

IM 450-01
**Intellectual Property Law and New
Media**

Fall 2022

October 25 & 27, 2021

Days 17 & 18

**New Media IP law in the
International Arena
(including cases)**

© 2017, 2018, 2019, 2021, 2022
Ed Lamoureux/Steve Baron

Major complexities

- **No single global court or legal system.**
 - Most countries have both and many of those include procedures related to IP.
 - Some are like ours; others, not so much; others, not at all
- **A global economic environment.**
 - The global economy within the context of national cooperation, competition, hatred.
 - No single entity controls trade, globally.
- **A global information & communication environment.**
 - The internet with no borders and no central or universal control mechanism.
 - Also, communication mediums with some relationship to governmental control mechanisms.

Complexities of the international scene: Trade

- **we export a lot**
- **we also import a lot**
- **IP is a very significant portion of our exports**
 - **A little less so on the import side**
 - **Though in the tech areas, VERY important**
 - **But for everyone else, US stuff imported into their countries is a HUGE issue/problem.**

Who's in charge of our trade?

This implicates folks outside of the “usual” IP domains, in IP management

- The *State Department* and *Commerce Department* are principally tasked with controlling U.S. export matters.
- Much of that which is exported is subject to export licensing and Commerce Department controls under the Bureau of Export Administration commerce control list.

**Remember, global IP is not just
entertainment and Info.**

**Medical (including genetic and
pharmaceuticals), agricultural,
mechanical/industrial, and all forms of
business methods developments.**

Even non-IM IP is IM IP

- **Not all of these aspects involve (new) digital media.**
- **Communication connectivity (internet, satellite, and mobile phones) change local, regional, and national commerce into *global* commerce.**
- **Digitized company data (esp. financials), make global IP questions relevant.**

Trade as “Cudgel”

- **We use (too) often trade as the principle way to get compliance with our IP regime.**
- **As IP has become an important part of the U.S. export scene, the U.S. IP protection scheme has become grafted into trade laws.**
- **This is not a good way to do legislation over issues that then bleed back into (and in some cases, totally change) domestic policies.**

For example, the Trans-Pacific Partnership

- We negotiated it, signed it, but **GRATEFULLY** the Congress would not ratify it so it died. The other countries signed a different agreement; we stayed out.
- [EFF on Trans-Pacific Partnership Agreement and IP](https://www.eff.org/issues/tpp)
 - <https://www.eff.org/issues/tpp>
- Although we didn't stay in, leaders/negotiators tried to get us into a trade deal with **VERY** restrictive IP terms.

Many critics (both domestically and globally) decry these tactics

- **The U.S. approach is bad for the public distribution of knowledge;**
- **is sometimes counter to aspects of IP law that foster innovation and creativity;**
- **is (too) often unfair to native people in less developed countries;**
- **is overly restrictive of private use—perhaps to the point of working against legal protections for private use even within the U.S. (as well as globally);**
- **is overly protective of U.S. content industries (esp. entertainment) to the point of cultural hegemony.**

Still, international risks to our economy are Real

- **Piracy is rampant AND virtually beyond accounting. That pressures everyone.**
- **However, whenever you read/hear a figure that claims “X\$ are lost via IP piracy” remember that we have NO GOOD MEASURE for digital losses. Those “facts” are usually estimates extrapolated from losses to HARD goods (via counterfeits and piracy).**

Pushbacks

- **Some countries fall in line.**
- **Other countries push back in a variety of ways**
- **This is Geo-political stuff... with LONG histories and many complexities.**

One of the most important IP issues is *Jurisdiction*

- **Who's laws apply?**
- **Who can claim that their law has been broken?**
- **With what effect?**

- **There are similar domestic jurisdiction issues**
 - **Federal/State laws**
 - **City/county/state laws**
- **International settings further complicate the issue.**

Jurisdiction

- **Particular court or court system in charge; and**
- **Power of a court to hail a party into court and render a decision that is binding on that party**
 - **Criminal jurisdiction: there has to be some connection between the agency/org and the crime/criminal (the accused damaged the territory, nationality, national interests, or people of a country).**
 - **Civil Jurisdiction: some connection between the person or property and the territory (e.g., it's claimed that the defendant defamed the plaintiff via a website viewed in England).**

Jurisdictional Considerations

- **Venue**
 - **Location of a particular court**
- **Service of Process**
 - **The delivery of legal papers that initiates a law suit or legal proceeding**
- **Choice of Law**
 - **The legal process of deciding which of the jurisdiction's law applies**

Who Cares About Jurisdiction?

- Courts**
- Lawyers**
- Parties**
- Why care about jurisdiction?**
 - Impacts where you can be sued.**
 - Impacts law that applies to your suit.**
 - Impacts who decides the outcome.**
 - Impacts the nature of the outcome.**
 - Impacts the costs of suit.**
 - Impacts how you may decide to act in the future.**

Which Law?

- **When parties submit to international agency/court, they may agree to the standards of that venue**
- **When dragged into a national/state court, the court may pick either its own national/state law or the international law that country/state recognizes.**
 - **Almost always the former, though sometimes “informed” by the latter.**

How does one decide about jurisdiction on the Internet?

- **Zippo test: bases jurisdiction over a nonresident website on the degree of interactivity between the website and the forum.**
- **Effects test: focuses on the effects intentionally caused within the forum by a defendant's online conduct outside the forum.**
- ***"Determining Jurisdiction in Cyberspace: The "Zippo" Test or the "Effects" Test?" Julia Alpert Gladstone [pdf]***

Jurisdiction, example

- **“EU court: Facebook can be forced to remove content worldwide”**
 - **BRUSSELS — The European Union’s highest court ruled Thursday that individual member countries can force Facebook to remove what they regard as unlawful material from the social network all over the world _ a decision experts say could hinder free speech online and put a heavy burden on tech companies.**

The European Court of Justice ruling, which cannot be appealed, is seen as a defeat for Facebook and other online platforms and widens the divide over how heavily Europe and the U.S. seek to regulate technology giants.

It would increase the onus on them to monitor what appears online.

AP, Oct 3, 2019. <https://www.pjstar.com/zz/news/20191003/eu-court-facebook-can-be-forced-to-remove-content-worldwide/1>>

Venue Tourism

- **Defined:** A plaintiff chooses the jurisdiction for a suit based upon where the law is likely to favor plaintiff's case.
- **We have this domestically**
 - **Patent venues that favor one side or the other**
 - **Tort laws that vary across states**
- **Obviously, globalism complicates, and often features, this aspect.**

Securing the Protection of our Enduring and Established Constitutional Heritage (SPEECH) Act, Public Law 111 - 223

- **Aimed at curbing libel tourism**
- **Provides a federal cause of action for an injunction and monetary remedies**
- **Injunction to bar enforcement of a foreign libel judgment if subject speech was published in the U.S. and would not be actionable under U.S. law.**
- **Remedies: amount of foreign judgment, costs and attorney's fees and damages caused by decreased publishing opportunities**

- **Don't confuse this with the Speech Act governing copyright & online education.**

Trends

- **US Efforts to Legislate Against Global Piracy**
- **US Efforts to Prosecute Pirates (and esp. to get other governments to cooperate with us.**
- **X Strikes and You're Out! ("tested" abroad first**
- **Technological Solutions to New Media Problems**
- **We're Number 2; We're Number 3; We're Number X?**

Examples

- **International Trademark Registration: Nine Lessons Learned from Harry and Meghan**
 - <https://www.ipwatchdog.com/2020/04/13/international-trademark-registration-nine-lessons-learned-harry-meghan/id=120530/>
- **Google takes hard line, refuses to pay French news sites despite new law**
 - <https://arstechnica.com/tech-policy/2019/09/despite-new-law-google-refuses-to-pay-to-link-to-french-news-sites/>
- **French regulator says Google must pay news sites to send them traffic**
 - <https://arstechnica.com/tech-policy/2020/04/french-regulator-says-google-must-pay-news-sites-to-send-them-traffic/>
- **Federal Court Rules Trade Secret Damages Can Extend beyond the U.S. border**
 - <https://www.lexblog.com/2020/03/18/federal-court-rules-trade-secret-damages-can-extend-beyond-the-u-s-border/>
- **WIPO Now Gets Into The Extrajudicial, Zero Due Process, Censorship Act Over Sites It Declares 'Infringing'**
 - <https://www.techdirt.com/articles/20190712/00090542575/wipo-now-gets-into-extrajudicial-zero-due-process-censorship-act-over-sites-it-declares-infringing.shtml>

Cases and International IP Law

Copiepresse v. Google

- **Copiepresse v. Google highlights that countries outside the US do not uniformly agree that Internet search, précis, and linking protocols are free from copyright violations.”**
- **“Copiepresse (CP) is a Belgian collective rights management organization that represents Belgian newspapers. CP sued Google over the Google News service that copies headlines, the first sentence (or portion of sentence) of articles, and links, without prior permission from Belgian newspapers or the reporters who write the stories.”**
- **Google lost. “Under Belgian law, transformation of an underlying work is viewed negatively and as a violation of an author’s moral rights.”**

Google Spain v AEPD and Mario Costeja González

- **Over the right to be forgotten**
- **“In the Costeja case, a Spanish man requested the removal of a link to a digitized 1998 article in a Spanish newspaper about an auction for his foreclosed home, for a debt that he had subsequently paid. Google filed suit in Spanish courts, and the matter was referred to the Court of Justice of the European Union, which ruled in favor of the Spaniard and against Google.”**

United States v. Aleynikov

- **an international trade secret case**
- **“On his last day of employment at Goldman, Aleynikov copied, compressed, encrypted, and transferred to an outside server in Germany, hundreds of thousands of lines of source code for the trading system, including trading algorithms that determine the value of stock options.”**
- **“Aleynikov was convicted by a jury on two counts of theft of trade secrets under the federal Economic Espionage Act and National Stolen Property Act (NSPA). He was sentenced to 97 months of imprisonment and ordered to pay a fine of \$12,500.**
- **The Second Circuit reversed the conviction and found that the theft and subsequent interstate transmission of ”“purely intangible property (i.e., source code) is beyond the scope of the NSPA.**
- **In the wake of the Aleynikov case, in order to strengthen the Economic Espionage Act, on January 14, 2013 Congress enacted the Theft of Trade Secrets Clarification Act of 2012 that allows for punishment of acts like the one Aleynikov committed. In addition, Congress passed the Foreign and Economic Espionage Penalty Enhancement Act of 2012,”**

Explaining the Defend Trade Secrets Act

https://www.americanbar.org/groups/business_law/publications/blt/2016/09/03_cohen/

“Stretching the Bounds of Personal Jurisdiction, 4th Circuit Finds Geotargeted Advertising May Subject Foreign Website Owner to Personal Jurisdiction in the U.S.”

By J. Alexander Lawrence & Lily Smith on July 21, 2020.

LexBlog

- **UMG Recordings, Inc. v. Kurbanov**
- **Foreign websites that use geotargeted advertising may be subject to personal jurisdiction in the United States, even if they have no physical presence in the United States and do not specifically target their services to the United States, according to a new ruling from the Fourth Circuit Court of Appeals.**

UMG Recordings, Inc. v. Kurbanov

- In UMG Recordings, Inc. v. Kurbanov, twelve record companies sued Tofig Kurbanov, who owns and operates the websites: flvto.biz and 2conv.com. These websites enable visitors to rip audio tracks from videos on various platforms, like YouTube, and convert the audio tracks into downloadable files.
- The record companies sued Kurbanov for copyright infringement and argued that a federal district court in Virginia had specific personal jurisdiction over Kurbanov because of his contacts with Virginia and with the United States more generally. Kurbanov moved to dismiss for lack of personal jurisdiction, and the district court granted his motion.
- The district court found that both flvto.biz and 2conv.com were semi-interactive, that the visitors' interactions with them were non-commercial, and that Kurbanov did not purposefully target either Virginia or the United States. As a result, the court ruled that no federal court in the United States had personal jurisdiction over Kurbanov and to exert such jurisdiction would violate due process. On appeal, however, the Fourth Circuit reversed the district court's ruling and remanded the case.
- website owners that use geotargeted ads should take note. Just because they do not have a physical presence in the United States and do not intentionally seek to attract users from the United States, does not mean that they are safe from being hauled into a U.S. court.
- <https://www.lexblog.com/2020/07/21/stretching-the-bounds-of-personal-jurisdiction-4th-circuit-findsgeotargeted-advertising-may-subject-foreign-website-owner-to-personal-jurisdiction-in-the-u-s/>

In re: BlackBerry Application

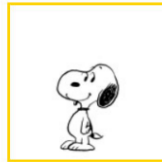
- **“In re: BlackBerry Application No. 09159981.1 is one example of a decision from the Board of Appeal of the European Patent Office relating to an application by BlackBerry Limited.**
- **BlackBerry Limited was refused registration for an invention titled “Efficient Attachment of User-Selected Files to E-Mail from Handheld Device.” The European Patent Office rejected the patent on the ground that it lacked an inventive step. ”**

Baron on International IP Law

Peanuts Worldwide LLC v. The Partnerships and Unincorporated Associations Identified on Schedule "A" 1:21 cv 1992



Charlie Brown



Snoopy



Woodstock



Lucy



Linus



Sally



Schroeder



Pigpen



Franklin



Peppermint Patty



Marcie

Peanuts Worldwide LLC v. The Partnerships and Unincorporated Associations Identified on Schedule "A"

1:21 cv 1992

- **Who's who?**

- **PLAINTIFF:** Peanuts Worldwide sells DVDs of classic shows and licenses comic strips, games, toys, stuffed toys, holiday ornaments, bathroom products, stationery, bed linens, clothing and jewelry.
- Peanuts Worldwide owns many trademark registrations and copyright registrations.
- **DEFENDANTS:** Internet Stores who reside and/or operate in the **People's Republic of China and other foreign jurisdictions.** Defendants operate e-commerce stores.
- **Fed. R. Civ. P. Rule 17(b):** a partnership or other unincorporated association with no such capacity under that state's law may sue or be sued in its common name to enforce a substantive right existing under the United States Constitution or laws

**Peanuts Worldwide LLC v. The Partnerships and
Unincorporated Associations Identified on Schedule
"A"
1:21 cv 1992**

- **What does plaintiff allege defendants do?**
 - **Answer:** Sell counterfeit goods and merchandise on e-commerce stores.
- **What does plaintiff want?**
 - Injunction;
 - Damages;
 - Attorney's fees.

Peanuts Worldwide LLC v. The Partnerships and Unincorporated Associations Identified on Schedule "A" 1:21 cv 1992

Date Filed	#	Docket Text
04/14/2021	1	COMPLAINT filed by Peanuts Worldwide LLC; Filing fee \$ 402, receipt number 0752-18123547. (Attachments: # 1 Exhibit 1, # 2 Exhibit 2, # 3 Exhibit 3, # 4 Exhibit 4, # 5 Exhibit 5)(Gaudio, Justin) (Entered: 04/14/2021)
04/14/2021	2	SEALED EXHIBIT by Plaintiff Peanuts Worldwide LLC <i>Schedule A</i> regarding complaint 1 (Gaudio, Justin) (Entered: 04/14/2021)
04/14/2021	3	MOTION by Plaintiff Peanuts Worldwide LLC for leave to file <i>under seal</i> (Gaudio, Justin) (Entered: 04/14/2021)
04/14/2021	4	CIVIL Cover Sheet (Gaudio, Justin) (Entered: 04/14/2021)
04/14/2021	5	ATTORNEY Appearance for Plaintiff Peanuts Worldwide LLC by Justin R. Gaudio (Gaudio, Justin) (Entered: 04/14/2021)
04/14/2021	6	ATTORNEY Appearance for Plaintiff Peanuts Worldwide LLC by Amy Crout Ziegler (Ziegler, Amy) (Entered: 04/14/2021)
04/14/2021	7	ATTORNEY Appearance for Plaintiff Peanuts Worldwide LLC by Allyson M. Martin (Martin, Allyson) (Entered: 04/14/2021)
04/14/2021	8	ATTORNEY Appearance for Plaintiff Peanuts Worldwide LLC by Isaku Begert (Begert, Isaku) (Entered: 04/14/2021)
04/14/2021		CASE ASSIGNED to the Honorable Steven C. Seeger. Designated as Magistrate Judge the Honorable Heather K. McShain. Case assignment: Random assignment. (cp,) (Entered: 04/14/2021)
04/19/2021	9	MAILED Trademark report to Patent Trademark Office, Alexandria VA. (jh,) (Entered: 04/19/2021)

Peanuts Worldwide LLC v. The Partnerships and Unincorporated Associations Identified on Schedule "A"

1:21 cv 1992

- **Can an American company sue a foreign person or company in U.S. Court?**
 - Yes.
- **How do you “serve process” on a foreign person or company?**
 - Under International Treaties (e.g., the Hague Convention)
 - By email..... (if allowed by court)
- **What happens in a typical case?**
 - Freeze PayPal Accounts
 - Quick settlement or default judgment
- **Plaintiffs continue to play “Whack-A-Mole”**



The Ohio State University v. Redbubble (Remember these guys?)



A screenshot of the Redbubble website homepage. The header includes the Redbubble logo, a search bar, and navigation links for 'Sell your art', 'Login', and 'Signup'. Below the header is a navigation menu with categories: Clothing, Stickers, Masks, Phone Cases, Wall Art, Home & Living, Kids & Babies, Accessories, Stationery, Gifts, and Explore designs. The main banner features two black face masks with colorful, abstract designs and the text 'FIND YOUR THING' and 'Unique products designed and sold by independent artists.' Below the banner is a 'Shop Product Range' section with three product cards: 'Shop Masks' (a teal mask with a rainbow and clouds), 'Shop Stickers' (a hand holding a sticker on a water bottle), and 'Shop T-Shirts' (a black t-shirt with a colorful design). At the bottom, there are three icons with text: 'Weirdly meaningful art' (Millions of designs on over 70 high quality products), 'Purchases pay artists' (Money goes directly into a creative person's pocket), and 'Socially responsible production' (We're investing in programs to offset all carbon emissions).

The Ohio State University v. Redbubble

- OSU earns \$100 million each year from licensing merchandise
- Redbubble operates online marketplace with 600,000 independent artists who can upload images
 - Consumers can select images and place them on customized item
- OSU sues for trademark infringement
- Redbubble wins summary judgment in trial court – Redbubble did not use the OSU marks but was merely a “transactional intermediary”
- OSU appeals and wins.
- **But wait... Redbubble is based in Australia? How can it be sued here?**

Sending marketing emails – the laws on consent vary

- **CAN-SPAM law in the U.S. allows a company to send a marketing email unless someone **opts-out** (*i.e.*, says please remove me from the list).**
- **Canada's counterpart law (CASL) says a company can send marketing email only if a person has expressly consented – *i.e.* **opts-in** -- to receive such messages).**
- **What happens to a U.S. based company who sends a marketing email campaign across North America without consent?**



International Take-Aways

- **Increasingly, U.S. courts are allowing foreign counterfeiters to be sued in U.S. courts.**
- **If you control the purse (PayPal), you control the outcome in such cases.**
- **Foreign businesses are subject to jurisdiction in U.S. courts if they do regular and systematic business in the U.S.**
- **U.S. businesses must abide by foreign laws if those businesses are operating in and selling goods and services to consumers in such foreign jurisdictions.**