*, 527 F.3d 1045, 2008 WL 2204387 (10th Cir. 2008) (Section 32 and ACPA); *Lamparello v. Falwell*, 420 F.3d 309 (4th Cir. 2005), rev’g 360 F. Supp 2d 768 (E.D.Va. 2004); *Bosley Medical v. Kremer*, 403 F.3d 672 (9<sup>th</sup> Cir. 2005); *Lucas Nursery and Landscaping v. Grosse*, 359 F.3d 806 (6<sup>th</sup> Cir. 2004); (ACPA); *Taubman v. WebFeats*, 319 F3d 770 (6<sup>th</sup> Cir. 2003) (Section 32); *Mayflower Transit v. Prince*, 314 F. Supp.2d 362 (D.N.J. 2004); *Ficker v. Tuohy*, 305 F.Supp.2d 569, 572 (D. Md. 2004) (ACPA and Section 43); *Northland Ins. Cos. v. Blaylock*, 115 F. Supp.2d 1108 (D. Minn. 2000); *Cello Holdings v. Lawrence-Dahl Companies*, 89 F. Supp.2d 464 (S.D.N.Y. 2000). See also *TMI v. Maxwell*, 368 F.3d 433 (5<sup>th</sup> Cir. April 21, 2004) (ruling on issue of noncommercial use).

Some cases finding improper use of company name for hostile sites:

*People for the Ethical Treatment of Animals v. Doughney*, 113 F. Supp.2d 915 (E.D. Va. 2000), *aff’d*, 263 F.3d 359 (4th Cir. 2001) (web site for fictional group calling itself People Eating Tasty Animals used "peta.org"); *Jews for Jesus v. Brodsky*, 993 F. Supp. 282 (D.N.J. 1998); *Planned Parenthood v. Bucci*, 42 U.S.P.Q.2d 1430 (S.D.N.Y. 1997) (anti-abortion group registered plannedparenthood.com; site was misleading about sponsorship).

Several cases state that domain name causes likelihood of confusion because they create a misleading “initial interest” even if the viewer eventually learns that the web site is not sponsored by the mark owner. More recent cases reject that view when the site owner has a legitimate reason for using the mark, because viewers “are inured to the false starts” of searching on the Web, and will keep looking if they don’t find what they want. *Strick Corp. v. Strickland*, 162 F. Supp.2d 372, 377, 380 (E.D. Pa. 2001).

Not only is non-commercial criticism, or a fair use, a factor supporting a finding of no bad faith, section 1125(d)(1)(B)(i)(IV), but the statute’s savings clause explicitly preserves the rule that non-commercial criticism is protected. Public Law 106-113, Section 3008, 113 STAT. 1501A-551. If, however, after being called for cybersquatting, the domain name registrant tries to place non-commercial criticism on the web site in order to seek shelter of this exception, a court may well find this to be a mere ruse and reject the defense. *E & J Gallo Winery v. Spider Webs Ltd*, 129 F. Supp.2d 1033 (S.D.Tex 2001), *aff’d*, 286 F.3d 270 (5<sup>th</sup> Cir. 2002). This all goes to the defendant’s underlying purpose.

It is worth reading the House and Senate Committee reports, as well as the Conference Report, because their language makes clear that Congress intended this Act to be applied fairly narrowly. Some of this legislative history is discussed in Public Citizen briefs, for example, in *Altitalia v. Porta* (alitaliasucks.com), <http://www.citizen.org/litigation/briefs/IntFreeSpch/cases/articles.cfm?ID=14270#alitalia>

Note that claims can also be brought under Lanham Act as well as the Cybersquatting Act.

Be sure **not** to offer the domain name for sale; court may conclude that real purpose was to shake down the trademark owner.

The line between such a shakedown, and bargaining for the resolution of a legitimate, pre-existing dispute with the trademark holder, can be a narrow one. At the least, such bargaining over a domain name may prevent a defendant from getting a quick dismissal of the case because there is a factual question about his motive. *Northland Ins. Cos. v. Blaylock*, 115 F. Supp.2d 1108 (D. Minn. 2000). At worst, the court may just find a violation.

Trademark lawyers often try to get the defendant talking about money as part of settling the dispute precisely so that they can later claim that the defendant was after money all along. In theory, settlement discussions cannot be admitted into evidence, but trademark lawyers seem to have no shame in trying to do just that. So, watch out!

If there is lead time between registration of a domain name containing a trademark and creation of the web site, it can be risky to “park” the domain name with a service that displays advertising. Some UDRP panels (see below) have held that the registrant is responsible for the resulting commercial character of the site to which the name points. *XM Satellite Radio Inc. v. Kyle Kennedy*, FA 796199 (Nat. Arb. Forum Nov. 7, 2006). Most such decisions, however, rely on the fact that the registrant is getting paid per click on the ads on the parking page. *Diners Club Int’l v. O P Monga*, FA670049 (Nat. Arb. Forum Apr. 12, 2006).

Domain name cases can also be litigated in the Uniform Dispute Resolution Procedure (“UDRP”). The advantage: it’s much cheaper than court. The disadvantage – these are private procedures, run by organizations biased in favor of trademark holders, and several studies suggest that the process of selecting panelists and the outcomes of the decisions are biased in favor of trademark holders who are trying to take away domain names.

The complainant decides whether to invoke UDRP or court; but if a lawsuit is filed the UDRP will defer.

If the complainant chooses to proceed before a single panelist, the respondent can, by agreeing to pay a large fee, insist that there be a three-member panel, with each side choosing one member and then picking the third member by a mutual ranking process. Using panelist records found at [www.udrpinfo.com](http://www.udrpinfo.com), it is possible to make some headway against the institutional pro-complainant bias of the procedure.

Either side can go to court if it loses. *Sallen v. Corinthians Licenciamentos LTDA.*, 273 F.3d 14 (1st Cir. 2001). Judicial review is de novo (that is, no deference to the decision of the UDRP). *Parisi v. Netlearning*, 139 F. Supp.2d 745 (E.D. Va. 2001)

Despite the sense that the UDRP is stacked against a “gripe site” owner, there are a great many decisions of that sort that are favorable to the respondent. *Dorset Police and Geery Coulter*, <http://www.eresolution.com/services/dnd/decisions/0942.htm>; *Mayo Foundation for Education and Research v. Briese*, <http://www.arbforum.com/domains/decisions/96765.htm> (2001); *Bosley Medical Institute v. Kremer*, D2000-1647 (WIPO February 28, 2001), <http://www.wipo.int/amc/en/domains/decisions/html/2000/d2000-1647.html>; *Bridgestone Firestone, Inc. v. Myers*, D2000-0190 (WIPO July 6, 2000), <http://www.wipo.int/amc/en/domains/decisions/html/2000/d2000-0190.html>; *Britannia Building Society v. Britannia Fraud Prevention*, D2001-0505 (WIPO July 6, 2001) <http://www.wipo.int/amc/en/domains/decisions/html/2001/d2001-0505.html>.

For a lawyer trying to decide whether to represent a particular prospective defendant, pushing the complainant into the UDRP is a way to get some “discovery” on the

plaintiff's case.

## Meta Tag Cases

Meta tags are a form of HTML code that are not seen on the web page, but which summarize the page's subject matter; many search engines use meta tags to classify web pages for possible response to search requests (both identifying pages and ranking them within results)

One leading expert, though, believes that keyword meta tags are so infrequently used by web-wide search engines that it is no longer worth the bother to implant them. Description meta tags are still considered worthwhile. <http://searchenginewatch.com/sereport/02/12-meta.html>

A number of early cases found trademark violations where name of competitor was hidden on page to attract customers to rival's site. *Brookfield Communications v. West Coast Entertainment*, 174 F.3d 1036 (9<sup>th</sup> Cir. 1999); *Nettis Env't v. IWI*, 46 F.Supp.2d 722 (N.D. Ohio 1999).

Other cases found use of meta tags for critical site was legitimate:

*Gregerson v. Vilana Financial*, 2006 WL 3227762 (D. Minn., Nov. 7, 2006) *J.K. Harris & Company v. Kassel*, 253 F. Supp. 2d 1120 (N.D. Cal. 2003); *Bihari v. Gross*, 119 F. Supp.2d 309 (S.D.N.Y. 2000); *Bally Total Fitness Holding Corp. v. Faber*, 29 F. Supp. 2d 1161, 1165 (C.D. Cal. 1998)

Cases allowing use of meta tags by commercial ventures with legitimate interest in trademark:

*Bernina v. Fashion Fabrics*, 2001 U.S. Dist LEXIS 1211 (N.D. Ill.); *Nissan Motor v. Nissan Computer*, 89 F.Supp.2d 1154, 1162 (C.D. Cal. 2000); *Playboy Enterprises v. Welles*, 7 F. Supp. 2d 1098 (S.D. Cal. 1998), *aff'd*, 162 F.3d 1169 (9<sup>th</sup> Cir. 1999), *on subsequent appeal*, 279 F.3d 796 (9<sup>th</sup> Cir. 2002).

Interesting law review article on subject of meta tags, proposing a novel solution: McQuaig, *Halve the Baby: an Obvious Solution to the Troubling Use of Trademarks as Metatags*, 18 John Marshall J. Computer & Info. L. 643 (2000)

Public Citizen briefs discussing the meta tags issue in the context of a gripe site:

<http://www.citizen.org/litigation/briefs/IntFreeSpch/articles.cfm?ID=855>  
<http://www.citizen.org/litigation/briefs/IntFreeSpch/articles.cfm?ID=1882>

Public Citizen amicus brief discussing domain names and meta tags in a commercial context: <http://www.citizen.org/litigation/briefs/TeleAmWeb.htm>, discussing appeal from *Paccar v. TeleScan*, 115 F. Supp.2d 772 (E.D. Mich. 2000). *Paccar* was affirmed on the domain name. 319 F.3d 243 (6<sup>th</sup> Cir. 2003)

## **Keyword Advertising**

A related issue is whether a search engine may sell (and competitors may buy) trademarks as “keywords” to produce advertising listed next to search results

The leading case ruled that, so long as the advertisements were clearly labeled as such and did not themselves create a likelihood of confusion, the mere use of trademarks as sold keywords did not violate the trademark holder’s rights, but found that the inclusion of trademarks in the advertisements themselves had created a likelihood of confusion. *GEICO v. Google*, 2005 WL 1903128 (E.D. Va. Aug. 8, 2005). The issue continues to be litigated in other districts, however. If the advertisement clearly reveals that it is from a competitor or critic, there should be no trademark issue. *Playboy Enterprises v. Netscape Communications Corp.*, 354 F.3d 1020, 1029 (9th Cir.2004). Regrettably, search companies have reacted to the mere possibility of liability by deciding that the transaction costs and risks of liability are too great to allow any use of trademarks in keyword-produced ads.

## **Copyright Issues**

Some of the most interesting and gripping legal issues relating to the Internet involve copyright, but these are remote from most gripe sites

sites whose focus is opposing the Digital Millennium Copyright Act, or sites that offer downloads of copyrighted music or videos, or sites that employ protected software, obviously face some heavily litigated questions; these are not addressed here

Copyright issues most commonly arise for a gripe site when the site republishes a copyrighted graphic or text for the purpose of illustrating the site, for pointing up a problem, for commenting or criticizing or ridiculing the target of the site, or for providing evidence to support something stated on the site

One way to limit exposure is if the copyright holder (or somebody else) has the material on a different web site; the gripe site can simply link to the other site, directing the viewer to that site to view the original.

linking can raise copyright problems, but they are likely to be less severe, and less likely to produce a finding of liability

There is a good discussion of these issues at the Bitlaw web site:

<http://www.bitlaw.com/internet/linking.html>

**Two major defenses from the trademark context do not apply here**

**(1) No exception for non-commercial use**

the non-commercial character of the use is **one** factor in analyzing a fair use defense, 29 U.S.C. § 107(1), but it is not the only one or even the most important

note that use by a non-profit group in order to raise money may be treated as a “commercial” use for these purposes *Hustler Magazine v. Moral Majority*, 796 F.2d 1148, 1152-1153 (9<sup>th</sup> Cir. 1986)

the question “is not whether the sole motive of the use is monetary gain but whether the user stands to profit from exploitation of the copyrighted material without paying the customary price.” *Harper & Row v. Nation Enterprises*, 471 U.S. 539, 562 (1985)

## **(2) The First Amendment does not provide much independent help**

The Supreme Court has held that First Amendment concerns are met through the dichotomy between expression (copyrightable) and ideas) (not copyrightable), and by the fair use doctrine, and thus need not be considered independently. *Harper & Row v. Nation Enterprises*, 471 U.S. 539, 555-560 (1985)

one recent case, however, suggests that fair use principles must be applied with First Amendment principles in mind. *Suntrust Bank v. Houghton Mifflin Co.*, 268 F.2d 1257, 1265 (11<sup>th</sup> Cir. 2001)

### **Republication of copyrighted materials**

This is the main concern for the author of a gripe site

Creators of web sites frequently grab elements from other web sites  
graphics, text, etc

The fact that material is not registered, or not accompanied by the copyright symbol, does not mean it cannot be protected by copyright

the author can register it later, and get relief for infringement after registration

lack of inclusion of copyright notice makes it easier to invoke the defense of innocent infringement

copyright forbids more than exact copying – substantial similarity is also actionable  
*Rogers v. Koons*, 960 F.2d 301, 307 (2d Cir. 1992)

the safest course is to get permission for anything being copied  
**and** be sure that the person who gave permission has the power to give it

web site operators will frequently give permission for reproduction in return for credit plus a link

a web site operator has several incentives to get linked:

(1) increased exposure on the linking site

(2) increasing the number of links to a site is a good way to improve the site's search engine ranking

Obtaining permission to reproduce material from an adversary is more difficult  
this is the common most problem for the gripe site operator

the main defense is fair use under section 107 of the Copyright Act

the statute lists four factors

“(1) the purpose and character of the use, including whether such use is of a commercial nature or is for nonprofit educational purposes;”

truly non-commercial work, not done with any expectation of financial gain, is likely protected

*Williams & Wilkins Co. v. United States*, 487 F.2d 1345 (Ct. Cl. 1973), *aff'd by equally divided Court*, 420 U.S. 376 (1975).

but courts find various ways of avoiding the conclusion that a use is truly non-commercial

*Weissman v. Freeman*, 868 F.2d 1313, 1324 (2d Cir. 1989)

fact that a use was done for profit does not necessarily mean that it does not qualify as “non-commercial”; eg, news reporting, critical analysis

*Nxivm Corporation First Principles v. Ross Institute*, 364 F.3d 471 (2d Cir. April 20 2004)

if use is deemed non-commercial, plaintiff must prove likelihood of substantial impact on the potential market for the original

*Sony Corp v Universal City Studios*, 464 U.S. 417, 450-454 (1984)

where copying is needed for reporting or commentary, fair use is liberally applied

*New Era Pub. v. Carol Pub. Group*, 904 F.2d 152, 156-157 (2d Cir. 1990);

*Maxtone-Graham v. Burtchaell*, 803 F.2d 1253, 1260-1262 (2d Cir. 1986);

*Consumers Union v. General Signal Corp.*, 724 F.2d 1044, 1050 (2d Cir.

1983)

similarly, copying for purposes of parody tends to warrant a finding of fair use, but not always

*Campbell v. Acuff-Rose Music*, 510 U.S. 569 (1994)

the scope of fair use is wider when related to an issue of public concern

*National Rifle Ass'n v. Handgun Control Fed'n*, 15 F.3d 559, 562 (6<sup>th</sup> Cir. 1994)

fact that a reposted document was obtained improperly merits consideration under the first factor, but is not dispositive

*Nxivm Corporation First Principles, Inc., v Ross Institute*, 364 F.3d 471 (2d Cir. 2004)

“(2) the nature of the copyrighted work;”

unpublished work is much more likely to be protected, unless a very small portion is copied

*Harper & Row v. Nation Enterprises*, 471 U.S. 539, 564 (1985); *Wright v. Warner Books*, 953 F.2d 731, 738-739 (2d Cir. 1991)

if original work is factual, rather than fictional, scope of fair use is broader

*Diamond v. Am-Law Pub. Corp.*, 745 F.2d 142, 148 (2d Cir. 1984)

“(3) the amount and substantiality of the portion used in relation to the copyrighted work as a whole;”

the less of the whole is copied, the more likely is fair use to be found

but if the most important parts are taken, with major effect on market for the original, fair use is unlikely

*Harper & Row v. Nation Enterprises*, 471 U.S. 539, 564-565 (1985)

the extent of verbatim copying, and whether that amount is necessary for even a transformative use, is considered. *Warner Bros. Entertainment v. RDR Books*, 575 F. Supp.2d 513, 547-549 (S.D.N.Y. 2008)

even copying the whole work can be fair use in appropriate circumstances

*Sony Corp v Universal City Studios*, 464 U.S. 417, 450-454 (1984)

“(4) the effect of the use upon the potential market for or value of the copyrighted

work.”

this is easily the most important of the four factors  
*Harper & Row v. Nation Enterprises*, 471 U.S. 539, 566-567 (1985)

even though the copyright owner may prefer to sue out of antagonism,  
criticism by an adversary can **increase** the market for the original  
*National Rifle Ass’n v. Handgun Control Fed’n*, 15 F.3d 559, 562 (6<sup>th</sup> Cir.  
1994)