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# Intellectual Property & The Internet: Avoiding Infringement and Enforcing IP Rights

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# Copyright & The Internet

Stacy M. Schwartz

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# The Copyright Act: 17 U.S.C. §501, et seq.

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- What Does a Copyright Protect?
  - Original Works of Authorship
  - Common Items Protected
    - Music
    - Books/Publications
    - Artwork
    - Movies/Video


## Most are familiar with the Motion Picture Notice

# WARNING

The motion picture contained in this videodisc is protected under the copyright laws of the United States and other countries. This disc is sold for home use only and all other rights are expressly reserved by the copyright owner of such motion pictures. Any copying or public performance of such motion picture is strictly prohibited and may subject the offender to civil liability and severe criminal penalties. (Title 17, United States Code. Section 501 and 506)

# Copyrights Also Protect

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- Website content
  - Computer Software
  - Photographs
  - Jingles
  - Sound files
  - And ... often there is no Notice or WARNING
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# Copyright Protection Extends to ORIGINAL Works

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- What is an Original Work?


- Standard is very low

“Original, as the term is used in copyright, means only that the work was independently created by the author (as opposed to copied from other works), and that it possesses at least some minimal degree of creativity. 1 M. Nimmer & D. Nimmer, Copyright §§ 2.01[A], [B] (1990). To be sure, the requisite level of creativity is extremely low; even a slight amount will suffice. The vast majority of works make the grade quite easily, as they possess some creative spark, ‘no matter how crude, humble or obvious’ it might be. *Id.*, § 1.08[C][1].”

Feist Publ'ns, Inc. v. Rural Tel. Serv. Co., 499 U.S. 340, 345, 111 S. Ct. 1282, 1287 (1991)

# Copyright Owner's Rights

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- Reproduce Work
  - Prepare derivative works
  - Distribute copies
  - Perform Work
  - Display Work
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# Copyright Registration

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- Rights attach at creation not registration
- Registration is not necessary to create rights
- Registration benefits
  - Statutory damages
  - Commence litigation

# Copyright Infringement Standard

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- Identical or substantially similar
  - “This standard occupies a non-quantifiable value on the legal spectrum between no similarity and identicalness.” 4 Melville B. Nimmer & David Nimmer, *Nimmer on Copyright* § 13.03[A] (2006); *see also Bateman*, 79 F.3d at 1543 n.25 (“Two works need not be identical in order to be deemed 'substantially similar' for purposes of copyright infringement.”). *BUC Int'l Corp. v. Int'l Yacht Council Ltd.*, 489 F.3d 1129, 1148 (11th Cir. 2007)
- Subjectivity

- Is intent required for liability?
  - NO
- What about an innocent infringement?
  - Contributory Copyright Infringement
    - Website Designer
    - Internet Photos
  - Giving copyright credit without permission

# Innocent Infringers v. Intentional Infringers

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- Distinguished by damages permitted under the law
- Innocent infringer – Lost profits/ Actual damages (Reasonable Royalty)
- Intentional infringer – Increased statutory damages and attorneys' fees

# Common Targets by Copyright “Trolls”

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- Small businesses
- Religious organizations/Nonprofits
- Individuals
  - All are usually unfamiliar with the copyright law, generally do not have in-house counsel

# Common Copyright Plaintiffs

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- Large media companies i.e., Getty Images, AFP
- Large companies that protect brand and image, i.e., Apple


# If Your Client is Alleged to Have Infringed

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- Act quickly
- Determine whether insurance coverage exists
- Do not wait to respond to or ignore a cease a desist letter
- Retain an experienced IP counsel
  - Defenses to reduce settlement
  - Negotiation tactics to reduce settlement payment/royalty
  - Lack of experience can cause increased costs / time to client
- Once lawsuit filed, can be much harder to settle

# If Your Client Believes Their Work Has Been Infringed

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- Act quickly to avoid waiver and/or further damage
  - Is there a Copyright Registration
    - Does it cover the right work?
    - Fair use or other applicable defenses?
  - Are there multiple infringers
  - Contract/Work for Hire
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# Tips

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- Meet with IP lawyer to advise on:
  - Website design, images, content, linking to third party sites
  - Copy in advertising
  - Employee/Vendor Contracts to protect IP such as source code

- As technology changes, nature of copyright violations change
  - NAPSTER/File Sharing
    - Launched June 1999
    - Tens of millions of users
    - RIAA obtained injunction in 2001 based on copyright law
  - Apps
    - Apple's "App Store" launched in 2008

# **Digital Millennium Copyright Act Takedown Process**

Lorri Lomnitzer

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# Opening

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- History of Digital Millennium Copyright Act
  - Signed by President Bill Clinton – October 28, 1998
  - Created to address the issues that copyright owners faced with new technology and a growing digital world
- Basic Copyright law
  - Copyright protection is available to any original work that is fixed in a tangible medium of expression.
  - Registering a copyright gives the creator certain exclusive rights and additional protections.

# DMCA

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- Why was it enacted
  - The old laws did not keep up with growing and changing technology
    - The Internet - This is the simple answer. As the internet grew, this made sharing copyrighted works so easy.
    - Cell Phones – it was easy to record a song and send it to other people
    - File Sharing
      - Napster
        - [2001 decision in the Ninth Circuit](#)
      - BitTorrent
  - Attempted to create a balance between the interest of copyright holders and the interest of those wanting access to the copyrighted material

# DMCA

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- What does it do
  - The DMCA criminalizes production and distributing devices, services, or technology that eludes measures that are in place to control access to copyrighted works.
  - The law also makes the act of by-passing an access control a crime, even if there was no actual copyright infringement

# Notice & Take Down & Safe Harbor Provision – §512

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- Notice and Take Down Requirement

- The DMCA notice and takedown process is designed for copyright holders to get user-uploaded material that infringes their copyrights taken down off of websites. The process simply requires the copyright owner (or the owner's agent) to send a takedown notice to the service provider requesting that they remove material that is infringing their copyright.
- A service provider can be an internet service provider (e.g., Comcast), website operator (e.g., eBay), search engine (e.g., Google), a web host (e.g., GoDaddy) or other type of online site-operator

- Safe Harbors

- Safe harbors were created to help protect service providers against all copyright liability in the event copyrighted material was uploaded and stored on their pages without their knowledge

# Notice & Take Down & Safe Harbor Provision – §512

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- Safe Harbors (cont.)

- Transitory Digital Network Communications
  - The ISP trying to protect itself must be a channel for messages being sent and doesn't actually create and store the copyrighted material themselves.
- System Caching
  - The internet provider can't be the one uploading the copyrighted material
- Information residing on systems of networks at the discretion of users
  - The service provider cannot be aware that the material is infringing
- Information location tools
  - Providers that link users to other sites are not liable for the infringement on those sites



# Important Cases

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- Napster (As Cited Above)
- Religious Technology Center
- Viacom vs. Youtube
  - Actual knowledge vs. red flag knowledge
    - infringement.”
- Capitol Records vs. Vimeo
- Youtube vs. Brady

# DMCA Today

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- The Future?

- Unclear

- Some think more legislation change is necessary
    - Some feel a complete rework, while others think using the basic framework already in place is enough
    - The biggest hurdle will be the copyright holders and the internet service providers working together to combat infringement, but this is easier said than done

# **TM'S, Domain Names, Fictitious Names, Corporate Names**

Michael Santucci  
Santucci Priore, P.L.

# What is a Trademark?

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- The term “trademark” includes any word, name, symbol, or device, or any combination thereof—
  1. Used by a person, or
  2. Which a person has a bona fide intention to use in commerce and applies to register on the principal register established by this chapter,
- To identify and distinguish his or her goods, including a unique product, from those manufactured or sold by others and to indicate the source of the goods, even if that source is unknown.

# 15 U.S.C. § 1127

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“Trademark” means any word, name, symbol, or device, or any combination thereof, used by a person to identify and distinguish the goods of such person, including a unique product, from those manufactured or sold by others, and to indicate the source of the goods, even if the source is unknown.

## Fla. Stat. § 495.011(13)

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“Service Mark” means the same thing but for the purpose of services rather than goods.

# Fla. Stat. § 495.011(11)

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- TM Remedies/Causes of Action
  - Florida Statutes – 495.131 (infringement), 495.151 (dilution), 495.141 (remedies)
  - Federal Lanham Act – 15 U.S.C. §§ 1114, 1125(a), 1125(c), 1125(d)
  - Remedies: Injunctions, Actual Damages, Profits of Infringer, Reasonable Royalty
- \*These remedies are not necessarily available simply by virtue of registering a domain name, fictitious name (d/b/a) or forming a business entity (“registering a corporation”)

# Florida's Fictitious Name Statute – § 865.09, Florida Statutes

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“Fictitious name” means any name under which a person transacts business in this state, other than the person’s legal name.



## § 865.09(2)(c), Florida Statutes

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- § 865.09(3)(a): A person may not engage in business under a fictitious name unless the person first registers the name with the division by filing a registration listing:
- § 865.09(8): **EFFECT OF REGISTRATION.**—Notwithstanding any other law, registration under this section is for public notice only, and **does not give rise to a presumption of the registrant’s rights to own or use the name registered, nor does it affect trademark, service mark, trade name, or corporate or other business entity name rights previously acquired by others in the same or a similar name.** Registration under this section does not reserve a fictitious name against future use.

# Corporate Names

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**Forming a corporation or an LLC is not a substitute for a trademark registration.**

# Domain Names

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- Cybersquatting - 15 U.S.C. § 1125(d) – Bad faith registration or renewal of domains
  - Factors
  - Remedies – Damages, Injunctions, Cancellation, Profits

# Uniform Domain Name Dispute Resolution Policy (UDRP) – ICANN.org; wipo.int

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- Cancellations, Transfers, and Changes. ICANN will cancel, transfer or otherwise make changes to domain name registrations under the following circumstances:
  - A. Subject to the provisions of Paragraph 8, our receipt of written or appropriate electronic instructions from you or your authorized agent to take such action;
  - B. Our receipt of an order from a court or arbitral tribunal, in each case of competent jurisdiction, requiring such action; and/or
  - C. Our receipt of a decision of an Administrative Panel requiring such action in any administrative proceeding to which you were a party and which was conducted under this Policy or a later version of this Policy adopted by ICANN. (See Paragraph 4(i) and (k) below.)

# Uniform Domain Name Dispute Resolution Policy (UDRP) – ICANN.org; wipo.int

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- A. Applicable Disputes. You are required to submit to a mandatory administrative proceeding in the event that a third party (a "complainant") asserts to the applicable Provider, in compliance with the Rules of Procedure, that:
  - I. Your domain name is identical or confusingly similar to a trademark or service mark in which the complainant has rights; and
  - II. You have no rights or legitimate interests in respect of the domain name; and
  - III. Your domain name has been registered and is being used in bad faith.
- In the administrative proceeding, the complainant must prove that each of the above three elements are present.

# Uniform Domain Name Dispute Resolution Policy (UDRP) – ICANN.org; wipo.int

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- b. Evidence of Registration and Use in Bad Faith. For the purposes of Paragraph 4(a)(iii), the following circumstances, in particular but without limitation, if found by the Panel to be present, shall be evidence of the registration and use of a domain name in bad faith:
  - I. Circumstances indicating that you have registered or you have acquired the domain name primarily for the purpose of selling, renting, or otherwise transferring the domain name registration to the complainant who is the owner of the trademark or service mark or to a competitor of that complainant, for valuable consideration in excess of your documented out-of-pocket costs directly related to the domain name; or
  - II. You have registered the domain name in order to prevent the owner of the trademark or service mark from reflecting the mark in a corresponding domain name, provided that you have engaged in a pattern of such conduct; or
  - III. You have registered the domain name primarily for the purpose of disrupting the business of a competitor; or
  - IV. By using the domain name, you have intentionally attempted to attract, for commercial gain, Internet users to your web site or other on-line location, by creating a likelihood of confusion with the complainant's mark as to the source, sponsorship, affiliation, or endorsement of your web site or location or of a product or service on your web site or location.



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