

PROTECTING FREE SPEECH FOR UNEQUIVOCAL
FAIR USERS:

RETHINKING OUR INTERPRETATION OF THE
§ 512(F) MISREPRESENTATION CLAUSE[♦]

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INTRODUCTION

Think back to October 2008. The historic United States presidential race between Barack Obama and John McCain mesmerized the entire country. The Internet, previously a secondary

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source for political coverage, had such a profound impact on the race that some people “crown[ed] the Internet as the king of all political media.”¹ Obama was undoubtedly the Internet darling and the numbers told the story: from January through June of 2008, Obama averaged nearly 92 million ad views per month compared to just 7.4 million for McCain.²

But McCain did not surrender the Internet without a fight. As the election neared and the McCain campaign ran low on funds, the campaign began to rely on web video more heavily.³ Oddly, at about the same time, media conglomerates, including CBS and Fox News, filed takedown notices requiring McCain (and to a lesser extent, Obama) to remove video advertisements from YouTube.⁴

On what grounds did these media corporations succeed in removing the videos? They claimed that the McCain campaign’s use of short news footage clips constituted copyright infringement.⁵ Under the Digital Millennium Copyright Act (DMCA), passed in 1998, a copyright holder like CBS or Fox may request that an online service provider (OSP) such as YouTube take down material it believes infringes its copyright, and the DMCA grants a safe harbor from copyright liability (in part) on the OSP’s compliance with such takedown requests.⁶

Did the McCain campaign have any recourse based on its “fair use” of the videos?⁷ Technically, yes, but in practice, no. The campaign could file a counter-notice requiring YouTube to repost

¹ Mitch Wagner, *Obama Election Ushering in First Internet Presidency*, INFORMATIONWEEK, Nov. 5, 2008, available at <http://www.informationweek.com/news/showArticle.jhtml?articleID=212000815>.

² Ethan Sacks, *Barack Obama dominating John McCain on the Internet*, NY DAILY NEWS, Sept. 4, 2008, available at http://www.nydailynews.com/news/politics/republican_race/2008/09/04/2008-09-04_barack_obama_dominating_john_mccain_on_t.html.

³ See Gene Koo, *Liveblogging the Harvard Internet & Politics Conference Part 5: The McCain Campaign*, TECHPRESIDENT, Dec. 11, 2008, <http://techpresident.com/node/6603>.

⁴ Austin Modine, *McCain Begg for YouTube DMCA Takedown Immunity: DMCA Velvet Glove Treatment*, REGISTER, Oct. 15, 2008, www.theregister.co.uk/2008/10/15/mccain_campaign_wants_youtube_dmca_special_treatment; YouTube, <http://www.youtube.com> (last visited Mar. 22, 2010).

⁵ Chloe Albanesius, *EFF Gets Involved in Election Video Takedown Spat*, PC MAGAZINE, Oct. 21, 2008, available at <http://www.pcmag.com/article2/0,2817,2332981,00.asp>.

⁶ Digital Millennium Copyright Act, 17 U.S.C. § 512 (2006).

⁷ Letter from Trevor Potter, General Counsel, McCain-Palin 2008, to Chad Hurley, CEO, YouTube 1 (Oct. 13, 2008) available at <http://www.eff.org/files/McCain%20YouTube%20copyright%20letter%202010.13.08.pdf>.

The letter explains that the videos were

paradigmatic examples of fair use, in which all four of the statutory factors are strongly in our favor: 1) the uses are non-commercial and transformative; 2) they are factual, not fictional; 3) they are extremely brief; and 4) they have no conceivable effect on the market for the allegedly infringed works.

See 17 U.S.C. § 107(1)-(4).

Id.

the videos within ten to fourteen days, for which YouTube would again have immunity.⁸ However, in this particular context, this recourse may be futile because “[ten] days can be a lifetime in a political campaign.”⁹

At this juncture, the McCain campaign’s only recourse would have been suing the media moguls for misrepresentation of copyright infringement and seek damages.¹⁰ However, this was an unrealistic option for the campaign for two reasons: 1) by the time such a suit would be resolved, the election would long be over; and 2) the McCain campaign would have to meet such a heavy evidentiary burden in order to prove that CBS and Fox News acted in bad faith, thereby rendering this option toothless.¹¹

The McCain takedown controversy provides just one example of how the current copyright regime curbs the right to free speech, affecting political candidates, bloggers providing news excerpts and links to news articles, and housewives posting thirty-second videos of their young children dancing to music, among many others.¹² This issue is the ease with which copyright holders, particularly media conglomerates, are filing improper takedown notices without fear of liability.¹³ Currently, the courts interpret § 512(f) of the DMCA—the misrepresentation clause—as requiring non-infringers to prove that the copyright holders acted in bad faith when filing takedown notices.¹⁴ This interpretation is known as the good faith, subjective standard, and as aforementioned, places a heavy evidentiary burden upon the non-infringers.¹⁵

This Note has two main goals. First, the Note will show how the current subjective standard interpretation of § 512(f) results in the loss of the free speech rights embedded in the First Amendment. Second, the Note will demonstrate how an interpretation of § 512(f) that lessens the plaintiff’s evidentiary burden by applying an objective standard would properly deter copyright holders from sending overreaching takedown notices, would protect the speech of “unequivocal fair users,”¹⁶ and still would provide copyright

⁸ See 17 U.S.C. § 512(g).

⁹ Letter from Trevor Potter to Chad Hurley, *supra* note 7, at 2.

¹⁰ 17 U.S.C. § 512(f).

¹¹ See *Rossi v. Motion Picture Ass'n of Am., Inc.*, 391 F.3d 1000 (9th Cir. 2004). For a complete discussion of *Rossi*, see Part III of this note.

¹² See Saul Hansell, *The Associated Press to Set Guidelines for Using Its Articles in Blogs*, N.Y. TIMES, June 16, 2008, available at <http://www.nytimes.com/2008/06/16/business/media/16ap.html>. See also U.S. CONST. amend. I; *Eldred v. Ashcroft*, 537 U.S. 186 (2003) (discussing in dicta fair use as a First Amendment safeguard embedded in copyright law).

¹³ *Lenz v. Universal*, ELECTRONIC FRONTIER FOUNDATION, <http://www.eff.org/cases/lenz-v-universal>.

¹⁴ *Rossi*, 391 F.3d at 1003.

¹⁵ *Id.*

¹⁶ See *infra* note 18.

holders with sufficient protection.

Part I of this note will define the term “unequivocal fair use” and provide an overview of § 512(c), (f), (g) and other relevant sections of the DMCA. This overview will explain the underlying goals of the DMCA within the framework of the Copyright Act, and how these goals relate to the subjective and objective interpretations mentioned above. Part II will analyze three leading cases on § 512(f) “misrepresentation clause” claims, focusing on the most current of the three, *Lenz v. Universal*.¹⁷ Using the fact patterns of these three cases, Part II will explain how an objective standard in the case of unequivocal fair use will better balance the rights of copyright owners with the free speech rights of fair users, as well as the objective standard’s ability to coexist with current case law. Part III will examine a variety of current examples where, in the absence of an objective standard, copyright owners are encroaching on the free speech rights of unequivocal fair users without risk of litigation. In addition, Part III will analyze alternative methods which better protect the free speech rights of unequivocal fair users and will demonstrate how these methods should stand side-by-side with a new objective interpretation of § 512(f). Part IV will conclude with an assertion that courts should apply the objective standard as the preferred interpretation of § 512(f) and a brief proposal on how to adopt such a standard.

I. A DEFINITION OF “UNEQUIVOCAL FAIR USE,” AND AN OVERVIEW OF SECTIONS 512(C), (F), AND (G) AND THE OBJECTIVE AND SUBJECTIVE STANDARDS

A. “*Unequivocal Fair Use*”

It is important to define the term “unequivocal fair use” at the outset because this Note will focus on this concept. “Unequivocal fair use” is similar to terms discussed in case law and scholarship, such as “clear fair use,” but this Note uses “unequivocal” to focus on users whose fair use is even beyond clear, or is unmistakable.¹⁸ An unequivocal fair use means no reasonable copyright holder, in evaluating an alleged infringer’s use prior to issuing a DMCA takedown notice, could conclude that the use is anything but fair use under the four-factor test set out in 17 U.S.C.

¹⁷ *Lenz v. Universal Music Corp.*, 572 F. Supp. 2d 1150 (N.D. Cal. 2008). The other two cases are *Rossi Motion Picture Ass’n of Am., Inc.*, 391 F.3d 1000 (9th Cir. 2004), and *Online Policy Group v. Diebold, Inc.*, 337 F. Supp. 2d 1195, 1204 (N.D. Cal. 2004).

¹⁸ See *Lenz*, 572 F. Supp. 2d at 1155 n.5; see also *Diebold*, 337 F. Supp. 2d at 1204, and *Copyright: Digital Millennium Copyright Act*, ELECTRONIC FRONTIER FOUNDATION, at Section 1.7, available at http://ilt.eff.org/index.php/Copyright:_Digital_Millennium_Copyright_Act.

§ 107.¹⁹ As further explained in the Part II analysis of *Lenz*, under the DMCA a copyright holder must evaluate whether another party's use of their copyrighted content amounts to fair use prior to filing a takedown notice.²⁰ In this evaluation, if the copyright holder's consideration of the four factors could only come to one reasonable conclusion—that the use is fair—then this is an unequivocal fair use.

Unequivocal fair uses are uncommon because a fair use evaluation is a “fact-intensive inquiry,” so reasonable minds can usually differ as to whether there is fair use.²¹ However, when an evaluation of the use reveals facts that fit so squarely within the fair use test so as to yield only one reasonable conclusion—that the use is fair use—then this is the most critical type of use to protect.²² The McCain campaign letter to YouTube, discussed above, characterizes its political use of copyrighted content as a paradigmatic unequivocal fair use of the type most vital to protect. As the letter states, “all four of the statutory factors are strongly in our favor: 1) the uses are non-commercial and transformative; 2) they are factual, not fictional; 3) they are extremely brief; and 4) they have no conceivable effect on the market for the allegedly infringed works.”²³ In the McCain example, the use fits squarely within the four factors of 17 U.S.C. § 107, and since it is political speech, which is a “time-sensitive or controversial subject,” it deserves the highest protection under fair use principles (as described by the *Lenz* court).²⁴ This constitutes the epitome of unequivocal fair use.²⁵

B. *The DMCA*

Section 512(c) of the DMCA dictates the procedures for copyright holders to send takedown notices to Online Service Providers, notices which instruct the removal of allegedly copyright-infringing content from the OSP's website.²⁶ Because OSPs usually intermediate between copyright holders (often large media conglomerates) and subscribers (users), the DMCA provides a safe harbor in § 512(c) for OSPs to avoid all monetary liability for

¹⁹ See *Lenz*, 572 F. Supp. 2d at 1155.

²⁰ See *id.*

²¹ See *id.*

²² See *Diebold*, 337 F. Supp. 2d at 1203 (“The email archive was posted or hyperlinked to [sic] for the purpose of informing the public about the problems associated with Diebold's electronic voting machines. It is hard to imagine a subject the discussion of which could be more in the public interest.”).

²³ Letter from Trevor Potter to Chad Hurley, *supra* note 7, at 1.

²⁴ See *Lenz*, 572 F. Supp. 2d at 1156.

²⁵ See, e.g., *Diebold*, 337 F. Supp. 2d at 1195. The fact pattern in *Diebold* presents another paradigmatic example of unequivocal fair use, and is examined in Part II of this note.

²⁶ See generally 17 U.S.C. § 512(c) (2006).

copyright infringement if they remove in a timely fashion what copyright holders allege to be “infringing” content and notify the alleged infringer or “subscriber.”²⁷ Subscribers, should they assert that the relevant content is in fact non-infringing (including an assertion of fair use), are entitled to file a counter-notification under § 512(g). The OSP must then inform the copyright holder that it will restore the allegedly infringing content or access between 10 and 14 days from the counter-notice date.²⁸ At that juncture, the copyright holder may prevent such republication by filing an action seeking a court order to restrain the subscriber from engaging in the allegedly infringing activity.²⁹

Even if the copyright holder does not seek the court order and the subscriber’s content is restored ten days after the counter-notification, a subscriber may incur an irreversible cost.³⁰ Whether the subscriber is a blogger attempting to disseminate news and information, an online retailer trying to sell a product, or a good Samaritan looking to warn the public about the inefficacies of a particular product, even just ten days of frozen content can create damages, such as lost timeliness of publicly valuable information.³¹

To compensate non-infringers for damages suffered when copyright holders send misrepresentative takedown notices to OSPs regarding non-infringing content, the DMCA includes § 512(f).³² Under that section, if the copyright holder sending the takedown notice “knowingly materially misrepresents” that the content in question infringes the holder’s copyright, then the alleged infringer has a claim for damages incurred and may seek monetary relief.³³ Thus, the standard for misrepresentation under § 512(f) is “knowing,” and this must be reconciled with the coexisting language in § 512(c)(3) requiring the “copyright holder” to have a “good faith belief” that the relevant content is infringing.³⁴ The coexistence of these two standards have led the few courts deciding misrepresentation cases to arrive at conflicting conclusions

²⁷ *See id.*

²⁸ *See* 17 U.S.C. § 512(g).

²⁹ *See id.*

³⁰ *See Diebold*, 337 F. Supp. 2d at 1204.

³¹ *See id.*

³² *See* 17 U.S.C. § 512(f).

³³

Any person who knowingly materially misrepresents under this section . . . shall be liable for any damages, including costs and attorneys fees, incurred by the alleged infringer, by any copyright owner or copyright owner’s authorized licensee, or by a service provider, who is injured by such misrepresentation, as the result of the service provider relying upon such misrepresentation in removing or disabling access to the material or activity claimed to be infringing, or in replacing the removed material or ceasing to disable access to it.

³⁴ *See id.* § 512 (f), (c)(3).

of law using two different interpretations.³⁵

The first interpretation of the § 512(f) standard, as it applies in a misrepresentation case, defines the standard as solely the good faith, subjective standard.³⁶ Under this interpretation, the plaintiff non-infringing subscriber has the heavy burden of demonstrating that the accusing copyright holder actually believed it was materially misrepresenting that the subscriber was infringing.³⁷ The good faith standard goes together with, and courts have tended to pair it with, a subjective definition of the “knowing” standard in § 512(f)—meaning that the plaintiff non-infringer must prove the alleging copyright holder had actual knowledge or belief of non-infringement.³⁸ The second interpretation defines the standard as an objective standard.³⁹ This interpretation puts a slightly lower burden on the plaintiff non-infringer, requiring proof that the alleging copyright holder *should have known* of the non-infringement if it acted with reasonable care or diligence, even without actual knowledge or belief of non-infringement.⁴⁰

The few courts that have interpreted § 512(c) and (f) in a misrepresentation suit have tended to follow the subjective standard.⁴¹ A closer look at the rationale underlying these standards and an analysis of how use of each standard affects the actions of future copyright holders and OSP subscribers bring into question which standard is preferable. First, however, it is important to illustrate who benefits from each standard. The subjective standard’s heavier burden on the plaintiff non-infringer is advantageous to defendant copyright holders, as it is less of a deterrent to filing takedown notices. The copyright holder must merely have a good faith belief that the content in question is infringing⁴²—requiring less work by the copyright holder prior to filing a takedown notice. The objective standard slightly lowers this burden and thus helps plaintiff non-infringers. This standard requires that, prior to filing a takedown notice, the defendant copyright holder had a good-faith belief the content in question actually infringed material protected by copyright, *and* that the copyright holder acted reasonably in determining the content was infring-

³⁵ See *Rossi Motion Picture Ass’n of Am., Inc.*, 391 F.3d 1000, 1004 (9th Cir. 2004); *Lenz v. Universal Music Corp.*, 572 F. Supp. 2d 1150 (N.D. Cal. 2008); *Diebold*, 337 F. Supp. 2d at 1204.

³⁶ See *Rossi*, 391 F.3d at 1004.

³⁷ See *id.*

³⁸ See *id.*

³⁹ See *Diebold*, 337 F. Supp. 2d at 1204.

⁴⁰ See *id.*

⁴¹ See, e.g., *Rossi*, 391 F.3d at 1004; *Lenz v. Universal Music Corp.*, 572 F. Supp. 2d 1150 (N.D. Cal. 2008).

⁴² See *Rossi*, 391 F.3d at 1004.

ing.⁴³

II. AN ANALYSIS OF § 512(F) CASES

Although § 512(f) has been infrequently litigated⁴⁴ since its passage in 1998, significant case law interpreting this section began developing in 2004. The two most cited cases involving § 512(f) were decided in 2004: *Online Policy Group v. Diebold, Inc.*,⁴⁵ from the Northern District of California and *Rossi v. Motion Picture Ass'n of Am., Inc.*,⁴⁶ in the Ninth Circuit. After *Rossi*, several cases arose under § 512(f) claims of misrepresentation, including the most recent decision providing a detailed analysis of § 512(f), *Lenz v. Universal Music Corp.*⁴⁷ In order to understand the legal bases for the objective and subjective standards, an in-depth summary and analysis of *Diebold*, *Rossi*, and *Lenz* is necessary.

A. *Online Policy Group v. Diebold, Inc.* – September 30, 2004

The defendant (“Diebold”) manufactured voting machines and received criticism because some of the machines did not provide a means for verifying whether a vote was recorded correctly.⁴⁸ Two of the plaintiffs, students at Swarthmore College (Swarthmore), obtained internal emails exchanged among Diebold employees concerning the voting machines. The students posted the email archive on websites through Internet access provided by Swarthmore (the students’ Internet Service Provider, or “ISP”). In addition to the students’ efforts, Online Policy Group (“OPG”) posted an online magazine article criticizing Diebold and included a hyperlink to the email archive.⁴⁹ Diebold responded by sending takedown notices (or as the court refers to them, “cease-and-desist letters”) to Swarthmore and two other ISPs connected with the online article, with Diebold alleging that the email archive contained copyrighted material.⁵⁰ As a result of Diebold’s takedown notices, Swarthmore required the students to remove the email archive, and plaintiff OPG’s ISP warned that it would

⁴³ See *Diebold*, 337 F. Supp. 2d at 1204.

⁴⁴ Lori E. Lesser, *Social Networks and Blogs*, PRACTISING L. INST., PATENTS, COPYRIGHTS, TRADEMARKS, AND LITERARY PROPERTY COURSE HANDBOOK SERIES, 7 (Mar.-Apr., 2008). See also Westlaw Search: (All Federal Cases) 512(f) & takedown. The total number of decisions on § 512(f) claims is less than ten.

⁴⁵ *Diebold*, 337 F. Supp. 2d 1195.

⁴⁶ *Rossi*, 391 F.3d 1000.

⁴⁷ *Lenz v. Universal Music Corp.*, 572 F. Supp. 2d 1150 (N.D. Cal. 2008).

See also, e.g., *Doe v. Geller*, 533 F. Supp. 2d 996 (N.D. Cal. 2008); *UMG Recordings, Inc. v. Augusto*, 558 F. Supp. 2d 1055 (C.D. Cal. 2008); *Dudnikov v. MGA Entm't, Inc.*, 410 F. Supp. 2d 1010 (D. Colo. 2005).

⁴⁸ *Diebold*, 337 F. Supp. 2d at 1197.

⁴⁹ *Id.* at 1197-98.

⁵⁰ *Id.* at 1198.

have to disable OPG's Internet access unless OPG removed the online article.⁵¹ In response to Diebold's takedown notice, the plaintiff students and OPG filed a complaint⁵² seeking monetary (in addition to injunctive and declaratory) relief pursuant to DMCA § 512(f).⁵³ Plaintiffs "alleg[ed] that Diebold's claim of copyright infringement was based on knowing material misrepresentation and that Diebold interfered with Plaintiffs' contractual relations with their respective ISPs," and thus should be held liable for approximately \$5,000 in damages and attorneys' fees pursuant to § 512(f).⁵⁴ Both sides moved for summary judgment, and the court determined that only the plaintiffs' motion pursuant to § 512(f) required adjudication.⁵⁵

In explaining its decision on the plaintiffs' motion pursuant to § 512(f), the court methodically answered two main questions: (1) did the plaintiffs infringe Diebold's copyrighted work as alleged in Diebold's takedown notices,⁵⁶ and (2) if plaintiffs did not infringe, did Diebold "knowingly materially misrepresent" that publication of the content constituted infringement of Diebold's copyright?⁵⁷

The first question is essentially a two-part inquiry: (a) was the content in question even protected by copyright, and (b) if so, did the plaintiffs infringe that copyright?⁵⁸ In *Diebold*, the court did not fully conclude that none of the content in question was protected by copyright. Instead, the court moved on to part (b) of this inquiry and decided that as a matter of law, the plaintiffs' publication of the email archive did not constitute copyright infringement.⁵⁹ The court primarily based this conclusion on its finding that such publication is "clear fair use" under the Copyright Act at § 107.⁶⁰ The court explained finding fair use by focusing on how publishing information regarding the reliability of voting machines is clearly in the public interest and has no effect on the market value of the email archive.⁶¹

⁵¹ *Id.*

⁵² *Id.* at 1198-99.

⁵³ 17 U.S.C. § 512(f) (2006).

⁵⁴ *Diebold*, 337 F. Supp. 2d at 1198-99.

⁵⁵ *Id.* at 1197, 1202.

⁵⁶ *Id.* at 1203-04.

⁵⁷ *Id.* at 1204-05.

⁵⁸ *Id.* at 1199.

⁵⁹ *Id.*

⁶⁰ *Id.* at 1200, 1203. *See also* 17 U.S.C. § 107.

⁶¹

The purpose, character, nature of the use, and the effect of the use upon the potential market for or value of the copyrighted work all indicate that at least part of the email archive is not protected by copyright law. The email archive was posted or hyperlinked to [sic] for the purpose of informing the public about the problems associated with Diebold's electronic voting machines. It is

For the purposes of this Note, it is important to notice the *Diebold* court's reliance on fair use, particularly when discussing how best to interpret the "knowing misrepresentation" standard under § 512(f). Some scholars discourage the objective standard because of its more difficult application in cases of fair use at the summary judgment stage.⁶² Such application is difficult because fair use often requires a fact-intensive inquiry, and consequently, a finding of fair use is often unknown until a court concludes which facts control.⁶³ Therefore, in many fair use cases it is difficult to say that a copyright holder should have known of the non-infringement if it had acted with reasonable care or diligence (the objective standard). However, as in *Diebold* where fair use is clear or unequivocal, it is quite easy to say that a copyright holder should have known of the non-infringement with reasonable care or diligence.⁶⁴ It is these § 512(f) fair use situations that best exemplify the benefit of the objective standard. In these situations, the objective standard will only deter alleging copyright holders from filing takedown notices against unequivocal fair uses, and copyright holders will remain protected when the issue of fair use is hazy. Furthermore, if fair use is unequivocal, then it is likely to be the type of speech that the public has the greatest interest in protecting, like the situation in *Diebold*.⁶⁵

Because the court concluded that the plaintiffs did not infringe, the court moved onto the second main question: did Diebold knowingly materially misrepresent that the plaintiffs infringed Diebold's copyright?

In defining the "knowing" language of § 512(f) in a case of first impression, the court demonstrated its carefully reasoned inquiry prior to arriving at a defined standard; the court considered the proposed standard by the plaintiffs, then the proposed standard by Diebold, and rejected both to instead interpret § 512(f)

hard to imagine a subject the discussion of which could be more in the public interest. If Diebold's machines in fact do tabulate voters' preferences incorrectly, the very legitimacy of elections would be suspect. Moreover, Diebold has identified no specific commercial purpose or interest affected by publication of the email archive, and there is no evidence that such publication actually had or may have any affect [sic] on the putative market value, if any, of Diebold's allegedly copyrighted material.

Diebold, 337 F. Supp. 2d at 1203.

⁶² See Matt Williams, *The Truth and the Truthiness About Knowing Material Misrepresentations*, 9 N.C. J.L. & TECH. 1, 7-8 (2007). See also Rossi Motion Picture Ass'n of Am., Inc., 391 F.3d 1000 (9th Cir. 2004); *Lenz v. Universal Music Corp.*, 572 F. Supp. 2d 1150 (N.D. Cal. 2008).

⁶³ *Id.*

⁶⁴ See *Diebold*, 337 F. Supp. 2d at 1204 ("Diebold knowingly materially misrepresented that Plaintiffs infringed Diebold's copyright interest, at least with respect to the portions of the email archive clearly subject to the fair use exception." (emphasis added)).

⁶⁵ See *id.* at 1203 ("It is hard to imagine a subject the discussion of which could be more in the public interest.").

on its face.⁶⁶ The plaintiffs proposed a “likelihood of success on the merits” standard, which the court rejected because of the impermissible chilling effect such a standard would have on copyright owners.⁶⁷ Defendant Diebold proposed using a standard based on Federal Rule of Civil Procedure 11, which would require the takedown notices to be “frivolous” for Diebold to violate § 512(f).⁶⁸ The court rejected this standard as well because “Congress explicitly adopted a standard different from that embodied in Rule 11.”⁶⁹

Instead, the court decided that “knowingly” means that “a party actually knew, should have known if it acted with reasonable care or diligence, *or* would have had no substantial doubt had it been acting in good faith.”⁷⁰ In this definition, the court emphasizes its employment of an objective standard.

Applying this definition to the *Diebold* facts, the court concluded as a matter of law that with respect to the portions of the email archive clearly subject to the fair use exception, Diebold knowingly materially misrepresented that the plaintiffs infringed Diebold's copyright.⁷¹ The court explained that “no reasonable copyright holder could have believed that the portions of the email archive discussing possible technical problems with Diebold's voting machines were protected by copyright.”⁷²

The court implied that, in addition to its textual interpretation of the statutory language,⁷³ at least part of its decision to use the objective standard rested on the basic goals of copyright: to balance the grant of monopoly power to protect creative works in order to promote their creation with the public benefit of access to such creative works.⁷⁴ However, the court does not make absolutely clear why it chose to include the definition of “constructive knowledge” within the definition of “knowingly,” or why the court believes that using its objective standard best achieves the basic goals of copyright law or the goals of the DMCA.⁷⁵

⁶⁶ *Id.* at 1204.

⁶⁷ *Id.* The court does not elaborate, but appears to mean that such a low threshold might prevent a “likely infringed-upon” copyright owner from filing takedown claims out of fear that the possibility the infringement claim fails would subject the copyright holder to liability in a misrepresentation suit.

⁶⁸ *Id.*; see FED. R. CIV. P. 11.

⁶⁹ *Diebold*, 337 F. Supp. 2d at 1204.

⁷⁰ *Id.* (citing BLACK'S LAW DICTIONARY (8th ed. 2004) for the definition of “knowledge,” and including “actual knowledge” as well as “constructive knowledge” within that definition) (emphasis added).

⁷¹ *Id.*

⁷² *Id.*

⁷³ *Id.*

⁷⁴ See *id.* at 1200, 1203-04; see also MELVILLE B. NIMMER & DAVID NIMMER, NIMMER ON COPYRIGHT § 1.03 (2009).

⁷⁵ *Diebold*, 337 F. Supp. 2d at 1204; NIMMER, *supra* note 74, at § 12B.01 (explaining that

In light of the *Diebold* court's vagueness behind its reasoning, and in an effort to determine whether the objective standard is preferable to a subjective standard, consider the objective standard's effect on the outcome of a case like *Diebold* as well as potential parties in future disputes. Using *Diebold* as the example, the objective standard did not unduly extend the reach of § 512(f) because the grant of summary judgment was limited to only those emails unequivocally subject to the fair use exception—that is, without genuine issue of material fact.⁷⁶ The main effect of the objective standard is to lessen the incredibly difficult evidentiary burden of the subjective standard for unequivocal fair users.⁷⁷

Criticisms⁷⁸ of the objective standard (by way of support for the subjective standard) tend to hypothesize that the objective standard will have a chilling effect on legitimate copyright owners, who facing the added risk of § 512(f) litigation will decide not to send takedown notices.⁷⁹ These critics, however, overlook two key points. First, the notice and takedown system encourages ISPs and OSPs to cooperate with all takedown notices, no matter how frivolous the complaint.⁸⁰ Second, many users (those similarly situated to the plaintiffs in *Diebold*) are legally unsophisticated and do not know how to exercise their § 512(g) counter-notice rights, let alone pursue their § 512(f) misrepresentation claims.⁸¹ These points contradict the fear that an objective standard would deter legitimate copyright owners, and instead support the idea that the increased “chilling effect” on overreaching copyright owners would promote positive fair use and free speech, such as the pub-

part of the goal behind the DMCA is safeguarding the interests of copyright owners whose works are disseminated online, as well as limiting the liability of ISPs to ensure that the efficiency of the Internet will continue to improve and that the variety and quality of services on the Internet will continue to expand.)

⁷⁶ See *Diebold*, 337 F. Supp. 2d at 1204.

⁷⁷ See *Lenz v. Universal Music Corp.*, 572 F. Supp. 2d 1150, 1156 (N.D. Cal. 2008) (“Although the Court has considerable doubt that Lenz will be able to prove that Universal acted with the subjective bad faith required by *Rossi*, and following discovery her claims well may be appropriate for summary judgment, Lenz's allegations are sufficient at the pleading stage.”).

⁷⁸ See Williams, *supra* note 62; *Rossi Motion Picture Ass'n of Am., Inc.*, 391 F.3d 1000 (9th Cir. 2004); *Lenz*, 572 F. Supp. 2d 1150.

⁷⁹

If the argument that takedown notices targeting arguably fair use material give rise to liability under § 512(f) gains traction, copyright owners will not only have to spend millions of dollars reviewing websites and sending out takedown notices, but they will also face potential liability and litigation expenses every time a user of their content believes that material removed from the Internet is covered by the fair use exception.

Williams, *supra* note 62, at 7.

⁸⁰ See Mark A. Lemley, *Rationalizing Internet Safe Harbors*, 6 J. TELECOMM. AND HIGH TECH.L., 101, 114-15 (2007) (citing Jennifer M. Urban & Laura Quilter, *Efficient Process or “Chilling Effects”? Takedown Notices Under Section 512 of the Digital Millennium Copyright Act*, 22 SANTA CLARA COMPUTER & HIGH TECH. L. J. 621 (2006)) (thirty percent of takedown notices in the study ranged from “legally dubious” to “without any legal basis whatsoever”).

⁸¹ See Lemley, *supra* note 80, at 114-15.

lication of the email archive in *Diebold*.

B. *Rossi v. Motion Picture Association of America, Inc* – December 9, 2004

Shortly after the Northern District of California decision in *Diebold*, the Ninth Circuit issued a decision interpreting § 512(f) in *Rossi*.⁸² Plaintiff Rossi owned and operated the website internet-movies.com, self-described as a directory of websites containing information about movies.⁸³ Defendant Motion Picture Association of America (“MPAA”), a trade association committed to preventing infringing distribution of copyrighted motion pictures owned by film studios,⁸⁴ discovered Rossi’s website advertising in several different ways that it had several movies available for downloading.⁸⁵ After viewing the site, the MPAA believed Rossi was infringing the copyrights of motion pictures owned by the MPAA’s member film studios. The MPAA then filed and sent a takedown notice to Rossi and his ISP, and the ISP notified Rossi that his website would be shut down.⁸⁶ It was undisputed in the case, however, that Rossi’s website did not provide infringing access to any of the MPAA’s copyrighted material; the MPAA did not fully investigate whether the advertising was in fact accurate.⁸⁷ Instead, the MPAA accepted the website’s advertisements at face value and filed the takedown notice.⁸⁸ Within seventy-two hours of the notification, Rossi found a new ISP to host his website, and eventually filed this suit for damages pursuant to § 512(f).⁸⁹ The district court granted the MPAA’s motion for summary judgment, finding that the MPAA had more than a sufficient basis to form the required good faith belief that Rossi’s website contained infringing content prior to filing the takedown notice.⁹⁰

In essence, the circuit court’s *de novo* review⁹¹ of the district court’s summary judgment grant required the appellate court to answer the same two-part question as the court answered in *Diebold*: Did the MPAA knowingly materially misrepresent that Rossi’s

⁸² See *Rossi*, 391 F.3d at 1001.

⁸³ *Id.* at 1002.

⁸⁴ *Id.*

⁸⁵ *Id.*

⁸⁶ *Id.*

⁸⁷ *Id.* at 1003.

⁸⁸ *Rossi*, 391 F.3d at 1002 n.2 (“The MPAA’s initial investigation did not include an actual attempt to download any movies from Rossi’s website or any of the website’s accompanying links.”)

⁸⁹ *Id.* at 1002.

⁹⁰ *Id.* (quoting *Rossi v. Motion Picture Ass’n of Am., Inc.*, 2003 U.S. Dist. LEXIS 12864 (D. Haw. 2003)).

⁹¹ *Id.* at 1002-03.

website infringed on the MPAA's copyrighted materials?⁹² And which standard, subjective or objective, should be used in defining a knowing material misrepresentation?

The *Rossi* court upheld the district court's grant of summary judgment, holding that the proper standard for a knowing material misrepresentation is the subjective standard.⁹³ Applied to the facts, the court found that because the MPAA had a good faith belief that Rossi's website infringed the MPAA's copyrighted materials, then the MPAA could not have made a knowing misrepresentation, regardless of how unreasonable the belief was.⁹⁴ The court based its support for the subjective standard on the overall structure and statutory scheme of § 512, including the interplay between §§ 512(c) and (f).⁹⁵

How did the court decide the subjective standard was the correct standard? The court began by analyzing the expressly included good faith requirement under § 512(c).⁹⁶ In § 512(c)(3)(A)(v), the statute requires the copyright holder to believe in good faith that there is infringement prior to filing a take-down notice.⁹⁷ The court explains that the subjective standard contained in § 512(c) implies a Congressional intent to apply the same subjective standard to the "knowing material misrepresentation" clause of § 512(f).⁹⁸ The court does not cite any legislative history for this precise proposition,⁹⁹ but instead provides a textual interpretation of "knowing" that differs from the interpretation in *Diebold*.¹⁰⁰ The *Rossi* court explains that "knowing" requires actual knowledge,¹⁰¹ and when juxtaposing the subjective standard of § 512(c) with the "knowing" standard of § 512(f) within the overall statutory structure, then Congress' intent is clear—only to protect users from subjectively improper actions by copyright owners.¹⁰²

The court in *Rossi* does reference some of the legislative history behind § 512. While the court fails to clarify how Congress' intent makes the subjective standard the proper interpretation,

⁹² *Id.* at 1003.

⁹³ *Id.*

⁹⁴ *Id.* at 1003-05.

⁹⁵ *Id.* at 1004-05; 17 U.S.C. §§ 512(c), (f) (2006).

⁹⁶ *Rossi*, 391 F.3d at 1004; 17 U.S.C. § 512(c).

⁹⁷ 17 U.S.C. 512(c)(3)(A)(v) ("To be effective under this subsection, a notification of claimed infringement must [include]. . . a statement that the complaining party has a good faith belief that use of the material in the manner complained of is not authorized by the copyright owner, its agent, or the law.")

⁹⁸ *Rossi*, 391 F.3d at 1004-05.

⁹⁹ *Id.*

¹⁰⁰ *Online Policy Group v. Diebold, Inc.*, 337 F. Supp. 2d 1195, 1204 (N.D. Cal. 2004).

¹⁰¹ *See Rossi*, 391 F.3d at 1004; *cf. Diebold*, 337 F. Supp. 2d at 1204 (statutory interpretation of "knowledge" in 17 U.S.C. § 512(f) which included constructive knowledge (the by-product of which is a subjective-or-objective standard)).

¹⁰² *Rossi*, 391 F.3d at 1005.

the excerpts referenced in *Rossi* can provide some guidance in the search for the proper standard.¹⁰³ Specifically, the court points to Senate Report 105-190¹⁰⁴ for the proposition that a major goal of the DMCA is to balance the need for rapid response to online infringement with the need to provide recourse for non-infringing victims of overreaching takedown notices.¹⁰⁵ The *Rossi* court, faced with a case that did not involve any fair use, let alone unequivocal fair use, failed to give due consideration to how the subjective standard leaves certain unequivocal fair users without meaningful recourse.¹⁰⁶

When analyzing how the court arrived at its conclusion, it is also important to note the likelihood that the court viewed Rossi as an unsympathetic party. Rossi was a user who falsely advertised that his website commits copyright infringement, even if he did not actually commit copyright infringement,¹⁰⁷ so it is understandable why the court may have chosen the standard that best protected the copyright holder. Additionally, because Rossi was unable to define his damages and had his website back up and running within seventy-two hours,¹⁰⁸ it was even less likely that a court would view Rossi as a sympathetic character in balancing the interests between copyright holders and users.

When considering the more sympathetic unequivocal fair users, however, the net benefits of the objective standard outweigh those of the subjective standard in light of the balancing goal of the DMCA, as stated in the Senate Report cited in *Rossi*.¹⁰⁹ Under the subjective standard of *Rossi*, a copyright owner is under no obligation to reasonably investigate, so long as the owner “believes in good faith” that there is infringement.¹¹⁰ The reason this situation is problematic is threefold: first, the copyright owner then has less of an incentive to engage in a thorough investigation of the alleged infringement prior to filing a takedown notice;¹¹¹ second,

¹⁰³ *Id.* at 1003.

¹⁰⁴ *Id.*; S. REP. NO. 105-190, at 21 (1998).

¹⁰⁵

The Committee was acutely concerned that it provide all end-users—whether contracting with private or public sector online service providers—with appropriate procedural protections to ensure that material is not disabled without proper justification. The provisions in the bill balance the need for rapid response to potential infringement with the end-users legitimate interests in not having material removed without recourse.

S. REP. NO. 105-190, at 21 (1998).

¹⁰⁶ *Rossi*, 391 F.3d at 1004.

¹⁰⁷ *Id.* at 1002.

¹⁰⁸ *Id.*

¹⁰⁹ S. REP. NO. 105-190, at 21 (1998).

¹¹⁰ *Rossi*, 391 F.3d at 1003-05.

¹¹¹ See Jennifer M. Urban & Laura Quilter, *Efficient Process or “Chilling Effects”? Takedown Notices Under Section 512 of the Digital Millennium Copyright Act*, 22 SANTA CLARA COMPUTER &

the burden on the plaintiff-user to prove bad faith is such a heavy burden as to render § 512(f) toothless in protecting even the most important kinds of free speech (like those involved in unequivocal fair use);¹¹² and third, the counter-notification process under § 512(g), the user's alternative method of recourse to re-post content on the internet, will often take a period of ten to fourteen days,¹¹³ causing irreparable harm when the content depends upon timeliness.¹¹⁴

Alternatively, the objective standard advanced by the court in *Diebold*¹¹⁵ might avoid some of the pitfalls of the subjective standard. The evidentiary burden on plaintiffs in misrepresentation suits would be slightly lower with an objective standard.¹¹⁶ This would require the copyright holder to investigate a claim of alleged infringement more diligently prior to filing a takedown notice.¹¹⁷ When the copyright holder investigates its claims more thoroughly, the non-infringing user whose interests depend on timeliness gains greater protection than the ten- to fourteen-day counter-notice procedure affords. While critics argue that an objective standard might deter copyright owners from filing takedowns against infringing material,¹¹⁸ it is important to note again that thirty percent of takedown notices are legally dubious (i.e., likely lacking proper legal basis) at the very best;¹¹⁹ thus, the slight deterrence of the objective standard could better influence copyright holders to more properly use the takedown system. Moreover, users are legally unsophisticated, and studies show that as little as six percent of all takedown notices receive even a counter-notification response.¹²⁰ Those users who sustain minimal damage from the waiting period will still have a highly difficult burden to meet in pursuing a § 512(f) claim, even under the objective standard, while those users that sustain greater damage (unequivocal fair users) will have a better chance at prevailing at litigation.¹²¹

HIGH TECH. L. J. 621, 629-30 (2006) ("Copyright holders may send insufficient or vague notices, and even send notices on suspicion instead of diligent investigation, without triggering § 512(f).").

¹¹² *Lenz v. Universal Music Corp.*, 572 F. Supp. 2d 1150, 1156 (N.D. Cal. 2008); Urban & Quilter, *supra* note 111, at 629.

¹¹³ See 17 U.S.C. § 512(g) (2006).

¹¹⁴ See, e.g., *Online Policy Group v. Diebold, Inc.*, 337 F. Supp. 2d 1195, 1204 (N.D. Cal. 2004).

¹¹⁵ *Id.* at 1204.

¹¹⁶ See *Rossi Motion Picture Ass'n of Am., Inc.*, 391 F.3d 1000, 1005 (9th Cir. 2004); see Urban & Quilter, *supra* note 111, at 639.

¹¹⁷ See Urban & Quilter, *supra* note 111, at 629.

¹¹⁸ See Williams, *supra* note 62, at 7.

¹¹⁹ See Urban & Quilter as cited in Lemley, *supra* note 80.

¹²⁰ See Lemley, *supra* note 80, at 114-15 (citing Urban & Quilter, *supra* note 111, at 679-80).

¹²¹ See Urban & Quilter, *supra* note 111, at 629-630.

C. *Lenz v. Universal Music Corp – August 20, 2008*¹²²

The most enlightening case in the fair use context is *Lenz v. Universal*, which built upon the steps taken by *Diebold* and *Rossi*.¹²³ Plaintiff Stephanie Lenz videotaped her child dancing to the song “Let’s Go Crazy” by Prince, as the song played in the background with poor sound quality for 20 seconds, and then posted the video on YouTube in February 2007.¹²⁴ Universal, who owns the song’s copyright, sent takedown notices to YouTube four months later demanding removal of the video, and YouTube complied. Lenz then filed a counter-notification demanding YouTube re-post the video (claiming the video constituted fair use),¹²⁵ and six weeks later YouTube re-posted the video.¹²⁶ In late July, Lenz filed a misrepresentation claim pursuant to § 512(f) in the Northern District of California, which was quickly followed by some public comments from Prince and Universal demonstrative of the overreaching takedown attitudes of copyright holders.¹²⁷ Universal then moved to dismiss, and dismissal was granted with leave to amend in April 2008.¹²⁸ Lenz re-filed her complaint ten days later, and Universal again moved to dismiss, a motion denied by the court in August 2008.¹²⁹

As a preface to studying the court’s analysis, consider that *Lenz* is distinct from *Diebold* and *Rossi* in three ways: first, the motion being decided was a motion to dismiss (and not summary judgment);¹³⁰ second, there was no dispute that the content was protected by copyright, nor was there a dispute that Lenz used the content;¹³¹ and third, whereas *Diebold* and *Rossi* were decided with no binding precedent covering § 512(f) claims, *Lenz* was decided

¹²² *Lenz v. Universal Music Corp.*, 572 F. Supp. 2d 1150 (N.D. Cal. 2008).

¹²³ *Id.*

¹²⁴ *Id.* at 1152.

¹²⁵ Because the video is not for a commercial use, is very brief, and could not conceivably represent a market substitute for Prince’s song, it could be considered a paradigmatic example of fair use. *See id.* at 1155.

¹²⁶ *Id.* at 1152.

¹²⁷

In September 2007, Prince spoke publicly about his efforts ‘to reclaim his art on the internet’ and threatened to sue several internet service providers for alleged infringement of his music copyrights. . . . Universal made the following comment: ‘Prince believes it is wrong for YouTube, or any other user-generated site, to appropriate his music without his consent. . . . legally, he has the right to have his music removed.

Id.

¹²⁸ *Id.* at 1153.

¹²⁹ *Id.* at 1152-53.

¹³⁰ *See id.* at 1152; *Rossi Motion Picture Ass’n of Am., Inc.*, 391 F.3d 1000, 1001 (9th Cir. 2004); *Online Policy Group v. Diebold, Inc.*, 337 F. Supp. 2d 1195, 1197 (N.D. Cal. 2004)..

¹³¹ *Lenz*, 572 F. Supp. 2d at 1152-54. *See Diebold*, 337 F. Supp. 2d at 1203 (the defendants argued, though unsuccessfully, that the email archive contained copyrighted content); *see Rossi*, 391 F.3d at 1002-03 (the plaintiff never used the copyrighted material).

nearly four years following the Ninth Circuit decision in *Rossi* (and by the same judge, Hon. Jeremy Fogel, as in *Diebold*).¹³²

With those factors in mind, the court considered whether § 512(c)(3)(A)(v)¹³³ required Universal to evaluate the potential fair use of the user's content in order to formulate a good-faith belief that the content infringed its copyright.¹³⁴ Universal argued that the copyright owner need not analyze fair use, because fair use "excuses infringement" and § 512(c)(3)(A) does not mention fair use.¹³⁵ Lenz countered that copyright law expressly authorizes fair use, and thus an owner cannot formulate a good-faith belief regarding infringement without considering fair use.¹³⁶ The court sided with Lenz, citing the Supreme Court's consistent holding that fair use is not infringement of a copyright, and thus a copyright holder must evaluate whether the content makes fair use of the copyright.¹³⁷

However, while the court indeed agreed with Lenz and denied the motion to dismiss, the court's elaboration of its reasoning reinforces the toothless nature of § 512(f) beyond the dismissal stage.¹³⁸ Universal made the argument that copyright owners may be unable to respond rapidly to potential infringements if they are required to evaluate fair use.¹³⁹ In response, the court states that the impact of Universal's concerns is overstated.¹⁴⁰ Specifically, the court says there are likely to be few cases in which the plaintiff fair user proves that the copyright holder's determination of no fair use violated the good-faith requirement because of the heavy burden required by this subjective standard of § 512(f).¹⁴¹ The court then suggests that only a case as extreme as *Diebold*, where the use of content was unequivocally fair use *and* the copyright owner deliberately used the DMCA to prevent such fair use, would be

¹³² *Lenz*, 572 F. Supp. 2d at 1151; *Rossi*, 391 F.3d at 1000; *Diebold*, 337 F. Supp. 2d at 1197.

¹³³ See 17 U.S.C. § 512(c)(3)(A)(v) (2006).

¹³⁴ *Lenz*, 572 F. Supp. 2d at 1153-54.

¹³⁵ *Id.* at 1154.

¹³⁶ *Id.* (quoting 17 U.S.C. § 107 for the proposition that, "[n]otwithstanding the provisions of sections 106 and 106A, the fair use of a copyrighted work . . . is not an infringement of copyright.").

¹³⁷

Accordingly, in order for a copyright owner to proceed under the DMCA with 'a good faith belief that use of the material in the manner complained of is not authorized by the copyright owner, its agent, or the law,' the owner must evaluate whether the material makes fair use of the copyright.

Id. at 1154-55 (citing 17 U.S.C. § 512(c)(3)(A)(v)).

¹³⁸ *Id.* at 1155.

¹³⁹ *Id.* ("Universal also points out that the question of whether a particular use of copyrighted material constitutes fair use is a fact-intensive inquiry, and that it is difficult for copyright owners to predict whether a court eventually may rule in their favor.").

¹⁴⁰ *Id.* at 1155.

¹⁴¹ *Id.*

enough to meet the burden of the good-faith standard.¹⁴²

The court in *Lenz* may have expressly reinforced the subjective standard under *Rossi*, but in analyzing how requiring fair use evaluation minimally affects the copyright holder's ability to respond rapidly, the court actually lends support to using an objective standard in fair use situations.¹⁴³ The court reasoned that since the DMCA already requires an initial review of the infringing material prior to filing a takedown notice, then a consideration of fair use as part of that initial review will not jeopardize the owner's rapid response ability.¹⁴⁴ In analyzing the other balancing goal of the DMCA, the end-users' legitimate interests in not having material removed without recourse, the court acknowledges the need for § 512(f) recourse when the involved subjects are time-sensitive.¹⁴⁵ Moreover, the court cites an additional goal of the DMCA applying to the analysis of fair use—specifically, the goal to ensure the improvement and expansion of the Internet without compromising the incentive to create original works.¹⁴⁶

The relevant portions of the decision in *Lenz* can be broken down into three sections: (1) the court mechanically analyzes whether a fair use evaluation should be required to meet the good-faith requirement under § 512(c)(3)(A)(v);¹⁴⁷ (2) the court analyzes the likely effect of its decision beyond the dismissal phase, citing *Rossi* and *Diebold*;¹⁴⁸ and (3) the court discusses the relevant objectives and purposes of § 512(c) and (f), concluding that a fair use evaluation prior to filing a takedown notice comports with those objectives and purposes.¹⁴⁹

Although this Note contends that an objective standard under § 512(f) best balances the interests of copyright owners and users, the *Lenz* court's use of the subjective standard in part one makes sense given that this is the Northern District of California, and the precedent of the Ninth Circuit *Rossi* decision is binding on the court.¹⁵⁰ Parts two and three of the decision shed light on

¹⁴² *Id.*

¹⁴³ *See id.*

¹⁴⁴ *See id.*

¹⁴⁵ *See id.* at 1156 (“The unnecessary removal of non-infringing material causes significant injury to the public where time-sensitive or controversial subjects are involved and the counter-notification remedy does not sufficiently address these harms.”); S. REP. NO. 105-190, at 21 (1998).

¹⁴⁶ *See Lenz*, 572 F. Supp. 2d at 1156 (quoting S. REP. NO. 105-190, at 2 (1998)) (“Requiring owners to consider fair use will help ‘ensure[] that the efficiency of the Internet will continue to improve and that the variety and quality of services on the Internet will expand’ without compromising ‘the movies, music, software and literary works that are the fruit of American creative genius.’”) (alteration in original).

¹⁴⁷ *See id.* at 1153-54.

¹⁴⁸ *See id.* at 1155-56.

¹⁴⁹ *See id.* at 1156.

¹⁵⁰ *Id.* at 1155.

how the objective standard better balances the interests of the owners and the users. In part two, the court states a prediction of how the case will play out given the high standard laid down in *Rossi*, but an obvious disconnect is illuminated. Specifically, the court's finding that the statute requires a fair use evaluation is rendered superfluous by the assessment that such a fair use evaluation is unnecessary for the defendant copyright holder to prevail on summary judgment (so long as the copyright owner did not deliberately invoke the DMCA to prevent fair use).¹⁵¹ If the court employed an objective standard, on the other hand, then such a fair use evaluation would be necessary for the defendant to prevail on summary judgment. Building upon this, copyright owners could be held liable in cases where fair use is proven to be unequivocal, even if the owner does not specifically intend to prevent fair use, such as in *Lenz*.

Furthermore, if a copyright owner must make enough of an evaluation to at least consider fair use, as the court in *Lenz* requires,¹⁵² then an objective standard would have no further effect on the owner's ability to rapidly respond to infringement. The reason begins with the objective standard translating to "reasonably should have known," and the fair use inquiry being fact-intensive in cases when fair use is not unequivocal.¹⁵³ Only when the facts so unequivocally point to fair use, and therefore only in cases where the fact inquiry is not intensive, would a court hold the copyright holder liable under the objective standard for filing a takedown notice.¹⁵⁴ On the other hand, if any sort of fact-intensive inquiry is required, then fair use will not be unequivocal, and the court would not find that a reasonable copyright holder would be "knowingly materially misrepresenting" copyright infringement by filing a takedown notice.¹⁵⁵ Therefore, because the liability under an objective standard in a § 512(f) fair use situation depends on the intensity level of the fact inquiry, the objective standard would not impede the ability to respond rapidly to infringement.¹⁵⁶

In part three of the opinion, the court actually builds the case for using an objective standard, but does not go so far as to support the objective standard because of the binding precedent of *Rossi*.¹⁵⁷ "The unnecessary removal of non-infringing material

¹⁵¹ *Id.*

¹⁵² *Id.* at 1156.

¹⁵³ *Id.* at 1155.

¹⁵⁴ See Online Policy Group v. Diebold, Inc., 337 F. Supp. 2d at 1195 (N.D. Cal. 2004)...

¹⁵⁵ See *Lenz*, 572 F. Supp. 2d at 1155.

¹⁵⁶ *Id.*

¹⁵⁷ *Id.* at 1155-56.

causes significant injury to the public where time-sensitive or controversial subjects are involved and the counter-notification remedy does not sufficiently address these harms.”¹⁵⁸ The court fails to say, however, that such injuries to the public will remain without rectification so long as the subjective standard remains in place because the heavy evidentiary burden fails to deter copyright holders from sending improper takedown notices.¹⁵⁹ The court then continues on this line of reasoning: “Requiring owners to consider fair use will help ‘ensure[] that the efficiency of the Internet will continue to improve and that the variety and quality of services on the Internet will expand’ without compromising . . . ‘works that are the fruit of American creative genius.’”¹⁶⁰ Again, this reasoning works better when the objective standard is applied in these cases because the objective standard would discourage the copyright holder from sending improper takedown notices. The subjective standard, on the other hand, fails to deter copyright holders from sending improper takedown notices.¹⁶¹ *Lenz*, although a case bound by the precedent in *Rossi*, builds support for replacing the subjective standard with the objective standard.¹⁶²

III. CURRENT EXAMPLES OF HOW THE SUBJECTIVE STANDARD LEADS TO OVERREACHING TAKEDOWNS, INCLUDING THE CURBING OF UNEQUIVOCAL FAIR USE AND FREE SPEECH

The cases in which the need for an objective standard are most pressing are those where the injury to the public is most significant, particularly when those cases involve time-sensitive or controversial subjects.¹⁶³ There are a plethora of diverse examples involving time sensitivity, controversial issues, and the interest of the public in accessing information similar to the McCain example and the *Diebold* case.

A. Example 1: Yahoo! and Cryptome

One example, involving Yahoo! as the copyright holder, perfectly epitomizes an undeterred copyright holder filing an overreaching takedown claim against an unequivocal fair user on a subject of great importance to the public.¹⁶⁴ In the summer of

¹⁵⁸ *Id.* at 1156.

¹⁵⁹ Examples of this reality are the CBS and Fox News takedown notices in the aforementioned McCain example and Universal’s takedown notice in *Lenz*.

¹⁶⁰ *Lenz*, 572 F. Supp. 2d at 1156 (quoting S. REP. NO. 105-190, at 2 (1998) (alteration in original)).

¹⁶¹ *Id.* at 1152.

¹⁶² *Id.* at 1156.

¹⁶³ *Id.*

¹⁶⁴ Fred von Lohmann, *Latest Bogus DMCA Takedown Award Winner: Yahoo!*, ELECTRONIC FRONTIER FOUNDATION, Dec. 7, 2009, available at

2009, an Indiana University graduate student submitted a Freedom of Information Act request to agencies within the Department of Justice requesting information on how much these agencies paid Yahoo!, Verizon, Cox Communications, and Comcast for access to the personal information of users and other surveillance services.¹⁶⁵ Although Yahoo! took measures to block the request, a self-described government and national security watchdog website named cryptome.org (Cryptome)¹⁶⁶ posted the “Yahoo! Compliance Guide for Law Enforcement,” a document containing such pricing information, shortly thereafter.¹⁶⁷

Yahoo!, intent on preventing the publication of such pricing information (especially on a self-proclaimed government criticism website), sent a DMCA takedown notice to Cryptome on the basis that posting the document comprised copyright infringement. Even if the document is copyrightable, this is the perfect example of an overreaching copyright holder disregarding unequivocal fair use where a takedown would curb important criticism and free speech from reaching the American public. As analyzed by Fred von Lohmann of the Electronic Frontier Foundation, the posting of the document on Cryptome depicts “clear fair use.”¹⁶⁸ The posting was transformative (for criticism purposes); factual in nature (not creative); posting the whole document was necessary for the transformative purpose; and the posting was in no way a market substitute for the original document.¹⁶⁹ As von Lohmann points out, these facts are strikingly similar to those of *Diebold*, except here there was no actual takedown because Cryptome appears to be its own OSP.¹⁷⁰

But if there had been a third-party OSP, and therefore an actual takedown of the content, the result in *Diebold* would not necessarily translate into a successful misrepresentation claim.¹⁷¹ This is because the *Diebold* court interpreted § 512(f) to create an objective standard of knowledge of misrepresentation, whereas prospective plaintiffs must now overcome the evidentiary burden of a good-faith, subjective standard, created by the *Rossi* court and

<http://www.eff.org/deeplinks/2009/12/todays-bogus-dmca-takedown-award-winner-yahoo>.

¹⁶⁵ Kim Zetter, *Yahoo, Verizon: Our Spy Capabilities Would ‘Shock’, ‘Confuse’ Consumers*, WIRED, Dec. 1, 2009, available at <http://www.wired.com/threatlevel/2009/12/wiretap-prices/>.

¹⁶⁶ Cryptome, <http://www.cryptome.org/> (last visited Mar. 22, 2010).

¹⁶⁷ See von Lohmann, *supra* note 164.

¹⁶⁸ *Id.*

¹⁶⁹ *Id.*

¹⁷⁰ *Id.* (Cryptome appears to be its own OSP because Yahoo! sent the takedown notice to Cryptome, and not a third party OSP); Cryptome, <http://www.cryptome.org/> (last visited Mar. 22, 2010) (stating that Cryptome makes its own decisions about takedowns: “Documents are removed from this site only by order served directly by a US court having jurisdiction.”).

¹⁷¹ See *Online Policy Group v. Diebold, Inc.*, 337 F. Supp. 2d at 1195, 1204 (N.D. Cal. 2004).

somewhat supported by the *Lenz* court.¹⁷² *Lenz* describes the burden as requiring the unequivocal free user to prove that “the copyright owner deliberately has invoked the DMCA not to protect its copyright but to prevent such [unequivocal fair] use.”¹⁷³ As a result of *Rossi* and *Lenz*, there is little deterrent to overreaching takedown efforts that large companies commonly initiate, such as the overreaching effort of Yahoo! in this example.

B. *Example 2: National Organization for Marriage, MSNBC and the MSNBC fans*

In another highly politicized example involving criticism fair use, the National Organization for Marriage (NOM, a group opposed to gay marriage) sent a DMCA takedown notice to YouTube over a clip of MSNBC’s Rachel Maddow criticizing NOM’s “scared of gay rights” ad video.¹⁷⁴ NOM produced a video where the actors pretended to be straight people afraid of gay marriage, and when the Human Rights Campaign (HRC, a group supporting gay rights) gained access to the actors’ audition videos, HRC posted the videos online.¹⁷⁵ MSNBC’s Rachel Maddow then produced a newscast showing forty seconds of footage from the audition videos and criticized NOM, the ad video, and the auditions, and thereafter fans of Maddow’s show posted her newscast on YouTube.¹⁷⁶ This is when NOM sent YouTube a takedown notice requesting removal of the Maddow newscast based on copyright infringement, and YouTube complied by taking down the video.¹⁷⁷

Whereas maybe MSNBC (and not NOM) may have had a claim of copyright infringement based on the posting of Maddow’s newscast, the use of forty seconds of NOM’s audition videos exemplifies unequivocal fair use. The transformative purpose of using the audition clips was to criticize NOM’s ad video; MSNBC used such a small portion of the audition videos (just forty seconds) and therefore used only what was necessary to criticize; and the use did not represent a market substitute but instead a market criticism.¹⁷⁸

¹⁷² See *Rossi Motion Picture Ass’n of Am., Inc.*, 391 F.3d 1000, 1002-03 (9th Cir. 2004); *Lenz v. Universal Music Corp.*, 572 F. Supp. 2d 1150, 1155 (N.D. Cal. 2008);

¹⁷³ *Lenz*, 572 F. Supp. 2d at 1155.

¹⁷⁴ Kevin Poulsen, *Anti-Gay-Rights Group Gets MSNBC Clip Pulled From YouTube*, WIRED, Apr. 13, 2009, available at <http://www.wired.com/threatlevel/2009/04/anti-gay-rights/>.

¹⁷⁵ *Same-Sex Marriage Opponents Silence Critical YouTube Clip*, Electronic Frontier Foundation, <http://www.eff.org/takedowns/same-sex-marriage-opponents-silence-critical-clip> (last visited Mar. 22, 2010).

¹⁷⁶ See Poulsen, *supra* note 174.

¹⁷⁷ See Electronic frontier foundation, *supra* note 175.

¹⁷⁸ See Poulsen, *supra* note 174 (“MSNBC, of course, would have been well within its rights to demand the clip be removed. But NOM asserting a copyright interest to have a critical newscast scrubbed from the net? That sets an extraordinary precedent.”).

This is yet another case where an overreaching copyright holder succeeds in curbing fair use criticism and consequently free speech due to the lack of deterrence. Even though NOM's claim of copyright infringement contains virtually no merit, NOM faces a negligible risk of liability under § 512(f) due to the heavy evidentiary burden of the subjective standard. While the damage was minimized in this case due to MSNBC's willingness to post the video on its own website, in similar time-sensitive and controversial situations the fair user has no recourse other than a counter-notice, and ten to fourteen days is quite a long time to wait in order to regain the right of free speech.¹⁷⁹

C. *Example 3: The Associated Press and The Drudge Retort*

Another example is the Associated Press (AP) blogger situation, which caused a stir in 2008 and similarly illustrated the need for a deterrent to overreaching copyright holders.¹⁸⁰ In June 2008, the AP sent seven takedown notices to a blog called *The Drudge Retort*, citing seven different quotes of just thirty-nine to seventy-nine words from AP articles posted by users next to hyperlinks linking to the article source.¹⁸¹ The point of the blog is to drum up political discourse on news stories, and bloggers across the Internet expressed outrage regarding the takedown notices, claiming such use to be obvious fair use.¹⁸² The AP quickly retracted and suspended efforts to go after bloggers who reproduced story clips, but the situation demonstrated the potential fallout when copyright holders overreach.¹⁸³ If *The Drudge Retort* or a similar website becomes a public mainstay for political discourse based largely on its fair use of news articles and the website is denied its ability to disseminate the information that helps makes the site valuable to the public, then the public suffers an injury that the fair use doctrine is meant to prevent.¹⁸⁴ Furthermore, the AP's heedlessness in sending out takedown notices demonstrates the inability of the subjective standard to deter copyright holders from sending out takedown notices without hesitation—even in a situation where the fair use might actually *help the market of the copyright holder* by linking to the copyright holder's content.¹⁸⁵

¹⁷⁹ *Id.*

¹⁸⁰ Because the quotes are so small and link to the AP-syndicated stories, this case is not analogous to those where the "hot news" exception to fair use applies. See *Int'l News Servs. v. Assoc. Press*, 248 U.S. 215 (1918).

¹⁸¹ Hansell, *supra* note 12.

¹⁸² See *id.* ("It's hard to see how the Drudge Retort 'first few lines' is a substitute for the story." (quoting Columbia Law Professor Timothy Wu)).

¹⁸³ See *id.*

¹⁸⁴ See 17 U.S.C. § 107 (2006).

¹⁸⁵ See Mark Glaser, *AP Badly Mistaken on Drudge Retort*, MEDIASHIFT, June 16, 2008,

D. *Example 4: The Church of Scientology and its Criticism*

A last example involves the Church of Scientology curbing fair use in the social criticism realm.¹⁸⁶ On multiple occasions in the past, the Church of Scientology has looked for ways to curb fair use criticism,¹⁸⁷ so it is unsurprising that the Church began filing overreaching takedown notices soon after the DMCA came into effect.¹⁸⁸ In 2002, the Church sent takedown notices to Google, demanding Google take down links running through Xenu.net, an anti-Scientology website that contains some copyrighted material owned by the Church.¹⁸⁹ Google complied in order to achieve safe harbor status, and Google's decision to restrict unequivocal fair use criticism represents a curb on free speech.¹⁹⁰ This is "the very type of work that the Copyright Act was designed to protect and encourage,"¹⁹¹ but the subjective standard's failure to deter copyright holders from this type of takedown notice threatens fair use criticism. With an objective standard for 512(f) misrepresentation claims, there would be greater incentive for a proven overreaching copyright holder like the Church of Scientology to stop sending improper takedown notices. This would benefit the public without threatening the copyright holder's ability to rapidly respond to potential infringement, such ability to respond being the main reason behind the DMCA.¹⁹²

IV. CONCLUSION

The language of §§ 512(c) and (f)—requiring a good faith belief and a "knowing material misrepresentation" respectively—results in two plausible standards for misrepresentation cases, objective and subjective. The *Diebold* case applied an objective standard, but within a month, the *Rossi* case distinguished *Diebold* and held that only a subjective standard is proper. Takedown notices have not slowed down since, and the current *Lenz* case, while "requiring" a fair use evaluation at the dismissal stage, appears likely headed for summary judgment in favor of the copyright holder. Thus, *Lenz* is unlikely to deter overreaching copyright holders from curbing fair use or free speech in any significant way. All

<http://www.pbs.org/mediashift/2008/06/ap-badly-mistaken-on-drudge-retort168.html> ("The AP is hurting itself by making bloggers think twice about linking to their stories—and by extension, the stories of its member news outlets. No links means no traffic. No traffic means no readership. You can see where that leads.").

¹⁸⁶ Matt Loney and Evan Hansen, *Google Pulls Anti-Scientology Links*, CNET NEWS, Mar. 21, 2002, <http://news.cnet.com/2100-1023-865936.html>.

¹⁸⁷ See, e.g., *New Era Publ'ns Int'l, ApS v. Carol Pub. Group*, 904 F.2d 152 (2d Cir. 1990).

¹⁸⁸ Loney & Hansen, *supra* note 186.

¹⁸⁹ *Id.*

¹⁹⁰ See 17 U.S.C. § 107 (2006) (listing examples of fair use, including "criticism [and] comment").

¹⁹¹ *New Era*, 904 F.2d at 160.

¹⁹² S. REP. NO. 105-190, at 21 (1998).

that is needed for such deterrence is an objective standard, and any fears about rampant copyright infringement should fade away given the reality that only cases of unequivocal fair use will benefit from the objective standard. And it is these unequivocal fair use cases that are most important, for it is the unequivocal fair uses that generally serve the greatest good to the public, and it is the curbing of these fair uses that will cause the greatest injury to the public.

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*J.D. Candidate, Benjamin N. Cardozo School of Law, 2010; B.A., Duke University, 2006. I would like to thank my family and friends for their love and support; the whole AELJ Editorial Staff, and particularly Cindy Abramson, my Notes Editor, for her guidance in writing this Note; and the law school professors who have inspired me to write to the best of my ability. © 2010 Jordan Koss.