

Michigan COMPUTER LAWYER

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“As it happened, the lightning struck early. The public got a taste of interactivity on the Internet’s World Wide Web and said, ‘We’re not waiting for a better solution! Let’s go’.”

— Bill Gates

(cofounder and chairman of Microsoft Corporation)

Web Entanglements: A Copyrights Analysis of Linking on the World Wide Web

By Mario J. Fiorucci

Part I: Introduction

In June 1998, Matrix Information and Directory Services reported that there were 102 million people accessing the Internet in the world. They estimate this number will increase to 707 million by the year 2001.¹ There is no doubt this astonishing growth is due in large part to the World Wide Web (‘WWW’ or ‘Web’). The dramatic growth the Web has experienced in recent years has transformed the Internet from a primarily passive environment used for email, newsgroups and mailing lists, to an interactive, user-enabled universe filled with vast amounts of information.² But, there is no doubt that of all the protocols, languages, and programs that comprise the WWW, the essential element is the ‘link.’

The ability to transcend physical space is one of the core features of Cyberspace-based science fiction. With hypermedia links, the World Wide Web begins to make these fantasies real. Sometimes in the midst of a Web browsing session, I sit back and think about all the physical places I have been to with my links. Geographical distance is made irrelevant. It is awe-inspiring. Even more remarkable is the elegant simplicity...of the HTML hyperlink system.³

This excerpt by author Stephen Wilson encapsulates the power of the Web. It is linking that makes the WWW web-like, with documents seamlessly referencing and cross-referencing each other. The result is that browsing the WWW differs fundamentally from traditional means of research, in that it is inherently non-linear. Users can jump from one document to another, following a unique course on an indirect pathway through cyberspace.⁴ However, WWW linking raises some interesting legal questions. Does the provision of a link implicate intellectual property rights? Is there potential liability for unauthorized linking? Some commentators believe that a wrongly decided precedent could mean the “death of the Web.”⁵ By addressing these and related questions, this article will prove that links may purport to a copyright infringement, however, the analysis strongly depends on the type of linking invoked by the web page author.

Part II provides a technological foundation necessary to understand the legal implications surrounding links. Part III enhances the technological foundation with the addition of legal principles essential to the analysis of the legality of linking. The in-depth analysis of linking that starts from the most basic type of link and evolves to more complicated types of links are explained in Part IV. Finally, Part V concludes the paper with a proposal of a list of issues that may act as a guide for judges

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and legislators when creating the law for this new area of information technology.

Part II: Technology Primer

The World Wide Web is so often used as a way of interacting with the Internet that many people mistakenly confuse the two, referring to the Internet as the “Web” and vice versa. Of course, the Internet and its native applications predate the development of the WWW protocols⁶ by decades.⁷ The Internet is a term that refers to both the hardware that connects thousands of computer networks worldwide,⁸ and the protocols that allow these networks to communicate with each other.⁹ In simpler terms, the Internet is a network of networks that allows the use of e-mail, discussion groups, chat groups, and the WWW. Still, given the overwhelming amount of available Internet bandwidth now devoted to the transmission of web pages, there is no doubt that the WWW is the interface of choice for most users of the world’s most pervasive computer network.¹⁰ The WWW is not the Internet, but there can be no doubt that it is the Internet’s first “killer app.”¹¹

Each individual network connected to the Internet usually consists of a host computer (the server) and a number of remote computers or terminals (the clients). For example, most universities have computer networks whereby hundreds of personal computers (clients) are connected to a large mainframe computer (the server). Users often can connect to the server from a remote location using a modem and a telephone line.¹² Each file or document on a server has its own “address” on the server, similar to the way files on a personal computer are stored in different directories. Furthermore, each server can be identified on the Internet using a unique Internet Protocol (IP) address. Hence, a user connected to the Internet can access any file or document by specifying its complete address, which is known as its Uniform Resource Locator (URL).¹³

There are a variety of protocols, such as ftp, telnet and gopher, that allow a client to search for, and request documents from a server. The WWW is a newer set of protocols that utilizes HyperText Transmission Protocol (HTTP) for communication between the server and the client.¹⁴ Client programs called web browsers, such as Netscape’s Navigator and Microsoft’s Internet Explorer, request a web page from a server using HTTP, read and interpret the web page, and then systematically request and retrieve other documents as specified in the web page.

Web pages are written in a programming language called the HyperText Markup Language (“HTML”). The power of HTML is that it allows the combination of text, graphics, audio and video. Furthermore, HTML facilitates the “linking” of documents with two types of links: HREF and IMG. From the user’s perspective, an HREF link usually consists of an image, word, or phrase, often identified by special formatting that distinguishes it from the body of the page;¹⁵ for ease of refer-

ence, this image, word or phrase is commonly referred to as the “link descriptor.” The user can select the link by positioning the cursor over the link descriptor and clicking the mouse. When the link is selected, the user’s browser transports the user to the targeted location, so the targeted site’s URL appears in the browser’s address line and its content in the browser’s window. However, it is important to note that the web page author may also specify an HREF link to be an “auto-loading” link, in which case the link is activated once a specified amount of time elapses.¹⁶

On the other hand, an IMG link is always automatically activated when the web page is first loaded. Typically, IMG links are used by the author of the web page to display a graphic image on the web page that is stored in a separate file.¹⁷ In other words, when the user enters a URL to retrieve a web page, the graphic is automatically loaded and displayed with the rest of the web page.¹⁸ Each of these two types of links (HREF and IMG) may reference parts of the same web page, files on the same server, or files on an outside server; these different types of links are called intra-page, intra-system, and inter-system links. For example, a long web page may have an intra-page HREF link at the end of the document that brings the user to the beginning of the document. On the other hand, a web page may have an inter-system IMG link specified such that a graphic file is retrieved from another server and displayed on the current web page. Hence, an image from the Globe and Mail’s web site may be viewed on the web page belonging to John Smith—yet no copy of the image file is kept on John Smith’s server.¹⁹

Web sites do not have any standard form. They range from single pages containing only text and few links, to elaborate multi-page documents with audio and video components, and hundreds of links. Regardless, linking is “the Web’s most fundamental and revolutionary feature,”²⁰ “one of the Internet’s greatest attributes,”²¹ and “the raison d’être of the World Wide Web,” without which “the web as we know it would not exist.”²²

Before exploring the copyright issues involved in creating links, a few other important technical aspects of links need to be noted. First, HTML documents are strictly limited to plain (ASCII) text. They do not contain images, sounds or other non-textual elements. In order for an image to be displayed concurrently with the document, a link to the image element (either local or remote) is necessary. Even somewhat simple web pages, then, might contain a large number of links to elements that make up the page’s formatting. Second, links only identify the location of a target element, such as an HTML document or an image, and are not the element themselves. Embedding a link in an HTML document is not the same as actually placing the element itself in the document. Third, it is the user’s browser that interprets the HTML instruction identified by the link. So, when the browser encounters a link, it initiates the network connection to the referenced server, requests the transmission of a copy of the element, and then



processes the element so that it can be appropriately displayed (or, in the case of an audio file, heard).²³ Fourth, Document A can be linked to Document B without the author of B's knowledge or consent. Fifth, the link is a one way street. Someone browsing through A can follow A's link to B. That user can backtrack from B to A because her Web browser records the path that was taken. However, a user who starts at B does not necessarily have a link to connect to A. Finally, in order for a user to "view" a document, a "copy" of that document must be loaded into the random access memory (RAM) of the user's computer. Whether this temporary copy in RAM ("RAM copy") should constitute a reproduction under the Canadian Copyright Act²⁴ is currently the subject of heated debate.²⁵

Part III: Building the Legal Web

Copyright Basics: *Canada v. U.S.*

Copyright in Canada is entirely a creature of statute. It is neither tort law nor property law in classification. It simply creates rights and obligations upon the terms and in the circumstances set out in the statute. In determining whether an activity infringes copyright, the defendant's actions have to be measured according to the terms of the statute.²⁶ Accordingly, however great the desire to protect the labours of creators, the Act cannot be construed to provide a remedy for all matters which may appear to be a new form of piracy or unfair trading.²⁷

The above quote goes to the heart of copyright law in Canada and is essential to the application of copyright law to new areas of technology such as the WWW. Since copyright law is based solely on statute, the analysis of the legality of linking begins with the applicable parts of the Canadian Copyright Act. Section 3 states:

- (1) For the purposes of this Act, "copyright," in relation to a work, means the sole right to produce or reproduce the work or any substantial part thereof in any material form whatever, to perform the work or any substantial part thereof in public or, if the work is unpublished, to publish the work or any substantial part thereof, and includes the sole right
 - (a) to produce, reproduce, perform or publish any translation of the work,
 - (e) in the case of any literary, dramatic, musical or artistic work, to reproduce, adapt and publicly present the work as a cinematographic work,
 - (f) in the case of any literary, dramatic, musical or artistic work, to communicate the work to the public by telecommunication,
 - (h) in the case of a computer program that can be reproduced in the ordinary course of its use, other than by a reproduction during its execution in conjunction with a machine, device or computer, to rent out the

computer program, and to authorize any such acts.²⁸

The Copyright Act was amended in 1988 to expand the definition of the term "literary work" to expressly include computer programs as works protected by copyright.²⁹ The amendments to the Act were made to clarify that both source and object code of computer programs are protected by copyright.³⁰ The amendments as far as the protection for source and object code were concerned largely incorporated into the statute the previous decisions of several courts.³¹ For the purposes of this paper, HTML documents are a form of source code and therefore fall under the category of "literary works."³²

It is often difficult to apply traditional copyright principles to works involving new and complex technologies because the complexity of the technology makes it difficult to understand and crystallize the issues to be decided.³³ The difficulty in applying traditional copyright principles to new and complex technology can sometimes also lead to uncertainty as to how the technology in issue is to be approached for copyright purposes.³⁴ It is also not surprising that the U.S. has the first litigation in new areas of law and therefore must be relied upon heavily.³⁵ It is for this reason that, although there exist many underlying similarities between Canadian and U.S. copyright law, it is necessary to bring to the forefront the key differences between the two countries.

Copyright law in the U.S. confers five exclusive rights upon the owner of a copyrighted work: (1) the right to reproduce the copyrighted work; (2) the right to prepare derivative works based on the copyrighted work; (3) the right to distribute copies or phonorecords of the copyrighted work to the public; (4) the right to perform the work publicly; and (5) the right to display the copyrighted work publicly.³⁶ The violation of any of these rights may constitute an actionable infringement. How works are categorized under the Canadian and U.S. statutes has a great deal of significance for the rights of the creators of the works. Under the legislation of Canada and the U.S. the sole rights conferred by the respective legislation often depend on how the work is classified for copyright purposes. Some rights exist for some works, but not for others. This can result in significant practical consequences for the creators of works and can lead to owners having certain rights in one country, but not in another, depending on how the work is classified and what rights correspond to that classification. Modern technology is blurring the distinction between the traditional categories of works making an assessment of the rights of creators more difficult.³⁷ Moreover, for the discussion of copyright infringement with respect to linking and framing, it is necessary to compare and contrast the U.S. concept of contributory infringement with the Canadian concept of authorization as well as compare the U.S. concept of "fair use" with the Canadian concept of "fair dealing."

Contributory Infringement v. Authorization

To be held liable under copyright principles in the U.S., the



party creating a link to the copyrighted material must qualify as either a “direct infringer” or some sort of “contributory infringer.”³⁸ The Act provides that “[a]nyone who violates any of the exclusive rights of the copyright owner is an infringer.”³⁹ Two elements must be established to prove infringement: (1) ownership of a valid copyright, and (2) copying of constituent elements of the work that are original.⁴⁰ Importantly, the Act does not require intent on the infringer’s part.⁴¹ If a party’s acts are sufficient to satisfy these two elements, then that party is considered a “direct infringer” and is subject to liability.⁴² Unlike the U.S. patent law, the U.S. Copyright Act “does not expressly render anyone liable for infringement committed by another.”⁴³ The absence of such express language in the copyright statute does not, however, preclude the imposition of liability.⁴⁴ As defined by the Second Circuit, “[o]ne who, with knowledge of the infringing activity, induces, causes, or materially contributes to the infringing conduct of another, may be held liable as a ‘contributory’ infringer.”⁴⁵ Importantly, there can be no contributory infringement unless there is an actual direct infringement by a third party.⁴⁶

Courts have recognized two types of contributory infringers: those who provide the means (usually a product) to infringe, and those whose physical conduct participates in or furthers the infringement.⁴⁷ One type of contributory infringement is “means to infringe” liability. For a means to infringe cause of action to occur, the plaintiff must show (1) that the defendant knowingly created an instrumentality for infringing one or more of the owner’s exclusive rights which (2) had no substantial non-infringing use, and (3) the existence of direct infringement.⁴⁸ If these elements are established, liability attaches regardless of either the amount of control the defendant has over the direct infringer or whether he or she has an economic interest in the infringing activity.⁴⁹ Another form of contributory infringement is often called “participatory” infringement. For a participatory infringement cause of action to occur, a plaintiff must show the defendant had (1) knowledge of a direct infringement by another, and (2) induced, caused, or materially contributed to that infringing activity.⁵⁰

In Canada, there is no recognized doctrine of contributory infringement. However, the Canadian Copyright Act has recognized a right of authorization. The Canadian Copyright Act defines the exclusive rights belonging to copyright owners and grants the owner the sole right “to authorize any such act.” Authorization, like contributory infringement, requires that there be direct infringement by a third party.⁵¹ Furthermore, the grantor must have some degree of control over the actions of the grantee to amount to authorization.⁵² The added requirement of control may draw a parallel between authorization and the participatory infringement form of contributory infringement. However, it is unknown whether the courts will accept Canadian authorization as an equivalent argument to the U.S. contributory infringement. Some U.S. courts have determined that “authorization” invokes the doctrine of contributory in-

fringement.⁵³ However, these decisions have not been well received by all commentators.⁵⁴ Nonetheless, contributory infringement and authorization are sufficiently similar for the discussion in this paper since they both require direct infringement by a third party.⁵⁵

Fair Dealing v. Fair Use

Although the defenses of “fair dealing” in Canada and “fair use” in the U.S. will be discussed below in more detail with respect to linking, it is helpful to begin with a general foundation of these defenses and note the specific differences between “fair dealing” and “fair use.” The doctrine of “fair use” in the U.S. is a far broader defense than the “fair dealing” exemption under the Canadian Copyright Act. Accordingly, any U.S. decision on this issue must be considered in light of these differences.⁵⁶ Under the Canadian Copyright Act, a fair dealing with a work for the purpose of private study or research does not constitute an infringement of copyright.⁵⁷ It is essential to understand that for the exemption to apply, the activity must be associated with either private study, research, criticism, review or newspaper summary. The U.S. has not taken this restrictive approach—the legislation in section 107 of the U.S. Copyright Act states that fair use of a copyrighted work “for purposes such as criticism, comment, news reporting, teaching, scholarship, or research is not an infringement of copyright.” The list, however, is not exhaustive.

The recent Ontario Divisional Court case of *Allen v. Toronto Star Newspapers Ltd.*⁵⁸ has, however, illustrated a trend in Canadian copyright cases of turning to U.S. authorities. After considering a leading British authority dealing with the same “fair dealing” provisions found in the Canadian statute, the court turned to U.S. caselaw for further authority that a qualitative rather than a quantitative analysis is appropriate.⁵⁹ “As a result of the *Allen* decision, the ‘fair dealing’ exception will now achieve more prominence. The Canadian courts will be asked to consider the circumstances of the copying more forgivingly than they have in the past. It will be interesting to see how forgiving they will turn out to be.”⁶⁰

Part IV: An In-depth Analysis of Linking ISSUES:

1. Does linking to a document constitute copyright infringement?
2. Are links copyrightable?

There are many aggravating circumstances that arise when dealing with links. For example, most web sites consisting of more than one page have a main page, usually referred to as the “homepage,” intended to be the “front door” to the site. The homepage often includes the site owner’s name, logo, advertisements, copyright information and an index of the site. Often, companies expend considerable resources in order to obtain the rights to a URL that closely matches their company name, not to mention the money spent to advertise the URL.



For example, Ford Motor company advertises “http://www.ford.com” Toronto Dominion Bank advertises “http://www.tdbank.com” and Ticketmaster advertises “http://www.ticketmaster.com.” While the web site’s owner may want users to access the homepage before viewing other pages deeper within the site, the nature of the Web makes it possible for users to bypass the homepage and gain direct access to internal pages. This process known as “deep-linking” raises specific problems and will be dealt with separately along with other aggravating circumstances. The analysis of the legality of linking begins with “plain linking”—that is, HREF links from one web page, A, to the “homepage” belonging to another author, B.⁶¹ Although there is no caselaw decided at this point in time (in any jurisdiction) that deals with linking specifically, there have been a few actions that were settled out of court. These actions will provide the basis of the analysis below. On the basis of U.S. or Commonwealth legal principles, plain linking cannot result in copyright infringement.

Case on point

In 1996, *The Shetland Times*, a newspaper in the United Kingdom that carries local, national and international news, brought an action against *The Shetland News*, a news reporting service.⁶² The action was brought because *The Shetland News* web site contained a number of headlines copied from *The Shetland Times* web site that served as hyperlinks to articles on *The Shetland Times*’ web site. Lord Hamilton granted an interim interdict to stop *The Shetland News* from making free links to *The Shetland Times* web site. On November 11, 1997, *The Shetland Times* issued a statement that their interim interdict dispute with *The Shetland News* had settled out-of-court. The terms of the deal were as follows:

(1) The Defenders [Shetland News] shall be entitled to link to stories on the Pursuers’ [Shetland Times] website by means of headlines provided that they will not include in any service operated by them on the Internet any hyperlink linking to the Pursuers’ website (www.shetland-times.co.uk) other than as follows:-

(a) each link to any individual story shall be acknowledged by the legend ‘A Shetland Times Story’ appearing underneath each headline and of the same or similar size as the headline;

(b) adjacent to any such headline or headlines there shall appear a button showing legibly *The Shetland Times* masthead logo; and

(c) the legend and the button shall each be hypertext links to the Shetland Times online headline page.

(2) The action will be dismissed on the basis of no expenses due to or by either party.⁶³

Although this case was settled out-of-court, there was nonetheless an interim judgement where, on a balance of convenience, it was held *prima facie* arguable that the Internet was a cable broadcast system for the purposes of copyright

law, and that the reproduction of certain headlines from *The Shetland Times*’ web site as links to those stories could be a breach of copyright.⁶⁴ While this decision has to be viewed in perspective (as an interim order granted by only one judge, based on limited argument by counsel), it was nevertheless given by a Court of Session judge and commented upon around the world. It remains as an example of what the courts might do, at least at an interim stage. One can only speculate as to whether the settlement agreement suggests that Counsel for *The Shetland Times* did not expect to succeed at a full hearing, particularly as each side bore their own legal expenses.⁶⁵ Was the reproduction of certain headlines from *The Shetland Times*’ web site as links to those stories a breach of copyright? Moreover, was a new literary work created? Is creating a hypertext link fair dealing? Is reproducing news headlines itself fair dealing? And, might producing a freely accessible web page itself be conduct that amounts to an implied license to copy some or all of its content, or at least acquiescence for the purposes of making hypertext links?

Direct Infringement in Shetland

The most apparent argument that can be advanced by a plaintiff such as *The Shetland Times* is that republishing the URL without authorization or making the URL available without consent, is an infringement of copyright.⁶⁶ However, URLs are simply IP addresses, analogous to street addresses and telephone numbers. Because such facts are in the public domain and are available to every person, they cannot be protected by copyright law.⁶⁷ Instead, a stronger argument is that copyright exists in *The Shetland Times* headlines themselves. In this case, it would be argued the writing of headlines “Bid to save centre after council funding cock up,” “Forum to monitor west oil effect on fishing,” “Name change is put on ice,” and “Go ahead granted” are a form of literary work.

Mere recording of a writing is not enough to constitute a literary work. Even if considerable effort, skill and labour is involved in selecting a particular word, for example, the word “Exxon” for a business entity, copyright law will not protect its use as a literary work.⁶⁸ The advertising phrase “Beauty is a social necessity, not a luxury” was not infringed by a similar advertising phrase: “A youthful appearance is a social necessity.”⁶⁹ Neither was the name of the fictional detective “Kojak”⁷⁰ copyrightable; nor the title of the song “The Man who Broke the Bank at Monte Carlo.”⁷¹ A diary for lawyers called “The Lawyers Diary” similarly did not attract copyright.⁷² However, in an interlocutory hearing, the use by one newspaper of the logo of another newspaper (*The Sun*) in its advertisements was held to be an arguable case of infringement.⁷³ *The Shetland Times* case did not however involve the use of a logo. Indeed the settlement expressly provided that their logo was to be used for any future links.⁷⁴

The concept of originality in a literary work may cross over with the notion of considerable effort or labour only—the so called “sweat of the brow” test. This test would not, of itself, be enough to justify copyright, particularly in the U.S.



where even the immense labour of producing a telephone directory does not qualify as being an original work.⁷⁵ In the U.K. however, there is a tradition that relatively common items such as football coupons,⁷⁶ and television programme listings in the *TV Times* are copyrightable.⁷⁷ The European Court of Justice has also referred to the essential function of an intellectual property right which, in the case of copyright, is to protect the moral rights in the work and ensure a reward for creative effort.⁷⁸ The question might then legitimately arise as to what creative effort was involved in a selection of headlines. The author submits that none of the headlines in this case would attract copyright with particular reference to the “Man who broke The Bank at Mount Carlo” principle.⁷⁹ His Lordship in *Francis Day* thought that it was arguable that “eight or so words designedly put together for the purpose of imparting information” as a headline could be protected from infringement, but it would appear to be stretching matters too far for the four headlines in this case.⁸⁰

Even if the headlines themselves were deemed to be copyrightable, there remains the defense of fair dealing. The phrase itself is not defined in the U.K. Copyright, Designs and Patents Act 1988,⁸¹ but s. 30(2) provides that:

“Fair dealing with a work (other than a photograph) for the purpose of reporting current events does not infringe any copyright in the work provided that (subject to subsection (3)) it is accompanied by a sufficient acknowledgement.” And subsection (3) provides that: “no acknowledgement is required in connection with the reporting of current events by means of a...broadcast or cable programme.”

Hence, the fair dealing provision in the U.K., parallel to s. 29.2 of the Canadian Copyright Act, would appear to be a viable argument.⁸² Surprisingly, the fair dealing argument was not argued at the interim interdict stage of *Shetland*. The text of *The Shetland Times* stories did not appear on *The Shetland News*' page - merely certain headlines with the purpose that *The Shetland Times* pages would be accessed directly. Further, full acknowledgement was given to *The Shetland Times* in three ways: at the link descriptor, on the address line of the web browser once *The Shetland Times*' URL was activated, and on *The Shetland Times*' web pages which displayed a banner across the top of each page clearly identifying it as belonging to *The Shetland Times*. It might be argued that the regular listing of headlines went beyond fair dealing, and that once a linked page was read, the browser could easily use the ‘back’ button to return to *The Shetland News*' web page, thereby avoiding *The Shetland Times*' homepage and any advertisements it may have. However the “web surfer” was just as easily one click of a mouse away from *The Shetland Times*' home page.⁸³

Finally, it could be argued by the defense that producing a freely accessible web page is conduct that amounts to an implied license to copy some or all of its content, or at least acquiescence for the purposes of making hypertext links. A

web page author likely understands that the Web not only permits, but depends on, the ability to link from one site to another and that any given site is accessible from any other point on the Web. In the absence of clear legal guidelines as to what constitutes an implied license to link, it is helpful to turn to the established rules of the web community. According to Prosser and Keeton on *The Law of Torts*, the defendant may “infer consent as a matter of usage or custom” or from “the general habit of the community.”⁸⁴ The Web has been referred to as a virtual community, consisting of individuals in all walks of life from all corners of the earth.⁸⁵ This virtual community has developed a distinct set of customs, rules, and standards, collectively referred to as netiquette.⁸⁶ Commentators have long argued that the standards of the virtual community should be recognized by the courts.⁸⁷ At least one U.S. court has ruled that, where the law requires the application of community standards, it may be possible to apply the standards of a virtual, rather than geographical, community.⁸⁸ If the web site owner does not wish such linking to occur, he or she may adopt technological measures to control access to that particular site.⁸⁹ In the absence of such measures, a defendant should be able to rely on this “general habit” to infer the existence of an implied license to link.⁹⁰

A perfect demonstration of the virtual community's acceptance of linking and enforcement of this accepted practice is another U.K. case where the U.K.'s High Court of Justice issued an injunction against three defendants requiring them, among other things, to remove hypertext links to other web sites containing a controversial report.⁹¹ The order was in response to the Nottingham County Council's efforts to suppress the publication of a controversial report that criticised the Council's handling of an alleged satanic ritual abuse case. Following the order, dozens of mirror sites contained the report and dozens of others contained links to the reports. The County was forced to cease its efforts to curtail the report's distribution on the Web. This example makes clear the accepted principle of linking and supports the doctrine that it is unconscionable for a plaintiff to be permitted to deny that which they had allowed or encouraged the defendant to assume to their detriment.⁹²

Regardless, whether there would be no direct copyright infringement found on the basis that copyright cannot exist in neither an URL nor the headlines that were copied, on the basis of fair dealing, or on the basis of an implied license, it remains clear that a plain link cannot purport to be a direct form of copyright infringement by the author of the linking web page (“linking party”).

Contributory Infringement or Authorization in *Shetland*

The possibility arises in *Shetland* that the “linking party”—*The Shetland News*—is guilty of contributory infringement or authorization. An analogy that a link is in essence an automated version of a scholarly footnote or bibliographic reference is



helpful in this case. The link, like a footnote, tells the reader where to find the referenced material. In the case of hypertext, the user's browser or other application can then retrieve the material from its location, a process that is not only hidden from the user, but far more convenient than physically venturing into library stacks to retrieve hardcopy referenced in a plain footnote. Thus, if linking in such a way is a copyright infringement by way of either contributory infringement or authorization, there would be broad ramifications for scholarly citation, bibliographic indexing, and information cataloging. Hence, the author submits on this basis alone, that a contributory or authorization form of infringement is not possible. Nonetheless, a legal analysis yields the same result. Assuming all other requirements of contributory infringement and authorization have been met, including some degree of control over the actions of the end user with respect to authorization,⁹³ both contributory infringement and authorization immediately face a debilitating requirement—that of direct infringement of copyright by the end user. In other words, if it cannot be found that the person who activated the link and views the subsequent web page directly infringed the copyrights of the author whose web page is being viewed, then there is no possibility of either contributory infringement or authorization. The determination of whether the end user does, indeed, directly infringe the copyright of the web page owner, is based on the determination of whether the temporary copying of the web page into memory is a reproduction of the work.⁹⁴

A number of U.S. cases, most notably *MAI v. Peak*,⁹⁵ have either held or implied that the first step, bringing the instruction from a disk of some kind into RAM memory, constitutes the making of a "copy" of the program for copyright purposes. That is, the process results in the creation of a copy and is an infringing violation of the copyright owner's rights.⁹⁶ The "RAM copy" doctrine has been severely criticized by a wide variety of commentators.⁹⁷ Aside from the possibly stifling effect that this doctrine could have on the growth of digital media, these critics point out that some U.S. courts have reached a contrary conclusion—that RAM copies of programs are too transitory or ephemeral to be infringing—and that courts holding RAM copies to be infringing appear to directly contradict the language that the U.S. Congress included in its explanation of the current copyright statute. The U.S. Congress appears to have contemplated that the creation of transitory, ephemeral, or incidental copies in computers would not be an infringement.⁹⁸ Under this theory, the normal operation of computers and computer networks should not constitute copyright infringement.⁹⁹ Currently, a piece of U.S. legislation entitled the Digital Era Copyright Enhancement Act is awaiting House approval. The act explicitly states that copies made incidental to the operation of a computer or similar device are not infringements.¹⁰⁰ In Canada, s.3(1)(h) of the Canadian Copyright Act similarly suggests that reproduction of a computer program "other than by a reproduction during its execution in conjunction with a machine, device or computer" is

protected by copyright.

Two further arguments support the contention that RAM copies do not amount to direct infringement by the end user. First, RAM copies are likely to be protected by the defenses of implied license or fair dealing (or use). The Supreme Court of Canada has recognized the creation of an implied license where the nature of the transaction makes it necessary to do so.¹⁰¹ A person placing content on a web site is presumably familiar enough with the medium to know that accessing the site requires that a RAM copy be made.¹⁰² In addition, RAM copies are likely to be considered fair dealings for the purposes of private study or research. Of course, some difficulty may arise in attempting to characterize the use as "private study" or "research."¹⁰³ In the U.S., where this categorization is not necessary, the case of *Religious Technology Center v. Netcom On-Line Communications Services Inc.* held that absent a commercial or profit depriving use, digital browsing is probably a fair use.¹⁰⁴

Second, the end user is technically not the party making the reproduction. So, even if the courts' interpretation of RAM copies is that they are a reproduction, direct infringement by the end user does not exist since the end user is not the party that reproduced the web page. For example, suppose an author places the document B on a server. When a user who is viewing another web page, A, that contains a link to B, selects the link to B, the user's Web browser requests the document from B's server. It is B's server that actually generates the "copy" which is sent to the user, not the end user.¹⁰⁵ The leading U.S. Supreme Court case of *Sony Corporation of America v. Universal City Studios, Inc.*¹⁰⁶ offers insight into this notion. The issue in *Sony* was whether Betamax videotape recorders sold to consumers by Sony were being illegally used to record broadcasted television programs. Universal argued that Sony was knowingly supplying the means by which consumers were committing copyright infringement, and therefore Sony should be liable for contributory infringement. The court rejected this argument and stated "Sony in the instant case does not supply Betamax consumers with respondents' works; respondents do." As in *Sony*, it is B's author who is supplying the user with the work. A is simply providing the user with an alternative method for viewing B (just as time-shifting in *Sony* provided the viewer with an alternative method for viewing Universal's programs). Instead, the *Sony* case turned on whether or not there were "substantial, non-infringing uses" for a Betamax videocassette recorder. Clearly, there are substantial, non-infringing uses of linking technology in general.¹⁰⁸

In *Shetland*, the terms of the interim interdict against *The Shetland News* prevents "the defenders, their employees, agents or anyone acting on their behalf or with their authority from 1) storing in any medium by electronic means or otherwise copying or 2) including in any service operated by the defender on the Internet any headline, text or photographs from any edition of *The Shetland Times* newspaper or the Pursuer's Internet web site <[7](http://www.Shetland-</p></div><div data-bbox=)



Times.co.uk/>.” This could be regarded as interdicting access to *The Shetland Times*’ web site completely, as access will inevitably involve copying by some means, however temporary by the viewer; indeed it may also involve copying by the service provider who may “cache” the file and transmit it directly to the user where a web page is busy. In a sense if copying is outlawed on the Internet, the Internet ceases to exist. Unfortunately, this fundamental problem was not considered at the interim interdict stage of *Shetland*.¹⁰⁹ RAM copies do not infringe copyright. If there is no direct infringement by the end user, plain linking by a web page author cannot possibly amount to contributory infringement or authorization.

Further Analysis: The Adaptation Right and The Public Communication Right

Thus far, the determination of whether plain linking constituted an infringement of copyright revolved around the enumerated right of reproduction. Is it possible that plain linking infringes on either the enumerated rights of Adaptation or Public Communication?

Does the creation of a link constitute an adaptation?

The right to adapt a work, that is, to create derivative works based on the copyrighted work, is one of the exclusive rights of a Canadian, U.S., or U.K. copyright holder. Even if there exists an implied right to access material openly posted on a network, that implied right might not extend to the adaptation of the accessed material, or incorporation of the material into new works.¹¹⁰ According to the U.S. Copyright Act, a derivative work is “a work based upon one or more preexisting works, such as a translation, musical arrangement, dramatization, fictionalization, motion picture version, sound recording, art reproduction, abridgment, condensation, or any other form in which [the preexisting] work may be recast, transformed, or adapted.”¹¹¹ The purpose of the adaptation right is to allow the copyright owner to control more than simply verbatim forms of copying.¹¹²

Generally, to violate the derivative right, the infringing work must copy part of the underlying work.¹¹³ As discussed in the previous section, a link from A to B does not incorporate or copy any portion of B. Thus, a link does not create a derivative work. One commentator has suggested that linking documents may create a derivative work by creating a “literary ‘add-on.’”¹¹⁴ An add-on modifies an existing work and is used in conjunction with that work. If A contains links to specific sections of B, one could argue that A modifies the way a user views B.¹¹⁵ In effect, A is creating an abridged version of B. With printed texts, A would need to copy the desired sections of B to be an abridgment and hence a derivative work. But with links on the World Wide Web, A can create an abridged version of B without copying. Thus, the notion is that A is an add-on (i.e., a supplementary work). The “add-on” concept has appeared in recent court cases involving computer programs.

In the U.S. case of *Midway Manufacturing Co. v. Arctic International, Inc.*,¹¹⁶ the Court of Appeals for the Seventh Circuit ruled that a computer chip manufactured by Arctic to speed up a Galaxian video game manufactured by Midway infringed on Midway’s copyright. The court ruled that the sped up version of the video game constituted a derivative work. Arctic argued that speeding up the video game was like speeding up a phonograph record and so should not be considered a derivative work. The court rejected this argument based on the fact that there is a market for sped up video games while there is no market for sped up phonograph records.¹¹⁷

Almost a decade later, a similar case was heard in the Ninth Circuit of the U.S. In *Lewis Galoob Toys, Inc. v. Nintendo of America, Inc.*,¹¹⁸ Galoob manufactured a device, a “Game Genie,” to be inserted between a Nintendo home video game cartridge and the Nintendo home video game control unit. The device could be programmed to change certain characteristics of Nintendo video games. The court ruled this was not a derivative work and distinguished it from *Midway* by pointing out that the earlier case involved substantial copying of a ROM chip while Galoob’s device involved no direct copying. The court also noted that the device manufactured by Arctic was used in the commercial setting of a video arcade, while Galoob’s device was used in a noncommercial home setting.¹¹⁹ The Galoob court stated *in dicta* that derivative works should not encompass works whose purpose is to enhance the underlying work. Neither a spellchecking program used in conjunction with a word processor, nor a kaleidoscope that allows one to view a work in a new way should be considered a derivative work. The court said, “The Game Genie is useless by itself, it can only enhance, and cannot duplicate or recast, a Nintendo game’s output....Such innovations rarely constitute infringing derivative works under the [U.S.] Copyright Act.”¹²⁰ The *Galoob* court went on to state that even if the Game Genie were a derivative work, its use should be considered a fair use.¹²¹

The *Galoob* court ruled that a computer add-on that does not incorporate any part of the underlying work is not a derivative work. Under the same reasoning, a “literary add-on” such as a series of links, should not be considered a derivative work either.¹²² The links from A to B cannot exist independently of B. Unlike a printed abridgment or adaptation of a work, the links do not duplicate the original work or act as a substitute for it.¹²³

Does the creation of a link constitute a communication by telecommunication?

It is infringement of copyright to communicate any literary, dramatic, musical, or artistic work to the public by telecommunication without the permission of the owner of the copyright in the copyright work.¹²⁴ Indeed, the judge in *Shetland* held there was a *prima facie* case that the Internet is a “cable programme service” under the U.K. Copyright Act. This holding arose from a reading of the U.K. Copyright Act, which



defines a cable program service as one that “consists wholly or mainly in sending visual images, sounds, or other information by means of a telecommunications system, other than by wireless telegraphy, for reception at two or more places...or for presentation of the subject.” Although the World Wide Web was likely not contemplated by the legislators who enacted this definition, the language is broad enough to encompass a web page.¹²⁵

This situation is by no means unique to the Commonwealth; a similar argument might be asserted under the U.S. copyright statute, that accessing digital material constitutes a public performance or a public display, which are among the exclusive rights of the copyright owner. Generally, these rights are linked to broadcast of copyrighted material, and it may not be immediately obvious how one would “publicly perform” something like text by retrieving it over a computer network. But the statutory language is broad enough to encompass such use of digitized works, defining performance as rendering a work directly or by means of any device or process. Similarly, to display a work is to show a copy of it, either directly or by any device or process.¹²⁶

Thus, accessing materials via computer network appears to comprise acts that fall within the exclusive public performance and display rights of the copyright owner. However, even if such access occurs without the explicit permission of the copyright owner, such access does not necessarily constitute infringement. As with the creation of RAM copies, we may infer from the placement of the materials on an open network that the owner must have known, and certainly intended, that the materials would be publicly performed and displayed. It may therefore be inferred that such performances and displays are part of an implied license, or are a fair dealing (or use) of the work.¹²⁷ In the U.S. case of *Frena*, the court held that the public display right was implicated.¹²⁸ The court stated that “[T]he display right precludes unauthorized transmission of the display from one place to another, for example, by a computer system.”¹²⁹ It is unlikely a plain link will be determined to be an infringement of the author’s public communication right.

ISSUE 3:

Is there a difference between linking to another site’s homepage and linking directly to a page deeper within that site?

The defenses of fair dealing and implied license used extensively in the above arguments encounter problems when applied to deep linking. Indeed, although *Shetland* was used as basis for the analysis of plain linking, part of the actual complaint in *Shetland* focused on the deep-links that *The Shetland News* created to specific pages in *The Shetland Times*. A more recent case on point is the U.S. case of *Ticketmaster v. Microsoft*.¹³⁰ Ticketmaster was in negotiations with Microsoft

about linking pages from Microsoft’s city-specific Sidewalk sites to the Ticketmaster page where the tickets were sold for the events described on the Sidewalk site.¹³¹ Negotiations broke down and Microsoft decided to link to the Ticketmaster pages within the Ticketmaster website for each particular event (i.e., deep-linking) without an agreement. Ticketmaster sued Microsoft for deep-linking and invoked a programming solution to block any access to the Ticketmaster site originating from links within a Microsoft site.¹³² In a counterclaim filed by Microsoft, a request was made for a declaratory judgment pendant upon the legality of hyperlinking. Microsoft stated that a judicial determination that it legally used Ticketmaster’s URLs is needed in order to “remove any chill from the free-workings of the Internet.”¹³³ This counterclaim placed a large burden on the court since, according to the counterclaim, failing to recognize Microsoft’s use of hyperlinks as lawful would tend to place a stigma on hyperlinks in general and on their legality.¹³⁴ Although Microsoft attempted to blur the distinction between plain linking and deep-linking for the purposes of their defense, the distinction is key to the determination of whether or not there has been an infringement of copyright. The author submits that a copyright action against deep-linking can be successful, however, is better addressed by forms of unfair competition.¹³⁵

The discussions above on plain linking by an end-user concluded that an implied license to link would shield the linking parties from copyright infringement claims. The relatively few commentators who have analyzed the applicability of the implied license doctrine to on-line materials have recognized that it must have wide reaching consequences. One commentator concludes that much of the material distributed over the Internet is made available for free, and that accessing, and even storing it can come within the scope of creator’s implicit or explicit license to the reader.¹³⁶ Others contend that the doctrine of implied consent as applied to on-line materials would “appropriately allow the transmission and copying necessary to facilitate their use within the electronic realm.”¹³⁷ Barry Sookman goes as far as to state that:

[c]learly, where a work is made available over a public network such as on a Gopher server or a World Wide Web server with the intention that it may be accessed by all who visit the site, absent an agreement or an express notice to the contrary, users will have a license of some sort with respect to any such works. Invariably, the question will not be whether a license exists, but rather what is the scope of the license.¹³⁸

Of course, there are important questions remaining on the exact scope of the implied license that might be involved here, and the analysis is a fact intensive one.¹³⁹ The author submits that if a web site clearly implicates that all access should be through their homepage, then it is unlikely an implied license defense will be successful. Of course, the following question remains: What is a clear implication that all access should be through the homepage? Is a mere statement to that effect at



the bottom of the homepage sufficient? Are copyright statements necessary not only on the homepage, but on all deep web pages as well? Until the virtual community develops a standard, clear guidelines will not be available.

The fair dealing defense also faces problems when the alleged infringing action is deep-linking. In determining whether there has been infringement of copyright, the Canadian courts frequently have looked to see if the allegedly infringing activity had the effect of lessening, or would, if repeated on a wide scale, lessen the value of copyright owner's statutory monopoly, such as by reducing the demand for the work or the performance thereof or the profit which the owner of the copyright could expect to earn from the work.¹⁴⁰ The U.S. Copyright Act specifies four basic statutory elements to a fair use defense: (1) the purpose and character of the use (including whether the use is commercial or noncommercial in nature); (2) the nature of the copyrighted (original) work; (3) the amount or proportion that was taken or copied; and (4) the economic impact of the use on the copyright owner of the original work.¹⁴¹ As one U.S. court has already observed, "absent a commercial or profit-depriving use, digital browsing is probably a fair-use."¹⁴² In fact, there are strong policy arguments to support the conclusion that the determining factor of whether a use is "fair" is the determination of whether or not the use has a profit-depriving aspect.¹⁴³

Deep-linking may not conform with the intended revenue generation scheme that the author of the original work had in mind. For instance, one could imagine the publisher of a WWW-based newspaper placing advertising material on the "front page" but not on the subsequent articles. This is a viable revenue generator only if the users peruse the pages in order (they at least need to see the first page to see the ads). An unauthorized link directly to a subsequent article, however, would display the content without the user having been exposed to the front page's advertisements.¹⁴⁴ Since the price charged for advertisements on the homepage would be based on the number of viewers (referred to as "hits") to that page, deep-linking can easily result in the deprivation of profit. In *Ticketmaster*, Ticketmaster alleged that by linking to the Ticketmaster web site, Microsoft had "utilized...the name and marks of Ticketmaster and Ticketmaster's web site notwithstanding Ticketmaster's protestation against such use and Microsoft's implicit recognition that, absent an agreement with the owner for use of a web site, web sites are for personal non-commercial use"¹⁴⁵ and that Microsoft had thereby "enhanced the value of Microsoft's web site and business and diluted and diminished the value of Ticketmaster's web site and business...[by] depriving Ticketmaster of favorable advertising business and opportunities."¹⁴⁶ In *Shetland*, *The Shetland Times* had a similar concern—by bypassing the homepage, there was a possibility of the loss of advertising revenue.

It becomes clear that deep-linking is a significant aggravat-

ing factor to linking. The defenses of implied license and fair dealing ("or use") may no longer be successful in such a copyright action. Furthermore, a defendant who uses deep-links may face actions respecting passing off, misappropriation or other forms of unfair competition.

ISSUE 4:

Do links pages and search engines invoke other copyrights?

It was determined above that links alone (i.e., URL addresses), do not invoke copyright. Deep-linking may be an aggravating factor that makes the reproduction of the web page or the communication by telecommunication of the web page a copyright infringement, but the principle remains that links themselves are facts in the public domain not eligible for copyright protection. Compilations of mere facts do, however, invoke copyrights in certain circumstances. Indeed, compilation pages of links have become common on the WWW. Many organizations offer links to related resources on the web. For example, "Judith Bower's Law Links" is a compilation of law-related links.¹⁴⁷ Many of the most common web pages in the world—Search Engines—are mere compilations of links. Web users utilize search engines such as Yahoo!,¹⁴⁸ Webcrawler,¹⁴⁹ HotBot,¹⁵⁰ Alta Vista,¹⁵¹ Infoseek,¹⁵² and Lycos,¹⁵³ to locate web sites that match their particular interest. The user merely enters "keywords" and the search engines are programmed to return all the links that match the criteria. Of course, the immense databases and search mechanisms to search those databases can become extremely complicated. Hence, although the criteria to determine whether a compilation satisfies the requirements necessary to invoke copyright differs between the Commonwealth and the U.S., copyright does exist for links pages.

In the U.S., the leading case for the protection of compilations is the Supreme Court case of *Feist Publications Inc. v. Rural Telephone Services Co.*¹⁵⁴ In this case, the test was "if the selection and arrangement are original, these elements of the work are eligible for copyright protection."¹⁵⁵...A factual compilation is eligible for copyright if it features an original selection or arrangement of facts....¹⁵⁶ The *Feist* Court rejected the opinions that an "industrious collection" or "sweat of the brow" alone are sufficient to render a compilation original for copyright purposes. Furthermore, subsequent compilers can use facts contained in another's compilation in producing a subsequent compilation as long as the selection and arrangement of the compilation is not copied. This is because the basis for protecting the compilation is the selection, coordination or arrangement of pre-existing information and not because the facts themselves are entitled to protection.¹⁵⁷

In Canada, the United Kingdom, and elsewhere in the Commonwealth the case law fails on any consistent basis to distinguish between skill and judgement on the one hand and the



labour and capital necessary to bring a compilation into existence for the purpose of determining whether a compilation is “original.” In some cases the term “original” as applied to the making of a compilation has been described as the exercise of skill and discretion in the selection, arrangement, and combination of information to produce something that is new and useful.¹⁵⁸ But the overwhelming weight of judicial authority to date in Canada and the United Kingdom has been to confer protection on compilations based upon either the skill, time, ingenuity, selection, labour, or mental effort expended in the production of the work.¹⁵⁹ Note that on the basis of labour, a subsequent compiler may be prevented from using the same sources and making a similar compilation of links unlike the principle in the U.S. making labour an insufficient factor in determining copyright.¹⁶⁰

In January 1994, the amendments to the Canadian Copyright Act made as part of the legislation to implement the North American Free Trade Agreement, introduced for the first time a definition of the term “compilation”. Under the Act, a “compilation” is defined to mean “(a) work resulting from the selection or arrangement of literary, dramatic, musical or artistic works or parts thereof, or (b) a work resulting from the selection or arrangement of data.”¹⁶¹ The definition follows rather closely the definition of the term “compilation” under the U.S. Act. The term “compilation” is defined there as a work that is “formed by the collection and assembly of pre-existing materials or of data that are selected, coordinated, or arranged in such a way that the resulting work as a whole constitutes an original work of authorship.”¹⁶² In the 1997 Canadian case of *Teledirect (Publications) Inc. v. American Business Information Inc.*,¹⁶³ the test adopted was “sufficient skill” as in the U.S. However, the court declined to mention whether Feist should be adopted, but instead only referred to the NAFTA provisions.

The criteria to determine whether a compilation satisfies the requirements necessary to invoke copyright differs between the Commonwealth and the U.S., but a compilation of links may nonetheless invoke copyright protection.

ISSUE 5: Do association and the use of IMG links amount to copyright infringement?

On the surface, a link asking users to “click here to read some excellent poems by John Smith” seems perfectly harmless. While there might be nothing wrong with linking to a work by a favorite poet, revealing the name of the poet when he wishes to remain anonymous could infringe the poet’s moral rights.¹⁶⁴ Similarly, a link encouraging users to “read some great poems by our own John Smith” implies an association between the poem and the party providing the link. Implying an association where, in fact, there is none could infringe a creator’s moral rights if it is prejudicial to the creator’s honour or reputation.¹⁶⁵ In certain contexts, a link

that falsely implies endorsement, support or association could violate statutory or common law prohibitions against false advertising, misrepresentation, or passing off.¹⁶⁶

Perhaps the most tenuous issue is unwelcome association. A mother who created a web page commemorating her deceased daughter was distressed to learn that her daughter’s page was linked from a site called “Babes on the Net.”¹⁶⁷ Similarly, pedophile organizations are known to link to organizations, such as Big Brothers, that provide opportunities for involvement with children. Although links in these examples may or may not violate copyright principles depending on the type of link.¹⁶⁸ A link that falsely suggests an association that could be damaging to the plaintiff’s reputation or business could conceivably amount to injurious falsehood, defamation, or commercial disparagement.¹⁶⁹ One such case does exist where the owners of the “official” James Dean page sued the owners of the “American Legends” homepage, alleging that the link to their site was accompanied by disparaging comments.¹⁷⁰

One form of “associative” link may be more likely to invoke copyright—IMG links. As explained in the Technological Primer section above, IMG links are used by the author of the web page to display a graphic image on the web page that is stored in a separate file. In other words, when the user enters a URL to retrieve a Web page, the image file that is specified in the HTML document is automatically loaded and displayed with the rest of the web page. New issues arise when such a link is used to retrieve an image file belonging to another web site—a process known as “mirroring.”¹⁷¹ As was discussed above, the defenses of implied license to view web pages or the defense of fair dealing may render ineffective any action for copyright infringement. However, if an author places a document on the web, and in so doing, grants web users permission to view that document, has the author also impliedly granted permission to link to and view individual elements of that document? Similarly, is the fair dealing (or use) of that document context dependent?

United Feature Syndicate, Inc. (UM), copyright owners of the popular Dilbert comic strip, maintain an Internet website where users can view recent Dilbert cartoons, purchase Dilbert related products, and contact either UM or the comic’s author, Scott Adams.¹⁷² In January 1996, a Princeton University graduate student¹⁷³ created a WWW site he called the Dilbert Hack Page¹⁷⁴ (DHP), which allowed users to view recent Dilbert comics in a context different from that provided by UM. The DHP used IMG links such that individual images were loaded directly from the UM’s Dilbert server when the DHP HTML document was interpreted by the user’s browser. In July 1996, UM contacted the DHP’s author informing him that Dilbert comic strips were the intellectual property of UM and could not be used without their express written consent.¹⁷⁵

A subsequent letter by UM’s legal counsel alleged the DHP was a clear copyright violation and threatened legal action.¹⁷⁶ In the face of an uncertain liability, the DHP was removed



from active service in August 1996.¹⁷⁷ Since IMG links are automatically loaded and access is not determined by the end user, the author contends that “mirroring” by the linking party may violate the public communication right of the author.

It will be interesting to see how legislatures will attempt to deal with such issues as mirroring. In an attempt to pass legislation dealing with such matters, the state of Georgia in the U.S. blatantly failed to pass effective legislation. The Georgia’s “Internet Police” Law stated:

(a) It shall be unlawful for any person, any organization, or any representative of any organization knowingly to transmit any data through a computer network or over the transmission facilities or through the network facilities of a local telephone network for the purpose of setting up, maintaining, operating, or exchanging data with an electronic mailbox, home page, or any other electronic information storage bank or point of access to electronic information if such data uses any individual name, trade name, registered trademark, logo, legal or official seal, or copyrighted symbol to falsely identify the person, organization, or representative transmitting such data or which would falsely state or imply that such person, organization, or representative has permission or is legally authorized to use such trade name, registered trademark, logo, legal or official seal, or copyrighted symbol for such purpose when such permission or authorization has not been obtained; provided, however, that no telecommunications company or Internet access provider shall violate this Code section solely as a result of carrying or transmitting such data for its customers.

(b) Any person violating subsection (a) of this Code section shall be guilty of a misdemeanor.

(c) Nothing in this Code section shall be construed to limit an aggrieved party’s right to pursue a civil action for equitable or monetary relief, or both for actions which violate this code section.¹⁷⁸

In September 1996, a coalition of plaintiffs—including The American Civil Liberties Union of Georgia, The AIDS Survival Project, and the Electronic Frontier Foundation—filed a constitutional challenge in the district court for the Northern District of Georgia.¹⁷⁹ The plaintiffs argued that “[t]he critical linking feature is the defining characteristic of the Web,”¹⁸⁰ and raised the objections that the legislation did not:

- 1) define the phrase “uses” or “to use”¹⁸¹
- 2) require, as did other federal and Georgia trademark and trade name statutes, “that the prohibited ‘use’ create any likelihood of confusion as to the identity of the user
- 3) require that the use in any way dilute the value of a famous and distinctive mark,
- 4) require that the ‘use’ be in the context of a commercial transaction for the sale of goods and services”

5) require “that the user have any intent to deceive the public by this ‘use.’”¹⁸²

More specifically, the plaintiffs asserted that the statute provided no method to determine “whether a web page that provides a link to a page containing a registered trade name or logo is a prohibited ‘use’ of the logo under the Act.”¹⁸³ Nor did it define the phrase “falsely implies” to indicate “whether any particular ‘use’ of a trade name or logo in a web page would ‘falsely imply’ that the user had obtained prior permission to link to the owner’s web page or to use the trade name or logo in some other way.”¹⁸⁴ Such indeterminacy would clearly pose a challenge to many of the plaintiffs.¹⁸⁵ They argued that the statute violated their state constitutional rights to free expression, association, access to information, and privacy; was unconstitutionally overbroad and impermissibly vague; and imposed a burden on interstate commerce in violation of the U.S. Constitution.¹⁸⁶ The state argued that:

[d]uring the legislative process, the sponsor of the Bill consistently explained that the Bill did not address, and was not intended to address, the links between web sites or the addresses that are set up on homepages or electronic mailboxes, but only to prevent people from misidentifying themselves or misrepresenting that their home page is the home page of another person or organization when it is not.¹⁸⁷

On June 20, 1997, the court granted a preliminary injunction enjoining the enforcement of the Act.¹⁸⁸ Agreeing with the plaintiffs that the statute as written was unconstitutionally overbroad and vague and that the state’s efforts to rehabilitate it were tangled, the court found that even if the statute could constitutionally be used to prosecute persons who intentionally “falsely identify” themselves in order to deceive or defraud the public, or to persons whose commercial use of trade names and logos creates a substantial likelihood of confusion or the dilution of a famous mark, the statute is nevertheless overbroad because it operates unconstitutionally for a substantial category of the speakers it covers.¹⁸⁹

[a] fair reading of the clause, as written, is that it prohibits the current use of web page links. The linking function requires publishers of web pages to include symbols designating other web pages which may be of interest to a user. This means that an entity or person’s seal may appear on hundreds or thousands of other web pages, just for the purpose of enabling the linking system. The appearance of the seal, although completely innocuous, would definitely “imply” to many users that permission for use had been obtained. Defendants have articulated no compelling state interest that would be furthered by restricting the linking function in this way.¹⁹⁰

On August 7, 1997, the court entered an order permanently enjoining the state from enforcing the Act.¹⁹¹

Legislatures face huge difficulties in enforcing laws dealing



with links. Links that inappropriately endorse or associate one author to another raise many issues, as do the use of IMG links. The author contends that copyright infringement is possible in many circumstances involving association, however, decisions in such areas must always be resolved around the specific facts.

Part V: Conclusion—The Missing Link

To understand the legal implications of links, one must appreciate both the technical processes involved and the current interpretations of copyright law. However, it is essential to understand that the phenomenal growth of the Internet is due in large part to the free flow of information through the World Wide Web. Web authors who place their documents on the Web know full well that others may link to the document and download it for viewing. Plain links, as described in this paper do not amount to copyright infringement. Whether there would be no direct copyright infringement found on the basis that copyright cannot exist in neither an URL nor the headlines, titles or phrases that were copied, on the basis of fair dealing, or on the basis of an implied license, it remains clear that a plain link cannot purport to be a direct form of copyright infringement either through the author's reproduction, adaptation or public communication rights. Similarly, the author firmly contends that RAM copies do not amount to direct infringement by the end user. If there is no direct infringement by the end user, plain linking by a web page author cannot possibly amount to contributory infringement or authorization.

Deep-linking, however, is a significant aggravating factor. The defenses of implied license and fair dealing (or use) may no longer be viable. A copyright action based on the copyright holder's right to public communication may be successful, as well as non-copyright forms of action based on passing off, misappropriation or other forms of unfair competition. Links pages are a form of compilation and do invoke copyright protection once a threshold has been passed. The threshold differs between regions but it is undoubtedly some combination of skill, time, ingenuity, selection, labour, and mental effort.

Other aggravating circumstances such as association may amount to copyright infringement depending on the circumstances of the case. IMG links are one specific kind of link that may lead to an infringement of an author's reproduction right, adaptation right or public communication right. All in all, several factors must be taken into consideration. For the purposes of a legal analysis with respect to linking cases, the author submits the following questions should be asked:

Caught in the Web: Trapping the Legal Issues

1) What is the type of link?

- A plain link - that is, a textual HREF link from one web page to the homepage of another usually does not constitute copyright infringement.

- Deep-links and IMG links may be aggravating circumstances and other factors must be considered in light of the specific facts of each case. Of course, profit depriving links will be dealt with more stringently.
- IMG links that copy certain elements of another web page can be used to "adapt" the web page into another form—clearly, this type of web page design can invoke copyright infringement.

2) Why is the action being brought?

- Does it lead to a situation where someone else is taking credit for the work of another? For example, "See how prolific we are? We wrote all this!"
- Does the link cast the linked organization in a bad light? For example, "Click here to reach a site of chronic liars."

3) How is the link described?

- Is the link descriptor a copyrighted IMG or a trademark?
- Does the link descriptor explain the relationship between the linking and linked parties?

4) Where does the link point?

- If the linked site clearly contains copyright notices, and notices to the effect that the author must be informed of any links and linking must be done to the homepage, then the linking party has greater chances of being liable for infringement.
- If the linked page contains infringing material, copyright infringement by the "linking party" is possible. For example, a link to a site which contains copyrighted audio files for free download may be a form of contributory infringement or authorization.
- While linking does not actually forward or distribute the infringing material to a broader audience, it does help to bring a broader audience to the infringing material. While it is premature to make any conclusions, a court could conceivably disregard the technical difference—particularly where there is evidence of active encouragement—and hold that a person who links to infringing material "induces, causes or actively contributes" to the infringement.¹⁹² Of course, active encouragement can arise from the "link descriptor." For example, "Click here to get all the songs you want for FREE!"
- To extend the argument further, links to illegal material such as hate literature and pornography raise new questions: Do web site owners have an obligation to monitor the contents of the sites to which they link? If so, how often? Would search engines attract a higher standard? Clearly, the answers to these questions are not known, nor do they necessarily deal with copyright issues alone.¹⁹³

5) Has plaintiff taken steps to mitigate?

- If the plaintiff has informed the defendant of the alleged



infringement and requested that the link be removed, the plaintiff has a greater chance of being successful in court.

- Also, has the plaintiff attempted to initiate any technological solutions such as password protection, and IP address limitations (see Appendix A)?

This paper has raised some significant issues respecting the legalities of linking and has attempted to resolve many of those issues. However, the use of links and the World Wide Web raise countless other difficult issues. For example, how are rules to be enforced? What restrictions or standards must the virtual community impose on web users and on server owners?¹⁹⁴ “Despite the technological ease with which links can be created, their use is precipitating a complex controversy in the law and culture of the Web.”¹⁹⁵

Ultimately, every web site operator is likely to be both a “linker” and a “linkee” and will hope for a legal system that fairly balances the interests of free linking with site control. One might argue that technical barricades, rather than reliance on legal principles, should be the primary means of exercising site control. But technical barricades will only be viable until some clever developer discovers how to circumvent them. In the long run, web site operators will need to rely on a range of copyright, trademark and other forms of legal enforcement.

The Internet is a global medium of communication that links people, institutions, corporations and governments around the world. Aptly stated, “[n]o other medium in history has so empowered individuals in their ability to communicate with one another on virtually an ‘all-to-all’ basis.”¹⁹⁶ Hence, if the legal structure that will eventually be developed to deal with this new medium does not adequately deal with the issues, huge ramifications will result. As a result, every judgement made and every piece of legislation written at all levels of government and courts must have these ramifications in mind and proceed with the greatest of caution.

Footnotes

- 1 Matrix Information and Directory Services, at <<http://www.mids.org>>.
- 2 J.R. Kuester & Peter A. Nievess, “Hyperlinks, Frames and Meta-Tags: An Intellectual Property Analysis” (1998) 38 IDEA: J.L. & Tech. 243, at <<http://www.patentperfect.com/idea.htm>> [hereinafter Kuester].
- 3 S. Wilson, *World Wide Web Design Guide* (Indianapolis, IN: Hayden Books, 1995) at 105 as found in A. Stangret, “The Legalities of Linking on the World Wide Web” (1997) 6 *Tolley’s Communications Law* 202 at 202 [hereinafter Stangret].
- 4 E.A. Cavazos & Coe F. Miles, Ph.D., “Copyright on the WWW: Linking and Liability” (Winter 1997) 4 *RICH. J.L. & TECH.* 3, at <<http://www.richmond.edu/~jolt/v4i2/cavazos.html>> [hereinafter Cavazos].
- 5 Stangret, *supra* note 3 at 202.
- 6 A protocol refers to a standard procedure for regulating data transmission between computers.
- 7 Cavazos, *supra* note 4.
- 8 B. Heslop & L. Budnick, *HTML Publishing on the Internet for Windows* (1995) at 4 as found in M. Jackson, “Linking Copyright to Homepages” (April 1997) 49 *Fed. Comm. L.J.* 731 at 735.
- 9 P. Gilster, *Finding It On The Internet* (1994) at 21 as found in M. Jackson, “Linking Copyright to Homepages” (April 1997) 49 *Fed. Comm. L.J.* 731 at 735.
- 10 *ACLU v. Reno*, 929 F. Supp. 824, 836 (E.D. Pa. 1996) (“fast becoming the most well-known on the Internet, is the ‘World Wide Web’”), *aff’d*, 117 S.Ct 2329 (1997); see also *Internet Resource Discovery Services on NSFNET by Packets* (log, ASCII) (visited Mar. 3, 1998) <<http://www3.mids.org/growth/internet/>> (comparing the growth in WWW-related traffic with non-WWW applications such as FTP and gopher).
- 11 A “killer app” is a “use of technology so attractive to consumers that it fuels market forces and makes an invention all but indispensable” Bill Gates, “The Road Ahead” (1995) at 68. Other examples of killer apps include the electric light (electricity) and word processing software (the microcomputer).
- 12 H. Hahn & R. Stout, “The Internet Complete Reference” (1994) at 13,35 as found in M. Jackson, “Linking Copyright to Homepages” (April 1997) 49 *Fed. Comm. L.J.* 731 at 736 [hereinafter Jackson]; Today, coaxial cable connections are becoming more popular because of the increased bandwidth available.
- 13 *Ibid.* A typical URL may read: <http://www.hibias.ca/~hibias/home.html>. The URL consists of various segments: the protocol used to retrieve the file, the server address, and the file address where the file is stored on the server.
- 14 *Ibid.*
- 15 Text is usually underlined in a different color, and an image is usually outlined in a different color. The author of the web page has the option of choosing the color of both unvisited and previously visited links.
- 16 The difference between an auto-loading link and a user activated link can be essential to the analysis of whether a web page author or end user has infringed on copyright, as will be discussed later in this paper.
- 17 Jackson, *supra* note 11 at 737.
- 18 For readers wishing to increase their knowledge of HTML, the author suggests two methods to effectively and efficiently learn how to program in HTML: 1) Read the ample materials available on the Web. See <http://dir.yahoo.com/Computers_and_Internet/Information_and_Documentation/Data_Formats/HTML/>; 2) View the HTML of existing web pages. Web browsers such as Netscape’s Navigator and Microsoft’s Internet Explorer allow a user to view the HTML programming of any web page by choosing “View” from the pull-down menus at the top of the screen, and then “source” or “page source” depending on the browser.
- 19 Jackson, *supra* note 11 at 737.
- 20 D.G. Post, “The Link to Liability” *American Lawyer* (July-August 1997) at <<http://www.cli.org/DPost/Linking.html>> [hereinafter Post] as found in Stangret, *supra* note 3 at 202.
- 21 M.H. Sampson, “Hyperlink at Your Own Risk” *New York Law Journal* (24 June 1997) at <<http://www.ljx.com/internet/0624hyper.html>> as found in Stangret, *supra* note 3 at 202.
- 22 D.A. Tysver, “Internet Law: Web Site Legal Issues” *BitLaw* (1997) at <<http://www.bitlaw.com/internet/webpage.html>> as found in Stangret, *supra* note 3 at 202.
- 23 Cavazos *supra* note 4
- 24 Copyright Act, R.S.C. 1985, c. C-42, [hereinafter *Canadian Copyright Act*].
- 25 Jackson, *supra* note 11 at 738-739.
- 26 *Compo Co. v. Blue Crest Music Inc.*, [1980] 1 S.C.R. 357; *Bishop v. Stevens*, [1990] 2 S.C.R. 467, as found in B.B. Sookman, “Copyright and the Information Superhighway: Some Issues to Think About, Part I” (1997) 11 *I.P.J.* 123 at 137 [hereinafter *Sookman Superhighway*].
- 27 *Cuisenaire v. South West Imports Ltd.* (1967), [1968] 1 Ex. C.R. 493, 54 C.P.R. 1 (Ex. Ct), *aff’d* (1968), [1969] S.C.R. 208, 57 C.P.R. 76, as found in Sookman *Superhighway*, *supra* note 25 at 137.
- 28 *Canadian Copyright Act*, *supra* note 23, s. 3(1). Sections 3(1)(b),(c),(d), (g) and (i) state:
 - (b) in the case of a dramatic work, to convert it into a novel or other non-dramatic work,
 - (c) in the case of a novel or other non-dramatic work, or of an artistic work, to convert it into a dramatic work, by way of performance



- in public or otherwise,
- (d) in the case of a literary, dramatic or musical work, to make any sound recording, cinematograph film or other contrivance by means of which the work may be mechanically reproduced or performed,
- (g) to present at a public exhibition, for a purpose other than sale or hire, an artistic work created after June 7, 1988, other than a map, chart or plan,
- (i) in the case of a musical work, to rent out a sound recording in which the work is embodied, These sections are immediately eliminate as they are not applicable to the discussion of HTML literary documents.
- 29 *Ibid.* as amended, s. 2.
- 30 "Source code" refers to "high level" computer language which is read and translated by another software program. Ultimately, source code will be rendered into a series of 1s and 0s called "object code."
- 31 B.B. Sookman, "Copyright and Technology" at <<http://www.mccarthy.ca/mt-candt.html>> [hereinafter Sookman Copyright]. See: *Spacefile Ltd. v. Smart Computing Systems Ltd.* (1983), 75 C.P.R. (2d) 281 (Ont. H.C.); *F & I Retail Systems Ltd. v. Thermo-Guard Automotive Products Can. Ltd.* (1984), 1 C.P.R. (3d) 297 (Ont. H.C.); *La Societe d'Informatiques R.D.G. Inc. v. Dynabec Ltee* (1984), 6 C.P.R. (3d) 299 (Que. S.C.); *Canavest House Ltd. v. Lett*, (1984), 4 C.I.P.R. 103 (Ont. H.C.); *Gemologists International Inc. v. Gem Scan International Inc.* (1986), 7 C.I.P.R. 225 (Ont. H.C.); *Selection Testing Consultants International Ltd. v. Humanex International Inc.* (1987), 13 C.I.P.R. 27 (Fed. T.D.); *Computer Workshops Ltd. v. Banner Capital Market Brokers* (1988), 64 O.R. (2d) 266 (Ont. H.C.); *IBM Corp. v. Ordinateur Spirales*, (1984), 2 C.I.P.R. 56 (Fed. T.D.); *Apple Computer Inc. v. Mackintosh Computers Ltd.* (1986), 28 D.L.R. (4th) 178 (Fed. T.D.), Varied (1987), 44 D.L.R. (4th) 74 (Fed. C.A.), Affirmed [1990] 2 S.C.R. 209.
- 32 However, individual HTML documents must meet the standards of originality. See Sookman Copyright, *Ibid.* "For copyright to subsist in a computer program, the program must be original. The question of originality in relation to any work including a computer program, in each case depends upon whether sufficient skill, time, ingenuity, selection, or mental effort has gone into the work to merit protection, and the question is always one of fact and degree to be judged by considering the work as a whole." as taken from: *Ladbroke (Football) Ltd. v. William Hill (Football) Ltd.*, [1964] 1 All E.R. 465 (H.L.); *L. B. (Plastics) Ltd. v. Swish Products Ltd.*, [1979] R.P.C. 551 (H.L.); *Underwriters Survey Bureau Ltd. v. American Home Fire Assur. Co.*, [1939] 4 D.L.R. 89 (Ex. Ct.).
- 33 On the difficulty of understanding technical language Mr. Justice Harman of the English High Court had this to say in *Dun & Bradstreet Limited v. Typesetting Facilities Limited*, [1992] 19 F.S.R. 320, (Ch.D.) at P. 324, in a case involving the protection for computer databases: "I have criticised the evidence on behalf of the plaintiff from time to time during this hearing as unhappy in its form or expression, the difficulty being that those who live by words, such as judges and lawyers, find it difficult to communicate adequately or receive communication adequately from those who live by a different system of discipline based upon mathematics and electronics."
- 34 Sookman Copyright, *supra* note 30.
- 35 As was stated by D. Allesbrook in "Long-standing Copyright Laws Thrust Aside in Allen Ruling" *The Lawyers Weekly* (February 27, 1998) at 17 [hereinafter Allesbrook]: "It is natural to look to the U.S. for copyright authority. A number of international conventions and bilateral agreements require that the U.S. and Canada provide certain common minimum standards of copyright protection. ... In new areas of practice, such as computer software and Internet liability and jurisdiction issues, the U.S. often has the first litigation on questions of general interest."
- 36 17 U.S.C. § 106 (1996) [hereinafter U.S. Copyright Act].
- 37 Sookman Copyright, *supra* note 30.
- 38 Cavazos, *supra* note 4 at para. 19.
- 39 17 U.S.C.A. § 501(a) (1996).
- 40 *Feist Publications, Inc. v. Rural Tel. Serv. Co., Inc.*, 499 U.S. 340, 345 (1991) at 361 [hereinafter Feist].
- 41 See *Buck v. Jewell*, 283 U.S. 191, 198 (1931); *Playboy Enter., Inc. v. Frena*, 839 F.Supp. 1552, 1559 (M.D. Fla.1993) [hereinafter Playboy].
- 42 *Sega Enterprises v. MAPHIA*, 948 F.Supp. 923, 932 (1996); *Religious Technology v. Netcom On-Line Communications, Inc.*, 907 F.Supp. 1361, 1366-67 (N.D. Cal. 1995); *Playboy*, 839 F.Supp. at 1556.
- 43 *Sony Corp. of America v. Universal City Studios, Inc.*, 464 U.S. 417, 434 (1984) [hereinafter Sony]. In contrast, the Patent Act defines anyone who actively induces or contributes to another's infringing activity as an infringer. *Ibid.* at 435 (citing 35 U.S.C.A. § 271(b), (c) (West 1996)). Contributory copyright infringement is acknowledged as having been influenced by the Patent Act, A.P. Ewert & I.H. Donner, "Will the New Information Superhighway Create 'Super' Problems for Software Engineers? Contributory Infringement of Patented or Copyrighted Software-Related Applications" (1994) 4 Alb. L.J. SCI. & TECH. 155 at 187 (stating that "[t]he doctrine of contributory copyright infringement appears to have been borrowed... from the contributory patent infringement doctrine").
- 44 *Sony*, *supra* note 42 at 435.
- 45 *Gershwin Publishing Corp. v. Columbia Artists Management, Inc.*, 443 F.2d 1159, 1162 (2d Cir. 1971).
- 46 *Lewis Galoob Toys, Inc. v. Nintendo of Am., Inc.*, 780 F.Supp. 1283, 1298 (N.D. Cal. 1991) [hereinafter Galoob] ("[a]bsent direct infringement, there is no contributory infringement"); Cavazos, *supra* note 3.
- 47 See 3 M. Nimmer & D. Nimmer, *Nimmer On Copyrights* § 12.04[A][2][L3] (1997).
- 48 *Sony*, *supra* note 42 at 434.
- 49 *Ibid.* at 435.
- 50 Cavazos, *supra* note 3 at para.29,30,33.
- 51 See H. Laddie, P. Prescott, & M. Vitoria, *The Modern Law of Copyright* (London: Butterworths, 1980), at p.405 ('the tort of authorising is only committed when the authorised infringement has occurred'); Copinger and Skone James on Copyright, 12th edn (London: Sweet & Maxwell, 1980), at p 203 ('There was some authority for the proposition that the word 'authorise', in the Act of 1911, made it an infringement to authorise the commission of an infringement, whether the actual infringing act be done or not. This view, however, has been doubted, and it seems improbable that a mere instruction ... can, of itself, be an actionable wrong ...').
- 52 *Sookman Superhighway*, *supra* note 25 at 139. "To amount to authorization under the Act, however, the grantor must have some degree of actual or apparent right to control the actions of the grantee before he will be taken to have authorized the act. An act is not authorized by someone who merely enables or possibly assists or even encourages another to do that act, but does not purport to have any authority which he can grant to justify the doing of the act. Merely facilitating infringement does not constitute authorization under the Act." referencing *Vigneux v. Canadian Performing Right Society Ltd.*, [1945] A.C. 108 [1995] 1 All E.R. 432 (P.C.); *Muzak Corp. v. C.A.P.A.C.* (1953), 13 Fox. Pat. C. 168 (S.C.C.); *C.A.P.A.C. v. CTV Television Network*, [1968] S.C.R. 676, 38 Fox. Pat. C. 8, 68 D.L.R. (2d) 98; *CTV Television Network Ltd. v. Canada* (Copyright Board), [1993] 2 F.C. 115, 46 C.P.R. (3d) 343 (C.A.). leave to appeal to S.C.C. refused (1993), 51 C.P.R. (3d) v (note) (S.C.C.).
- 53 See *Subafilms, Ltd. v. MGM-Pathe Communications Co.*, 24 F.3d 1088, 1092 (9th Cir. 1994) ("the addition of the words 'to authorize' was not meant to create a new form of liability for 'authorization' but was intended to invoke the preexisting doctrine of contributory infringement"); *Polygram Int'l Publishing, Inc. v. Nevada/TIG, Inc.*, 855



- F.Supp. 1314, 1334 (D. Mass. 1994) (“a defendant can be held contributorily liable for authorizing another to”); *Danjaq, S.A. v. MGM/UA Communications, Co.*, 773 F.Supp. 194, 200-02 (C.D. Cal. 1991) (concluding that the scope of authorization liability should be confined to the bounds of contributory infringement), aff’d, *Danjaq, S.A. v. Pathe Communications Corp.*, 979 F.2d 772 (9th Cir. 1992).
- 54 The 1976 U.S. Copyright Act for the first time included a right of copyright owners both “to do and to authorize” the various exclusive rights of copyright ownership. 17 U.S.C. § 106. For further discussion of the interpretation of “authorization” under the U.S. Copyright Act, See Hardy, I. Trotter “Project looking forward: sketching the future of copyright in a networked world” (May 1998) at <<http://lcweb.loc.gov/copyright/cpypub/thardy.pfd>> at pp178-182.
- 55 In the case of linking, the third party will be the end user.
- 56 Cie générale des établissements Michelin - *Michelin & Cie v. CAW—Canada* (19 December 1996), T-825-94 (Fed. T.D.).
- 57 Canadian Copyright Act, *supra* note 27, s.29.
- 58 36 O.R. (3d) 201 (Ont. Ct. Gen. Div. 1997) [hereinafter Allen].
- 59 In reference to the 1943 Exchequer Court case of *Zamacois v. Douville and Marchand*, 3 Fox Pat. C. 44.
- 60 *Allesbrook, supra* note 34.
- 61 Homepage refers to the first page of a web site that is intended to be the “front door” of the site. This type of link, called a “plain link,” consists of a text link descriptor and a link to the homepage of another. Later in this paper, this type of link will be distinguished from links to web pages other than the homepage of another site (“deep-link”) and links that use graphic images as the link descriptor, as well IMG links used to automatically load graphic files from a server.
- 62 *Shetland Times, Ltd. v. Dr. Jonathan Wills and Zetnews, Ltd.*, [1996] Sess. Cas. (order granting interim interdict) [hereinafter Shetland].
- 63 See J. Wills, “Shetland Times Internet case settled out of court” (November 1997), at <<http://www.shetland-news.co.uk/headline/97nov/settled/settled.html>>.
- 64 It is important to note that *The Shetland Times* did not have their entire web pages copied by *The Shetland News*. The hypertext links connected directly to *The Shetland Times*’ own web pages on their server. By using such links, the first page of the Internet edition of *The Shetland Times*, which did not then but which was planned to contain advertising, was by-passed, and the appropriate stories accessed directly. This process known as “deep-linking” will be discussed later in the context of Ticketmaster v. Microsoft, an action whose principle issue was “deep-linking”.
- 65 J.P. Connolly et al, “Fair Dealing in Webbed Links of Shetland Yarns” (1998) 2 JILT, at <http://elj.warwick.ac.uk/jilt/copyright/98_2conn/> [hereinafter Connolly].
- 66 *Washington Post Company et al. v. Total News Inc.*, U.S. District Court, Southern District of New York, 97 Civ. 1190 (PKL).
- 67 Facts, on their own, cannot be copyrightable; thus, names, towns and phone numbers listed in a telephone book are not protected by copyright; *Feist, supra* note 39 at 347. See, however, the discussion on links pages below.
- 68 *Exxon Corporation v. Exxon Insurance Consultants International Ltd.*, [1982] Ch 119, [1981] 3 All ER 241, CA.
- 69 *Simmanide v. La Maison Kosmeo*, (1928) 139 LT 365.
- 70 *Tavener Routledge Ltd v. Trexapalm Ltd* [1977] RPC 275.
- 71 *Francis Day & Hunter Ltd v. Twentieth Century Fox Corporation Ltd*, [1939] 4 All ER 192 (PC) [hereinafter Francis].
- 72 *Rose v. Information Services Ltd* [1987] FSR 254.
- 73 *News Group Newspapers Ltd v. Mirror Group Newspapers (1986) Ltd* (Unreported) *The Times*, 27 July 1988.
- 74 *Connolly, supra* note 63.
- 75 *Feist, supra* note 39.
- 76 *Ladbroke (Football) Ltd v. William Hill (Football) Ltd* [1964] 1 WLR 273.
- 77 *Independent Television Publications v. Time Out Ltd* [1984] FSR 64.
- 78 *Warner Bros v. Christiansen Case* 158/86 [1988] ECR 2605.
- 79 *Francis, supra* note 69.
- 80 *Connolly, supra* note 63.
- 81 Copyright Designs and Patents Act (1988) [hereinafter U.K. Copyright Act] as found in *Connolly, supra* note 63.
- 82 s. 29.2 of the Canadian Copyright Act states: Fair dealing for the purpose of news reporting does not infringe copyright if the following are mentioned:
- (a) the source; and
 - (b) if given in the source, the name of the
 - (i) author, in the case of a work,
 - (ii) performer, in the case of a performer’s performance,
 - (iii) maker, in the case of a sound recording, or
 - (iv) broadcaster, in the case of a communication signal.
- 83 *Connolly, supra* note 63.
- 84 Page Keeton, W (ed), *Prosser and Keeton on The Law of Torts* (St. Paul, Minnesota: West Publishing Co, 1984), at p 113 as found in *Stangret, supra* note 3.
- 85 “A virtual community...is a group of people who may or may not meet one another face to face, and who exchange words and ideas through the mediation of computer bulletin boards and networks” H. Rheingold, *A Slice of Life in My Virtual Community*, 1992, at <<http://www.cs.uidaho.edu/lal/cyberspace/VR/docs/slice.of.life>>. See also G.M. Wellman, “Net Surfers Don’t Ride Alone: Virtual Communities as Communities” in M. Smith & P.Kollock, P (eds), *Communities in Cyberspace* (Berkeley: University of California Press, 1996); and the Center for the Study of Online Communities, a UCLA Department of Sociology research centre that provides further resources on virtual communities, at <<http://www.sscnet.ucla.edu/soc/csoc/>>
- 86 “[W]ithin the context of networked, computer-mediated communications have emerged unique codes of behavior...[T]he rules exist to reduce conflicts and to facilitate the achievement of specific online goals” (P. Kelly, “Netiquette and Nethics” in CC/1920 *The Virtual Community: Daily Life in Cyberspace*, a course taught at York University, at <<http://www-home.calumet.yorku.ca/pkelly/WWW/nquette.htm>>).
- 87 See M. Godwin, “Virtual Community Standards: BBS Obscenity Case Raises New Legal Issues”, REASON, November 1994, at <http://www.eff.org/pub/Legal/virtcom_standards.article>; and R. Samarajiva, “Cybercontent Regulation: From Proximate-Community Standards to Virtual Community Standards?” (paper for presentation to ‘Conference on the Impact of Cybercommunications on Traditional Telecommunications’, Columbia Institute for Tele-Information, New York, NY, 27 September 1996), at <<http://www.ctr.columbia.edu/vi/papers/citirs.htm>>.
- 88 *US v. Maxwell*, No 95-0751, Crim App No 30704, US Court of Appeals for the Armed Forces, 21 November 1996.
- 89 Technological measures include password protection or registration requirements, as explained in Appendix A of this paper.
- 90 *Stangret, supra* note 3 at 204.
- 91 High Court of Justice, Chancery Division, His Honour Judge Boggis QC, Order for an Injunction before the Issue of a Writ of Summons, issued 3 June 1997.
- 92 *Film Investors Overseas Services Sa v. Home Video Channel Ltd* (T/A The Adult Channel) (1996).
- 93 (44) L.S.G. 30.
- 93 Of course, it could be argued that the requirement of control would not be met to prove authorization. However, the requirement of direct infringement suffices to prove that authorization and contributory infringement do not exist.
- 94 The temporary copying of information into the “random-access memory” (hereinafter “RAM”) is an essential part of the operation of computers. For instance, in order to view a document on the Web, a copy must



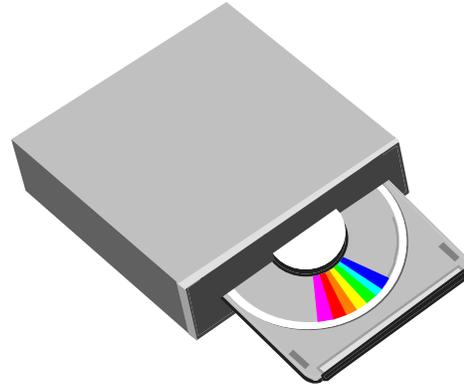
- be transmitted to the viewer's computer, placed in RAM, interpreted by browsing software, and displayed on the viewing party's video display.
- 95 *MAI Sys. Corp. v. Peak Computer, Inc.* (1993), 991 F. 2d 511, 518-19 (9th Cir.), cert. dismissed, 510 U.S. 1033 (1994) [hereinafter *MAI*]. See also *DSC Communications Corp. v. DGI Technologies, Inc.* (1996), 81 F. 3d 597, 600 (5th Cir.); *Triad Sys. v. Southeastern Express Co.* (1995), 64 F.3d 1330, 1335 (9th Cir.), cert. denied, 516 U.S. 1145 (1996); *Religious Tech. Center v. Netcom On-line Comm.*(1995), 907 F. Supp. 1361, 1368 (N.D. Cal.) [hereinafter *Religious*]; *In re Independent Servs. Orgs. Litigation* (1995), 910 F. Supp. 1537 at 1541; *Advanced Computer Servs. of Mich., Inc. v. MAI Sys. Corp.*, 845 F. Supp. 356, 362-64 (E.D.Va. 1994). See generally II Paul Goldstein, Copyright § 5.2.1 (1996); 2 Melville B. Nimmer and David Nimmer, *Nimmer On Copyright*, § 8.08[A][1] (1997); Raymond T. Nimmer, *Information Law* para. 4.02[2]-[3] (1996).
- 96 H.I. Trotter, *Project Looking Forward: Sketching the Future of Copyright in a Networked World*, (May 1998) at <<http://lcweb.loc.gov/copyright/cypub/thardy.pdf>> at 131; The view taken in *MAI* will hereinafter be referred to as the 'RAM copy' doctrine.
- 97 N. Elkin-Koren "Copyright and Social Dialogue on the Information Superhighway: The Case Against Copyright Liability of Internet Providers" (1995) *Cardozo Arts and Entertainment Law Rev.* 13; J. Litman "The Exclusive Right to Read" (1994) *Cardozo Arts & Entertainment Law J.* 13; P. Samuelson "The Copyright Grab" (1996) *Wired*.
- 98 H.R. Rep. No. 1476, 94th Cong., 2d Sess. 53 (1976)
- 99 D.L. Burk, "Proprietary Rights in Hypertext Linkages" (1998) (2) *The Journal of Information, Law and Technology (JILT)* at <http://elj.warwick.ac.uk/jilt/intprop/98_2burk/> [hereinafter *Burk*]. 100 H.R. 3028
- 101 *Netupsky v. Dominion Bridge Co Ltd.* [1972] SCR 368, at pp 375-379.
- 102 *Stangret*, *supra* note 3 at 204.
- 103 *Sookman Superhighway*, *Supra* note 25 at 147.
- 104 *Religious*, *supra* note 93.
- 105 *Jackson*, *supra* note 11 at 744-45.
- 106 *Sony*, *supra* note 42 at 417.
- 107 *Sony*, *supra* note 42 at 436.
- 108 *Jackson*, *supra* note 11 at 745.
- 109 *Connolly*, *supra* note 63.
- 110 *Burk*, *supra* note 97 at 6.3.
- 111 17 U.S.C. § 101.
- 112 Marshall Leaffer, "Understanding Copyright Law" § 8.5 (2d ed. 1995) as found in *Jackson*, *supra* note 11 at 746.
- 113 *Jackson*, *supra* note 11 at 746 commented as follows: M. Leaffer, "Understanding Copyright Law" (1995), In one extreme case, an answer manual was found to be an infringing derivative work of a textbook even though no part of the textbook was reproduced. *Addison-Wesley Publishing Co. v. Brown*, 223 F. Supp. 219 (E.D.N.Y. 1963). However, this decision was handed down before the passage of the 1976 Act. See *Galoob*, *supra* note 45 (stating that the legislative history of the 1976 Act "indicates that 'the infringing work must incorporate a portion of the underlying work in some form.'" (quoting H.R. Rep. No. 94-1476, at 62 (1976) reprinted in 1976 U.S.C.C.A.N. 5659, 5675). The House Report accompanying the 1976 Act states, "[T]o constitute a violation of section 106(2) [the right to prepare derivative works], the infringing work must incorporate a portion of the copyrighted work in some form; for example, a detailed commentary on a work or a programmatic musical composition inspired by a novel would not normally constitute infringements under this clause." H.R. Rep. No. 94-1476, 62 (1976), reprinted in 1976 U.S.C.C.A.N. 5659, 5675.
- 114 J. Georgini, "Through Seamless Webs and Forking Paths: Safeguarding Authors Rights in Hypertext" (1994) 60 *Brook. L. Rev.* 1175 at 1191-92.
- 115 Although not discussed in this paper, a strong argument can be built against the process of "framing" using the adaptation right. See: A.J. Hartnick, "'Framing': Internet Equivalent of Pirating?" (April 4 and 11, 1997) *The New York Law Journal*, at <<http://www.ljx.com/internet/0411frame.html>>.
- 116 *Midway*, 704 F.2d 1009 (7th Cir. 1983).
- 117 *Ibid.* at 1013 as found in *Jackson*, *supra* note 11 at 747.
- 118 *Galoob*, *supra* note 45 at 965.
- 119 *Ibid.* at 969 as found in *Jackson*, *supra* note 11 at 747.
- 120 *Ibid.*
- 121 *Ibid.* at 972.
- 122 Samuelson, Pamela, "Fair Use For Computer Programs and Other Copyrightable Works in Digital Form: The Implications of Sony, Galoob and Sega" (1993) 1 *J. Intell. Prop. L.* 49 at 114.
- 123 *Jackson*, *supra* note 11 at 748
- 124 Canadian Copyright Act, s. 3(1)(f). The term "telecommunication" is defined in the Act to mean "any transmission of signs, signals, writing, images or sounds or intelligence of any nature by wire, radio, visual, optical or other electromagnetic system".
- 125 For a detailed discussion on the merits of the interpretation of "cable programme" in *Shetland*, See *Connolly*, *supra* note 63.
- 126 *Burk*, *supra* note 97 at 5.3.
- 127 *Ibid.*
- 128 *Playboy*, *supra* note 40 at 1556; *Accord Netcom*, 907 F. Supp. 1361 (N.D. Cal. 1995).
- 129 *Playboy*, *supra* note 40 at 1557 (emphasis added) as found in *Jackson*, *supra* note 11 at 751.
- 130 *Ticketmaster Corp. v. Microsoft Corp.* [1997] No 97-3055 DDP [hereinafter *Ticketmaster*].
- 131 It is interesting to note that they did, indeed, intend to negotiate an agreement suggesting that Microsoft was concerned about the legal ramifications of their links.
- 132 The technical solution involved blocking any access to the Ticketmaster site referenced by the Microsoft site. So, a user that activated a link from the Sidewalk site to the Ticketmaster site received a web page with the following message: "This is an unauthorized link and a [Dead End] for Sidewalk. You cannot connect to Ticketmaster Online directly through Microsoft Sidewalk. We welcome you to visit Ticketmaster Online directly by pointing your browser to <http://www.ticketmaster.com>. Please visit us often by placing Ticketmaster in your bookmarks or favorite places list." It is interesting to note that after the initial complaint filed by Ticketmaster, Ticketmaster filed an Amended Complaint to more specifically reference deep-linking, creating an inference that Ticketmaster suspected that merely linking to a homepage may not be actionable. Specifically, the new language in the First Amended Complaint stated, "Some of Seattle Sidewalk's links have circumvented the beginning pages of Ticketmaster's Web site, which display advertisements, products and services of entities with which Ticketmaster contracts, and have linked directly to subsidiary pages of the Web site." As found in *Kuester*, *supra* note 2. See *The National Law Journal* "Complaint—Ticketmaster v. Microsoft Amended Complaint" at <<http://www.ljx.com/LJXfiles/ticketmaster/complaints.html>>, "MS Answer Ticketmaster v. Microsoft Answer" at <<http://www.ljx.com/LJXfiles/ticketmaster/answer.html>>, "Ticketmaster Reply - Ticketmaster v. Microsoft Reply" at <<http://www.ljx.com/LJXfile/ticketmaster/reply.html>> AND "Current Status—Ticketmaster v. Microsoft" at <<http://www.patents.com/weblaw/tvm.sht>>.
- 133 Answer to First Amended Complaint, Affirmative Defenses and Counterclaims, *Ticketmaster Corp. v. Microsoft Corp.*, CV 97-3055 RAP (C.D. Cal. filed May 28, 1997) at <<http://www.ljx.com/LJXfiles/ticketmaster/answer.html>>.
- 134 *Kuester*, *supra* note 2.
- 135 The discussion of other forms of unfair competition with respect to deep-linking is beyond the scope of this paper. *Lesia Stangret* as found in *Stangret*, *supra* note 3



- at 202 argues "The fact that the link bypasses a homepage does not make it any more of an infringement. The unique concerns posed by internal linking—confusion, deceit, loss of goodwill—are irrelevant to whether there is infringement; such concerns are more appropriately addressed by passing off, misappropriation or other forms of unfair competition."
- 136 See Jane C. Ginsburgh, "Putting Cars on the 'Information Superhighway': Authors, Exploiters and Copyright in Cyberspace" (1995) 95 Colum. L. Rev. 1466 at 1477-78.
- 137 D.R. Johnson and D. Post, "Law and Borders—the Rise of Law in Cyberspace" 1996 48 Stanford L. Rev. 1367, 1385 n.49 at 1386-87; Pamela Samuelson, "Legally Speaking: Intellectual Property Rights and the Global Information Economy" (1996) 39 COMMUN. A.C.M. 23, 26-27.
- 138 *Sookman Superhighway*, *supra* note 25 at 147 (emphasis added).
- 139 *Cavazos*, *supra* note 4.
- 140 *Ibid.*
- 141 17 U.S.C.A. § 107 (West 1996).
- 142 *Religious*, *supra* note 93.
- 143 *Fonovisa, Inc. v. Cherry Auction, Inc.*, 847 F.Supp. 1492 (E.D. Cal. 1994), *rev'd*, 76 F.3d 259 (9th Cir. 1996) at 283-289 (arguing for more expansive fair use rights for individual personal use).
- 144 *Cavazos*, *supra* note 4 at para. 57.
- 145 Ticketmaster's First Amended Complaint para. 18, Ticketmaster (No. 97-3055 DDP).
- 146 *Ibid.* at para. 19.
- 147 See <http://www.geocities.com/~jab/law/bowers.html>
- 148 See <http://www.yahoo.com>
- 149 See <http://www.webcrawler.com>
- 150 See <http://www.hotbot.com>
- 151 See <http://www.altavista.digital.com>
- 152 See <http://www.infoseek.com>
- 153 See <http://www.lycos.com>
- 154 *Feist*, *supra* note 39.
- 155 *Ibid.* at 349.
- 156 *Ibid.* at 350.
- 157 *Key Publications Inc. v. Chinatown Today Publishing Enterprises Inc.*, 20 U.S.P.Q.2d 1122 (2d Cir. 1991); *Feist*, *supra* note 39, as found in *Sookman Copyright*, *supra* note 30.
- 158 *Pasicknaiak v. Dojacek*, [1928] 2 D.L.R. 545 (Man. C.A.), National Film Board v. Bier (1970), 63 C.P.R. 164 (Ex. Ct.)
- 159 *Teledirect (Publications) Inc. v. American Business Information Inc.* (FCA 1997) [hereinafter *Teledirect*]; *Wscr Jockey Club v. Simons* (1968), 64 WWR 411 (BCSC); *Underwriters Survey Bureau Ltd. v. American Home Fire Assur. Co.*, [1939] 4 D.L.R. 89 (Ex. Ct.); *Cuisenaire v. South West Imports Ltd.* (1967), 54 C.P.R. 1 (Ex. Ct.), affirmed (1968), 57 C.P.R. 76 (S.C.C.); *Fourgons Transit Inc. v. Fourgons Ramco Inc.* (1989), 22 C.I.P.R. 165 (Fed. T.D.); *Football League Ltd. v. Littlewood's Pools Ltd.*, [1959] 2 All E.R. 546 (Ch.D.); *Hogg v Scott*, (1874), L.R. 18 Eq 444; *Kelly v Morris*, (1866) L.R. 1 Eq 697 (Ch.D.); *Morris v Ashbee*, (1868), L.R. 7 Eq 24 (Ch.D.); *Ladbroke (Football) Ltd v William Hill (Football) Ltd*, [1964] 1 WLR 273 (H.L.)
- 160 *Sookman Copyright*, *supra* note 30.
- 161 S.C. 1993, c.44, s. 53(3). Prior to the amendments to the Act, "compilations" were expressly included in the definition of "literary work". See Section 2. The amendments to the Act changed the definition of "literary work" by removing the reference to "compilations" and replacing it with "compilations of literary works". S.C. 1993, c.44, s. 53(2). The definitions of the terms "artistic work", "dramatic work", and "musical work" were also amended at the same time so as to ensure that compilations of such works would also be protected. To ensure that compilations were protected under the Act, however, the term "every original literary, dramatic, musical and artistic work" was also amended to expressly add "compilations" as an example of a work protected by the Act under Section 5(1). A compilation containing two or more of the categories of literary, dramatic, musical or artistic works are deemed by the Act to be a compilation of the category making up the most substantial part of the compilation. Section 2.1(1). The mere fact that a work is included in a compilation does not increase, decrease or otherwise affect the protection conferred by the Act in respect of the copyright in the work or the moral rights in respect of the work. See, Section 2.1(2).
- 162 The definition in the Canadian Act makes no reference to "co-ordination" as a basis for protecting compilations.
- 163 *Teledirect*, *supra* note 157.
- 164 The right to remain anonymous is a variation of the right of attribution: see e.g. Canadian Copyright Act, s.14.1(1); and McCarthy, *supra* n81, at pp 8D-5 to 8D-6. While moral rights, generally, are not recognized in the U.K. Copyright Act, they are entrenched in Article 6b of the Berne Convention, ss. 14.1 and 28.2 of the Canadian Copyright Act, and various US statutes and judicial decisions. For a discussion of moral rights, generally, see McCarthy, JT, McCarthy on Trademarks (Webster, NY: Clark Boardman Callaghan, 1996), ch. 1.
- 165 See e.g. Canadian Copyright Act, s. 28.2(1)
- 166 *Stangret*, *supra* note 3 at 207.
- 167 Post, *supra* note 19.
- 168 Refer to discussion on plain linking and deep linking above.
- 169 *Stangret*, *supra* note 3 at 208.
- 170 *CMG Worldwide Inc. v. American Legends* (D.In. 1997) (settled without opinion).
- 171 *Jackson*, *supra* note 11 at 752.
- 172 United Feature Syndicate, Inc., The Dilbert Zone (visited Feb. 24, 1998) at <<http://www.unitedmedia.com/comics/dilbert/>>.
- 173 Daniel Wallach, See David Wallach's Home Page (visited Feb. 24, 1998) <<http://www.cs.princeton.edu/~dwallach/>>
- 174 While the Dilbert Hack Page (DHP) has been disabled, Mr. Wallach maintains a fascinating archive that Chronicles his efforts and the responses they received. Daniel Wallach, Dilbert Hack Page Archives (last modified Sep. 28, 1997) at <<http://www.cs.princeton.edu/~dwallach/dilbert/>>. The archive includes copies of all correspondence received and sent to United Feature Syndicate, Inc. regarding the DHP as well as technical descriptions of how the DHP worked.
- 175 Daniel Wallach, United Media's First Letter (dated July 19, 1996) (last modified Aug. 4, 1996) at <<http://www.cs.princeton.edu/~dwallach/dilbert/letter1.html>>.
- 176 Daniel Wallach, United Media's Second Letter (dated July 26, 1996) (last modified Aug. 4, 1996) at <<http://www.cs.princeton.edu/~dwallach/dilbert/letter2.html>>.
- 177 *Cavazos*, *supra* note 4.
- 178 Ga. Code Ann. § 16 9 93.1 (1997).
- 179 ACLU's Complaint, ACLU (No. 1:96-CV-2475-MHS). For ACLU filings and related court materials, see Cyber-Liberties: Online Censorship Page (visited Mar. 7, 1998) at <<http://www.aclu.org>>. For Georgia's filings and related court materials, see Georgia's Defense of Its Internet Fraud Statute (visited Mar. 6, 1998) at <<http://www.inteliview.com/fraudlaw.htm>>.
- 180 ACLU's Complaint at 8, ACLU (No. 1:96-CV-2475-MHS).
- 181 ACLU's Complaint at 8, ACLU (No. 1:96-CV-2475-MHS). at 12.
- 182 *Ibid.*
- 183 *Ibid.*
- 184 *Ibid.*
- 185 For example, "[t]he ACLU of Georgia's site provides a collection of links to other related Internet sites....The ACLU did not obtain permission before linking to these sites, and it would be practically impossible to obtain such permission for each link." *Ibid.* at 13. Similarly, the complaint noted: As a result of the Act's prohibition against using trade names, trademarks, logos, or legal or official seals without permission, the AIDS survival project [sic] feels its web page, composed of links to other organizations' web pages, may be in conflict with the law. Thus, the Act has caused the AIDS Survival Project to curtail its efforts to create its web page. *Ibid.* at 14.
- 186 ACLU's Complaint at 25, ACLU (No. 1:96-CV-2475-MHS).
- 187 Brief in Opposition to Plaintiff's Motion for Preliminary Injunction at 3, ACLU (No. 1:96-CV-2475-MHS).



- 188 Order, ACLU (No. 1:96-CV-2475-MHS).
- 189 *Ibid.* at 4.
- 190 *Ibid.* at 4 n.5.
- 191 W.A. Effross, "Withdrawal of the Reference: Rights, Rules, and Remedies for Unwelcomed Web-Linking" at <<http://www.law.sc.edu/sclr/EFFROSS.HTM>> [hereinafter Effross].
- 192 *Stangret, supra* note 3 at 209.
- 193 *Ibid.*
- 194 See: D.R. Johnson & D.G. Post, "And How Shall the Net Be Governed" (1996) at <<http://www.cli.org/emdraft.html>>; D.R. Johnson, "Lawmaking And Law Enforcement in Cyberspace" (1996) at <<http://www.cli.org/DRJ/make.html>>.
- 195 *Effross, supra* note 189.
- 196 *Sookman Superhighway, supra* note 25 at 137.



Appendix A: Technological Solutions

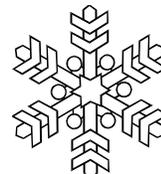
In *Ticketmaster Corp. v. Microsoft Corp.*, Ticketmaster invoked a technical solution to stopping users from visiting deep-links in the Ticketmaster cite from a Microsoft web page. Of course, this is only one method to blocking a link. And, in the world of computer programming, a programmer with enough creativity can always find methods to circumvent an implemented solution. Nonetheless, relatively simple technical solutions may be implemented by any web page author and probably would be sufficient to deter a huge majority of "linking parties" from linking to another's web site. Legal measures should always be the final step.

An example to the method of blocking implemented by Ticketmaster is the freely distributed "Bozo Filter" implemented by Alistair B. Fraser (available at <<http://fraser.cc/utilities/Bozo/Bozo.html>>). The program, written in Java requires the user to change the variable number (var numb=X) to the number of web sites the user wishes to block as well as a list of those specific URLs which represent the web sites the user wishes to block. The program is then inserted between the </title> tag and the </head> tag. Any subsequent link from an unwanted web page will be denied.

The script is as follows:

```
<script language="JavaScript">
// this BOZO filter was created by Alistair B. Fraser:
abf1@psu.edu
// Copyright is retained by Alistair B. Fraser, but you are free to
use it to repel predators
var caller = document.referrer // this discovers the calling page
var msg1 = "The BOZO FILTER intercepted a request from\n\n" //
these form the
var msg2 = "\n\nand DENIED ACCESS." // message in the
// alert window
```

```
if (caller=="") {
msg1 = "The BOZO FILTER intercepted a request which did not
come from a recognized page, "
msg2 = "and DENIED ACCESS. \n\nYou must branch to here from
a recognizable page."
}
var numb =5 // set value to the number of bozos listed below
function Bozo(num) {
for (var i=1; i <= numb; i++) {
this[i] = i
}
}
bozo = new Bozo(numb)
// List the URLs of as many bozos as you wish following
// the format of those shown immediately below.
// The (1st) empty URL blocks attempts to circumvent the filter by
// accessing the page through the Open Location dialogue box.
bozo[1] = "";
bozo[2] = "http://mirsky.turnpike.net/wow/1996/Jan/
Jan1296.html";
bozo[3] = "http://metro.turnpike.net/mirsky/1996/Jan/
Jan1296.html";
bozo[4] = "http://mirsky.com/wow/1996/Jan/Jan1296.html";
bozo[5] = "http://www.primus.com/staff/paulp/useless/
music.html";
for (var i in bozo) {
if (bozo[i] == caller){
alert("\n"+msg1 + bozo[i] + msg2); //delete line to remove alert
dialogue
history.back();
break;}
}
}</script>
```





THE UNAUTHORIZED DISSEMINATION OF CELEBRITY IMAGES ON THE INTERNET. . . IN THE FLESH*

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INTRODUCTION

The technological revolution that the Internet has provided the world in the 1990s continually challenges established principles of intellectual property law entrenched over this century. In addition to trademark and patent law, an evolving area in which the Internet poses pertinent questions to is the issue of copyright infringement of images from film and television celebrities within the entertainment industry. More specifically, the problem is with the unauthorized dissemination and distribution of a celebrity's image(s) over the Internet, which is directly copied from registered copyright holders. A classic example of one such case is of actress fame, Alyssa Milano, who has appeared in television shows such as *Who's the Boss* (ABC, Embassy Television), *Melrose Place* (Fox), and most recently *Charmed* (Warner Brothers). In her films *Poison Ivy II: Lily* (1995 New Line Cinema/Time Warner), *Embrace of the Vampire* (1995 New Line Cinema/Time Warner) and *Fear* (1997 Universal Studios) the actress had portrayed numerous explicit nude scenes.¹ By ways of the World Wide Web (WWW), Milano's nude images have frequently appeared on Internet "cyberpornography" sites, whereby "webmasters [those who run the web sites, analogous to SYSOPS (System Operators) who run Bulletin Board Services (BBSs)] are charging \$10, \$20, or even \$30 dollars (US) a month for a peek at them" without the copyright consent of the celebrity or the film/television company.² As is readily apparent, the "growing ease of digitally reproduced images...[translates into] fan sites [web pages devoted to a specific topic(s) of interest, i.e., celebrities] which are often 'decorated' with unauthorized copies of the intellectual property they praise."³

This paper will explore and critically analyze the issue of the unauthorized use and dissemination of celebrity images over the Internet as a violation of copyright from either the celebrity themselves or the cinematographic⁴ rights of the film production studio(s) involved. The analysis will focus on the *Copyright Act*⁵ of both the Canada and the United States, and will be covered in three parts. Part I will include the basic nomenclature of Internet, and the applicability of copyright to the Internet. Part II will focus on methods in which the celebrity and film studio can protect their copyright 'on-line' by ways of the American defined notion of the 'right of publicity' and through traditional copyright infringement as it pertains to cinematographic rights. Last, in Part III, there will be discus-

sion on the existing solutions to the unauthorized dissemination issue on the Internet. As well, the author's advances his own method to alleviate cinematographic copyright misuse on the Internet through the use of official web site digital authenticated 'signature images.'

PART I—INTERNET TERMINOLOGY AND APPLICABILITY OF COPYRIGHT LAW TO THE INTERNET

A. Internet Overview, Definitions & Concepts

The Internet was established in the late 1950s and early 1960s by the Rand Corporation, commissioned by the U.S. Pentagon to develop a computer network that was decentralized.⁶ During the era of the Cold War, the U.S. Department of Defense believed that such a telecommunication system should be able to survive a military attack, and furthermore allow for faster data transfer between the various branches of the military and other federal bodies. Hence, the Pentagon began to network computers at different locations to share data and allow access from remote positions. The first military computer network was known as ARPANET.⁷ Today, the Internet is a world-wide communication system serving individuals, government, academic institutions, and businesses. The independent networks which form the Internet contain millions of 'host' computers which serve millions of other computers all over the world.

The following terms and concepts will enable the reader to follow through some of technical language that this paper will utilize:

World Wide Web (WWW): the interconnected link of computer networks around the world.

Web Page: "A computer data file on a host operating a web server within a given domain name. When the web server receives an inquiry from the Internet, it returns the web page data in the file to the computer making the inquiry. The web page may comprise a single line or multiple pages of information and may include any message, name, word, sound or *picture*, or combination of such elements."⁸ A "webmaster" is the one who updates and runs the web site/page.

Web Site: An electronic 'cybergeographic' location on the WWW that may contain images, sounds, and graphics.⁹ web sites are created using HTML (hypertext markup language).¹⁰



A large number of personal web sites are created by individual fans who dedicate their pages towards their favorite interests, including celebrities, sports teams and players, and musical artists.¹¹

BBS: Bulletin Board Service. The predecessor of the Internet, which essentially allows users to upload (allowing the user to transmit information to a BBS/Internet) and download (allowing the BBS/Internet to transmit information to the user) programs.¹²

USENET: Distributed message databases that are organized into "Newsgroups" where individual users can post and read messages and download files, including ".PICT," ".JPEG," ".GIF" (image file types) files.¹³

Pasties: "pictures that have been digitally altered by *pasting* a celebrity's head [or any other body part] onto someone else's body."¹⁴

Moving Picture Experts Groups (MPEG): a standard used on World Wide Web for video and audio files to be transposed to movie files on browser software (i.e., Netscape).¹⁵

Digital Video Disk (DVD): DVDs can hold over 4 Gigabytes of information, thus providing for full length motion pictures to be played off this form of compact disc.

Scanner: a peripheral (i.e. modem, printer) device that is used to transfer a picture, photograph, image into a file on the computer.¹⁶

Internet Service Provider (ISP): those corporations that provide access to individual users to connect to the Internet. Examples include: American On-line, CompuServe, and Netcom.

For the purposes and the focus of this paper, the methods of communication on the Internet that are most vulnerable to copyright infringement of celebrity images are: (1) the World Wide Web, (2) E-Mail (one-to-one messaging) and (3) Newsgroups.¹⁷ Still images of celebrities, taken from cinematographic works, are one of the most common types of copyright infringement occurring on the Internet.

B. Copyright Overview & the Applicability of *The Copyright Act* to the Internet: A Canadian and U.S. Perspective

1. Basic Tenets of Copyright Law

In order to understand how Copyright applies to the Internet, specifically cinematographic works such as motion pictures, it is fundamental that one have a basic understanding of the *Copyright Act* of both Canada and the United States. Generally, both *Acts* contain the same essential copyright principles, despite minor nuances in wording. The primary basis for granting copyright in both countries is to provide an "eco-

nom ic incentive to authors to create and disseminate their works for the benefit of the public."¹⁸ In Canada, copyright is a federal right¹⁹ which provides the copyright owner "the sole right to produce or reproduce the work or any substantial part thereof."²⁰ In the United States, copyright is also a federal right²¹ which gives every author of a work the right to exclude others from doing any of the following 5 activities related to the copyrighted work: (1) reproduction; (2) adaptation; (3) distribution; (4) performance in public; or (5) display in public.²²

Copyright protects original expression with a modicum of creativity and not abstract ideas.²³ According to the landmark U.S. decision of *Feist*, a small amount of skill and labour will satisfy the requirement of the originality (creative) requirement.²⁴ Copyright subsists in every original (1) literary, (2) dramatic, (3) musical or (4) artistic work in Canada,²⁵ and in every (1) literary, (2) musical, (3) dramatic, (4) pantomimes and choreographic, (5) pictorial, graphic, and sculptural, (6) motion pictures and audiovisual work and (7) sound recordings work in the United States.²⁶ The U.S. *Copyright Act* is much more narrower in terms of its categories of copyrighted works, however many of these categories easily fit into the four broader Canadian classifications.

Copyright automatically subsists upon the work's creation without the requirement of registerability, and the work must be in a "material" and "fixed" form which should have a permanent character.²⁷ Both Canada and the United States are members of the Berne Convention, which provides for international copyright protection in respective member countries. Hence, the copyright of a U.S. author subsists in Canada and vice versa.²⁸ The term of copyright protection subsists in a work for the life of the author plus the next 50 years.²⁹ For the purposes of this paper, copyright in a cinematographic work subsists for 50 years from the end of the calendar year of the first publication of the cinematograph.³⁰

2. Copyright Protection for Cinematographic Works (Check This Out At Work)

In Canada, a cinematographic work "includes any work expressed by any process analogous to cinematography, whether or not accompanied by a soundtrack."³¹ The *Copyright Act* of Canada classifies cinematographic works under the rubric of either the (1) dramatic or (2) artistic category of protected works.³² Dramatic works include works that evidence a story line, and artistic works include such works as still photographs, where there is no element of drama.³³ The U.S. *Copyright Act* has a separate category for motion pictures as an audiovisual protected work, and defines motion pictures as "audiovisual works consisting of a series of related images which, when shown in succession, impart an impression of motion, together with accompanying sounds, if any."³⁴ As with the other categories of protected works, the copyright owner has the exclusive right (other than by license) to reproduce, adapt and publicly present the work by cinematograph.³⁵



As will be further discussed in Part II, *infra*, those who literally copy and reproduce copyrighted cinematographic images onto the Internet are clearly infringing the rights of registered copyright holders, namely film studios.

3. Applicability of the Copyright & Cinematographic Works to Internet Content

The governments of both Canada³⁶ the United States³⁷ have delved into the debate of whether the Internet can be governed by existing respective Copyright Law.³⁸ The consensus view suggests that existing copyright law can fully accommodate the issues and concerns presented by the Internet.³⁹ According to the academic and practitioner Sheldon Burshtein, the two major reports done by both the Canadian and U.S. government do not warrant a major reconstruction of current copyright principles.⁴⁰ However, the Internet poses a new threat for copyright holders in which technology seems to have outpaced current copyright laws. The innovative art of duplication and reproduction of original authored works on the Internet is vast and expansive. No jurisdiction has produced under a viable solution to control or legislate the Internet entirely, and those countries that have, enforcement mechanisms have been very slow to implement.

Whenever a copyrighted work, such as a cinematographic work, has been copied without authorization, either through reproduction or duplication, an infringement occurs.⁴¹ This applies equally to copied images on the Internet. The Internet cannot shield itself behind its assumed portrayal as a “Wild West” copying culture.⁴² Any time a user uploads or downloads information from or to a web page or BBS, such as an image file that is copied from a registered copyright holder, a possible violation of copyright can occur.⁴³ Similarly, according to a Florida district court, when a user of the Internet scans a nude picture(s) from *Playboy* magazine into their computer and places that picture(s) onto their web page or BBS for public display, a violation of copyright has occurred from the registered copyright holder of that image.⁴⁴ Copyright infringement occurs because the people who choose to download and upload such images do so without the express written authorization from the creator.

Most Internet web sites that are dedicated to celebrities and motion pictures, will contain information (text, sound, or images) that is copyrightable.⁴⁵ When ISPs or BBSs provide the forum for uploading and downloading information, they may well have communicated that information to the *public* by *telecommunication* and have violated copyright.⁴⁶ One of the “bundle of rights” offered to copyright holders is that of “public display” under both the Canadian and U.S. *Copyright Act*.⁴⁷ Hence, for a presentation of a cinematographic work to violate the rights of a copyright holder on the Internet, the presentation must be done “publicly.”⁴⁸ According to Burshtein, a performance of work will not be constituted as infringement unless the performance was to be made public. The test that is required to determine whether or not a performance consti-

tutes a work in public is the “character of the audience.”⁴⁹ It can be argued that the Internet by its nature is a publicly accessed network of computers that is available to all. Although, privately, one can access the Internet through the comforts of their own home, the information that one can access is clearly within the public domain. Furthermore, it can be contested that the Internet is a *public* networking system in which it could be easily classified under the “telecommunication” definition under the Canadian *Copyright Act*.⁵⁰ Although no case law has decided the issue on the definition of “public” as it applies to the Internet in Canada,⁵¹ the *Playboy*⁵² decision in the U.S. has made it clear that any reproduced or duplicated image from a registered copyright holder that is made available on the Internet is considered to be a presentation for public display under the *Copyright Act*.

PART II—PROTECTION OF CELEBRITY IMAGES OVER THE INTERNET: THE RIGHT OF “PUBLICITY” AND COPYRIGHT INFRINGEMENT

According to some commentators, copying of intellectual property is not a modern phenomenon.⁵³ “Piracy” of works can be traced back to the inception of the *Statute of Anne*, in which the publishers of London applied for government protection against the illegal copying of books and manuscripts.⁵⁴ Copying in the digital age of the Internet has come a long way from traditional paper methods and how the copyright holder (celebrity or film studio) can enforce its copyright on-line through the analysis of relevant jurisprudence.

A. Celebrity Or Film Studio? Who Owns The Copyright To A Celebrity’s Image On The Internet?

Before one can appropriately analyze the unauthorized dissemination and copyright infringement of a celebrity’s image through cinematographic works over the Internet, one must discern whether the celebrity or the film studio owns the exclusive right to copyright. In Canada, the *Copyright Act* provides that the “author of a work shall be the first owner of the copyright” with the exception of those works made in the course of employment.⁵⁵ Therefore, where the author/actor of the cinematographic work was employed under a contract to perform in a motion picture, then the employer is the first owner of the copyright.⁵⁶ For example, if Arnold Schwarzenegger is under contract with Paramount Pictures to perform in the upcoming film, *Terminator III*, the film studio will be the first owner of copyright of his image(s) within the film itself, absent any agreement to the contrary. Nonetheless, section 15 of the *Copyright Act* of Canada allows for copyright in performer’s performances. Therefore the celebrity actor may have copyright protection in the form of his acting work, however once again, contractual arrangements with the film studio may preclude the celebrity from claiming any copyright in their performance. The same holds true under the *Copyright Act* and the “work-for-hire” doctrine in the United



States.⁵⁷ A “work made for hire” constitutes a “work prepared by an employee within the scope of his or her employment.”⁵⁸

Therefore, whenever a claim for copyright issue arises in a cinematographic work, it is most likely that the film studio, rather than the celebrity, has the decision making power to decide whether or not to pursue an infringement claim.⁵⁹ According to the learned academic Matthew J. McDonough, American [and Canadian] copyright law provides little protection for the rights of individual directors, screenwriters and actor/celebrities, since the copyright subsists with the employer film studio. “Should harm befall a motion picture, such as a copyright infringement, film-makers [and celebrity’s] lack the power to seek redress for an infringement because the decision to pursue a copyright infringement claim rests with the [film] studio.”⁶⁰ However, if the celebrity has an agreement with the film studio that purports to protect the “likeness and image” of him or herself on the screen, this could preclude the film studio from claiming any copyright for that celebrity’s image on the Internet.⁶¹ Furthermore, this could allow the celebrity to bring legal action through many different channels. One such method, outside the copyright realm, is through the American defined notion of a celebrity’s “right of publicity.”

1. The Celebrity’s Right of Publicity “On-line”

The right of publicity is the inherent right of every human being to control the commercial value of their image, likeness, persona, or identity.⁶² The right was recognized in America about forty years ago, out of the right of privacy.⁶³ For the most part, it seems that famous persons, namely, film stars and professional athletes, generate the most economic value out of this right.⁶⁴ The right of publicity is violated whereby one appropriates one’s name or likeness without their consent for the purpose of economic benefit.⁶⁵ There is no federal law concerning the right of publicity, however fourteen states have codified some form of publicity right under its state legislatures.⁶⁶

In relation to cinematographic works or works inextricably linked to a celebrity in which the celebrity’s image or likeness is transposed onto the Internet, a celebrity can possibly enforce his or her right of publicity when harm is likely or already has occurred. For example, Alyssa Milano has filed lawsuits against two companies for selling nude images of her on the Internet, claiming, among other things, misappropriation of her right of publicity and copyright infringement.⁶⁷ In the *Machinenet* action, Milano claims that the defendant company are in the business of the creation and maintenance of pornographic websites on the Internet, and that they knowingly exploit Milano’s “identity, mark, reputation and other indicia closely related to her...for commercial benefit.”⁶⁸ In her statement of claim, Milano, refers to all of her television, film and musical performances in which the defendant has willfully misappropriated her identity, including nude still photographs taken from her numerous motion pictures.

Another incident revolving around a celebrity and

their right of publicity is the case of *William Bradley Pitt v. Playgirl, Inc.*, BC 178 503 (Cal.Sup.Ct.La. Co. 1997). In this case, involving celebrities Brad Pitt and Gwyneth Paltrow, a California judge issued a temporary restraining order barring *Playgirl* magazine from distributing its August 1996 edition.⁶⁹ That particular edition contained nude photographs of the former couple which were surreptitiously taken by an unknown photographer while the two vacationed in the West Indies.⁷⁰ Although that particular edition had reached the newsstands before the order could be enforced, Pitt’s nude image “seemed to zip simultaneously across the Internet at warp speed.”⁷¹ The damage was already done by ways of unauthorized dissemination of his image. The commercial exploitation of Pitt’s persona was clearly violated without his consent, notwithstanding the privacy issue of the photographs. Invoking Pitt’s right of publicity would be clearly an option for the celebrity, however, the celebrity and the court did not take this route.

The Oscar Award winning actor Dustin Hoffman is the latest celebrity in Hollywood to obtain a judgment in his favour for the unauthorized dissemination of his famous image. In *Hoffman*,⁷² Dustin Hoffman was awarded more than \$3 million dollars in a right of publicity lawsuit against *Los Angeles Magazine*. In the 1982 motion picture *Tootsie*, Hoffman posed as a female dressed in women’s clothing to lure an acting position in a soap opera. *Los Angeles Magazine*, obtained a photograph of Hoffman as he appeared in the film and, without his consent, created a computer generated composite (pastie) of his face and head from that photograph and superimposed it over the body of a model who had been photographed for the magazine article wearing designer clothing never worn by the actor in the motion picture.⁷³ Judge Tevzorian held that the unauthorized use of Hoffman’s computer manipulated image violated the actor’s California common law and statutory right of publicity⁷⁴, and, *inter alia*, Hoffman’s right to control the use of his own likeness was not equivalent to the rights protected by the copyrights in the two photographs.⁷⁵

Conversely, there are arguments flowing the other way in which US courts have found it hard to actually recognize a “Digital Right of Publicity.”⁷⁶ The reason relates to the court’s unwillingness to admit that a persona can actually be owned and controlled, and furthermore that a celebrity’s image results from a “collective meaning.”⁷⁷ Additionally, University of Detroit Mercy law professor Lee Goldman argues that the right of publicity should be abolished, and should be protected by state unfair competition laws (or section 43 of the *Lanham Act*),⁷⁸ the tort of misappropriation⁷⁹ and alternatively the right of privacy.⁸⁰

In Canada, there is no such inherent federal codified “right of publicity,” however there is a *Federal Privacy Act*⁸¹ which regulates the access and use of information. There are four common law provinces (excluding Ontario and Quebec) which have privacy statutes.⁸² In Ontario, the exact param-



eters of a civil tort of invasion of privacy are still developing, however it is suffice to say that the courts are prepared to: (1) protect individuals from the unjustified intrusions on their privacy; (2) protect the individual's entitlement to be left alone, (3) and to ensure that an individual is free of publicity offensive to his or her private life.

(a) Misappropriation of Personality

In the alternative, there is a tort of appropriation of personality in Canada. This tort protects two interests, the right of the person who desires privacy not to be the object of publicity for another's benefit without consent, and the exclusive right to the publicity value of one's own persona.⁸³ In 1973 the Ontario Court of Appeal in *Krouse v. Chrysler Canada Ltd.*⁸⁴ recognized that there is a tort of "wrongfully appropriating another's personality." In that case a professional football player learned that his photograph appeared without his consent in connection with the promotion of the defendant's automobiles. At trial, Haines, J. held that (a) there was an "unauthorized use of [Krouse's] name to the injury of his rights of property,"⁸⁵ (b) that there was, in fact, a passing-off and (c) and that the reasoning in *Henderson v. Radio Corporation Property Ltd.*⁸⁶ applies. The *Henderson* case stood for the proposition that "without the permission of the respondents, and without any right or justification, the appellant has appropriated the professional reputation of the respondents for its own commercial ends."⁸⁷ The Ontario Court of Appeal reversed the High Court decision, rejecting passing off as a basis for a misappropriation of Krouse's personality. Specifically, Estey, J.Q., held, *inter alia*, that there was no intent to misappropriate Krouse's personality, Krouse had no endorsement value, and Krouse did not, in the advertisement, expressly or impliedly endorse Chrysler's products.

In a recent case involving the case of *Gould Estate v. Stoddart Publishing Co.*,⁸⁸ the Ontario Court of Appeal established that a distinction may be drawn between cases in which a person is represented as endorsing some activity or product of the defendant, and cases in which the person is the actual subject of the work, such as a biography. In *Gould*, the Court held that there was no appropriation of personality on those particular facts where a journalist published a book of photographs in interviews with a world famous Canadian pianist after the pianist's death. The reasoning of the Court was that the public had an interest in knowing more about the pianist and the journalist added to his own creativity. Furthermore, the subject of the photographs and written material had no proprietary interest unless there was express interest through a contract or express agreement with the author.⁸⁹

In Canada the implications of the right of publicity or privacy remain sporadic depending on what jurisdiction the issue arises. However, the tort of appropriation of personality could be another mechanism for the celebrity to pursue those who disseminate their image without their consent.⁹⁰ The U.S. view of the right appears to be more developed, however there are prevailing arguments against the right itself. In a more tra-

ditional sense, copyright infringement seems to lend more plausible explanations and analysis for the unauthorized dissemination of a celebrity's image over the Internet.

B. Copyright Infringement and the Internet

In Canada, the owner of copyright has the exclusive rights as set out in s. 3 of the *Copyright Act*. Infringement of copyright occurs where any person does anything that only the owner of copyright has the right to do.⁹¹ To be successful on a claim of copyright infringement in Canada, four requirements are generally followed by the courts.⁹² Similarly, in the United States, the copyright holder enjoys their exclusive rights as set out in § 106 - § 118 of the *Copyright Act*. Under the American Act, any violation of these exclusive rights is copyright infringement, except where there is express consent given by the copyright holder.⁹³ To prevail on a claim of *direct* infringement, a plaintiff must show two things: (1) ownership of the copyrighted work and (2) "copying" by the defendant.⁹⁴ In the domain of the Internet, there are numerous causes of action for copyright infringement that one can easily identify. Whether it be digital duplication of sound recordings or direct infringement of cinematographic works, the Internet provides for the same, if not more, violations of copyright as compared to traditional methods of copyright infringement. In a majority of cases, as shall be further explained, one can infringe copyright without intending it.⁹⁵ Innocent, accidental or ignorant copyright infringement is actionable on the Internet.⁹⁶

Mitchell D. Kamarck, an expert in the field of intellectual property liability on the Internet, has pointed out that three groups are susceptible to copyright infringement: (1) the SYSOPS or webmasters of individuals bulletin boards, (2) the ISPs and (3) the individual user.⁹⁷ In the *NII Report*, it stated that the roles for those who provide for Internet access, namely ISPs and SYSOPS, are continually changing and liability will depend on a "wait and see" basis. The report states that: "SYSOPS, and to a lesser degree ISPs, must be aware that a court could hold them liable simply due to the repeated copying of a copyrighted work from their BBS or computer."⁹⁸ As a result of the attitude adopted by the report, it advocates that traditional methods of copyright infringement liability apply in situations involving ISPs and SYSOPS. These traditional methods include (1) direct infringement liability, (2) vicarious infringement liability and (3) contributory infringement liability.⁹⁹ The U.S. *Copyright Act* only provides for liability based on *direct* copyright infringement.¹⁰⁰ It does not provide for liability by acts done by third parties.¹⁰¹ Case law, drawing from patent law and tort legal theories have provided the basis for contributory and vicarious liability.¹⁰² In Canada there is no cause of action for contributory or vicarious infringement, only primary and secondary infringement.¹⁰³ Therefore, celebrities and film studios who may each hold copyright in their particular works that appear over the Internet are best suited at pursuing infringers through these traditional methods of copyright infringement liability developed



by statute and by common law.

As there are relatively few of American cases on copyright infringement on the Internet, and even fewer cases of copyright infringement pertaining to dramatic works, this part will explore the court's role in finding violations of copyright of literary and artistic work over the Internet and suggest how they may apply to violations of copyright of cinematographic (dramatic) works.

1. Direct, Vicarious and Contributory Infringement Liability

As explained above, a direct (primary) infringer is anyone who violates the exclusive rights within §106-§118 of the U.S. *Copyright Act*,¹⁰⁴ and s. 3 of the Canadian *Copyright Act*. In the U.S., to establish direct copyright infringement, a plaintiff bears the onus to prove ownership of a valid copyright, and "copying" of the essential elements of the original work(s) by the defendant.¹⁰⁵ A copyright registration certificate constitutes *prima facie* evidence of the validity of a copyright.¹⁰⁶ Regardless of intent or knowledge, the standard set by the U.S. courts for direct infringement is strict liability.¹⁰⁷

(a) Cinematographic Works

Most of the incidents involving copyrighted cinematographic works appearing without consent on the Internet have not always been dealt with in a legal capacity. The first situation involved Paramount Pictures Corporation, a unit of Viacom Inc., and Jeffrey Arind's Star Trek, "Loskene's Tholian" web page.¹⁰⁸ The film production company sent a cease and desist letter through its lawyers to prevent the web site from displaying various copyrighted sound and image files related to Star Trek television series and its films.¹⁰⁹ "Although Paramount did not object to general discussions of Star Trek over the Internet...posting of copyrighted material such as photographs...sound files, video clips, books or excerpts therefrom were considered [to be] infringement."¹¹⁰

The second incident involves the Walt Disney Co. and American On-Line and various other ISPs.¹¹¹ Disney charged that the Internet Service Providers, such as American On-Line and their individual users were illegally scanning unauthorized images of their films *Aladdin* and *Beauty and the Beast* on to their web pages.¹¹² Disney also claimed a direct copyright violation. A third incident involves the film actress, Alyssa Milano. In her statement of claim against *Eightball Inc.*,¹¹³ the actress and her official photographer, Michael O'Connor, argue that the defendant company produced, sold and marketed pornographic CD-ROMS which included copyrighted images of Milano without their consent on their pay adult-oriented web pages. The California District Court has yet to decide on the case.¹¹⁴

Applying the test for direct infringement of Canada and the U.S., it is evident that there has been a copyright violation. Under the Canadian test,¹¹⁵ the substantive material of Disney, Paramount and Milano was directly copied ("substantially similar") and posted onto the Internet without consent of

the copyright holder(s). There was no alteration to the Disney and Paramount images, however there were significant alterations to some of Milano's images, also referred to as "pasties." Furthermore, the images were wholly copied. Second, since these images came from cinematographic works (including the Paramount Star Trek television series) which held copyright, all of the material was relevant to copyright. Third, although the infringer may not have had a willful intention to copy the work in question, there are persuasive arguments that claim even innocent infringement may be a cause for copyright infringement.¹¹⁶ And fourth, it is clear that Disney, Paramount and Milano and the ISPs and webmasters are not in direct competition with each other since they provide different services.

Applying the U.S. test for copyright infringement¹¹⁷ to the above noted incidents, it is also clear that a violation of copyright has occurred. "Since direct evidence of copying is usually unavailable in most cases, a plaintiff may prove 'copying' by inferences, by showing that the defendant had access to the copyrighted work and that the allegedly infringing work is substantially similar to the copyrighted work."¹¹⁸ Obtaining access to copyrighted cinematographic works is not difficult at all, and copying images from those works perhaps is easier than one might think. One can visit a local corner store and rent a film and easily convert and transpose the film images from VHS format to "GIF" or "JPEG" computer image files or even "MPEGs" on their personal computers (PCs).¹¹⁹ There is software available on the Internet which allows for the such innocent copyright infringement to occur.¹²⁰ With the advent of DVD technology, the relative ease with which one can reproduce and duplicate copyrighted images is alarming. Substantial similarity of works would be easy to prove in a court of law. As for the second requirement, courts consider "copying" to be any violation of the exclusive rights granted under §106-§118 of the *Copyright Act* to the copyright holder, and not merely the reproduction right.¹²¹ Of the "bundle of rights" provided under the Act, it is self evident that the individual copyright infringer has violated the "derivative works" (§106 (2)) aspect to copying and the part of "[unauthorized] distribution of copies...of copyrighted work to the public by sale...transfer...rental...lease or lending" (§106 (3)).

(b) Artistic and Literary Works

Artistic works,¹²² specifically copyrighted photographs, have also been subject to Internet copyright infringement violations. As photographs are synonymous with 'still images' taken from cinematographic works, one can draw analogies between the two types of protected works in infringement analysis. Perhaps the most famous case dealing with artistic copyright infringement and the Internet is the decision of *Playboy Enterprises Inc. v. Frena*.¹²³ In that case defendant George Frena operated a subscription computer BBS that displayed unauthorized copied images of Playboy's copyrighted photographs.¹²⁴ As part of its subscription service, individual users of the BBS could upload and download



images, which included those of Playboy. At some point during the upload/download process, the PLAYBOY and PLAYMATE trademarks attached to Playboy's copyrighted photographs were altered and replaced with Frena's name, BBS name and telephone number. These alterations served as identification marks of Frena's BBS image files. At least 170 images that were available on Frena's BBS were taken from 50 of Playboy's copyrighted magazines.¹²⁵

In granting Playboy's motion for summary judgment on liability issues and applying the direct copyright infringement test, the district court held that Frena had directly infringed the magazine's copyright.¹²⁶ The court noted that allowing copyrighted photographs to be stored within his BBS for subscribed users to download constituted unauthorized distribution of the copyrighted works in violation of Playboy's rights.¹²⁷ Furthermore, the court found that Frena's display of the copyrighted photographs constituted a "public display," and thus violated one of the exclusive rights granted to the copyright holder.¹²⁸ In responding to Frena's defense, the court stated that "[i]ntent or knowledge is not an element of [direct] infringement."¹²⁹

In another subsequent case, *Playboy Enterprises, Inc. v. Webbworld, Inc.*,¹³⁰ the defendant owned and operated a sexually-oriented web site and offered to its subscribers, at a rate of \$11.95 per month, access to sexually explicit photographs and images obtained from USENET postings. Included in those images were those of the copyright holder, Playboy. Although, none of the defendants themselves posted any images onto their web page, one of the defendants created a computer program which searched predetermined adult "newsgroups" on the WWW and downloaded the sexually explicit images onto the Webbworld home page for subscriber viewing. Judge Barefoot Sanders found direct liability on the parts of the defendants, and advocated that "Webbworld functioned primarily like a store..." rather than "as a passive conduit of unaltered information." The court rejected the defendant's argument that their web page was a mere conduit of information, and also found them liable of vicarious infringement.¹³¹ The court stated that "Webbworld exercised total dominion over the content of its site and the product it offered its clientele" and it could not evade liability by claiming helplessness in the face of its "automatic" violation.

ISPs and BBS SYSOPS can also be held contributory liable for copyright infringement for providing a forum for computer video games, in the copyright form of literary works,¹³² on their respective web pages or BBSs. Contributory liability requires two elements: (1) knowledge of the infringing activity and (2) substantial participation in the infringing conduct.¹³³ In *Sega Enterprises Ltd. v. MAPHIA*,¹³⁴ a California district court granted a preliminary injunction against the Defendant BBS operator who provided unauthorized copies of the plaintiff's copyrighted video games on his BBS to be uploaded and download by subscribers.¹³⁵ The district court found that MAPHIA advertised its availability of Sega's video

games on its BBS, solicited subscribers to download the video games for a nominal fee, and sold equipment necessary to copy the games.¹³⁶ The court concluded that the defendants were contributory infringers based on these facts and based on their "provision of facilities, direction, knowledge and encouragement..."¹³⁷

These three cases provide the necessary precedent and arsenal for a celebrity or film studio to pursue copyright infringement action against those violations that occur on-line. These cases are also illustrative of how ISPs and BBSs are held directly, vicariously, and contributory liable for providing copyrighted images for download and uploading. Although copyright owners may have powerful legal arguments against individual users who post unauthorized copyrighted images on the Internet, locating them within the world of "cyberspace" would seem to be impossible.¹³⁸ "Anonymity is a common and often treasured attribute of life on the Internet."¹³⁹ Hence, the only viable solution for celebrities and film studios would be to go after the "deep pockets" of the individual ISP and or BBS owners.¹⁴⁰

Conversely, in defense of an individual BBS or network operators, holding them liable for the actions of its subscribers can be a debatable issue. This is especially true when one considers the BBS/ISP to be a "passive carrier" rather than an "active carrier" of information, similar to a telephone company.¹⁴¹ In the United States, legislation has been enacted that shields on-line access providers from transmitting "obscene materials" if they provide good faith, due diligence to rid their network of the offending material.¹⁴²

2. Fair Dealing (Canada) and Fair Use (U.S.) Defenses

In Canada, an action that would otherwise be a copyright infringement will be permissible if the action falls within the defense or exception of "fair dealing."¹⁴³ In order for the exception to apply it must be considered "fair" and it must be for one of five specific purposes: (1) private study or research (s. 29), (2) criticism or review (s. 29.1), (3) newspaper reporting (s. 29.2), (4) without motive of gain (s. 29.3), and (5) reproduction for instruction (including performances) (s. 29.4 and s. 29.5).¹⁴⁴ The test of fair dealing is *purposive*, is not a simply a "mechanical test of measurement of the extent of copying involved."¹⁴⁵ Although the underlying purpose of Fair Dealing and the equivalent U.S. Fair Use doctrine¹⁴⁶ are the same, there are important differences.¹⁴⁷ The fair use defense applies where a work is used "for purposes such as criticism, comment, news reporting, teaching...scholarship or research..."¹⁴⁸ There are four statutory factors in which the courts must ascertain whether a use of copyrighted work is considered to be "fair use": (1) the purpose and character of the accused use, (2) the nature of the copyrighted work, (3) the importance of the portion used in relation to the copyrighted work as a whole, and (4) the effect of the accused use upon the potential market for or value of the copyrighted work.¹⁴⁹



In the context of unauthorized cinematographic works appearing on the Internet, it would be difficult for an infringer to fall under one of the permitted heads established under the fair dealing and fair use exceptions. The reason is that many of the cinematographic images that appear on the Internet are illegitimate and are for commercial benefit. It is rare to notice a naked image of a celebrity, directly copied from a motion picture, appearing on the Internet for an educational purpose or for the public interest. In most instances, the purpose of posting explicit images of celebrities is for "motive of gain." For example, in a majority of instances, nude celebrity images are posted on a web page in the form of "banner" advertisements¹⁵⁰ to lure potential customers to join a pay adult-oriented site, or to generate a substantial volume of visits (also known as "hits") to that web page. This is to allow advertisers to market their product (usually other sexually oriented web pages) to would-be visitors.

A defense of fair use (and fair dealing) would be difficult to establish as well for ISPs and BBSs SYSOPS. An example of this lack of ISP insulation is evident in the *Netcom* case.¹⁵¹ The Church of Scientology filed an action against a former member, Dennis Erlich, a BBS and the ISP providing Internet Access, Netcom, alleging that Erlich posted confidential copyrighted church information posted onto the BBS through Netcom.¹⁵² The court held that neither the BBS nor Netcom directly infringed the copyright or were liable for vicarious infringement, but denied the Defendants motion for summary judgment on the contributory infringement. As for Erlich, the court found that because of his extensive copying and the lack of accompanying criticism, Erlich's use of copyrighted materials did not constitute a fair use defense. The court held that it was a question of fact whether Netcom and the BBS had valid fair use defenses. Analyzing this case, an argument could be raised, as it was in *Netcom*, that if a individual user posts a unauthorized copyrighted image on the Internet from a cinematographic work, and provides detailed criticism which serves the "public interest" with regard to that image, it may possibly be considered a fair use or fair dealing.¹⁵³

PART III—ALTERNATIVE SOLUTIONS TO ALLEVIATE CELEBRITY AND CINEMATOGRAPHIC COPYRIGHT MISUSE ON THE INTERNET

A. Existing Solutions: Strengths and Weaknesses

There are many legal arsenals in which a celebrity or film studio can go after an infringer of their copyright on the Internet. Using the *Copyright Act* is just one method. In most situations, sending a traditional cease and desist letter to the webmaster or SYSOP of a BBS may do more damage to the reputation to a celebrity or film studio that what was expected.¹⁵⁴ The Internet community is tight knit, especially those who have dedicated themselves to specific interests web pages. Hence, the potential for backlash, through boycotting and other vocal means on the Internet is a realistic threat, in

which the copyright holder could regret even starting the legal action in the first place.¹⁵⁵ Another method of preventing copyright infringement of celebrities on the Internet is through commercial services which protect the image and persona of the celebrity. One such service is *Cybertrackers*, a service created by Lin Milano (Alyssa Milano's mother), which hunts down offending images of celebrities in cyberspace at a rate of \$600 to \$ 2,000 a month.¹⁵⁶ Another such service is SAFE (Security Association for Entertainers), which serves the entertainment industry by "helping celebrities through the most delicate of circumstances...protecting them from tabloid terrorism and unwanted Internet exposure."¹⁵⁷ However, these commercial organizations fail to recognize that most of the nude images that appear on the Internet, which violate a celebrity's or film studios copyright, are on the pay, adult-oriented web pages in which one requires a user identification and a password to receive access. It is very easy to search the web for nude images that are free, however, it is within these pay sites that the true copyright infringement is occurring.¹⁵⁸ Case in point are the *Playboy* cases discussed in Part II. What is required is an effective method so that all infringers of copyright of cinematographic works are identified on the Internet, including those of pay and non-pay adult oriented web sites.

B. Proposal: Official Web Pages with Digital 'Signature' Files

The most effective method of preventing the unauthorized dissemination of celebrities images on the Internet is for the copyright holder (celebrity or film studio) celebrity images that appear on pay and non-pay web sites.¹⁶³ With the addition of digitized signature files, this would make the process of determining whether the image violates copyright.

Clearly the advantage of such a proposal would lessen the backlash from fans where the film studios have threatened legal action through "cease and desist" letters.¹⁶⁴ Furthermore, providing official copyrighted images by official web page sites will avoid unskilled scanning, and a majority of the fake "pasty" photographs that put celebrities in false and pornographic likenesses. Maintaining a vigorous illegal copyright pursuit of those who infringe shall not be a problem with the film studios, since cost would not be a concern. The downfall to such a proposal is quality and diversity of the images made available to the Internet community by the official web site pages. The variety of images provided by the film studio's may not be to the preference (style, size, quality, format and quantity) of each individual webmaster or SYSOP who wishes to enter into a license arrangement with the studio. This may even cause further disruptive behaviour and perhaps more wide spread unauthorized images of celebrities on the Internet.

Conclusion

The persona and image of a celebrity is a valuable commercial commodity and should be protected in the best interests of the copyright holder when disseminated and misappro-



riated without authorization. Utilizing the *Copyright Act* of both Canada and the United States provides for an effective mechanism for celebrities and film studios to pursue those who infringe their copyright on the Internet. The Internet should not be considered a peculiar technological medium in which entrenched doctrines of intellectual property are inapplicable. Although the volume of jurisprudence has been limited in Canada, the guiding principles established by the U.S. courts should provide Canada and other jurisdictions with a basic foundation on procedural aspects of copyright misuse on the Internet. Due to the inherent "lawless" nature of the Internet and its "cyber-geographic" reach, the copyright holder must be aware that everyone who infringes their copyright cannot be held accountable since many of the users remain anonymous. However, the copyright owner should also keep in mind that there is currently no means of compensating themselves for the use of their works on the Internet. The digital signature image proposal is just one of many methods in which copyright holders within the entertainment industry can protect their intellectual property on-line. Its effectiveness will depend on cooperation, and a willingness for the Internet community to adapt to a new method of posting images which complies with current copyright standards. The evolution of the Internet will undoubtedly continue to challenge lawmakers, who if unaware of its latest capabilities may find themselves trying to cover up more than their legal arguments.

Footnotes

^{1*} Originally published in Volume 46, Issue 4 of the Cleveland State Law Review.

^{**} B.A. (Hons.) University of Western Ontario 1995; LL.B. University of Windsor 1999; J.D. University of Detroit Mercy 1999. The author is currently articling at the law firm of Gowling, Strathy and Henderson in Toronto. The author would like to thank Ruby Philip for her creative contributions to this paper. Dateline NBC, June 30, 1998, Transcript. NBC News, 30 Rockefeller Centre, New York [hereinafter *Dateline*].

² *Ibid.* See also M.D. Kamarck, "Empowering Celebrities in Cyberspace: Stripping the Web of Nude Images" (1998) 15 No. 4 ENTERTAINMENT AND SPORTS LAWYER 1.

³ E.S. Koster and J. Shatz-Akin, "Set Phasers on Stun: Handling Internet Fan Sites" (1998) 15 No. 1 COMPUTER LAW 18.

⁴ The Canadian *Copyright Act*, R.S.C. 1985, c. C-42, refers to motion pictures as "cinematographic" works (s. 2), whereas the U.S. *Copyright Act of 1976* 17 U.S.C. § 101 (U.S.) (1996), refers to motion pictures as "audio visual" works [hereinafter *Copyright Act*]. For the purposes of this paper, motion pictures will fall under the ambit of the Canadian *Copyright Act* as "cinematographic" works.

⁵ *Ibid.*

⁶ R. Zaitlen and D. Victor, "The New Internet Domain Name Guidelines: Still Winner-Take All" (1996) 13 No. 5 COMPUTER LAW 12 at 13; G.W. Hamilton, "Trademarks on the Internet: Confusion, Collusion or Dilution?" (1995) 4 No. 1 TEXAS INTELLECTUAL PROPERTY LAW JOURNAL 1 at 2.

⁷ K.S. Dueker, "Trademark Law Lost in Cyberspace: Trademark Protection for Internet Addresses" (1996) 9 No. 2 HARVARD JOURNAL OF LAW & TECHNOLOGY 483 at 497.

⁸ *Intermatic v. Toepfen*, 947 F. Supp. 1227 (N.D. Ill. 1996).

⁹ I.C. Ballon, "Linking, Framing and other Hot Topics in Internet Law and Litigation" (1998) 520 PRACTICISING LAW INSTITUTE (WESTLAW) 167 at 176.

¹⁰ *Ibid.*

¹¹ Koster & Shatz-Akin, *supra* note 3.

¹² Ballon, *supra* note 9 at 177.

¹³ *Ibid.*

¹⁴ According to the mother of Alyssa Milano, Lin Milano, her daughter's head appeared on "naked women and little girls in pornographic poses" on the Internet, see R. Lemos, "Fighting faked photo abuses" June 15, 1998 (visited October 12, 1998) <http://www.zdnet.com/zdnn/stories/zdnn_display/0,3440,2112373,00.html> and S. Young "Cyber-Tracker's Unique Services have Garnered a Lot of Media Attention" PEOPLE MAGAZINE November 17, 1997 at 50. Kamarck, *supra* note 2 at 12-13. Kamarck also acknowledges that Christina Applegate of *Married...With Children* fame is a prime target of "pasties" on the web whereby she has never posed nude in any motion picture, but her nude pictures remains available for all to see. Other celebrities are also victim to such violation of copyright. Some of the most common include: Pamela Lee Anderson of *Baywatch* fame, supermodel Cindy Crawford, teen pop singer Britney Spears, Sandra Bullock, and even Dawn Wells, who played Mary Ann on the television classic *Gilligan's Island*. The actor, Dustin Hoffman, has also fallen victim to "pasties," see *Hoffman v. Capital Cities/ABC, Inc.*, 33 F.Supp.2d 867, 1999 U.S. Dist. LEXIS 506 (C.D. Cal. 1999) [hereinafter *Hoffman*] *infra* note 72.

¹⁵ Glossary of PC and Internet Terminology (visited on November 3, 1998) <<http://homepages.enterprise.net/jenko.Glossary/GM.htm>>.

¹⁶ *Ibid* <<http://homepages.enterprise.net/jenko.Glossary/GS.htm>>. On July 12, 1999, the U.S. District Court for the District of Nevada held in *Tiffany Design Inc. v. Reno-Tahoe Specialty Inc.*, D.C. Nev., No. CV-S-98-1207-PM, 7/12/99, that the scanning of a copyrighted photo into a computer for graphic manipulation and insertion into new work constitutes copyright infringement.

¹⁷ There are three other categories of communication which are important, however will not be discussed in this section. They include: (1) One-to-many messaging - LISTSERV, (2) Real Time Communication - Internet Relay Chat (IRC), and (3) Real Time Remote Computer Utilization - TELNET.

¹⁸ M.J. McDonough, "Moral Rights and the Movies: The Threat and Challenge of the Digital Domain" (1997) 31 SUFFOLK U. L. REV. 455 at 459. See also *Twentieth Century Music Corp. v. Aiken*, 422 U.S. 151 at 156 (1975), which recognized the ultimate aim of copyright law was to encourage artistic creativity for public good.

¹⁹ *Constitution Act, 1982*, being Schedule B to the *Canada Act 1982* (U.K.), 1982, c. 11., s. 91 (22).

²⁰ *Copyright Act*, s. 3 (Canada). The "bundle of rights" provided to the copyright holder include: (a) to produce, reproduce, perform or publish any translation of the work, (b) in the case of a dramatic work, to convert it into a novel or other non-dramatic work, (c) in the case of a novel or other non-dramatic work, or of an artistic work, to convert it into a dramatic work, by way of performance in public or otherwise, (d) in the case of a literary, dramatic or musical work, to make any sound recording, cinematograph film or other contrivance by means of which the work may be mechanically reproduced or performed, (e) in the case of any literary, dramatic, musical or artistic work, to reproduce, adapt and publicly present the work as a cinematographic work, (f) in the case of any literary, dramatic, musical or artistic work, to communicate the work to the public by telecommunication, (g) to present at a public exhibition, for a purpose other than sale or hire, an artistic work created after June 7, 1988, other than a map, chart or plan, (h) in the case of a computer program that can be reproduced in the ordinary course of its use, other than by a reproduction during its execution in conjunction with a machine, device or computer, to rent out the computer program, and (i) in the case of a musical work, to rent out a sound recording in which the work is embodied and to authorize any such acts.

²¹ U.S. Const. art. I, § 8, c. 8.

²² 17 U.S.C. § 106 (U.S.) (1996); J.T. McCarthy, *McCarthy's Desk Encyclopedia of Intellectual Property*, (Washington, D.C.: BNA Books, 1995).

²³ *Baker v. Selden*, 101 U.S. 99 at 106 (1879); *Feist Publications v. Rural Telephone Service*, 111 S. Ct. 1282 (1991) [hereinafter *Feist*].

²⁴ *Ibid.* Otherwise coined as the "sweat of the brow" doctrine. In Canada, the case of *British Columbia Jockey Club v. Standen* (1985), 8 C.P.R. (3d) 283 (BCCA) has also ruled that "skill and labour" is sufficient to generate a copyright interest. In spite of the low threshold requirement that *Feist* has ruled on, U.S. courts have developed the "Merger Doctrine" in which certain works are uncopyrightable, see *Morrissey v. Proctor & Gamble* 379 F.2d 675 (1967).

²⁵ *Supra* note 20.



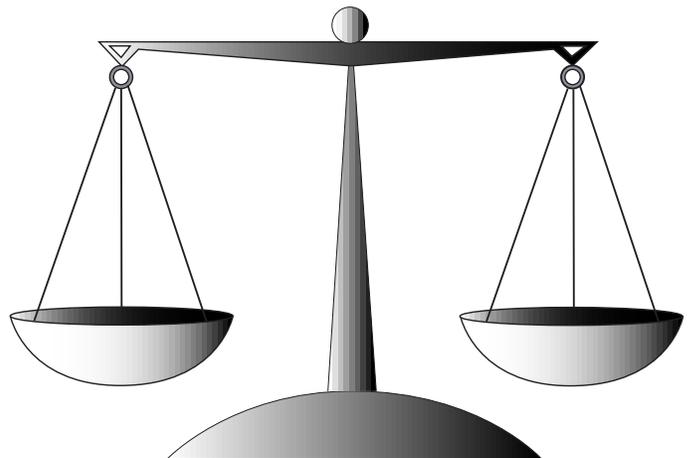
- ²⁶ 17 U.S.C. § 102 (U.S.) (1996).
- ²⁷ See *Merchandising Corp. of America v. Harpbond Ltd.* [1983] FSR 32; S. Burshtein, "Surfing the Internet: Copyright Issues In Canada" (1997) 13 SANTA CLARA COMPUTER & HIGH TECH L.J. 385 at 395.
- ²⁸ *Copyright Act*, ss. 5(1), 5(2), 91 (Canada). The United States recently joined this convention on 1 March, 1989 by way of the *Berne Convention Implementation Act of 1988* (Act of October 31, 1988, Pub. L. 100-568, 102 Stat. 2853).
- ²⁹ *Copyright Act*, s. 6(1) (Canada), 17 U.S.C. § 302(a) (1996) (U.S.).
- ³⁰ *Copyright Act*, s. 11.1 (Canada)
- ³¹ *Copyright Act*, s. 2 (Canada).
- ³² *Copyright Act*, s. 11.1 (Canada)
- ³³ *Ibid.* Prior to the 1991 *Copyright Act* Amendment (Canada), those images which did not produce a "negative and photograph" were not included in the cinematographic definition, and hence were not classified as motion pictures. See *FWS Joint Sports Claimants v. Copyright Bd.*, [1990] 32 C.P.R. (3d) 97, [1990] 34 C.P.R. (3d) 383, for a further analysis, in which the *Copyright Act* was amended so that videotapes, video disks, etc. (which did not produce images by negative and photographs) were included in the cinematographic definition; Burshtein *supra* note 27 at 413.
- ³⁴ 17 U.S.C. § 201(b) (1996).
- ³⁵ Burshtein *supra* note 27 at 414 - 415.
- ³⁶ *The Challenge of the Information Highway: The Final Report of the Information Advisory Council*, September 1995 [hereinafter *IAHC*].
- ³⁷ *White House Information Infrastructure Task Force, Intellectual Property and the National Information Infrastructure: The Report of the Working Group on Intellectual Property Rights, Executive Summary 6* (1995) [hereinafter *NII Report*].
- ³⁸ Burshtein, *supra* note 27 at 408.
- ³⁹ *Ibid.*
- ⁴⁰ *Ibid* at 408 - 409.
- ⁴¹ *Ibid.*
- ⁴² Burshtein, *supra* note 27 at 408; Koster & Shatz-Akin, *supra* note 3 at 18. On the Internet, the speedy form of information transfer and reproduction does very little to protect the interest of copyright holders.
- ⁴³ G.A. Bloom and T.J. Denholm, "Research on the Internet: Is Access Copyright Infringement?" (1996) 12 C.I.P.R. 337 at 343. There are exceptions however, see the Fair Dealing (Canada) and Fair Use (U.S.) discussion *infra* Part II (B) (2).
- ⁴⁴ *Playboy Enters. Inc. v. Frena*, 839 F. Supp. 1552 [hereinafter *Playboy*] see also discussion in Part II *infra*.
- ⁴⁵ Koster & Shatz-Akin, *supra* note 3 at 19.
- ⁴⁶ Bloom & Denholm, *supra* note 43.
- ⁴⁷ *Copyright Act*, s. 3(1)(e) (Canada); and 17 U.S.C. § 106 (U.S.) (1996). In the U.S. to perform a work "publicly" means: (17 U.S.C. § 101) (1) to perform...it at a place open to the public or at any place where substantial number of persons outside of a normal circle of a family and its social acquaintances is gathered; or (2) to transmit or otherwise communicate a performance...of the work to a place specified by clause (1) or to the public, by means of any device or process, whether the members of the public capable or receiving the performance...receive it in the same place or in separate places and at the same time or different times.
- ⁴⁸ Burshtein, *supra* note 27 at 415; *Playboy*, *supra* note 44. In terms of "public performance" see also M.M. Wallace, "The Development and Impact of the Digital Performance Right in Sound Recordings Act of 1995" (1997) 14 THOMAS M. COOLEY LAW REVIEW 101 at 102.
- ⁴⁹ *Canadian Admiral Corp. v. Rediffusion, Inc.* [1954] Ex. C.R. 382 at 396; Burshtein, *supra* note 27 at 410 [hereinafter *Rediffusion*]. According to the *Rediffusion* court, a performance in a private home is not considered a "public performance" under the *Copyright Act*. Noting the year of the decision of this case, it would be difficult to apply this test under today's modern world of computers and technology. The Internet is a publicly accessed network of computers which is global in nature. By having access to the Internet in the privates of one residence should not exclude the Internet from coming under the ambit of the "public display" provision of the current *Copyright Act*.
- ⁵⁰ *Copyright Act*, s. 2 (Canada). "Telecommunications" means any transmission of signs, signals, writing, images or sounds or intelligence of any nature by wire, radio, visual, optical or other electromagnetic system.
- ⁵¹ It should be noted that a cable television industry related case suggests that an ISP or BBS who cause(s) musical or visual representations of dramatic works to be made publicly available on their web sites or networks to a large number of Canadians, without the authorized consent of the copyright holder, can be considered copyright infringement see *Canadian Cable Television Assn. v. Canada (Copyright Board)* (1993), 46 C.P.R. (3d) 359.
- ⁵² *Supra* note 44.
- ⁵³ Koster & Shatz-Akin, *supra* note 3 at 19.
- ⁵⁴ *Ibid.*
- ⁵⁵ *Copyright Act*, s. 13(1) and 13 (3) (Canada). For the purposes of this paper, it can be assumed that the author of a cinematographic work is the film studio, since the rights associated with a film are usually given or transferred to the film production company. See *infra* note 60.
- ⁵⁶ *Ibid.*
- ⁵⁷ *Copyright Act*, 17 U.S.C. § 201 (a) and (b) (U.S) (1996). "In the case of a work made for hire, the employer or other person for whom the work was prepared is considered the author for purposes of this title, and, unless the parties have expressly agreed otherwise in a written instrument signed by them, owns all of the rights comprised in the copyright."
- ⁵⁸ *Copyright Act* § 101 (USA). See also McDonough, *supra* note 18 at 473.
- ⁵⁹ *Ibid.*
- ⁶⁰ *Ibid.* McDonough argues that the box office receipts and other financial considerations, not artistic concerns, generally motivate a film studio's decision to pursue copyright action. An alternative strategy suggested by Mitchell D. Kamarck, suggests that certain copyright holders will assign the rights [of the images from the motion picture] over to the celebrity in order for the celebrity to pursue legal action.
- ⁶¹ Kamarck, *supra* note 2 at 14. Kamarck argues that any agreement that requires the celebrity to shed clothes in the motion picture should include: "(1) who holds the copyright to the nude images; (2) whether the nude portions of the film will be used on the studio's web page to promote the film; (3) who will police the web for unauthorized uses of the pictures; and (4) if someone other than the celebrity own the copyright to the nude pictures, whether that person or entity will transfer the necessary rights to the celebrity to empower the celebrity to police the web."
- ⁶² McCarthy, *supra* note 22.
- ⁶³ *Haelan Laboratories, Inc. v. Topps Chewing Gum, Inc.*, 202 F. 2d 866 at 868 (2d Cir.) (1953). See also R. Raysman, "Staying Interactive In The Hi-Tech Environment" (1997) 467 PRACTISING LAW INSTITUTE (WESTLAW) 905 at 912.
- ⁶⁴ C. Fernandez, "The Right of Publicity On The Internet" (1997) 8 No. 2 MARQUETTE SPORTS LAW JOURNAL 289 at 306. Fernandez argues that the commercial value in one's identity must be kept in perspective when discussing any claim of a right of publicity because "this is what the right of publicity aims to promote." *Ibid* at 293.
- ⁶⁵ *Zacchini v. Scripps-Howard Broadcasting Co.*, 433 U.S. 562, 97 S. Ct. 2849 at 2857 (1977). See also J.P. Weingart, "Licensing Celebrity Rights of Publicity in Multimedia Products" 3 No. 1 MULTIMEDIA STRATEGIST 1 at 4; Raysman, *supra* note 63 at 918.
- ⁶⁶ *Ibid.* There have been numerous cases involving the right of publicity and the on-line environment, see *Curtis Management Group Worldwide, Inc. v. American Legends et al.*, Cause No: 49D109607-CP-0995 (Marion County Superior Court, July 17, 1996); *National Basketball Association v. Sports Team Analysis and Tracking Systems, Inc.*, 1996 U.S. Dist. LEXIS 10262 (S.D.N.Y. July 19, 1996); *Stern v. Delphi Internet Servs. Corp.*, 626 N.Y.S. 2d 694 (Sup. Ct. N.Y. Co. 1995).
- ⁶⁷ *Milano v. Machinenet, et al.* Case No. 98-3246, 1998 U.S. Dist. (C.D. Cal. Filed April 27, 1998) [hereinafter *Machinenet*] and *Milano and O'Connor v. Eight Ball, Inc., et al.* Case No. 98-3245, 1998 US. Dist (C.D. Cal. Filed April 27, 1998) [hereinafter *Eight Ball*]. In late November of 1998, these two cases were settled out of court, with Milano allegedly receiving a five-figure sum, by web marketer Paul Anand and his two British Columbia based companies (*Machinenet* and *A.D.E. Inc.*), see M. Grego (Hollywood Reporter), "Alyssa Milano Cleans Up Her Online Image" December, 16, 1998, *People*.
- ⁶⁸ *Ibid.*



- 69 V.A. Kovner, S.L. Telsey, and G.M. McCarthy, "Newsgathering, Invasion of Privacy and Related Torts" (1997) 498 PRACTISING LAW INSTITUTE (WESTLAW) 587 at 874 - 875.
- 70 *Ibid.*
- 71 M. Baroni, CYBERTIMES, September 27, 1997.
- 72 *Supra* note 14.
- 73 *Ibid.* at 870.
- 74 *Ibid.* at 873.
- 75 *Ibid.* at 875.
- 76 Fernandez, *supra* note 64 at 304.
- 77 *Ibid.*
- 78 15 U.S.C. § 1125(a) (U.S.) (1996).
- 79 "A judge-made common law form of unfair competition where the defendant has copied or appropriated some item or creation of the plaintiff which is not protected by either patent law, copyright law, or trademark law, or any other traditional theory of exclusive rights." McCarthy, *supra* note 22.
- 80 L. Goldman, "Elvis is Alive, But He Shouldn't Be: The Right of Publicity Revisited" (1992) B.Y.U. L. REV. 597 at 598.
- 81 R.S.C. 1985, c. P-21.
- 82 Brenda Pritchard and Eric Gross, Gowling, Strathy & Henderson, "Wanted: Personalities - Dead or Alive", Toronto, February 1996. In Manitoba, Saskatchewan and Newfoundland, it is a violation of privacy to use the name, likeness or voice of a person for advertising or trade purposes without authorization. In British Columbia the legislation protects only the name and portrait of the individual.
- 83 *Ibid.*
- 84 (1973), 1 O.R. (2d) 255 (Ont. C.A.), rev'g [1970] 3 O.R. 135 (H.C.)
- 85 *Ibid.* at 152.
- 86 [1969] R.P.C. (No. 8) 218, [1960] S.R. 576. [hereinafter *Henderson*].
- 87 *Supra* note 84 at 151.
- 88 (1998) 39 O.R. (3d) 545 (Ont. C.A.). [hereinafter *Gould*]
- 89 *Ibid.* at 551 - 553.
- 90 See also *Dowell v. Mengen Institution* (1983), 72 C.P.R. (2d) 238, (Ont. H.C.); *Athans v. Canadian Adventure Camps Ltd.* (1977), 17 O.R. (2d) 425 (H.C.); *Joseph v. Daniels* (1986), 4 B.C.L.R. (2d) 239 (S.C.); *Horton v. Tim Donut Ltd.* (1997), 75 C.P.R. (3d) 451.
- 91 *Copyright Act*, s. 27(1) (Canada). This is also known as primary infringement. Secondary infringement occurs where any person (a) sells or rents out, (b) distributes to the extent to prejudice the owner of copyright, (c) by way of trade distribute, expose or offer for sale or rental, or exhibit in public [(d) possess or (e) import]...a copy of work, sound recording or fixation of a performer's performance or of a communication signal that the person knows or should have known infringes copyright or would infringe copyright if it had been made in Canada by the person who made it.
- 92 *Ravenscroft v. Herbert and New English Library Ltd.* [1980] RPC 193. The requirements include: (1) was the material taken an essential element of the copyrighted work; (2) how much of the material is relevant to copyright; (3) was there an intention on the part of the defendant to copy the work in question and (4) to what extent were the plaintiff and defendant competing in the said works.
- 93 17 U.S.C. §501(a) (U.S.) (1996). "Anyone who violates any of the exclusive rights of the copyright owner as provided by §106 through 118 or of author as provided in §106A(a), or who imports copies or phonorecords into the United States in violation of §602, is an infringer of the copyright or right of the author, as the case may be."
- 94 *Feist*, *supra* note 23; *Southern Bell Tel. & Tel. v. Assoc. Telephone Directory Publishers*, 756 F.2d 801 at 810 (11th Cir. 1985); *Playboy*, *supra* note 44 at 1556.
- 95 Internet Service Providers (ISPs) are most vulnerable to copyright infringement.
- 96 A.P. Segal, "Dissemination of Digitized Music on the Internet: A Challenge to the Copyright Act" (1996) 12 SANTA CLARA COMPUTER & HIGH TECH. L.J. 97 at 103.
- 97 M.D. Kamarck, "Understanding Copyright Liability in Cyberspace: A Primer" (December 1996) CYBERSPACE LAWYER (visited on October 6, 1998) <<http://rmslaw.com/Articles/art53.htm>>.
- 98 *Supra* note 37.
- 99 For a further discussion on the requirements of these three types of copyright liability see *infra*.
- 100 3 M. B. Nimmer & D. Nimmer, *Nimmer on Copyright*, § 12. 04 (1996). See also M.A. Shulman, "Internet Copyright Infringement Liability: Is an on-line Access Provider More Like A Landlord or a Dance Hall Operator?" (1997) 27 GOLDEN GATE U. L. REV 555 at 568.
- 101 *Ibid.*
- 102 *NII Report*, *supra* note 37. For a description of U.S. vicarious liability see *infra* note 131, and U.S. contributory infringement see *infra* note 133.
- 103 *Supra* note 91; Burshtein, *supra* note 27 at 432.
- 104 17 U.S.C. § 501(a) (U.S.) (1996) .
- 105 3 M. B. Nimmer & D. Nimmer, *Nimmer on Copyright*, § 31.01 (1995); *Playboy*, *supra* note 44 at 1556.
- 106 17 U.S.C. § 410 (c) (U.S) (1996).
- 107 A.S. Pink, "Copyright Infringement Post Isoquantic Shift: Should Bulletin Board Services Be Liable?" (1995) 43 UCLA L. REV 587 at 597.
- 108 V.J. Rocca, "What's Fair is (Not Always) Fair on the Internet" (1997) 29 RUTGERS L.J. 155 at 199. See also R. Kerber, "On-Line Vigilant Copyright Holders Patrol the Internet" WALL ST. J., December 13, 1995 at B1. The web site <<http://www.loskene.com>> was last visited on November 7, 1998, and no longer features a Star Trek "Tholian" theme. The current theme of the web page is "Captain James T. Kirk Singalong Site," which features different Star Trek characters from the TV series singing various songs during the popular television series. When visited, there were images of the crew members of the USS Enterprise which appeared to be official promotional material from the television series from the 1960s.
- 109 *Ibid.*
- 110 *Ibid.*
- 111 J. Woo & J. Sandberg, "Copyright Law is Easy to Break on the Internet, Hard to Enforce" WALL ST. J., October 10, 1994 at B6.
- 112 *Ibid.*
- 113 *Supra* note 67.
- 114 *Ibid.* However, more recently in an unpublished decision, Milano has been awarded \$230,000 (US) by a federal judge, because an Internet site (nudecelebrity.com) posted nude photographs of the film and television actress without her permission. See 12/24/98 *Orange County (Cal.) Reg.*
- 115 *Supra* note 92.
- 116 *Playboy*, *supra* note 44 at 1559; *D.C. Comics Inc. v. Mini Gift*, 912 F.2d 29 (2d Cir. 1990); Segal, *supra* note 96.
- 117 *Supra* note 94.
- 118 Shulman, *supra* note 100 at 570.
- 119 A software package available for converting motion pictures to computer image files and movie (MPEG) files is available by Silicon Graphics and its IRIX (TM)—Digital Media Tools Program. This software enable the user to "capture, edit, record, play, compress, and convert audio, video, or image files." (visited on November 27, 1998) <http://arctic.eng.iastate.edu:88/SGI_EndUser/MediaTls_UG/43?DWEB_NAVHINTS=0,4,2>.
- 120 *Ibid.* With the advent of "Video Capture Cards" copying images from television or movies is made even simpler. The card basically acts like a data recorder, which fits inside one's P.C. and acts as a converter for watching television or any other audio/video device on a monitor. One can then transpose the image shown on television, and onto the computer through the use of the card. Images than can be converted to "MPEG," "JPG", or "GIF" formats.
- 121 Shulman, *supra* note 100; *NII Report*, *supra* note 37.
- 122 *Copyright Act*, s. 2 (Canada) - Artistic works include: paintings, drawings, maps, charts, plans, *photographs*, engravings, sculptures, works of artistic craftsmanship, architectural works, and compilations or artistic works. In the United States, artistic works are protected by the *Copyright Act* under 17 U.S.C. § 102 (a) (5) (1996) "pictorial, graphic and sculptural works."
- 123 *Supra* note 44.
- 124 *Ibid.* at 1554.
- 125 *Ibid.*
- 126 *Ibid.* at 1554 - 1559.
- 127 *Ibid.*
- 128 *Ibid.*



- ¹²⁹ *Ibid.* at 1559.
- ¹³⁰ Civil No. 3-96-CV-3222-H, 1997 U.S. Dist. LEXIS 21264 (N.D. Tex. Dec. 11, 1997) [hereinafter *Webbworld*].
- ¹³¹ Vicarious Liability involves a plaintiff establishing that a third party [e.g., ISP or BBS] (1) had the right and ability to control the primary infringer, and (2) received a direct financial benefit from the infringement. *Shapiro, Bernstein & Co. v. H.L. Green Co.*, 316 F.2d 304 (2d Cir. 1963).
- ¹³² *Copyright Act*, s.2 (Canada) - Literary work include tables, computer programs, and compilations of literary works. In the United States, literary works are protected by the *Copyright Act* under 17 U.S.C. § 102 (a) (1) (U.S.) (1996).
- ¹³³ *Gershwin Pub. Corp. v. Columbia Artists Management, Inc.*, 443 F. 2d 1159 (2d Cir. 1971).
- ¹³⁴ 857 F. Supp. 679 (N.D. Cal. 1994).
- ¹³⁵ *Ibid.* at 687-689.
- ¹³⁶ *Ibid.* at 683-685.
- ¹³⁷ *Ibid.* at 686-687.
- ¹³⁸ A.B. Taitz, "Removing Road Blocks Along the Information Superhighway: Facilitating the Dissemination of New Technology by Changing the Law of Contributory Copyright Infringement" (1995) 64 GEO. WASH. L. REV. 133 at 137; Shulman, *supra* note 100 at 569.
- ¹³⁹ Koster and Shatz-Akin, *supra* note 3 at 20.
- ¹⁴⁰ P. Goldstein, COPYRIGHT LAW AND PRACTICE 713 (1989); Shulman, *supra* note 100 at 569.
- ¹⁴¹ *See Religious Technology Center, et al. v. Netcom On-Line Communication Services, Inc., et al.*, 907 F.Supp. 1361 (N.D. Cal. 1995) [hereinafter *Netcom*]; Burshtein, *supra* note 27 at 434.
- ¹⁴² *Telecommunications Act of 1996*, Pub. L. 104-104, 110 Stat. 56; *The IAHC Report*, follows the guidelines set by the U.S., in claiming that the *Copyright Act* be amended so that no owner or operator of a BBS should be held liable for copyright infringement if they were unaware of the material offending copyright and they took good efforts to limit the copyright abuse; Burshtein, *supra* note 27 at 439 - 440.
- ¹⁴³ *Copyright Act*, s. 29 (Canada).
- ¹⁴⁴ *Ibid.* Bloom and Denholm, *supra* note 43 at 346.
- ¹⁴⁵ *Allen v. Toronto Star Newspapers Ltd.* (1997), 36 O.R. (3d) 201 (Ont. C.A.). This is a recent view of the fair dealing defense from the Ontario Court of Appeal. The law in Canada with respect to this area of the law has not been extensively developed.
- ¹⁴⁶ *Copyright Act*, 17 U.S.C. § 107 (U.S) (1996).
- ¹⁴⁷ Bloom and Denholm, *supra* note 43 at 346-350. The Canadian Fair Dealing exception is a more restrictive view, and it is unlikely that the defense will be allowed without the express consent of the copyright holder. Whereas the Fair Use doctrine allows for a broader view of copyright defense, and multiple duplication may be permitted under the doctrine.
- ¹⁴⁸ *Supra* note 140.
- ¹⁴⁹ *Ibid.*
- ¹⁵⁰ Banner Ads are the equivalent of commercial billboards. Specifically, a banner ad is a rectangle graphic (in .jpg or .gif format) which is often animated, advertising a product or service. Advertisers sometimes count banner "views," or the number of times a banner graphic image was downloaded over a period of time. According to Banner-ads.com, banner ads are "currently the most successful form of web advertising and generate a considerable amount of traffic ("hits") for commercial web sites (second only to search engines)." Approximately \$367 million dollars was spent on web advertising in 1996, and much of it included banner advertisements. (last visited October 2, 1999) <www.banner-ads.com/what.htm>
- ¹⁵¹ *Supra* note 141.
- ¹⁵² *Ibid.* at 1365-1366.
- ¹⁵³ Koster and Shatz-Akin, *supra* note 3 at 19.
- ¹⁵⁴ *Ibid.* at 21.
- ¹⁵⁵ In relation to Paramount Pictures Inc. copyright enforcement campaign (*see Roccia, & Kerber supra* note 100) against web page creators who were violating the Star Trek copyright, a web page creator, Steve Krutzler, threatened to boycott current Star Trek shows by posting a letter on his web page and for others to do the same. "If they're not going to back down, and we have to make the ratings fall, we will." Wire Magazine site (visited October 15, 1998) <http://www.wired.com/news/story/1076.html>.
- ¹⁵⁶ *Dateline, supra* note 1; *see also* (visited on November 1, 1998) <http://www.cyber-tracker.com>.
- ¹⁵⁷ <http://www.cyber-tracker.com/Safe/index.htm>.
- ¹⁵⁸ Cyber-trackers has commenced legal action against (April 27, 1998) pay adult-oriented sites in the *Machinenet* and *Eight Ball, Inc.* court filings, *see supra* note 67.
- ¹⁵⁹ Virtually every new release of a motion picture has its own official web site set up by the film production company, and some sites include images and sound files from the movie themselves. For example, for the new upcoming release of "Star Trek: Insurrection" (December 11, 1998), Paramount Pictures (visited on November 15, 1998) <http://www.paramount.com> has set up an official Star Trek web page <www.startrek.com> as promotion for the new film. The same holds true for the new release of the Star Wars prequel in May of 1999, in which official images of Episode I (the film's trailer) are available at (visited November 28, 1998) <http://www.starwars.com>. Furthermore, the terms of which the user can use these web sites are also located on these film studio's web pages. For example Warner Brothers on-line web page (visited on November 17, 1998) <http://www.warnerbros.com/terms/html> includes in its terms and conditions for use that "[a]ll material on this site, including, but not limited to images, illustrations, audio clips, and video clips, is protected by copyrights which are owned and controlled by Warner Bros. or by other parties that have licensed their material to WB Online."
- ¹⁶⁰ *See also* Koster and Shatz-Akin, *supra* note 3 at 22; and T.A. Unger, "Two Ways to Protect Copyrighted Works on the Web" (October 1995) INTELLECTUAL PROPERTY STRATEGIST at 8 for similar proposals. A digital signature is "unique and highly secure cryptographic codes, generated from the contents of the document (image), being signed and a password-protected private key of the signer." The signature allows the original owner of the document to keep track of their wares. *See* (visited on November 18, 1998) <http://www.digitalkey.com> and W.A. Hodkowski, "The Future of Internet Security: How New Technologies Will Shape The Internet and Affect the Law" (1997) 13 SANTA CLARA COMPUTER & HIGH TECH. L.J. 217 at 233.
- ¹⁶¹ Unger, *ibid.*
- ¹⁶² *See* Hodkowski, *supra* note 160 and Ballon, *supra* note 9.
- ¹⁶³ E.J. Heels, "Online - The Issue of Fair Use Hits a Slippery Slope when Offline Browsers Enter the Picture" (December 1998) 27 No. 4 *ABA Student Lawyer* 14 at 15. This downside to "agents" or "robots" is that webmasters or Sysops may not wish to have such programs visiting their sites. According to Heels, "[a] de facto industry standard called the "robots exclusion standard" has been devised to allow webmaster [and Sysops] to restrict agent access to all or part of their web sites."
- ¹⁶⁴ Koster and Shatz-Akin, *supra* note 3 at 22.





MODEL DIGITAL SIGNATURE ACT:

The Need for Cross-Jurisdictional Continuity

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I. INTRODUCTION

In March 1995, Utah passed its Digital Signature Act. This was the first of its kind in the United States. Today all fifty states and the District of Columbia either have passed legislature or have legislature pending to regulate the use of digital and/or electronic signatures.¹ It is clear that all of the jurisdictions within the United States place importance on legally accepting the use of digital and/or electronic signatures, and that they recognize the future of business: e-commerce.

Despite the obvious trend of the United States' various jurisdictions passing legislature, there is no federally sponsored statute regulating digital and electronic signatures, and no model law such as the Uniform Commercial Code. Continuity is necessary in order to promote smooth business transactions using e-commerce between the various United States jurisdictions. This paper asserts that a Model Digital Signature Act is needed and proposes the elements that should be the basis of that Model Digital Signature Act. The United States legislature thus far has been often modeled after the Utah Act by virtue of its first arrival on the scene. This paper proposes that aspects of the Utah Act,² as well as aspects of the California Act,³ and Illinois Act⁴ are necessary to make a Model Law that will allow business to be done between the jurisdictions of the United States.

II. THE TERM "SIGNATURE"

A. Traditional Signatures

The Uniform Commercial Code defines a traditional ink on paper signature as, "any symbol executed or adopted by a party with present intention to authenticate a writing."⁵ There are several purposes to a traditional signature. A signature can be evidence of the signer's intent to be represented on the document where his signature appears.⁶ A signature is also an act of ceremony that, enables a signer to avoid entering into an under considered covenant by calling to a signer's mind the legal significance of the signature.⁷ A signer's approval or authorization of the writing can be evidenced through the signature.⁸ Signatures on a document are efficient in that a signature lessens future inquiries when a document bearing a signature changes hands.⁹ A Model Digital Signature Act will give the same legal effect to an Electronic or Digital Signature that is given to a traditional signature.

B. Defining Electronic and Digital Signatures

The terms Electronic Signature and Digital Signature often are used mistakenly as interchangeable. This mistake even appears in some legislature.¹⁰ Understanding the differ-

ences between the two terms is important when framing legislature or a Model Law governing the use of Electronic and Digital Signatures. The following two sub-sections define each term and explain the differences between Electronic and Digital Signatures.

i. Electronic Signatures

Electronic Signatures can be generally defined as, "any letters, characters, or symbols manifested by electronic or similar means and executed or adopted by a party with an intent to authenticate a writing."¹¹ An electronic signature can take the form of a name typed by the sender at the e-mail message, a digitized image of a handwritten signature attached to an electronic document, a PIN number, any code that the sender uses to refer to himself, and a digital signature.¹²

A specific type of Electronic Signature that can be verified scientifically is the digitized image of a handwritten signature attached to an electronic document. The method used to record the digitized signature is called PenOp.¹³ PenOp is a software applica-

"A Digital Signature is a sub-set of the category Electronic Signature"

tion by which a sender of an electronic document manually signs his name onto a Gravity Prompt on a computer screen and approves his signature. Once the signature is made and approved, it is recorded by the Client Application in a manner that identifies this signature with this electronic document.¹⁴ This method allows third parties with questions as to the validity of the signature and document to verify the validity by checking the stored record of the signature and document.¹⁵

The probable users who would favor Electronic Signatures over Digital Signatures would be individuals and businesses involved in low-risk transactions. With the exception of the PenOp process, Electronic Signatures can be of various forms and require no further investment than the cost of using a computer and the Internet. The minimal restrictions placed on users by the majority of Electronic Signature applications makes this an ideal way to do business for the user who will not be using the Electronic Signature process often, and the user who does not have the capital to invest in special software.

ii. Digital Signatures

As mentioned above, a Digital Signature is a sub-set of the category Electronic Signature. A Digital Signature is, "the sequence of bits that is created by running an electronic



message through a one-way hash function to create a unique digest (or 'fingerprint') of the message and then using public key encryption to encrypt the resulting message digest with the sender's private key.¹⁶ This unique digest is referred to as a, "hash result."¹⁷ The tangible result of this process is an unintelligible string of numbers and letters that the software creating the signature recognizes as the signature of the sender of that message.¹⁸ The actual signature, or alphanumeric string, is what will be the private key.¹⁹ The private key makes up half of the encryption process used in Public-key encryption.

A Digital Signature can be used in an open or closed network, but the most commonly used network in e-commerce is the open network, *i.e.*, the Internet. When a Digital Signature is used on the open network, Public-key cryptography is used to secure the transaction. Public-key cryptography works like this:

- 1) Sender, Sandy, composes a document and runs it through a one-way hash function.
- 2) Sandy signs the hash function with her private key and uses Public-key cryptography software.
- 3) Sandy combines the newly created Digital Signature with the document she is sending which creates a new signed document.
- 4) Sandy sends the signed document to Robert.²⁰

When Robert receives the message from Sandy he will do the following:

- 1) Robert separates the signature from the document.
- 2) Robert runs the document through the same one-way hash function Sandy used.
- 3) Robert retrieves Sandy's public key either from a "key ring" on the Internet, or from a Certification Authority, which will be discussed below.
- 4) Robert uses Sandy's public key to decrypt Sandy's signature.
- 5) Robert compares the hash results he created to the hash results Sandy created. If the two match, Robert can be sure he is looking at an the unaltered document Sandy sent. If they do not match, Robert will reject the document as fraudulent.²¹

Digital Signatures lend themselves to a cryptography system that can be tracked easily. Probable users of the Public-key cryptography system would be individuals involved in business and financial transactions. Digital Signatures using a Public-key cryptography system provide a security that Electronic Signatures and traditional signatures cannot. The two key system provides proof of origin,²² message integrity and non-repudiation.²³ Using this system would require the users

to invest in the encryption software, but any cost involved in this investment would likely be outweighed by the benefits of peace of mind in knowing their transactions are secure.

III. CURRENT DIGITAL SIGNATURE LEGISLATION

This section is an overview of the legislation, that would best blend to make a Model Digital Signature Act. The legislature of the states of Utah, California, and Illinois will be looked at in some detail pointing out the benefits and drawbacks of each Act.

A. Utah

The state of Utah passed the Utah Digital Signature Act into law on March 9, 1995.²⁴ The Utah Act was the first of its kind in the United States.²⁵ The Utah Act covers the use of Digital Signatures only in an open Public-key cryptography environment.²⁶ The Act regulates the use of Digital Signatures by implementing a system of Certification Authorities.²⁷ The Certification Authorities, or CA's, are licensed to distribute the private and public keys necessary to use Digital Signatures under the Act.²⁸ The CA's create a repository for the public half of the key pair keys, so that they may be retrieved and verified if the need arises.²⁹ The holder of the key is responsible for making sure the key is not used fraudulently.³⁰

i. Certification Authorities

The Utah Act introduced the idea of the Certification Authority. This is the first tier in a two-tier system to alleviate the risk of Digital Signature fraud. "A Certification Authority would be licensed by state government to ascertain the identities of people and link them to their key pair."³¹ This information is put into a database to form the repository of information. These steps result in a user being issued a certificate.

A Certification Authority performs several different functions in maintaining and supervising certificates. For instance, the Certification Authority manages key pairs, and the issuance, distribution, suspension and revocation of certificates.³² The Certification Authority is also responsible for maintaining up-to-date information regarding the expiration or revocation of any certificate. This process ensures individuals who rely on another's Digital Signature that the communication will in fact be confidential and authentic.³³

The Certification Authority is somewhat protected from liability by the *de facto* liability cap placed on the Certification Authorities.³⁴ The amount of the cap that Utah allows for the Certification Authority is not necessarily a realistic representation of the monetary amounts that could potentially be lost in a dealing with a fraudulent Digital Signature, or an expired or revoked Digital Signature that has not been posted by the Certification Authority.³⁵ This protection of the Certification Authority to the detriment of the individuals participating in the transaction creates a greater burden on those the system



was originally set up to protect. Consumers and businesses will be less likely to use the Digital Signature system designed by the Utah Act to avoid this risk altogether.

ii. Private Key Holder Risk

In the Utah Act scheme, the ultimate responsibility in using a Digital Signature falls on the shoulders of the private key holder. "The Utah Act obligates [the private key holder] not to allow his private key to fall into the hands of someone else."³⁶ The result of the key holder falling short of this obligation is that the key holder will be liable for documents signed with his key, even if he did not send them. In an ordinary transaction with a traditional signature, the risk would fall on the shoulders of the receiving party to prove that the signature does not belong to the signer of the document. Placing the risk on the Digital Signature holder could deter individuals from using the Public-key cryptography process.³⁷

iii. The Utah Act and the Model Digital Signature Act

As was mentioned above, the Utah Act has often been emulated as a model when other United States jurisdictions have enacted their own Digital Signature Acts. In framing a Model Digital Signature Act, this trend should end. There are clearly some areas of the Utah legislation that should not be included in a Model Digital Signature Act. The aspects of the Utah Act that should not be included in the Model Act are the technological limitation to Digital Signatures only, the higher assumption of risk by the private key holder and the *de facto* liability caps on the Certification Authorities. The Utah Act runs the risk of deterring potential Digital Signature users from participating in e-commerce, and keeping potential business transactions from taking place in Utah.

B. California

i. Certification Authorities

The California Digital Signature Regulations³⁸ differs from the Utah Act in that it applies administrative regulation in the aspect of Certification Authorities.³⁹ The administrative regulation approach leaves up to an administrative agency, such as the Secretary of State, the decisions left up to the legislature in the Utah Act.⁴⁰ This allows for changes to the system set up for the use of Digital Signatures to come into effect without having to pass through the legislature again as an amendment to the Act.

ii. Allocation of Liability

A key difference between the California and Utah legislation is the fact that the California legislation has opted not to place a *de facto* liability cap on the Certification Authority, and the private key holder does not bear the burden of keeping his key from individuals who may use the key fraudulently.

The Secretary of State, "chose not to address liability concerns in the regulation, leaving them to be addressed by the legislature or resolved contractually between the parties."⁴¹ This approach offers the opportunity of fairer allocation of risk between all of the parties involved in the transaction.

iii. Digital Signature Technology

The California legislation has a relatively open approach to the types of Digital Signatures given the legal effect of a manual signature. The legislation puts forth five criteria which must be met in order for a digital signature to be effective:

- 1) It is unique to the person using it.
- 2) It is capable of verification.
- 3) It is under the sole control of the person using it.
- 4) It is linked to data in such a manner that if the data is changed, the digital signature is invalidated.
- 5) It conforms to regulations adopted by the Secretary of State.⁴²

The Secretary of State has limited the forms of acceptable Digital Signatures to either public key encryption or signature dynamics, but has also establishes a procedure whereby new technologies may be added.⁴³

iv. Cross-jurisdictional Validity

The California legislation provides that a certificate from another jurisdiction is not given automatic status as a legal Digital Signature in California. A Certification Authority from another jurisdiction must be on an approved list in California. This is done by providing the Department of Information Technology with, "proof of accreditation by an international accreditation body."⁴⁴ The problem with this provision is determining what is meant by an international accreditation body. Does this extend to Certificates from countries other than the United States?

v. The California Digital Signature Regulations and the Model Digital Signature Act

The administrative regulatory system introduced by the California Digital Signature Regulations and the five criteria of Digital Signature validity are two aspects of the California legislation that should be included in the Model Digital Signature Act. Using this aspect of the California legislation along with the basic Certification Authority in the Utah Act provides for the wider scope needed in a Model Digital Signature Act which will be adapted by all of the United States' jurisdictions.

The California Secretary of State's approach to the liability question is a practical solution to the overly strict Utah approach. However, in a Model Act the question should not be legislated, but left for each jurisdiction to address administratively as California did. When each jurisdiction drafts its version of the Model Act, it will appoint a governmental body to become the administrative regulator. These bodies will make



the decisions regarding allocating the risk between Certification Authorities, private key holders, and parties carrying out business with the private key holders.

C. Illinois

i. Digital Signature Technology

As compared to Utah and California, the most unique aspect of the Illinois Electronic Commerce and Securities Act is its openness to either Electronic or Digital Signatures. "This openness is extremely flexible in the sense that any procedure is acceptable as long as," it adheres to requirements set out in the Act.⁴⁵ The basic idea behind the requirements is that so long as the Electronic Signature can be traced to an individual who had intent to use it in the manner ascribed to an Electronic Signature attached to an electronic document, and the Illinois Act, a previous agreement between the parties, or certification from the secretary has deemed an individual capable of being able to create an electronic signature,⁴⁶ this Electronic Signature will be given legal effect and deemed secure.

ii. Cross-jurisdictional Validity

The openness of the Illinois Act ends with foreign secure Electronic Signatures. The Act reduces the acceptable forms of Electronic Signatures to Digital Signatures when it addresses foreign digital signatures.⁴⁷ However, the Illinois Act does look toward accommodating the digital signatures of other U.S. jurisdictions, and of other countries, as closely as they would treat an Illinois Digital Signature as possible.⁴⁸ In addition, the Illinois Act calls for a maximization of, "the opportunities for uniformity with the laws of other jurisdictions (both within the United States and internationally.)"⁴⁹

iii. Illinois Electronic Commerce and Securities Act and the Model Digital Signature Act

The open format of the Illinois Act will lend itself well to the needs of a cross-jurisdictional Model Digital Signature Act. It is key to include both Electronic and Digital Signatures in the Model Digital Signature Act, and the test for a validly secure Electronic Signature leaves room for variation in the form an Electronic Signature will take.

Of course, a Model Digital Signature Act will not impose the stricter regulation of Digital Signatures only when the signature comes from another United States jurisdiction, but this part of the Illinois Act is appropriate for transactions with foreign countries.

IV. PROPOSED ELEMENTS FOR THE MODEL DIGITAL SIGNATURE ACT

A. Allowable forms of Electronic Signatures

The Model Digital Signature Act should not specify one form of Electronic Signatures only. The Act should follow the Illinois pattern of allowing all forms of Electronic Signatures as long as they pass the security test ascribed within the Illi-

nois Act.⁵⁰ Regarding the allowance Digital Signatures from outside of the United States, a limitation on form of signature is recommended. Limiting the foreign digital correspondence to a Digital Signature, assuming this includes the use of a Public-key cryptography system, assures the jurisdictions within the United States security in their transactions.

Regarding Digital Signatures as a group, the five criteria from the California Act:

- 1) It is unique to the person using it.
- 2) It is capable of verification.
- 3) It is under the sole control of the person using it.
- 4) It is linked to data in such a manner that if the data is changed, the digital signature is invalidated.
- 5) It conforms to regulations adopted by the Secretary of State.⁵¹ should be adopted to test the security and validity of any Digital Signature used under the Model Digital Signature Act.

B. Certification Authorities

The idea of Certification Authorities introduced in the Utah Act should remain in the Model Digital Signature Act. A central repository in each jurisdiction is a benefit to all parties involved in a digital form transaction. It allows for double-checking of the validity and standing of a public key in a two-key transaction. However, shifting the focus from governmental Certification Authorities to private Certification Authorities should be a priority in the Model Digital Signature Act. These private Certification Authorities, "may be more focused on critical tasks because [their] livelihood depends on [their] relationship with [their] customers."⁵² The private Certification Authorities would need to be licensed by the government in order for their certificates to be considered valid.⁵³ The standards that would need to be met in order to be licensed would be determined by the administrative regulators.

In addition to the system set out above, a system to audit the Certification Authorities should be set into place by the Model Digital Signature Act via the administrative regulators. The audits would reduce the risk of loss due to non-compliant Certification Authority.⁵⁴ The audits would be set up through the administrative regulators as well.

C. Administrative Regulation

Each state and jurisdiction that adopts the Model Digital Signature Act should have autonomy in deciding the administrative questions in relation to security of Electronic Signatures. As in the case of the California Act, a government entity such as the Secretary of State would be given this duty.

D. Allocation of Risk

One of the most important questions to be decided by the administrative regulator will be the allocation of risk. The model in the Utah Act should be discouraged in the Model Digital Sig-



nature Act, but each state and jurisdiction will have autonomy in making this decision. The *de facto* liability cap in relation to the Certification Authority should be considered carefully by the administrative regulators. No Certification Authority should be discouraged from participating in this process by the potential losses, but placing the burden on the holder of the private key will ultimately discourage inter-state e-commerce with the state that allows the *de facto* liability cap.

V. CONCLUSION

Allowing states to adapt these proposed elements of a Model Digital Signature Act to their needs, while maintaining a solid basis in continuity between jurisdictions, will promote interstate e-commerce, and allow anyone from an individual consumer to a small business owner to a multi-billion dollar corporation to successfully and securely use Electronic or Digital Signatures. Business will be carried out anywhere in the United States with the same effectiveness as a handwritten signature, but with the time-saving, deal-saving ease of a Digital Signature.

Footnotes

- 1 McBride Baker & Coles Summary of Electronic Commerce and Digital Signature Legislation (Visited Apr. 26, 1999) <http://www.mbc.com/ds_sum.html>.
- 2 Utah Digital Signature Act, UTAH CODE ANN. §46-3-101-504 (1995).
- 3 California Digital Signature Regulations, California Code of Regulations, Title 2, Div. 7, Ch. 10 (June 12, 1998) <<http://www.ss.ca.gov/digsig/regulations.htm>>.
- 4 Illinois Electronic Commerce Securities Act, H.B. 3180 (Ill. 1998) (enacted) <<http://www.mbc.com/legis/ill-esca.html>>.
- 5 U.C.C. § 1-201(39).
- 6 Information Security Committee, Section of Science and Technology, American Bar Association, Tutorial, 38 JURIMETRICS J. 244.
- 7 *Id.* at 245.
- 8 *Id.*
- 9 *Id.*
- 10 McBride Baker & Coles Summary of Electronic Commerce and Digital Signature Legislation, *supra* note 1. The Kansas legislation misuses the term *electronic*.
- 11 Thomas J. Smedinghoff, Overview of State Electronic and Digital Signature Legislation, Page references not available (Glasser LegalWorks1998).
- 12 *Id.*
- 13 Benjamin Wright, Eggs in Baskets: Distributing the Risks of Electronic Signatures, 15 J. MARSHALL J. COMPUTER & INFO. L. 189, 197.
- 14 *Id.*
- 15 *Id.* at 198.
- 16 Smedinghoff, *supra* note 8.
- 17 Maureen S. Dorney, Doing Business on the Internet: The Law of Electronic Commerce, 491 PRAC. L. INST. 141, 146.
- 18 Smedinghoff, *supra* note 8.
- 19 Dorney, *supra* note 14 at 146.
- 20 Dorney, *supra* note 14 at 147.
- 21 *Id.*
- 22 C. Crawford Biddle, Misplaced Priorities: The Utah Digital Signature Act and Liability Allocation in a Public Key Infrastructure, 33 SAN DIEGO L. REV. 1143, 1146.
- 23 *Id.*
- 24 *Id.* at 1143.
- 25 Dorney, *supra* note 14 at 157.
- 26 Biddle, *supra* note 19 at 1143.
- 27 *Id.*
- 28 *Id.*
- 29 *Id.*
- 30 Wright, *supra* note 10 at 193.
- 31 *Id.*
- 32 Information Security Committee, *supra* note 3 at 254.
- 33 *Id.*
- 34 Biddle, *supra* note 19 at 1144.
- 35 *Id.*
- 36 Wright, *supra* note 10 at 193.
- 37 *Id.* at 195.
- 38 California Digital Signature Regulations, *supra* note 3.
- 39 Gary W. Fresen, What Lawyers Should Know About Digital Signatures, 85 ILL. B.J. 170, 173.
- 40 *Id.*
- 41 Dorney, *supra* note 14 at 158.
- 42 Juan Andres Avellan, John Hancock in Borderless Cyberspace: The Cross-Jurisdictional Validity of Electronic Signatures and Certificates in Recent Legislative Texts, 38 JURIMETRICS J. 301, 304.
- 43 Dorney, *supra* note 14 at 158.
- 44 Avellan, *supra* note 39 at 306.
- 45 *Id.* at 311. Under the Illinois Act an Electronic Signature is secure if:
 - 1) A qualified security procedure has been used,
 - 2) It can be determined that the Electronic Signature corresponds to a specific person,
 - 3) The relying party has relies on it reasonably and in good faith, and
 - 4) Such party has established that the qualified security procedure was commercially reasonable under the circumstances and applied in a trustworthy manner.
- 46 *Id.* Under the Illinois Act an Electronic Signature must be:
 - 1) Unique to the signer within the context in which it is used,
 - 2) Able to be used to promptly and objectively identify the person signing the electronic record,
 - 3) Reliably created by such identified person, such as because some aspect of he procedure involves the use of a means or method that is under the sole control of such person, and
 - 4) Created, and is linked to the electronic record to which it relates, in a manner such that if the record or the signature is changed after signing the electronic signature is invalidated.
- 47 *Id.* at 312.
- 48 *Id.*
- 49 *Id.*
- 50 Avellan, *supra* note 39 at 306.
- 51 Avellan, *supra* note 39 at 304.
- 52 Ron Klein and William E. Wyrrough, Jr., The Electronic Signature Act of 1996: Breaking Down Barriers to Widespread Electronic Commerce in Florida, 24 FLA. ST. U. L. REV. 407, 425.
- 53 *Id.*
- 54 Dorney, *supra* note 14 at 156. 1 of 16



Recent Developments In Computer Law

By David R. Syrowick
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U.S. SUPREME COURT

Expert Testimony

As reported at 57 BNA's PTCJ 440 on March 23, 1999, the U.S. Supreme Court unanimously held that a trial court's gatekeeper duty under Fed. R. Evid. 702 applies not just to testimony based on "scientific" knowledge, but also to testimony based on "technical" and "other specialized" knowledge. The court reversed an Eleventh Circuit decision that limited the analysis in *Daubert v. Merrell Dow Pharmaceuticals, Inc.* to scientific expert testimony. *Kumho Tire Co. v. Carmichael*.

Appellate Review

As reported at 48 BNA's PTCJ 172, on June 10, 1999, the U.S. Supreme Court held 6-3 that the Federal Circuit must apply the appellate review standards of the Administrative Procedure Act in reviewing Patent and Trademark Office fact findings supporting the denial of a patent application. The decision reverses the unanimous en banc ruling of the Federal Circuit that it was entitled to apply the less deferential "clearly erroneous" review standard to PTO findings of fact based on pre-APA case law. The Supreme Court was not persuaded that this case law reflected a "recognized" standard that would justify an exception to the APA standard for court review of agency action. *Dickinson v. Zurko*.

State Immunity From Suits

As reported in the June 24, 1999, issue of the WALL STREET JOURNAL, on June 23rd, the U.S. Supreme Court held 5-4 in two different cases with the same parties that Congress did not have the authority to abrogate state 11th Amendment immunity in patent and trademark infringement cases. The patent case involved a software patent. *College Savings Bank v. Florida Prepaid Post Secondary Education Expense Board*.

U.S. COURT OF APPEALS

Patents

As reported at 57 BNA's PTCJ 510, on April 14, 1999, the U.S. Court of Appeals for the Federal Circuit held that process patent claims containing mathematical algorithms are patentable subject matter because the claims "apply" the algorithm to produce a useful, concrete, tangible result without preempting other uses. Reversing and remanding a summary judgment of invalidity, the court produced an opinion that attempts to harmonize more than 20 years of case law concerning computer technology and Section 101 of Title 35. The court clarified that the subject matter determination does not necessarily require showing of "physical transformation" or physical limitations in the case of process claims. *AT&T Corp. v. Excel Communications, Inc.*

Copyrights

As reported at 57 BNA's PTCJ 395, on March 11, 1999, the U.S. Court of Appeals for the Federal Circuit held that ownership of a copy of computer software for purposes of asserting an infringement defense under 17 U.S.C. § 117 is determined by the restrictions on the possession of the copy contained in a software license. Reversing a judgment that a software licensee was the owner of its copy, the court found that the ownership determination should not have been made solely on the basis of the licensee's single payment for possession for an unlimited period of time. The agreement's limitations on transferring the software copy and on using of the software in unauthorized hardware demonstrated that the possessor's right to use the software was "heavily encumbered" by other restrictions inconsistent with the status of an owner. *DSC Communications Corp. v. Pulse Communications, Inc.*

As reported at 57 BNA's PTCJ 399, on March 5, 1999, the U.S. Court of Appeals for the Eleventh Circuit held that a computer program based on earlier unregistered versions was protectable as a derivative work because the modifications to the earlier versions were sufficiently original for separate copyright protection. The court also held that scope of registered copyright in earlier version of computer software for viewing images on computer screen extends to protect later version of program that incorporates over 70 percent of earlier version, even though the later version is not separately registered. *Montgomery v. Noga*.

As reported at 58 BNA's PTCJ 107, on May 19, 1999, the U.S. Court of Appeals for the Sixth Circuit held that the element of access in a copyright infringement case may not be proved by a speculative chain of inferences drawn by the trial court. *Ellis v. Diffie*.

Trademarks

As reported at 58 BNA's PTCJ 5, on April 22, 1999, the U.S. Court of Appeals for the Ninth Circuit held that using another's trademark in one's web site "metatag" can cause initial consumer confusion in violation of the Lanham Act. Reversing a denial of a preliminary injunction, the court compared the defendant's metatags containing the plaintiff's "MovieBuff" mark to a billboard that advertises plaintiff's services but directs traffic to the defendant's business. *Brookfield Communications, Inc. v. West Coast Entertainment Corp.*

Free Speech

As reported at 67 BNA's U.S. Law Week 1682, on May 6, 1999, the U.S. Court of Appeals for the Ninth Circuit held that the Commerce Department's licensing rules for exports of computer en-



ryption source code violates the First Amendment's free speech clause. Source code is protected expression, the court says, and the export regulations, which apply to posting of covered data on the Internet as well as to actual exports, are an illegal prior restraint on speech. The government argued that the functional aspect of source code divests it of First Amendment protection. But the court disagreed, stating that source code "is written in a language intended . . . for human analysis and understanding" as well as for computers. It also faults the regulations for vesting "boundless discretion" in the government without providing for prompt administrative review or any judicial review. *Bernstein v. Department of Justice*.

U.S. DISTRICT COURT

Patents

As reported at 57 BNA's PTCJ 361, on February 3, 1999, the U.S. District Court for the Southern District of New York held that a company that provided sales literature and computer software that instructs customers how to use its die casting monitoring system in practicing a patented method was liable for willfully inducing infringement. *Mickowski v. Visi-Trak Corp.*

Patents—Personal Jurisdiction

As reported at 49 U.S.P.Q.2d 1822, on January 15, 1999, the U.S. District Court for South Carolina held that infringement defendant's maintenance of an interactive World Wide Web site that included the accused product did constitute an "offer to sell" allegedly infringing products in South Carolina under 35 U.S.C. §271(a), in absence of evidence that any South Carolina resident accessed defendant's Web page. *ESAB Group, Inc. v. Centricut, L.L.C.*

Copyrights

As reported at 57 BNA's PTCJ 340, on February 2, 1999, the U.S. District Court for the Southern District of New York held that fact issues concerning whether differences in the user interfaces of competing computer programs are more than trivial preclude a summary judgment of copyright infringement. The court determined that the protection sought was for a compilation of elements that are part of the display of the user interface, despite the plaintiff's general reference to "look and feel" protection for its program. Noting that protection for such a work "is thin," the court proceeded to analyze the user interface as non-literal elements of the program under the abstraction-filtration-comparison test of *Computer Assoc. Int'l, Inc. v. Altai, Inc. O.P. Solutions, Inc. v. Intellectual Property Network, Ltd.*

As reported at 58 BNA's PTCJ 7, on April 20, 1999, the U.S. District Court for the Northern District of California held that intermediate copying of computer software is likely infringing and not a fair use, even where the defendant's final product contains no infringing material. Issuing a preliminary injunction against the maker of software that emulates the Sony PlayStation on a computer, the court distinguished *Sega Enterprises, Ltd. v. Accolade, Inc.* where the copying was to study unprotectable ideas rather than produce a competing product. *Sony Computer Entertainment, Inc. v. Connectix Corp.*

As reported at 50 U.S.P.Q.2d 1063, on September 29, 1998, the U.S. District Court for the Central District of California held that allegations that defendant's perfume was promoted on World Wide Web site that was hyperlinked to several others, one of which contained infringing photograph, fail to state claim for copyright infringement based on multiple Internet linking. *Bernstein v. JC Penney, Inc.*

Copyrights—Personal Jurisdiction

As reported at 50 U.S.P.Q.2d 1341, on November 5, 1998, the U.S. District Court for the Middle District of Florida held that an Oregon corporation that sold allegedly infringing copies of computer software to its co-defendant for distribution in Florida is subject to personal jurisdiction of federal court in Florida infringement action, since corporation, by its alleged infringement, has committed tortious act and caused injury to plaintiff's property in Florida within the meaning of Florida's long-arm statute. *Precision Software Services, Inc. v. Fortune Financial Systems, Inc.*

Trademarks

As reported at 57 BNA's PTCJ 343, on February 12, 1999, the U.S. District Court for the Eastern District of Missouri held that an Internet website using the domain name "papalvisit.com" and providing links to adult entertainment sites diluted trademark rights in the term "Papal Visit," used in connection with the Pope's recent visit to St. Louis. *Archdiocese of St. Louis v. Internet Entertainment Group, Inc.*

As reported at 50 U.S.P.Q.2d 1317, on February 27, 1999, the U.S. District Court for the District of Massachusetts held that plaintiff alleging infringement of its "Energy Place" mark is granted preliminary injunction prohibiting defendant from using its "eENERGY place" mark and its "energyplace.com" Internet domain name. *Public Service Co. of New Mexico v. Nexus Energy Software, Inc.*

As reported at 50 U.S.P.Q.2d 1079, on November 6, 1998, the U.S. District Court for the District of Kansas held that plaintiff is not likely to prove that its "Internet Telephony" mark, for its World Wide Web magazine, is entitled to protection as part of family of "Telephony" marks, or that "Internet Telephony" has acquired secondary meaning. *Primedia Intertec Corp. v. Technology Marketing Corp.*

As reported at 49 U.S.P.Q.2d 1957, on June 23, 1998, the U.S. District Court for the Northern District of Ohio held that defendant's unauthorized operation of "Web-A-Sketch" Internet site, and his use of "Etch-A-Sketch" name, dilutes and infringes plaintiff's famous and registered "Etch A Sketch" trademarks for drawing toy. *Ohio Art Co. v. Watts.*

As reported at 58 BNA's PTCJ 151, on May 19, 1999, the U.S. District Court for the Eastern District of Virginia lifted a stay pending appeal on an order to surrender an infringing domain name despite the risk that, in the event of a reversal, the name may have been registered by a third party. *Washington Speakers Bureau, Inc. v. Leading Authorities, Inc.*

Trademarks—Personal Jurisdiction

As reported at 49 U.S.P.Q.2d 1878, on January 4, 1999, the U.S. District Court for the District of Oregon held that Internet contacts with the forum that fall within "middle ground" between actively



conducting business in the forum and passively providing information cannot support exercise of personal jurisdiction over a Web site operator absent additional “deliberate action” by the operator directed to the forum state. *Millennium Enterprises, Inc. v. Millennium Music, L.P.*

As reported at 50 U.S.P.Q.2d 1471, on December 24, 1998, the U.S. District Court for the Northern District of California held that a Georgia corporation’s conduct in sending letter to registrar of Internet domain names in Virginia, challenging plaintiff’s use of “masters.com” domain name, did not create specific personal jurisdiction over corporation for declaratory judgment action brought in California. *Bancroft & Masters, Inc. v. Augusta National, Inc.*

Right of Publishing

As reported at 57 BNA’s PTCJ 381, on January 22, 1999, the U.S. District Court for the Central District of California held that a magazine’s use of a digitally altered composite photograph of Dustin Hoffman’s head and a male body wearing a silk gown violated Hoffman’s right of publicity and Lanham Act rights and is not protected by “public affairs” or fair use defenses. *Hoffman v. Capital Cities/ABC, Inc.*

First Amendment

As reported in the February 1999, issue of THE COMPUTER LAWYER, on December 28, 1998 the U.S. District Court for the Eastern District of Missouri held that a suspension of a high school student for a critical web page violated the student’s right of free speech. *Beussink v. Woodland R-IV School District.*

Criminal

As reported in the May 1999, issue of THE COMPUTER LAWYER, on March 26, 1999, Kevin Mitnick, the notorious computer hacker, pled guilty to charges that he fraudulently carried out a scheme to obtain proprietary computer software from numerous computer software manufacturers, including Motorola, Novell, Nokia, Fujitsu, NEC, and Sun Microsystems. *United States of America v. Kevin David Mitnik*, No. CR 96-881-MRP (C.D. CA 03/16/99).

STATE COURT

Trademarks—Bankruptcy

As reported at 57 BNA’s PTCJ 397, on February 3, 1999, the Virginia Circuit Court, Fairfax County, held that Internet domain names are property subject to garnishment under Virginia statutes creating post-judgment creditor remedies. After a default judgment for trademark infringement, the court entertained a garnishment action against Network Solutions, Inc. for judicial sale of other domain names held by the defendant in satisfaction of the judgment. In the court’s view, a “cyber-pirate” found to have violated a trademark owner’s rights in a domain name dispute could face the loss of all domain names held by the infringer. *Umbro Int’l, Inc. v. 3263851 Canada, Inc.*

Misappropriation—Copyright Preemption

As reported at 57 BNA’s PTCJ 358, on January 26, 1999, the California Court of Appeals held that a state misappropriation claim over the golf handicapping system and formulas of the United States Golf Association is not preempted by Section 301 of

the Copyright Act because the formulas are not copyrightable subject matter. *United States Golf Association v. Arroyo Software Corp.*

Trade Secrets

As reported at 58 BNA’s PTCJ 149, on May 19, 1999, the Wisconsin Court of Appeals held that a computer aided design program was unprotectable as a trade secret because the plaintiff failed to sufficiently describe it as distinct from matters generally known in the industry. *ECT International, Inc. v. Zwerlein.*

Software Licensing

As reported in the April 1999, issue of THE COMPUTER LAWYER and 970 P.2d 803, on February 1, 1999 the Court of Appeals of Washington found a “pay-now-terms-later” license to be enforceable. *M.A. Mortenson Company, Inc. v. Timberline Software Corporation and Softworks Data Systems, Inc.*

U.S. PATENT AND TRADEMARK OFFICE

Trademarks

As reported at 49 U.S.P.Q. 1955, on January 1, 1999, the Trademark Trial and Appeal Board found that the term “www.eilberg.com”, as used on applicant’s letterheads and business cards, does not function as service mark for legal services in the field of intellectual property and thus is not registrable, since asserted mark merely indicates Internet location where applicant’s web site appears, and does not separately identify applicant’s legal services. *In re Eilberg.*

AMERICAN LAW INSTITUTE—LICENSING

As reported at 57 BNA’s PTCJ 490, on April 7, 1999, the National Conference on Uniform State Laws and the American Law Institute said they will continue to sponsor the drafting of a new uniform law on computer software sales and licensing, but the proposed new law will not be part of the UCC. Instead, drafters are working on repackaging their proposal as the Uniform Computer Information Transactions Act.

ABA and OHIO ETHICS PANELS

As reported at 67 BNA’s U.S. Law Week 2645, both the American Bar Association’s and Ohio Supreme Court’s ethics panels have decided in separate opinions that a lawyer’s transmittal of confidential information via unencrypted e-mail does not violate the lawyer’s duty to safeguard confidential client information. Because there is a reasonable expectation of privacy, a client’s specific consent to use unencrypted e-mail is not necessary, but the lawyer should consult with the client before transmitting any highly sensitive material, the panels recommended.



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